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EXXON VALDEZ OIL SPILL SETTLEMENT
Trustee Council

Alaska Public Utilities
1016 West 6th Avenue
Suite 305
Anchorage, Alaska
December 19, 1991
6:30 o'clock p.m.

IN ATTENDANCE:

State of Alaska	MR. CHARLES COLE Attorney General Council Meeting Chairman
State of Alaska Department of Environmental Conservation	Mr. JOHN SANDOR Commissioner
Alaska Department of Fish and Game	MR. CARL ROSIER Commissioner
USDA Forest Service	MR. MICHAEL BARTON MR. DAVE GIBBONS Regional Forester
National Oceanic Atmospheric Administration	MR. STEVEN PENNOYER Regional Director
United States Department of the Interior	MR. CURTIS McVEE Special Assistant to the Secretary

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P R O C E E D I N G S

MR. COLE: Good evening, ladies and gentlemen. This is the meeting of the Exxon Valdez Oil Spill Settlement Trustee Council. We're meeting this evening in the offices of the Alaska Public Utilities Commission, 1016 West 6th Avenue, Suite 305, Anchorage.

Initially, this evening I would like to again introduce the members of the Trustee Council, starting on the left is Curt McVee, the designee of the Secretary of the Interior; next is Mike Barton, he's the designee of Secretary Madigan, Secretary of Agriculture; to my left is Steve Pennoyer, designee of the NOAA Trustee, Dr. Knauss, Steve Pennoyer; on the extreme right is John Sandor, Alaska Commissioner of the Department of Environmental Conservation; and, next to me on my right is Carl Rosier, Commissioner of the Department of Fish & Game.

This evening, in addition, I would like to introduce the designee of Administrator Reily (ph) of the Environmental Protection Agency, Mr. Robert Bird, he's from the Tenth Regional Office in Seattle. Mr. Bird.

MR. BIRD: You will recall, those of who attended the last meeting of the Trustee Council, that each member of the Trustee Council was afforded the right to name on designee to a subgroup, the name of which I obviously have difficulty recalling, but it's the RRCG group; and I think that stands for

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1 Restoration, Resource, Coordination Group. It is a name which
2 this evening I would like to mention or to have consideration
3 given to simplifying the name; sometimes I read it Resource,
4 Restitute -- or Restoration Council, and then it's group, and
5 then it's something else. And, it's really -- I find it very
6 difficult, I don't know if you ladies and gentlemen have the
7 same problem with it that I do, but I must say I certainly do.

8 But in any event -- and, also at the last meeting, we
9 were to hold, as we did, an executive session for the
10 appointment of, you might say, an acting executive director.
11 The following day, we met and appointed or elected an executive
12 director, Dave Gibbons, who will I introduce to you now.
13 Mr. Gibbons, if you would stand and let these people have a
14 good look at you, please.

15 Next, is Dr. Jerome Montague, the designee of Curt
16 Rosier. Dr. Montague.

17 Stan Senner, designee. Marty Rutherford, she's the
18 designee of Harold Heinz who is the Commissioner of Natural
19 Resources, as you know, who is my designee; so, she's a sub,
20 sub-designee. And, lastly, Ernie Piper

21 UNIDENTIFIED VOICE: Alternate designee.

22 MR. BIRD: alternate designee of Commissioner
23 Sander. Thank you, ladies and gentlemen.

24 CONFERENCE OPERATOR: Excuse me. This is the bridge
25 (ph) operator. Just to let you know, Soldotna, Cordova, Kodiak

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1 and Juneau are on line.

2 MR. COLE: Thank you. Does everyone have a copy of
3 this evening's agenda?

4 JUNEAU MODERATOR: This is the Juneau moderator, and
5 we'd like a copy of the agenda, please.

6 MR. COLE: Sure. Do you have a fax machine there?

7 JUNEAU MODERATOR: The number is 465-2299.

8 KODIAK MODERATOR: This is Kodiak, we would like a
9 copy, too.

10 MR. COLE: Please give us the fax number.

11 KODIAK MODERATOR: 486-5264.

12 MR. COLE: Would any other station like a copy of the
13 agenda? It's sort of an nondescript document, but you're
14 certainly welcome to have it.

15 SOLDOTNA MODERATOR: Could you please send one to
16 Soldotna at 262-1881?

17 VALDEZ MODERATOR: Can you sent one to Valdez,
18 835-2097?

19 MR. COLE: Well, in any event, those of you who do not
20 have a copy of the agenda, the initial item on the agenda this
21 evening is entitled Opening Statements. Who here this evening
22 in officialdom (ph) would like to make an opening statement?

23 UNIDENTIFIED VOICE: Homer has none.

24 MR. McVEE: I guess one thing, that

25 MR. COLE: Mr. McVee.

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1 MR. McVEE: Yes, Mr. Chairman. You guys might
2 recognize the Interior member on the RRCG, and we've identified
3 Pam Bergman, but she is acting on leave for some period of time
4 here, so we have acting Cornell Roy. Cornell, back there.

5 MR. COLE: Sir, would you like to sit at the table for
6 RRCG? And, Mr. Pennoyer?

7 MR. PENNOYER: Yeah. Following up on that, Dr. Byron
8 Morris will be the NOAA representative on the RRCG. Byran.

9 MR. COLE: And, sir, you're welcome to sit here at this
10 august table. And, Mr. Barton, please.

11 MR. BARTON: Mr. Ken Rice will be the Department of
12 Agriculture member for the RRCG.

13 MR. COLE: Mr. Rice, if you can find room here, if
14 that's your wish, you're certainly welcome to sit with your
15 fellow RRCG members.

16 UNIDENTIFIED VOICE: Mr. Cole, we aren't submitting
17 anything (indiscernible) so we'll stay back here.

18 MR. COLE: All right. Thank you, sir.

19 Now, opening statements, please. First, members of the
20 Trustee Council on the Federal side, please. Any opening
21 statements?

22 MR. McVEE: No, (indiscernible - away from microphone).

23 MR. COLE: And, State Trustees?

24 MR. SANDOR: None.

25 MR. COLE: Are there members of the RRCG who would like

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1 to make an opening statement at this time? No opening
2 statements. Do we, now, gentlemen, pass to the RRCG member
3 identification? I think we've done that. And, what about sub-
4 groups, that's the next agenda. Mr. Gibbons, would you like to
5 make a presentation of sub-groups?

6 UNIDENTIFIED VOICE: Get over here by the microphone.

7 MR. COLE: For those listening in on teleconference,
8 Mr. Gibbons, the Executive Director, has taken the seat at the
9 special table with the microphone and will now make a
10 presentation of his sub-groups.

11 MR. GIBBONS: Thank you, Mr. Chairman. At the last
12 meeting -- public meeting on December 5th, the Trustee Council
13 requested the initiation of some tasks. And, those tasks were
14 to initiate a meaningful public participation process,
15 including the Public Advisory Group; and, secondly, to draft a
16 restoration framework work plan to start initially.

17 And, in the interim status between the previous
18 organization that we had, the Management Team and the
19 Restoration Planning work group, and the new one that was
20 formed that evening, which was the R2CG (ph) in the Trustee
21 Council. To get these tasks done, I formed some small work
22 groups to work on those in the interim until we get a final
23 organization done. And, I used the existing staff that was on-
24 hand at the time, and we created four small groups. And, these
25 groups are our restoration framework group, the damage

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1 assessment restoration work plan group to develop a work plan
2 for 1992, the public participate group, and finally, a budget
3 and process group.

4 And, we'll hear from some of the members of those
5 groups later. And, I just wanted to request the approval to
6 continue those groups until a final organization is set; and,
7 we can move forward with the organization at that time.

8 MR. COLE: How many members are in each group?

9 MR. GIBBONS: Well, right now, it's not firm. We've --
10 I've got either a chair or co-chair on each one, but the number
11 of members in those groups are not determined yet at this time.

12 MR. COLE: Does any member of the Council want to make
13 observations on that subject? Mr. Pennoyer.

14 MR. PENNOYER: Well, Mr. Chairman, as Mr. Gibbons said,
15 we're going to get reports later in the meeting on the
16 activities conducted by these groups and might be a little
17 better able to comment on their adequacy in terms of
18 composition or what have you. Certainly, the work we assigned
19 you fell into these areas, and we'd like to hear the work that
20 has preceded. These are ad hoc groups

21 MR. GIBBONS: That's correct.

22 MR. PENNOYER: composed from existing staff on
23 the current various sub-groups that we've formed. So, this
24 isn't a new staffing effort, it's basically making use of
25 existing people?

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1 MR. GIBBONS: That's correct.

2 MR. COLE: Will all the members of the sub-groups be
3 members of the RRCG?

4 MR. GIBBONS: There are members on -- from the RRCG
5 group on every one of these; yes, that's correct; but they're
6 not solely only limited to the RRCG group. There's some other
7 expertise that we need to accomplish some of these tasks.

8 MR. COLE: Yes, Mr. Pennoyer.

9 MR. PENNOYER: Mr. Chairman. The RRCG, as we assigned
10 it, has called in expertise from the agencies to assist, which
11 I think is sort of what we had in mind rather than establishing
12 permanent groups that for different assignments they do just
13 that. So, pending hearing the report and seeing where we go,
14 I'd suggest we just proceed with it.

15 MR. COLE: All right. Mr. Sandor.

16 MR. SANDOR: (Indiscernible - away from microphone).

17 MR. COLE: All right. Thank you. Do you want to
18 continue then, Mr. Gibbons, please?

19 MR. GIBBONS: Yeah. That's basically -- I just wanted
20 the approval of the Trustee Council to continue with this
21 process until a final organization is completed.

22 MR. COLE: Is there objection? All right. It's --
23 you're so authorized.

24 MR. GIBBONS: The next topic on the agenda is Operating
25 Procedures. And, we'd like to get the approval of the Trustee

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1 Council to start developing some of those operational
2 procedures, both perhaps for the Trustee Council, at you wish,
3 or at the role of the RRCG group, too. We believe that there's
4 some operation -- operating procedures that are needed, and we
5 just want your thoughts and/or approval to initiate some
6 activities in these areas.

7 MR. COLE: Mr. Tillery in the Department of Law has
8 done some work on some operating procedures for the Trustee
9 Council. Have you seen that work product?

10 MR. GIBBONS: Yes, I have.

11 MR. COLE: Okay. Is there any objection by any member
12 of the Trustee Council to that request? Mr. McVee?

13 MR. McVEE: I just had a couple comments on
14 Mr. Tillery's product, if those are appropriate at this time.

15 MR. COLE: Sure. Certainly.

16 MR. McVEE: Okay. Thank you, very much.

17 MR. COLE: I mean since they're the Department of Law,
18 how could I object to it, your comments?

19 MR. McVEE: It's a good effort, and I think basically
20 that what's been outlined will work. One of the thing -- one
21 of the areas that was of some concern was that the designation
22 of a designee, that in case of failure of one of the Trustee
23 Council members to be available for a meeting -- and, I know
24 that it's difficult for all six of us to -- schedules to arrive
25 at a calendar date where we can be present. But it seems to me

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1 like we may want to broaden that out just a little bit, other
2 than illness, emergency or vacancy, that there could be other
3 extenuating circumstances such as, you know, the boss calls me
4 to Washington and I'm not available and yet there's important
5 matters to be considered.

6 I think there's -- if that is broadened out, there
7 should be a clear understanding that whoever is designated
8 would carry the same vote and be able to conduct business. I
9 think that would fail if my designee, for example, were to say
10 well, I've got to wait till Curt returns and talk to him before
11 I can make a vote on a matter. But I think we should broaden
12 that out a little bit.

13 MR. PENNOYER: I'll open that.

14 MR. COLE: Yes, Mr. Pennoyer.

15 MR. PENNOYER: I think that Curt's quite right, since
16 we reach decisions by consensus, if we're continually
17 frustrated by individual travel plans, we'll probably never get
18 the job done. But one additional factor I think is that we
19 probably don't want to see different people at the table every
20 time you turn around. So, if possible, the suggestion might be
21 that we designate that alternate up front and in writing or
22 something so that we know, on some consistent basis, who we'll
23 be dealing with.

24 MR. COLE: Well taken. Any other comments on that
25 subject? Did you have other comments, Mr. McVee?

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1 MR. McVEE: No, I think that's all at this time.

2 MR. COLE: All right. Mr. Pennoyer.

3 MR. PENNOYER: I have one additional comment that might
4 be looked at, too, when you're going over this. There is a
5 concept in here about quorums, and the wording is basically
6 unanimous approval of all Council members. I think the
7 decisions are taken by consensus, and I assume consensus means
8 all six. So, quorums for certain purposes might be all right,
9 but I assume that that's not what we're going to try to do
10 because we're going to reach decisions; we'll have to have the
11 six seats filled.

12 MR. COLE: Well, I --

13 MR. PENNOYER: Is that correct?

14 MR. COLE: I wouldn't think that a quorum is
15 equivalent to unanimous vote of all six. I thought that at the
16 last meeting, we decided that in accordance with MOA that we
17 would follow the same procedure; that was my understanding, was
18 I in error on that or does -- you're nodding say I was in
19 error?

20 UNIDENTIFIED VOICE: No.

21 MR. COLE: No.

22 UNIDENTIFIED VOICE: That was my understanding.

23 MR. COLE: Yeah. All right. Those of you in the back,
24 I see extra chairs up here in some places, you're certainly
25 welcome to move up and be seated.

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1 All right. Well, they can take a look at that, and
2 Mr. Tillery is here, and he can address that. Mr. Rosier?

3 MR. ROSIER: Yes. Thank you, Mr. Chairman. I have one
4 comment, under Item 6, Meetings. We talked about the notice of
5 each meeting and the proposed agendas being given to the
6 private sector; and, we specifically mention in there
7 Anchorage, Cordova, Homer, Juneau, Kenai, Kodiak, Seward and
8 Valdez. Then, in the next paragraph, we go on to say that the
9 meeting of the Council shall be public except for matters
10 concerned in Executive Session; teleconferencing will be used
11 to the extent feasible to allow public participation in the
12 cities listed above.

13 It seems to me that that list should probably be
14 expanded a little bit. We've got a number of communities like
15 Tatitlek, Fort Graham and Chenega Bay; these are communities
16 that were certainly affected by the Spill. Certainly, some
17 effort should be made to determine what we can do for those
18 communities in terms of public notice and getting them involved
19 in the teleconferences as well.

20 MR. COLE: Commissioner Sandor?

21 MR. SANDOR: No comments?

22 MR. COLE: Pardon? Mr. Pennoyer, please.

23 MR. PENNOYER: Just one additional comment, and this
24 may be a technicality, but on Item 14, Item F, it says
25 oversight of oil spill information center, including transfer

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1 to an appropriate facility. And, I know that's an item we've
2 got under consideration, but I'm not sure we've made the
3 decision relative to the cost of doing that or alternatives.
4 And, maybe just taking that final phase out, including transfer
5 to an appropriate facility, we'll leave it open to our choice
6 in the future, which I don't think we've reached yet.

7 UNIDENTIFIED VOICE: Okay.

8 MR. COLE: Mr. Barton?

9 MR. BARTON: I have no comments that haven't been
10 raised, Mr. Cole. Thank you.

11 MR. GIBBONS: Well, I'd just like to say that my
12 position with respect to notice is that we should not see how
13 little notice we can give but how much notice we can give, and
14 how much in advance we can give that notice; I think that's
15 important, some people may wish to come here. I know that it's
16 occasionally difficult, but I think we should take steps to put
17 that on the radio, on Alaska Public Radio, so some of these
18 outlying areas will have notice. And, I think that since we're
19 getting a little better organized than last time, that it would
20 be well to consider having the agenda published in the paper.
21 And, may be that certain people in these areas have specific
22 concerns about some subjects and would like to make a special
23 effort to be present.

24 What is the consensus or the views of the Council on
25 that, about publishing the agenda, for example? Yes,

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1 Mr. Barton.

2 MR. BARTON: Well, I think we should publish the agenda
3 presuming that we're organized far enough in advance that we
4 have the time to do so.

5 MR. COLE: All right. Mr. Gibbons, if you could follow
6 through on that, please. Any other comments on the work
7 product of Mr. Tillery? Could we then move on, Mr. Gibbons,
8 please?

9 MR. GIBBONS: Yes. I want to make one more statement.
10 Mark Broderson, who's a member of the RRCG group is in the
11 audience, too, and I'd like to identify him; he's working with
12 Ernie on this.

13 MR. COLE: All right. Mr. Broderson, if you would
14 please rise so the folks can take a look at you. Thank you.

15 MR. GIBBONS: Yeah. The first task that was identified
16 on the -- at the last meeting was meaningful public
17 participation. And, we've taken that on and come up with some
18 thoughts on that process, including a public advisory group,
19 and Ernie Piper is going to share some of those with us.

20 MR. COLE: Mr. Piper.

21 MR. PIPER: Mr. Chairman, for the record and for the
22 teleconference sights, my name is Ernie Piper; I'm currently
23 the on-site coordinator for the Exxon Valdez Spill for the
24 State of Alaska, and I am the utility infielder on the RRCG for
25 DEC. Mark Broderson will be taking the lead. I've been given

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1 this

2 MR. COLE: Do you bat left-handed or right?

3 MR. PIPER: Actually, I'm switching.

4 MR. COLE: It's good to know. Thanks.

5 MR. PIPER: More power from the right side. What I
6 have before you tonight are really four authorizations,
7 administrative housekeeping type of things, and suite (ph) of
8 guidance issues on this matter. And, I will sort of proceed
9 from the concrete to the abstract, if that makes it easier.

10 The -- on the back of a memorandum that was passed out
11 to you today, it's actually the Page 4, the back of Page 2, is
12 a diagram that outlines some of the most significant ways that
13 we think that the public can participate. These aren't
14 intended to be the entire universe of things, and neither are
15 they intended to be specific recommendations; but they are
16 possibilities, and we would like authorization at some point in
17 the evening to go ahead and make this part of a package that
18 would be given out for public comment, and I'll get on to that
19 later.

20 To summarize what is involved in that series of
21 opportunities, for example, there's -- broken into three
22 categories; information availability, access to the planning
23 process and access to the decision-making process. The
24 information availability would include such things as a
25 resource center, and that's currently served by the OSPIC, the

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1 Oil Spill Public Information Center. Public outreach done in
2 the standard ways that we're familiar with in terms of news
3 releases and so on, and also, in some of the more creative
4 ways, such as the one that you mentioned in using APRN or,
5 perhaps, RATNET to get some information out. Mailings, meeting
6 agendas, and minutes and so on, and also, educational programs
7 as the agencies come up with information; there are many plans
8 for those among the agencies.

9 Under the planning process and making sure there's
10 access there, there would be, of course, community meetings.
11 We've made -- one option could be that the Public Advisory
12 Group, when it's formed, have a Staff participant on the RRCG,
13 since that's such an important part of this process; and, also
14 of course, review and comment on draft products.

15 And as far as the decision-making process, open Trustee
16 Council meetings, such as this; and, also, input from the
17 Public Advisory. And, that is one of the issues on which I'll
18 be asking your guidance as I get to more abstract.

19 The first thing that we would like to get authorization
20 at some point this evening is authority to take these options,
21 add to them if you wish, and take those out and make them part
22 of a public comment package on public participation between now
23 and the time that the Restoration framework document is
24 prepared. To do that, though, requires some sort of mechanism
25 to get information out and to receive mechanism from the

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1 public.

2 And, what we would also like your authorization to do
3 is to establish an interim public information organ, and we
4 have several options available. One would be to delegate
5 public information duties to the ADEC Oil Spill Response
6 Center, which currently has a full-time public information
7 staff, fax machine, telephone and so on; we could use the
8 existing contractor, which is CACI, to funnel that information.
9 We could also locate a public information specialist in the Oil
10 Spill Public Information center. My personal recommendation is
11 that it would be easier to do it out of our Oil Spill office,
12 because we have the staff, we have the facilities; the public
13 is used to dealing with this, we have that number. So, I would
14 put that before you for consideration.

15 MR. COLE: So, would you -- shall we take these things
16 up as Mr. Piper enumerates them, or do you want to -- does the
17 Council want to wait until the end? I lose track of these
18 things, to tell you the truth. Mr. McVee?

19 MR. McVEE: I'd like to kind of, I guess, hear the
20 whole

21 MR. COLE: Okay.

22 MR. McVEE:program.

23 MR. COLE: All right. Please continue.

24 MR. PIPER: I shall be brief. The next point that we
25 would like to bring out is to get a simple authorization;

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1 again, this is one of the housekeeping ones; is once we have an
2 interim organization in place to get information out, once
3 we've listed some options that are available for people to
4 participate, we would like the authorization from you to
5 conduct some kind of public comment period.

6 Now, Mr. McVee made a specific recommendation in a
7 letter a couple of weeks ago or last week, which was to hold
8 public meetings on public participation; that would be one
9 option. A second option would be to use the existing mailing
10 list that we have, the existing public contacts that we have
11 among all our agencies to ask those people in the communities
12 for written comment or what they think, whether they think some
13 of these are good or bad, what they think of the Public
14 Advisory Group, how they think that group should participate
15 and so on.

16 Then, we could collect all that information, whether
17 taken by meeting or taken by written comment, in January,
18 revise it in February based on what we hear. And, then, the
19 intent would be to make a good, strong draft proposal for
20 public participation part of the Restoration framework
21 document, which will be going out to public meetings, and the
22 target for that is March.

23 The pro to having meetings about public participation,
24 of course, is it's a good populist (ph) way to get out and talk
25 to people and hear from them in the communities. The downside

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1 to that is it's a very short time frame, it's an extra series
2 of travel, and it's also a difficult time to set up public
3 meetings in terms of getting to everybody; we've had that
4 experience on some of our Oil Spill meetings in the winter.

5 So, I would ask on that measure to consider whether to
6 have meetings -- if you desire us to take public comment on
7 this, whether to have meetings or whether to do it with
8 written, -- conventional written comment.

9 The more abstract, and the issues on which we would
10 like to get some guidance, refer specifically to the Public
11 Advisory Group. Obviously, the Public Advisory Group is
12 supposed to provide meaningful oversight input into the
13 Restoration planning process, an oversight of the way things
14 happen.

15 Having made that very simple statement, it's important
16 to point out that the mission of the Public Advisory Group --
17 what you actually expect that group to do and provide to you,
18 has a very direct affect on the composition of the group and
19 the way in which you might select them. As a practical matter,
20 it also determines what a budget might be and how that money
21 might be spent.

22 Here, following, are some of the real principal ways in
23 which we think that a Public Advisory Group would participate.
24 And, again, these don't encompass the whole universe of
25 options; and, they don't -- although, I list them in a

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1 particular order, they don't mean that they're weighted that
2 way, you can arrange these options with any -- having any given
3 weight that you like.

4 I would point out, though, that depending upon how you
5 would weight these tasks, or these missions, from the Public
6 Advisory Group really would have a very big effect on how would
7 you put that group together, how many members, where would they
8 come from, how would they be selected, what kind of a budget
9 they would have and what kind of activities they would
10 undertake.

11 I think the most obvious and self-explanatory one is
12 general oversight of government policy. Obviously, the intent
13 of having a Public Advisory Group in this kind of role is to
14 make sure that the Restoration program and the way in which we
15 implement it are true to the intent of the settlement, and that
16 the policy choices that are made within that reflect the wishes
17 of the public.

18 The second one, of course, would be advice to Trustees.
19 And, again, that sounds very self-evident, but implicit in the
20 role of an advisor are two very important things; one is a
21 mechanism by which the Public Advisory Group communicates
22 directly and meaningful with the Trustees. If you have, for
23 example -- pick a number, 18 people on a public advisory group,
24 whether that's a good number or a bad number, I don't know.
25 But if you had that number, as a practical matter, it would be

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1 very difficult to have 18 people communicate directly and
2 effectively to you. It would be a very diffuse sort of thing,
3 and it may be difficult.

4 So, we need to think of a way, and we have thought of
5 some options that we've kicked around in our group where you
6 may be -- where you might have that kind of meaningful and
7 direct input from a group, depending on its size.

8 The second thing that's implicit in the role of
9 advisor, and very important, is that the advisors have direct
10 access to the Staff level deliberations about the Restoration
11 program. It tends to be complex. It tends to be something you
12 have to follow closely. And, it tends to be something that in
13 which you need some kind of technical background. And, for a
14 public body to have meaningful input and to be able to analyze
15 and consider the things that the Restoration plan is attempting
16 to do, they need to have access to someone whom they trust
17 completely and who answers to them to analyze the information
18 and synthesize it for them.

19 The third one would, of course, be scientific
20 oversight; what weight that gets, I don't know, it would
21 largely depend upon how important the science aspect is there
22 as opposed to the public. A lot of the information, again, is
23 technical and relates to specific scientific studies, and the
24 Public Advisory Group may need some sort of technical
25 assistance, whether that comes from the Staff member or not is

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1 another issue.

2 A fourth would be fiscal oversight, which is again,
3 fairly obvious, making sure that we're spending our money the
4 way we ought to.

5 A fifth, which I think is not very abstract or a very
6 important point, is what you are seeking from this group, is it
7 -- if it is something like consensus, then a group of 18 of
8 very, very diverse interest, some of which may be very
9 polarized, you may have a very, very difficult time getting
10 consensus and render the group useless. If the goal is access,
11 you can have a very large, diverse group with potentially
12 polarized interests because they would all have that access.
13 And, they wouldn't necessarily be expected to play -- to make
14 political trade-offs among themselves to mollify decision-
15 makers, they could just say directly what it is they wanted to
16 do.

17 So, what we are seeking at this point is some guidance
18 on the types of things that you're looking for from the Public
19 Advisory Group; and depending upon that guidance, we can pop up
20 with some recommendations that we've had about that.

21 The last thing that I've listed here is identification
22 of principal interest on the Public Advisory Group. This
23 doesn't necessarily mean that this is a designation for a
24 special interest group, it doesn't necessarily mean it's the
25 only interest that would be represented on Public Advisory

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1 Group. But it's clear that if you're going to be dealing with
2 the Exxon Valdez Restoration in Prince William Sound, Gulf of
3 Alaska, they're very clear and identifiable interests that
4 somehow need to be represented from among the group. They
5 would include, but not be limited to, aquaculture; commercial
6 fishing; commercial tourism as opposed to recreation;
7 conservation groups; environmental groups, there are some very
8 distinct differences between each of those classes, forest
9 products; considering the level of activity in Prince William
10 Sound in that respect; local government; Native landowners,
11 both regional and village corporations or other principal
12 private landowners in the area; recreational users, which
13 aren't necessarily represented by tourism; science; sport
14 hunting and fishing; subsistence.

15 And, what we would ask is authorization to take this
16 list of principal interests and bring it to the public and ask
17 them to either add to it, delete from it, comment on those that
18 we've put on there; split some hairs, if you will. And, that's
19 where we are on that.

20 If you would like, Mr. Chairman, you can have
21 discussion on each of these issues that you wish; and, if you
22 have questions about some of the approximate costs, or
23 management options or things like that, I could give some ideas
24 on that as well.

25 MR. COLE: Does any Council member have any general

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1 comments on Mr. Piper's presentation? Mr. Pennoyer?

2 MR. PENNOYER: Well, this goes back to one of the
3 options, as well. But in general, the options you're
4 discussing are then going out, you would envision, to public
5 review through a series of public hearings after you've
6 initially canvassed and received input; your total package
7 would go out as part of the framework plan process to public
8 hearing. So, you would have extensive public hearings on this
9 issue before you reached a final decision?

10 MR. PIPER: If hearings were the way that the Trustees
11 would want to go, that's what we'd do. My personal
12 recommendation, given the time frame, would be that we get
13 together a good proposal for public participation with the best
14 options that we seem to have available among us; put that
15 together as a package, and then use mailing lists and
16 conventional communication methods like that to get to the
17 principal stakeholders, if you will, who could then provide us
18 with written comment during the month of January and part of
19 the month of February, perhaps.

20 Then, based on that comment and whatever instruction
21 that we have from the Trustees, we'd put that together into a
22 draft plan, which would have the framework of the Public
23 Advisory Group proposal in place -- public information proposal
24 in place. So, that when the hearings on the Restoration
25 framework came up in March, the public participation process

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1 was largely in place; we could alter it based on the hearings,
2 obviously. But there would be a mechanism that for the public
3 to do it, they'd be starting even with us rather than having to
4 catch up.

5 MR. COLE: Mr. McVee?

6 MR. McVEE: Yes. I guess I'm a little concerned; you
7 know, the fact that from experience we know that when you hold
8 a public meeting, that you'll get 40 attendees that will get up
9 and say something for every one that will write. And, so I
10 guess it bothers me to go out with just a written inquiry. I
11 guess I've been a proponent of going out with a one page
12 listing of issues, an update of injury, maybe an update of the
13 summary that was done last April, the organization material
14 that we have prepared, information on kind of what we're
15 thinking about or just an issue of the Advisory group, the
16 issue of restoration criteria, you know, and asking people
17 early on to give us comments of the community; you know, and
18 conducting a meeting to collect those comments, conducting a
19 series of meetings.

20 You know, I recognize that January is not maybe a good
21 month to travel, but generally, it's a pretty good time to
22 catch people, they aren't out fishing. And, I think that, you
23 know, the perception we would convey, a stronger perception, of
24 what we want and how we intend to operate is with the maximum
25 input from the public. And, I guess -- you know, I feel that

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1 it would be a very positive thing we could do, followed up
2 then, of course with the development of the draft and another
3 series of public meetings. I recognize that this represents
4 additional cost, but it seems to me like it would probably be
5 money well spent.

6 MR. COLE: Other comments on that general subject?

7 UNIDENTIFIED VOICE: Go ahead.

8 MR. ROSIER: Mr. Chairman, I had a couple of general
9 comments in regard to the presentation here. In the first
10 listing that you ran through under the planning process, I
11 notice you have a Public Advisory Group staff participation on
12 RRCG. It would seem to me that that would be a question that
13 we'd probably want to address within the Council in terms of
14 whether there would be a separate staff from that of the
15 Executive Director. That it's not a done deal, as I understand
16 it at the present time, in terms of a separate staff for the
17 Public Advisory Group.

18 The other kind of -- it may be a nit-picky point here
19 on this. But -- and, I certainly agree with your Part A under
20 the options here, the job of this particular group, where you
21 talk about general oversight of government policy. The
22 reference there to Government restoration program, it seems to
23 me that we're really talking about a restoration program, not a
24 Government restoration program.

25 MR. PENNOYER: Point well taken.

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1 MR. COLE: Commissioner Sandor?

2 MR. SANDOR: Well, I certainly endorse the utilization
3 of an existing public information structure, an organization
4 that has had the experience in the cleanup work on the Exxon
5 Valdez. And, I think we'd be well-advised to approve the
6 continuation of that effort.

7 With regard to agency mailing lists as opposed to
8 public meetings, the timing is bad for -- but I'd like us try
9 both, that essentially option -- the second option.

10 I do have some concerns, Mr. Chairman, though, about
11 the Public Advisory Group.

12 MR. COLE: Well, may I say, we

13 MR. SANDOR: Yes.

14 MR. COLE: can maybe get to that later.

15 MR. SANDOR: Yeah. Only this one point, and that is
16 let's look at alternatives to establishing our own public
17 advisory group or utilizing other existing public advisory
18 group mechanisms already in place, including community
19 assemblies and existing structures, as well as the Regional
20 Citizen's Advisory Councils that are in place. That's all.

21 CONFERENCE OPERATOR: Excuse me. This is the bridge
22 operator. Could I get Glenda to give me

23 MR. COLE: Would you say again, please?

24 CONFERENCE OPERATOR: (Indiscernible - telephone
25 cutout) can I get Glenda to give me a call here at the LAO

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1 (ph), we're experiencing little technical difficulties where
2 some of the sights are having a problem hearing the conference.

3 MR. COLE: I think Glenda is no longer with us or
4 certainly not with us at the present time. Is it because we're
5 not speaking clearly or loudly?

6 CONFERENCE OPERATOR: No. It appears they're getting a
7 little bit of like a snow sound (ph) -- a little snowy sound to
8 it. And, I'm getting a little bit of feedback, also.

9 (Off record comments)

10 MR. COLE: Well, maybe we can continue to see how it
11 goes; if you have difficulties, feel free to let us know in a
12 moment or two.

13 CONFERENCE OPERATOR: Thank you (ph).

14 MR. COLE: Mr. Pennoyer?

15 MR. PENNOYER: Mr. Chairman, I was just going to
16 suggest that we've made some general statements, that we go
17 through these items one at a time and try and come -- reach a
18 conclusion on that.

19 MR. COLE: That's precisely what I had in mind, only I
20 wanted to make a personal comment about the notice. I've
21 stated my position on that form of solicitation of comments in
22 dealing with the Governor's Task Force on the infamous Cordova
23 Road. At that time, I pointed out that I think it's important
24 that people who have, you know, the belief that they don't
25 write well, and an inability to express themselves, at least

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1 perceived by them, in writing, are hesitant to express their
2 views in writing. And, that my experience has been that when
3 people who don't write well but who have the most magnificent
4 oral presentations stand up and we're able to hear them, and
5 they can express their views in their own language with their
6 own syntax; there's just some beautiful expressions of
7 individual views.

8 And, I agree with Mr. McVee, that we've got to get out
9 to the Bush, you know; hold meetings there, let these people
10 talk to you in their own language and express themselves fully.
11 I think it's just essential that we do that. Can we -- are we
12 all sort of agreed on that, or does anyone dissent on that
13 subject? I mean -- you know, so

14 MR. PENNOYER: Mr. Chairman.

15 MR. COLE:get your airline tickets or

16 UNIDENTIFIED VOICE: Yes, sir.

17 MR. COLE:ferry tickets and arrange your
18 schedule, please. Yes, Mr. Pennoyer.

19 MR. PENNOYER: Sir, it's not a dissent, I think the
20 more often we can do that, the better off we'll be. And, I
21 think there's probably some confusion as to what this process
22 is all about out there anyway, that's just in the way we're
23 organized and what we're trying to do.

24 So, if we did it the way it was proposed, we'd hold
25 basically two rounds of public hearings; one preliminary one,

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1 kind of explaining the process and talking about we know today,
2 what we can explain of what we know today, 'cause even the
3 (indiscernible) damage assessment stuff won't really be
4 available until March, if then. And, so -- and, then we go out
5 and get that input, then we come back and come up with a plan,
6 the restoration plan, including the public participation plan
7 and go back out again and hold a second round of hearings.

8 I think that's desirable, the only comment or question
9 I'd have as Staff, whether we can do it in the time that's
10 proposed. And, if we can, that, certainly, I think is the more
11 desirable way to do it.

12 MR. PIPER: Mr. Chairman, we did a series of meetings
13 exactly this last year on the State Response Plan when it came
14 out, and in a very short time frame, and we managed to get
15 everywhere and despite bad weather and everything else. It was
16 difficult sometimes but we can do it, and that's not a problem.
17 We're experienced and am prepared to go.

18 MR. COLE: Go hear the people.

19 MR. PIPER: Yes, sir.

20 MR. COLE: Thank you. All right. Shall we go down
21 these items one by one in which Mr. Piper wants decisions?
22 List the first issue, please.

23 MR. PIPER: The first one is the diagram on the back of
24 your memo. This is just meant to visually list some of the
25 options, give people an idea of some of the options we've been

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1 considering. And, we would like authorization to bring these
2 out as part of the package for public comment.

3 MR. COLE: Comment on that issue?

4 MR. McVEE: I've got (indiscernible -
5 interrupted)

6 MR. COLE: Mr. McVee?

7 MR. McVEE: Maybe it's more of a question than a
8 comment. But as I understand it, the proposal would be to use
9 the Resource Center -- Public Access Resource Center as a focal
10 point for responding to inquiries?

11 MR. PIPER: Actually, the intent -- the Public
12 Information Center, at this point, functions a little bit more
13 as a library and an access point for people coming in, getting
14 materials and things like that. The -- what would be involved
15 in collecting public comment and synthesizing it all, that is a
16 little different kind of task, and it's something that we've
17 done in our organization; and, that's why I would suggest that
18 it be located within our Public Information staff at DEC. We
19 wouldn't pretend to have DEC speak for the entire Trustee
20 Council, we would just be the funnel for public inquiries about
21 this specific process.

22 MR. COLE: Are you going to charge rent for that?

23 MR. PIPER: No, sir, it's my budget, we're there.

24 MR. McVEE: I guess what I was looking for is maybe the
25 linkage between the DEC group and our RRCG, our folks sitting

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1 here, that would be representing us, and I guess we could work
2 that out. But there would need to be a linkage there when it
3 comes to responding to any issue that has any -- you know, any
4 policy, or schedule, or fiscal response.

5 MR. PIPER: Right.

6 MR. COLE: Any other comments on this?

7 MR. PIPER: We've also taken care of one of the other
8 ones, which was to request authorization to conduct hearings or
9 meetings in each of the affected communities to collect comment
10 on this proposal; and, I assume that that's been decided, so
11 that's two down.

12 MR. COLE: I'd like to say one thing as a matter of
13 personal request for the uninitiated like me, would you try to
14 limit the use of acronyms, 'cause I just have a lot of trouble;
15 I don't know what they mean all the time like this.

16 MR. PIPER: We've had an acronym spill in this
17 response, believe me.

18 MR. COLE: I mean, you know, just

19 MR. PIPER: Yes, sir.

20 MR. COLE: I would appreciate it, I tell you. All
21 right. The next issue, please.

22 MR. PIPER: The next one would be Letter F under 3,
23 which was the Public Advisory Group. We were seeking, as also
24 to make part of this package, using the identification of
25 principal interests as a discussion point in that package of

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1 public comment. So, that we go out and say here is, as best as
2 we understand it, the 11 or 12 principal stakeholders, if you
3 will, in the development of restoration plan among the public.
4 And, we would like to hear the public comment on whether we've
5 got them all, whether we've too many, whether we've gone about
6 it the wrong way.

7 And, like the little diagram of opportunities, we would
8 request authorization to make this list of stakeholders a part
9 of the comment package.

10 MR. COLE: And, do Council members have views on that?
11 Commissioner Sandor?

12 MR. SANDOR: Excuse me. This may be the time where I
13 could just raise my concerns or questions about the definition
14 of this group itself and, perhaps, alternative mechanisms of
15 identifying interests that would provide the service and
16 objectives that we're seeking. And, that is this: We had
17 received one letter, which had suggested that we might want to
18 consider utilizing community leadership itself; that is mayors,
19 city councils, such as that. Additionally, we have, as you
20 know, the Regional Citizen's Advisory Councils, and it seems
21 like it might be possible to have representatives or a
22 representative from those councils. There may be other
23 established groups that are out there that a representative of
24 which would, by definition, represent either the entire
25 community or the entire advisory committee that's already in-

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1 place.

2 Have you thought about that possibility in what -- how
3 might that be involved or integrated into this kind of a public
4 participation plan, and specifically, this kind of an advisory
5 group?

6 MR. PIPER: This gets back to the point made in
7 Letter E about consensus or access. If we're looking for
8 consensus from a group of users and that kind of thing to
9 provide information to you, then you would want, probably, a
10 fairly small group; the selection process would have to be such
11 that you really included on that small group people who
12 represented five or six of those different interests each, or
13 three or four each, so that there was overlapping and broad
14 representation. If the point is access, where you have, again,
15 stakeholders, people with a real direct and recognizable stake
16 in how this goes, having that mechanism to get right to you and
17 give their information right to you in a meaningful way. Then,
18 you can expand that a lot more.

19 Now, in terms of using existing institutions, we've
20 kicked around some of the ideas about how you do that. It's
21 certainly conceivable that the Trustees could say that you've
22 looked at all the options for meaningful public participation
23 and figured out about how much it could cost to do that, for
24 the Government to do it, and that, perhaps, there's an existing
25 organization; and, I'll just throw out RCAC (ph) as an example,

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1 the Regional Citizen's Advisory Council, that you could
2 contract out for them to handle a lot of those types of things.
3 That may or may not be desirable, but the options are there.

4 The problem -- or one of the issues with using strictly
5 community leadership, the broad leadership, in an access kind
6 of operation is that community leaders may not always be able
7 to hone it directly; they are by nature consensus and
8 compromised (ph) type of people; that's what it takes to be a
9 leader in a small community, you have to bring lots of little
10 things together. That might be desirable, but what the
11 Restoration group -- planning group may really be looking for
12 is very specific information and very specific feelings about -
13 - from the forest products industry, from subsistence users,
14 that kind of thing.

15 So, those are the two ways that they go.

16 UNIDENTIFIED VOICE: Does that

17 MR. SANDOR: Yeah. That answers part of the question.
18 I guess the interest that I have, Mr. Chairman, is that we not
19 miss an opportunity to utilize the extensive knowledge that has
20 been built up over time, since the Prince William Sound and
21 Cook Inlet Citizen -- Regional Citizen's Advisory Councils have
22 been functioning with respect to the cleanup work and
23 associated activities of the Oil Pollution Act, which
24 established these organization. And, that we ought to take
25 advantage of that expertise that's available in those existing

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1 advisory councils; although, they were formed for, you know, an
2 entirely different purpose. I'd like to see a bridging of
3 knowledge between what those folks had dealt with in the actual
4 spill and cleanup, and then now, in the restoration work.

5 It just seems to me that we'd be missing an opportunity
6 if we didn't plan our public participation effort in a way in
7 which that was assured. One option of doing that is to
8 actually designate a member of that group on this Public
9 Advisory Group. Yet another way of doing it is simply to -- as
10 a part of the public participation process, to regularly
11 interface with those groups, and I guess we can do that. I
12 guess we can go either way, but we do want to take advantage of
13 that.

14 MR. COLE: Mr. Barton.

15 MR. BARTON: I think Mr. Sandor raises an excellent
16 point, and I think we need to look very carefully at how we
17 might use existing institutions, and if, in fact, we can
18 conclude that there isn't one or some group that provides the
19 same objective for us; then, we do need to figure out how to
20 utilize the information and the background that a variety of
21 organizations, quite frankly, have built up over the course of
22 the last two and a half years.

23 MR. COLE: Mr. Chairman.

24 MR. COLE: Mr. McVee.

25 MR. McVEE: Yes. Mr. Piper, I don't know whether

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1 you've had some -- you know, some guidance from some of the
2 Federal members on your group about the Federal Advisory
3 Committee Act and whether it applies or not. I guess maybe the
4 jury's out yet on that one. But if it does apply, there are --
5 there is some specific guidance in that law; one of the things
6 that I remember it requires a cross-section of all interests to
7 be represented on an advisory group. But I guess I'd just ask
8 you to look at that or have the Federal members on your sub-
9 group look at that closely and maybe get, even, some legal
10 guidance in that area.

11 MR. PIPER: Yes, sir. We're in the process of doing
12 that. As a matter of fact, one of the reasons that -- the
13 point that you raise is an excellent one because if it does,
14 indeed, apply -- if the Act does, indeed, apply, the
15 identification of principal interests becomes a very important
16 thing for that cross-section, as you said.

17 MR. McVEE: Yes.

18 MR. PIPER: And, it becomes a very definite process.

19 MR. COLE: Other comments on this subject? I have one.

20 MR. PIPER: Yes, sir.

21 MR. COLE: We received, from one of the Legislative
22 leaders, a Mr. -- Representative Covina from Valdez, in which
23 he recommends the broad use of elected community leaders; but I
24 disagree with that, notwithstanding the high regard I have for
25 Representative Covina and that part he's played in the Exxon

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1 Valdez Settlement.

2 But I think that it's vital that with respect to the
3 policy decisions which this group makes that we have a broad
4 range of view by the interest groups in the Oil Spill area.
5 The concept and this battleground, which anyone who's thought
6 about it know that we're going to be facing, with respect to
7 the choices that this Council is going to have to make
8 regarding the expenditure of funds. We need the views of, you
9 know, the broad spectrum of these groups out there.

10 And, I think to the extent that we get those views to
11 help us make the choices; I mean do we want more studies, do we
12 to buy, you know, land or -- et cetera, et cetera; we will make
13 better decisions. And, I think it's a mistake to try to, you
14 know, utilize groups which were formed for some other purpose.
15 And, I just don't have the slightest idea of what -- you know,
16 I should probably but I don't, what these groups were formed
17 for and who selected them and why they were selected. And, I
18 think that we should start afresh; you know, I feel very
19 strongly about that.

20 Mr. Rosier, Commissioner?

21 MR. ROSIER: A couple of comments along those lines.
22 It appears to be, in reviewing the list here, at least in my
23 view, there's pretty good balance in the groups that have been
24 identified so far. And, certainly, you know, groups such as
25 local government, Native landowners, certainly subsistence, for

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1 instance, I think that we're going to see leadership from
2 certain entities, you know, that have participated in this
3 process to date. And, it would just seem to me that that's
4 been accommodated to one degree or another within this group.
5 I personally don't have anything to add to that particular list
6 at the present time, I think it's a pretty good list here at
7 the present time, to go out to the public with, anyway.

8 In regards to the consensus or access question, while
9 my feet certainly aren't stuck in concrete at the present time,
10 it would seem to me that from the size of the issue that we're
11 dealing with here and the types of issues that we're going to
12 be dealing with, I think we do want specific information, but I
13 think we want some consensus from the public as well in terms
14 of the decision process.

15 I would hate to have us go through these processes and
16 suddenly have segments of the public out there that don't like
17 what we're doing, which is probably going to occur anyway.

18 MR. COLE: You know that.

19 MR. ROSIER: Yes. And, but it would seem to me that
20 certainly the consensus type of structure certainly appeals to
21 me at the present time in terms of how we structure the group.

22 MR. COLE: I just think it's a big mistake if we don't
23 listen and listen closely to these interest groups, and to try
24 to make an end run for whatever good purposes in good faith
25 views would be a mistake. Because if we don't listen to these

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1 people, they will find some mechanism to make their voice
2 heard, and it's best to have them follow along in the process.
3 So

4 MR. PENNOYER: Mr. Chairman.

5 MR. COLE: Yes, Mr. Pennoyer, please.

6 MR. PENNOYER: Yeah. Ernie, one thing I don't see here
7 is a commentary of how this group relates to other public
8 access methods to this Council. These groups you've got
9 probably -- may never represent all of the views out there, so
10 we're probably going to have an open, public participation
11 process in addition to this group. Do you view this Public
12 Advisory Group as being a funnel for all of that into us, or do
13 you view it as two separate mechanisms, are we dealing with
14 just this list here or are we -- it seems to me we can't have a
15 closed process. We're going to have a group of ongoing
16 advisors who will have some consistency in their participation
17 in the process, but we'll still have it open to councils and
18 other bodies and so forth to comment to us; I don't think we
19 can force all of that comment or we want to through this group.

20 I'm not sure about consensus versus access, I'm having
21 trouble envisioning how we get this group to not report to us
22 unless they have consensus, because I just don't see that all
23 of these people have the same interests and are probably going
24 to achieve like comments on our various proposals and actions.
25 I don't know how that mechanism would operate, but I think

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1 we're going to probably just be open to reports from this
2 group, which may not be consensus 'cause I'm not sure we're
3 going to get it.

4 MR. COLE: Any other comments. Mr. McVee?

5 MR. McVEE: Yes. Just a suggestion. You know, maybe
6 the way to start to get some focus on how the advisory group --
7 the advisory body would function and what we expect from it
8 would be to, you know, start to develop some type of charter.
9 I think there's been a little bit of work done on that already
10 within our organizations, maybe to, you know, pursue that; that
11 seems like, you know, something that could be done fairly
12 quickly and available to the public to take a look at, it would
13 be a good item to get response back on.

14 MR. COLE: Any other comments right here? Does that
15 give you consensus or some views to start with?

16 MR. PIPER: It's very helpful and it really will help
17 us. The idea of a charter is, as you said, well on the way
18 among several members of the organization, and we need to that;
19 and the guidance that we've gotten from you here tonight will
20 help us do that.

21 MR. COLE: Could we talk just a little bit more about
22 the public participation policy. What are we going to
23 specifically expect from this group of diverse interests? And,
24 what are we going to ask them for? Obviously, there will be a
25 lot of scientific documents come to us in studies and so forth.

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1 As I visualize it, I think that I would like to see them help
2 us make these basic policy cuts as I call them. I mean, -- you
3 know, I mean where do we put the resources, you know, the
4 monies. I think that's the most important thing that we're
5 going to want to listen to, not whether, you know, how you deal
6 with an enhancement of the fish runs and such, but the choice
7 between enhancement of fish runs and say buying up property,
8 land, habitat.

9 Do any of the Commission members have views on that?
10 Mr. McVee?

11 MR. McVEE: Yes. I guess that I would see, you know,
12 the public and the advisors. I'm a little concerned that the
13 process of selecting and appointing an advisory group, you
14 know, is going to take some time. But it seems to me like that
15 input into the criteria that we use for selecting further
16 studies, further monitoring efforts, the resource assessments
17 or the monitoring of natural resource recovery, but that the
18 criteria be used for that, the criteria that we use for
19 selecting restoration projects. It seems like that, you know,
20 area is very essential. And, granted, you know, they will have
21 to -- we will have to provide them some background on that.

22 But I would submit that -- you know, that advisors and
23 the public is probably well-equipped, as some of us, I may be
24 speaking for myself but, to reach some conclusions on those
25 kinds of matters. But it seems like that is really an

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1 important area.

2 MR. COLE: Mr. Pennoyer.

3 MR. PENNOYER: Mr. Chairman. I certainly agree with
4 you, and I think it should be emphasized we're looking for that
5 type of input. I, from past experience, know that we're going
6 to get a lot of other input as well from any group we appoint
7 when they start to talk about where to put a hatchery or what
8 species go into it. And, I'll guarantee that some of these
9 groups are going to have an opinion, and I suppose will voice
10 it and we probably should welcome that expression; although, we
11 might indicate our primary interest isn't getting help in doing
12 the type of choices that you've outlined.

13 MR. COLE: Mr. Barton, did you have an observation?

14 MR. BARTON: Yes. I think the advisory group can be of
15 the most help in dealing with some of the basic policy issues
16 and the basic cuts. But I think Mr. Pennoyer is right, we'll
17 get a lot of other advice and help which we should consider and
18 evaluate as well.

19 MR. COLE: Of course. Of course. Mr. Sandor --
20 Commissioner Sandor.

21 MR. SANDOR: Well, I agree with Curt McVee that it's
22 unfortunate that it's going to take some time to get this group
23 up and rolling. At the same time, this organization is going
24 to be in operation for some time, and I think, perhaps, as it
25 gets organized, we ought to listen to it and, in effect, make

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1 some adjustments in our operations.

2 I do think the group is going to be very helpful in
3 policy issues and in "how to spend the money"; but I think as
4 well, that we've just got to look to other entities as well and
5 especially the local communities. And, so we shouldn't --
6 well, we're going to expect a lot from this public advisory
7 group, but I think this public participation is so crucial that
8 we're going to have to cultivate and make it very clear that
9 we're willing to listen to everyone out there as well.

10 MR. COLE: Do you have a comment, Commissioner Rosier?

11 MR. ROSIER: No.

12 MR. COLE: Well, the reason I brought that up is
13 because I thought it might give you some help or guidance in
14 how you approach this principal interest group, and possibly
15 composition of those and others.

16 I'd like to mention -- or to have your comments on
17 Subsection D here, Fiscal Oversight. What part do you foresee
18 this public advisory group playing in fiscal oversight?

19 MR. PIPER: A similar role to what the public would
20 play in commenting on the regular general fund budget type
21 proposals, whether it appears that we're spending too much or
22 too little in a needed area, whether we seem to be placing --
23 putting importance in one area and then backing it up with the
24 money necessary to do that, that kind of thing, not necessarily
25 auditing or accounting.

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1 MR. COLE: Okay. And, because oversight might be
2 perceived to be somebody seeing whether there's an invoice for
3 each check,

4 MR. PIPER: Correct.

5 MR. COLE: and I wanted to get your thoughts on
6 that. And, what about scientific oversight, that's in
7 Subsection C, what do you have in mind there?

8 MR. PIPER: Well, clearly the -- whatever the group is,
9 it needs to have the capability to -- not just to comment on
10 but understand and come to some good kinds of clear judgments
11 about whether the science that's being proposed is (A) good
12 science, and (B) being done -- being put in the proper areas.
13 You don't need to have, necessarily, some science background to
14 decide whether it's good or bad, but you do need to have some
15 kind of technical guidance.

16 There were some comments that we had from among the
17 members of the sub-group that worked on this was that whatever
18 this group is, and it does have diverse community interest on
19 it, that it also have what was termed the Graybeard (ph)
20 component of people whose business would do some kind of --
21 something akin to independent peer review of what we're doing,
22 not necessarily questioning every study that comes up or
23 raising every issue, but just making sure that the science is
24 good and that we appear to be putting the right kind of
25 scientific effort into -- for our money.

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1 MR. COLE: That makes me a little nervous. But,
2 Mr. Pennoyer.

3 MR. PENNOYER: Mr. Chairman, I think it does me as
4 well. I think we are going to want scientific oversight; I
5 think we haven't gotten to that yet, but I think we're going to
6 want some type of a peer review process that isn't simply the
7 participants being part of the peer review. But I'm not sure
8 the pag- -- I understand what you're saying, I think, in terms
9 of the public advisory group should understand what the
10 projects are about, and may want to comment on generally the
11 direction they're going. But when you say scientific
12 oversight, I have envisions (ph) of people looking at
13 statistical procedures

14 MR. PIPER: Sure.

15 MR. PENNOYER: and that sort of stuff. So, as
16 you send this out, I think to make it clear, we are going to
17 have some type of science audit function; and, this probably is
18 not the place for that audit function, but they certainly can
19 contribute and can comment.

20 MR. PIPER: So, clearly, the direction I'm getting here
21 is that when we say oversight, we don't mean either scientific
22 auditing or the literal ledger kind of auditing in terms of
23 financials, correct? Yes. Okay.

24 MR. SANDOR: One other question. Do you have any idea
25 how much time it's going to take to develop the charter and

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1 actually organize the group?

2 MR. PIPER: The way that we're targeting is that the
3 comment would be collected during January and probably the
4 early part of February with actual meetings, we'd probably
5 spill over into February. And, that we would spend the rest of
6 the time in February actually revising whatever the charter is
7 or whatever the proposal is so that when we come to March,
8 before this goes into the Restoration framework document, that
9 it has the stamp of approval from the Trustees. We don't want
10 to have this limping along into the Restoration framework
11 hearings.

12 MR. SANDOR: Thanks.

13 MR. ROSIER: Thank you.

14 MR. COLE: Commissioner Rosier.

15 MR. ROSIER: Thank you, Mr. Chairman. Question along
16 those same lines. In regard to the actual recruiting process
17 for these people, have you given any thought to that at the
18 present time?

19 MR. PIPER: I think the fundamental principle of the
20 recruiting would be that whatever the interests are that are
21 identified, and however the seats on this group wind up coming
22 out, whether it's one seat for each interest, whether it's
23 clusters, whether it's local government or whatever, that the
24 nominations come from within the groups that are listed or
25 within the communities; that it not necessarily be -- that is

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1 some -- the kind of place where we do need some consensus, I
2 think, from communities and from groups and interest groups
3 rather than leaving open to the possibility that we somehow
4 could handpick whomever it was that we wanted without really
5 making sure they had the endorsement of what the interest
6 groups or the stakeholders are.

7 MR. COLE: Further comment on that? Well, why don't
8 you look at that closely and give us some thoughts on that at
9 the next meeting. I think that's a very important area. And,
10 Mr. Barton, Mr. Pennoyer, Mr. McVee, do you agree with that?

11 MR. McVEE: Right.

12 MR. BARTON: Yes.

13 MR. COLE: I mean, you know, we could get in -- let's
14 say we could get in a lot of trouble in that area, so let's
15 just think about it very closely and give us your
16 recommendation so that, you know, you don't get ahead of the
17 Council in that area. Did I express it, I think, reasonably
18 well?

19 UNIDENTIFIED VOICE: Yes.

20 MR. McVEE: Very well.

21 MR. COLE: Okay. Yeah. Thank you. Well, do we have
22 anymore subjects to address on the public advisory group
23 segment of Mr. Piper's presentation? If not, does that
24 conclude your presentation,

25 MR. PIPER: Yes, sir.

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1 MR. COLE: Mr. Piper? Thank you very much.

2 MR. PIPER: Thank you.

3 MR. COLE: I'd like to mention on other thing before we
4 go further, it's a quarter to 8:00 now, in session about an
5 hour and 15 minutes, and how late does the Commission want o --
6 or the Council want to go this evening? One thing before we
7 conclude tonight, I would like to reserve time for, you know
8 you might say, public comment here this evening. And, I know
9 we did that last time, and there was some incisive comments
10 made by the people in attendance at the meeting; and, so that
11 might take -- we should, I think, reserve 30 minutes for that.
12 And, so how late do we want to go with -- and then, plan on
13 reserving 30 minutes for comment.

14 Mr. Rosier?

15 MR. ROSIER: Mr. Chairman, I'll take the first cut at
16 it, I would say now if we go until, perhaps, 9:00 o'clock with
17 the business session, and then open the floor or the mikes to
18 the public.

19 MR. COLE: 9:00 to 9:30?

20 UNIDENTIFIED VOICE: That's fine.

21 MR. COLE: How does that suit the people here? I mean
22 do people want to go home and, you know, have a cup of hot
23 chocolate before that, do you want to stay a little later? You
24 know, we're public servants, and I think we ought to listen to
25 the constituents here. It's -- yes, sir.

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1 UNIDENTIFIED VOICE: Sir, why don't you see how many
2 people might want to address you tonight?

3 MR. COLE: Well, it might be premature, they may say
4 hey, we haven't heard the -- you know, some of the things that
5 we're interested in, you know, they may pop up here in the next
6 hour. So -- but nonetheless, does anyone want to express a
7 thought on it? Yes, sir. Mr. Groh, Council, you know -- the
8 ladies and gentlemen know Alaska's -- one of her most prominent
9 attorneys, Mr. Cliff Groh.

10 MR. GROH: I'd like about five minutes of your time at
11 the end of the hearing.

12 MR. COLE: All right, sir.

13 UNIDENTIFIED VOICE: I'll go for two.

14 MR. COLE: Yes, sir.

15 UNIDENTIFIED VOICE: Right here (ph).

16 UNIDENTIFIED VOICE: One.

17 MR. COLE: Sir. Well, how about 9:00 o'clock, is that
18 late enough, everybody want to knock it off at 9:30?

19 UNIDENTIFIED VOICE: (Indiscernible - away from
20 microphone.)

21 MR. COLE: Okay. Yes, Mr. Pennoyer.

22 MR. PENNOYER: Mr. Chairman, I think that's agreeable,
23 I think we should ask Mr. Gibbons, though, as we get down
24 toward the time if there are any urgent matters that he
25 requires us to take action on tonight that might take

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1 precedence over something else.

2 MR. GIBBONS: I think we can meet that schedule.

3 MR. COLE: All right.

4 MR. PENNOYER: Thank you.

5 MR. COLE: Thank you. Mr. Gibbons, if you would like
6 to continue, please.

7 MR. GIBBONS: Yes. Following up with the public
8 involvement, I'd like to mention to the crew -- the group here
9 in Anchorage, there is a sign-up sheet at the front desk up
10 here, I'd like to get you to sign up so we can put you on the
11 mailing list, if you're not there. And, all the teleconference
12 facilities, I'd also like to have a list from those folks, and
13 you can send those to me, Dave Gibbons, at 645 "G" Street in
14 Anchorage, and I'll make sure and get those over to the Public
15 Involvement Group of DEC. So, to emphasize that, we need to
16 get this mailing list going.

17 The next agenda item, 1992 Restoration and Damage
18 Assessment Activities was split into two sub-groups; it's a
19 very large task. And, the first group we'd like to address on
20 that is the Restoration framework, and Stan Senner from the
21 Alaska Department of Fish & Game is here to talk about that
22 framework process.

23 MR. COLE: Thank you. Mr. Senner, please. Mr. Senner,
24 do you spell your last name S-E-N-N-E-R?

25 MR. SENNER: That's correct.

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1 MR. COLE: All right. Thank you.

2 MR. SENNER: I am the Restoration Program manager for
3 the Department of Fish & Game. I'll try and move through this
4 fairly quickly without resorting to acronyms.

5 MR. COLE: Thank you.

6 MR. SENNER: If you'll turn in your -- the materials
7 that you have to -- there is a page for the agenda item 1992
8 Restoration and Damage Assessment Activities, and then
9 following that is an outline that says at the top Draft
10 Restoration Framework. Has everyone identified those?

11 The -- just to put it before you, the approval item to
12 be considered on this topic is requesting approval to proceed
13 with the development of a draft restoration framework document.
14 And, the outline that you have is a proposed outline for that
15 document, and what I'm going to do is just address briefly what
16 the contents are.

17 The framework is a way to brief the public on what we
18 have been doing and what we propose to do in the way of a
19 restoration program. We envision really two documents, Volume
20 I which is what you have an outline for is the framework
21 itself; secondly, there is a Volume II which is a draft 1992
22 work plan describing specific damage assessment, restoration
23 studies and planning activities. These documents would come
24 out simultaneously, and the combination of the two of them
25 would provide a substantive basis to kick off meaningful public

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1 participation. And, we would propose to have them ready for
2 distribution in March of '92, this coming year.

3 Dr. Montague will discuss, following me, the damage
4 assessment and restoration studies part of this Volume II, but
5 I want to at least touch on a few of the key elements of this
6 outline; and, I won't go into each of these items but just some
7 highlights.

8 Again, you know, the real purpose here is to provide a
9 substantive base of public participation and, thus, the
10 document would open with an invitation for comment on the
11 entire contents of the document. And, we might look to various
12 mechanisms to facilitate written comments in addition to what
13 would happen through the public meetings following release of
14 the document.

15 The heart of the document begins probably in Section 2
16 where we would summarize the restoration planning activities
17 over the last two years, and what we've been doing and
18 highlights of what we've learned from those exercises. We
19 would, again, include a summary of injury, which would
20 represent -- this is Section 3, which would represent an
21 updated version of the 18 page summary released in April of
22 1990. And, the key here would be to include in that document
23 all of the damage assessment results that have been completed
24 and peer reviewed so that we're not going out prematurely with
25 something but our best snapshot of results.

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1 The next four sections, IV through VII, cover proposed
2 criteria for selecting injured resources, some background on
3 those injured resources, life histories, for example, of some
4 of the injured species, proposed criteria for selecting
5 restoration options, and finally, the description of
6 restoration end points and options that have been identified to
7 date. These sections represent a mix of reporting on what we
8 have learned already from restoration planning as well as
9 proposing to the public criteria for comment.

10 And, so we would both propose and explain the criteria
11 that may be used to select resources that are in need of
12 restoration and to -- the criteria to select options for real
13 evaluation; do we use fish passes, do we build hatcheries, do
14 we buy habitat, all of these are options. And, we are going to
15 need criteria to nar- -- relevant to restoration of the injured
16 species.

17 So, based on a preliminary application of the criteria,
18 we can then describe options that appear worthy of further
19 consideration. And, these, in part, are based on the eight
20 scoping meetings we held in communities in May -- April and May
21 of 1990; so, we have done one round of scoping meetings, and
22 got a lot of input there. And, building on that from our
23 principal investigators, outside experts, we've been able to
24 identify a number of options that we think are worth
25 developing. We can present those and invite public comment on

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1 them.

2 (Tape change)

3 The last section, Roman numeral VIII, implementation of
4 the settlement, we would describe the structure that is being
5 set up; the process for evaluating restoration options; a
6 tentative program for public participation; and lastly, what is
7 envisioned in the way of a restoration plan which is really the
8 document that we're ultimately heading toward.

9 Let me just note on public participation, it sounds
10 from the previous discussion that some things will have been
11 set up, other things may still be under consideration at that
12 point, but the framework will just have to capsulize where we
13 stand right then and invite comment on it and then presumably,
14 you may want to make decisions to refine things based on that
15 additional comment.

16 Following the round of comments and meetings, we should
17 have a solid basis from which to proceed to draft an actual
18 restoration plan, and our target for that document, just as the
19 target, would be March of '93, approximately a year after the
20 framework document is released. I'd like to just explain
21 briefly the difference between the restoration framework which
22 we're talking about for this spring and the proposed
23 restoration plan which is a longer term document.

24 The framework that I've just been discussing is really
25 a programmatic document. It's a preliminary statement that

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1 provides background to invite and encourage substantive public
2 participation, get comments on process and needs and
3 priorities. The draft of the restoration plan, however,
4 evolves from this framework and presents -- is a much more
5 detailed presentation of restoration alternatives and groupings
6 of specific options that can be employed to address the
7 restoration needs of the various resources and services. These
8 options by a year from this March will have had the benefit of
9 a full round of public participation as well as continued
10 scientific review and when we present them, and we want to do
11 it carefully, we need to be able to give the public an idea of
12 the -- how these options would benefit the resources that have
13 been injured as well as the environmental and economic
14 consequences of carrying out those options.

15 The final restoration plan would then be supplemented
16 we envision by annual work plans and that will then be the
17 document that will guide implementation of the restoration
18 program over the life of the settlement.

19 This is no small undertaking. The stakes are high and
20 there are numerous public or numerous policy questions that
21 need public input and your resolution as this process moves on.
22 That is one reason we expect it will take really a full year
23 after the framework is out to produce a plan. There are a
24 number of factors that fit in there and you may have questions
25 or comments about them. I'd just note five of them. The key

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1 variables are the staff resources that are dedicated to the
2 task; the ultimate nature and degree of public involvement and
3 what level of public interest there is in the program. Another
4 factor is how quickly we're able to complete and synthesize the
5 results from the damage assessment because many of those things
6 are still in progress. Another big variable is what are the
7 steps necessary to ensure compliance with the National
8 Environmental Policy Act, Coastline Zone Management Act and
9 other federal and state laws. Lastly, and I think the bottom
10 line is that the length of time required to prepare the
11 document depends on the level of detail we want to present it
12 in and at what level of credibility we want to achieve. So,
13 that is a quick overview of the restoration framework and at
14 least a little bit of a suggestion of where we would
15 recommending heading in the way of a restoration plan.
16 Thank you.

17 MR. COLE: Thank you, Mr. Senner. Mr. McVee.

18 MR. McVEE: The volume I outline -- you know, I think
19 that's a good outline and probably Mr. Cole could answer this
20 specifically, but -- you know, it appears to me from my
21 knowledge, that it would meet the requirements that were
22 approved by the Court for a framework plan. I think that's
23 critical because our ability to get money, actually get money
24 approved from the Joint Fund is based upon that plan and its
25 acceptance.

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1 I think that -- you know, that our policy should be to
2 close out the NERDA (ph) studies so that we have the
3 information, so it's available to us, and I think that that's
4 what's anticipated here and that's information that would be
5 available -- you know, as soon as possible to the public so
6 that they can respond from a knowledgeable

7 I guess -- you know, we have a sequencing dilemma, and
8 I'm sure you've struggled with that, but that -- that we're
9 talking about a 1992 work plan -- you know, so that we can
10 start to initiate some restoration activities, restoration
11 plans and there is critical work to do there. The one that I
12 can recall from briefings is the fact that we've got some
13 monitoring equipment on otters that is powered by batteries and
14 those will expire in -- sometime during the next year so we
15 need to collect that data. But -- you know, we need to, at
16 some point I guess, inform the public and maybe you don't want
17 to say solicit projects from the public, but we need to develop
18 a structure I think as rapidly as possible so that they will
19 know how to do that. You know, how to submit proposals. I
20 think there's four or five of them already on my desk, and I
21 guess -- you know, that should be built into -- into our work
22 planning activities and maybe considered as part of the '92,
23 but -- you know, everybody has to have an equal shot when we
24 start to do that. You know, it has to be in a forum where
25 everybody has an equal opportunity. But we're going to get

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1 those, so -- you know -- and I can see problems if we just deep
2 six 'em until next year, until we have -- you know, the final
3 restoration plan, but we need to have some way to deal with
4 those.

5 MR. COLE: Commissioner Sandor?

6 MR. SANDOR: When you anticipate the completion of the
7 draft plan?

8 MR. SENNER: Under the scenario that we're proposing,
9 we would have a draft restoration plan, the target would be
10 March of '93, so that would be one -- we're looking to this
11 framework document this coming March, '92 and we're looking to
12 one year after that.

13 MR. SANDOR: Will it be possible to still I
14 guess the answer to the question -- the question was when will
15 the draft restoration plan be completed and the answer was
16 March of 1993. With the restoration framework completed in
17 March of 1992, I guess the hiatus that is of concern to me is
18 what happens in the interim. Is there a process of identifying
19 projects of high priority need, that the restoration work might
20 be actually done in 1992?

21 MR. SENNER: Well

22 UNIDENTIFIED: Mr. Montague will address that.

23 MR. SENNER: Well, I was going to say there are a
24 number of policy components to those questions, and one of them
25 is whether one -- whether you do want to proceed with actual

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1 implementation of restoration work in '92 or limit activities
2 in '92 only to further studies that would support restoration.

3 MR. SANDOR: That's I guess the point that maybe -- a
4 question can be reserved until when Dr. Montague makes his
5 presentation, but I think that needs to be laid on the table,
6 Mr. Chairman, and I guess I'll reserve further questions and
7 comments at this time.

8 MR. COLE: Back to Mr. Barton, please.

9 MR. BARTON: Well, I think I have the same concerns
10 that Mr. Sandor was going to express and if we're going to wait
11 to discuss '92 activities for Dr. Montague's presentation, I'll
12 wait till then.

13 MR. COLE: Commissioner Rosier?

14 MR. ROSIER: Pass.

15 MR. COLE: Mr. Pennoyer?

16 MR. PENNOYER: I'll wait until you get the whole
17 package.

18 MR. COLE: Let me say this. I have a lot of
19 reservations about this proposal and it's hard to express them,
20 but -- you know, I sort of see this big bureaucratic machine
21 starting to get formulated -- you know, and here is -- you
22 know, all these things and then we're talking about the studies
23 we'll do in '92 and the restoration plan in '93 and pretty soon
24 -- you know, I think I foresee stacks of studies and papers
25 like this, but not, I'm fearful, a lot of bang out there in the

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1 Sound for the buck and I'm really concerned about that.

2 I'm concerned about the process that we're getting into
3 here, but I come from a -- you know, a different background
4 that these scholars and the scientists and government people,
5 but it just worries me a little bit when I see this. Now,
6 maybe my fears are ill founded, but I must say I'm
7 apprehensive.

8 For example, let me say, I mean I know that Secretary
9 Lujan has expressed the thought of endowing a chair at the
10 University of Alaska for certain things, and the Governor has
11 expressed some views of Prince William Sound, and I just want
12 to be sure that we don't -- that we husband these resources
13 which we have very carefully and that we concentrate on
14 expending them for the restoration of the Sound, and I'm not
15 talking about -- you know, building roads to Timbukto or
16 anything, but I'm talking about putting bucks right into the
17 Sound and not getting awfully deep in -- you know, in the
18 structure that I sort of foresee developing. Mr. Barton?

19 MR. BARTON: Mr. Chairman, that's somewhat along the
20 lines that I was going to defer on, but since we've started it,
21 I'll start it or add my comments. I feel very strongly that
22 we've got to get the maximum amount of this money into actual
23 restoration activities on the ground in the Sound and in other
24 oil spill impacted areas.

25 We can't, I don't believe in good conscience, spend the

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1 bulk of the money on studies and bureaucracy and the lesser
2 amount of it in restoring resources. The whole purpose that
3 we're here for is to restore resources. We've got to do it in
4 a sound manner, scientifically sound manner. I don't think
5 anybody disputes that.

6 I would -- I don't know when the appropriate time is
7 going to come, but it's occurred to me that perhaps the
8 framework that we're talking about developing with some
9 modifications or additions might serve the same purpose as the
10 more comprehensive plan that Dr. Senner's talked about that's
11 due for development in March of '93. Perhaps there's a way
12 that this document could serve both purposes with some
13 additions. I don't know; I think it's something we ought to
14 consider. I don't know yet whether I advocate it. I do
15 advocate considering it.

16 MR. COLE: Well, let's see, let's just go back and
17 forth, one State and one federal. Commissioner Rosier?

18 MR. ROSIER: Thank you, Mr. Chairman. The first thing
19 I want to do is get you off of the hook because you were
20 speaking specifically to the expenditure of the money in the
21 Sound which I'm sure is going to benefit but there are some
22 other areas of the state that were affected here.

23 MR. COLE: If Representative -- (indiscernible -
24 simultaneous speech)

25 MR. ROSIER: I'm sure you meant the other areas of the

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1 state as well.

2 MR. COLE: If Representative Davidson is listening, I
3 certainly want to correct that and thank you very much.

4 MR. ROSIER: I would just like to say that I think that
5 at least based on the information I have right now that I hope
6 that we are striving for balance here between the research work
7 and actual expenditures of the dollars. I think that as we all
8 know, we have to bring that damage assessment work to a logical
9 conclusion and that this could prove to be quite important to
10 us further down the road in making further determinations of
11 damage that we may not sense at the present time. But I think
12 that we need the information to make the decision. I think
13 that we want to be sure that we have a balanced approach here
14 between the actual doing and the research that supports the
15 actual doing. In my view, I'm not for building the bureaucracy
16 for one minute on this, but I think on the program side, I
17 think we've got to be very careful how we approach it.

18 MR. COLE: Mr. Pennoyer?

19 MR. PENNOYER: Mr. Chairman, Mr. Rosier said about what
20 I was going to say. We are faced with a dilemma and that is
21 that we want as much as possible these resources to go directly
22 into restoration of the resources of Prince William Sound and
23 other affected areas, but we also want to make sure that we do
24 the right thing and we do need to have a good look at the
25 damage assessment results so we're not trying to repair

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1 something that's not broken, for example, or missing something
2 that is broken. We need to have a good background on the type
3 of things that may be proposed for restoration so we can look
4 at the alternatives and assess how great they're going to be.

5 I agree with you. I don't think that we want to wait
6 forever and I don't think that we want to build a bureaucracy
7 and I'm hoping the work plan shows a real crank down when we
8 get to it for '92 on damage assessment except for finalizing
9 that the results of it, and increase in the amount of looking
10 at the type of restoration that should be done and I hope we
11 also retain an open mind if a good idea comes along and it's --
12 (indiscernible) -- that it actually is a good idea and fits in
13 with what we already know quite well, then we can jump on it.
14 But I agree with Mr. Rosier that we do have to -- have to look
15 at the information and make sure we're making the right
16 choices.

17 MR. SANDOR: Well, I think it might be advisable to
18 maybe hear Dr. Montague address the issue of the 1992 work
19 that's planned, but I think before we get off of this subject,
20 I'd like to at least have a projected fiscal note of what in
21 effect -- what we expect to be expending on -- in 1992 with
22 regard to the development of the long range plan and the
23 studies and so forth because I really am concerned not only
24 with the question of the bureaucracy but how much funding, in
25 fact, we're going to be committing to this plan of action.

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1 MR. COLE: Commissioner Rosier?

2 MR. ROSIER: I think for the benefit of everyone
3 concerned here on this, it's not only the expenditure that is
4 related to the '92 field work, but I think that it's also --
5 I'd like to have some feel for -- you know, how the total
6 dollars that we're dealing with this year are, in fact, being
7 expended.

8 MR. COLE: Yes. How much money do we have available
9 for expenditure in 1992? How much money is in the bank so to
10 speak?

11 MR. SENNER: I would have to defer that to Dave Gibbons
12 or

13 DR. MONTAGUE: Maybe I give the -- no --
14 (indiscernible).

15 MR. COLE: Okay, but let me say this --
16 (indiscernible). I would like to comment on Mr. Pennoyer's
17 comments and Commissioner Rosier's. I mean it's a free
18 wheeling outfit here and everybody has some strong views, but
19 look, I mean in the year 2005, there will still be scientists
20 out there who say we don't have the answer yet; we have to
21 study this a little more. I guarantee you that will be the
22 case, not that my guarantee is worth very much, but I mean --
23 you know, there comes a time, you see, to say the time for
24 study is passing us by and it's time for restoration and
25 enhancement. Not that -- of course, we're not going to look at

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1 scientific studies. I mean that would be folly not to have
2 some sense of what's going on out there, but I just want to say
3 that in my view at the least, we have to husband these dollars;
4 we have to expend them very carefully; and not have this huge
5 bureaucratic framework or structure out there, studying these
6 problems, writing reports, writing memos, saying we need a
7 little more, et cetera, et cetera. I mean the time has come in
8 my view, gentlemen, I mean to get down to the restoration
9 process now -- you know. Where we make that cut, that will not
10 be easy. But nonetheless, as the Governor would say, that's
11 where I'm coming from and I have some very, very strong
12 feelings about it, so if you will, maybe we can now pass on to
13 another more pleasant subject. Thank you. Dr. Montague,
14 please.

15 DR. MONTAGUE: Thank you. As Charlie stated, my name
16 is Jerome Montague and I'm the Director of the Oil Spill
17 Assessment and Restoration Division for the Alaska Department
18 of Fish and Game, and what I'd like to do is just bring the
19 Council up to date on where we are in terms of damage
20 assessment and restoration activities to date and what our 1992
21 work plan is.

22 And this is a process that's been going on since '89
23 and it's basically a continuation of '89-'90 and '91 process.
24 And in order to get ready for the 1992 field season, our
25 schedule for ending the annual reports and receiving the

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1 proposals for the next year began as early as last August which
2 was before the settlement, and in September, we asked the
3 principal investigators to give us -- begin preparing their
4 actual proposals as well as to prepare their annual reports,
5 tell us what they found for that year.

6 And then in October when we had the settlement, we
7 modified our request to the investigators somewhat to shift
8 attention to bringing about an orderly closure to the damage
9 assessment process, and which was pretty much as specified in
10 the settlement. And proposals were received in November as
11 well as the annual reports from probably something like 40
12 investigators, and a marathon series or a marathon meeting that
13 lasted about 12 days at the first part of December, we listened
14 to the reports of what all the investigators had found in the
15 1991 period and we listened to all their recommendations for
16 continued damage assessment work and continued and/or new
17 restoration activities.

18 And the criteria we used to evaluate the damage
19 assessment projects are listed there in your hand out, but I'll
20 just go over them for those in the audience. Immediate injury
21 was one criteria, meaning that was injury obvious or does it
22 seem likely that injury would have occurred for a particular
23 species or resource. The second criteria was long term
24 alteration of populations. The third criteria was sub-lethal
25 and latent effects. The fourth was ecosystem wide effects; the

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1 fifth was habitat degradation.

2 And in terms of deciding whether to close out a
3 particular damage assessment project, the main criteria was has
4 damage been at least minimally identified. As Charlie was
5 saying, you can always identify it better, but was it at least
6 minimally identified. And the criteria that we used for
7 evaluating restoration science studies and I'd like to
8 differentiate between a restoration science study and an
9 implementation study, and for the most part, we are not
10 entertaining much in the way of implementation proposals. The
11 1993 draft restoration plan is when an implementation -- the
12 major implementation efforts would begin. And by
13 implementation, we would mean buying land, building fish
14 ladders or something other than an information gathering
15 project.

16 And anyway, criteria that we use for evaluating these
17 information gathering projects is documentation of probable
18 injury, meaning that the damage assessment studies have already
19 indicated that there is a damage; an estimated time needed for
20 natural recovery; a restoration activity or end point that
21 result from the study; the need for the proposed study with
22 respect to the ability to carry out future restoration
23 activities; the technical feasibility and probability for
24 success; the importance of conducting the study in 1992,
25 meaning would a delay of a project have serious restoration

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1 effects; that if we -- (indiscernible) -- the year of damage
2 assessment or restoration activities, would restoration be
3 hampered; and the last was the cost of the proposed activity
4 relative to the degree of injury, what were the costs of the
5 potential restoration outcome.

6 And in terms of damage assessment studies, we, for the
7 most part, are recommending that they be brought to a
8 conclusion and this is 75 percent of the projects that are
9 either already completed or we intend to complete in the 1992
10 field season, and reports are either available for the Council
11 now or at various times between now and June of next year.
12 Well, June of 1993 actually.

13 And our estimate of what the damage assessment
14 primarily close out for 1992 is about eight million dollars.

15 MR. COLE: I'm sorry, I missed that.

16 DR. MONTAGUE: Our estimate of the cost for closing out
17 the damage assessment, and I say close out, but there is
18 potential that some of those could continue even beyond 1992 or
19 even new ones could be started.

20 MR. COLE: And that's eight million dollars for what?

21 DR. MONTAGUE: That's closing out all the damage
22 assessment projects that we've had to ascertain the damage.

23 MR. BARTON: Mr. Chairman.

24 DR. MONTAGUE: And in a few cases

25 MR. COLE: Mr. Barton has a comment, excuse me.

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1 MR. BARTON: It's not clear to me, Dr. Montague, are
2 there no studies done that are being recommended for
3 continuation or if there are, are they within the eight million
4 dollars?

5 DR. MONTAGUE: They're within the eight million
6 dollars, and I think they comprise about 20 percent.

7 MR. BARTON: Of the dollars or the studies?

8 DR. MONTAGUE: Well, of the -- of the studies.

9 MR. COLE: Please continue.

10 DR. MONTAGUE: Okay. And in terms of the restoration
11 proposals, numerous proposals were received from investigators
12 and the trustee agencies and a good many of these are logical
13 extensions of damage assessment activities that were already
14 ongoing, and these proposals fell under the restoration end
15 point category such as improved management options, habitat
16 protection, natural recovery monitoring, and enhancement.
17 Additional consideration of these proposals for funding is
18 contingent upon the Trustee Council's request for detailed
19 study plans.

20 So, as a result, sometime during this meeting or
21 beyond, we would need an approval to go back to the
22 investigator to ask for detailed study plans and more detailed
23 budgets and our estimate for the restoration science proposals
24 are -- science isn't necessarily the best word, but information
25 gathering proposals for restoration would be about 17 million

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1 dollars for 1992, and this

2 MR. COLE: Is that in addition to the eight million?

3 DR. MONTAGUE: That's in addition and that, as I said,
4 these are preliminary estimates and especially in the case of
5 the restoration ones, a good many of the proposals were
6 duplicative and going back, if we have your approval to go back
7 and ask for detailed proposals, many of these will be combined
8 into one project at considerably less expense. So, those
9 figures should be viewed as higher than actually will be
10 recommended and this is out of -- less than 24 million out of
11 the 90 million that was in this first year's payment.

12 MR. COLE: Well -- you know, let's see, of that first
13 90 million, 24 million, 500 has been paid to the federal
14 treasury; 29 million has been paid to the State General Fund;
15 so let's see, that's roughly 30 plus 25. We're about 55
16 million has gone to the two governments for reimbursement of
17 expenses. That would leave what, 35 million? Is that about
18 what you gentlemen's thoughts are? I'd say about 35 million --
19 (indiscernible). Have you finished or did you want

20 DR. MONTAGUE: Well, basically, yes. Ready to answer
21 questions.

22 MR. COLE: Mr. Barton.

23 MR. BARTON: On the restoration proposals, are there
24 actually on the ground implementation activities?

25 DR. MONTAGUE: Well, implementation being defined as

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1 building something or buying land, there aren't any.

2 MR. BARTON: In other words, for 17 million dollars or
3 whatever it ultimately ends up to be, we wouldn't be able to
4 walk out on the Sound and say we did this.

5 DR. MONTAGUE: You'd be able to walk out into the Sound
6 and say you did this, but you might not have a building to show
7 for it.

8 MR. BARTON: Well, I'm not looking for a building, but
9 I'm looking for restoration.

10 DR. MONTAGUE: Well, for instance, I kind of know what
11 you're getting at, but a good many of the projects are
12 monitoring of damages that have been found in the damage
13 assessment studies and in some cases, the damages are getting
14 worse and in most cases or in many cases, they're staying the
15 same or getting better and a year's breach in monitoring that
16 we feel would be detrimental to the restoration process. It's
17 really implemented in a much larger scale in terms of the money
18 spent in 1993 and beyond.

19 MR. BARTON: So some on these are then essentially a
20 continuation of the damage assessment studies that are being
21 renamed?

22 DR. MONTAGUE: Well, monitoring components -- if any of
23 the damage assessment studies had monitoring aspects, those
24 would be the ones that would be continued.

25 MR. BARTON: Well, are we talking about natural

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1 recovery monitoring?

2 DR. MONTAGUE: That's correct.

3 MR. BARTON: Okay.

4 MR. COLE: Commissioner Sandor, did you have questions?

5 MR. SANDOR: The damage assessment of eight million is
6 just for fiscal -- just for calendar year '92 or does it also
7 extend to the completion of all of the damage assessment
8 studies?

9 DR. MONTAGUE: Well, it covers the period March, '92 to
10 the end of February, '93.

11 MR. SANDOR: And there might still be some damage
12 assessment studies continuing?

13 DR. MONTAGUE: Right, and 75 percent of 'em, 75 percent
14 of the damage assessment studies will end for sure in that
15 period and 25 percent that we're asking to continue right now
16 may or may not continue.

17 MR. SANDOR: And the restoration science studies of 17
18 million is from again March or February of '92 to March of '93,
19 the same period of time?

20 DR. MONTAGUE: Right, that's correct.

21 MR. SANDOR: And then is the planning, the restoration
22 planning costs another item?

23 DR. MONTAGUE: Yes.

24 MR. SANDOR: And what might that be?

25 DR. MONTAGUE: The administration, this is the cost of

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1 the project. Again, with -- I'd like to emphasize is on the
2 high side because of all these combined proposals, but
3 additional cost would be the administration of the projects and
4 the restoration framework and planning process.

5 MR. SANDOR: Which might total or add what?

6 DR. MONTAGUE: Well, the administration would be
7 something on the order of 15 to 20 percent of the projects and
8 restoration planning would probably be -- depending on -- it's
9 a hard one to pin right now because we don't know the expense
10 of the public involvement process, but one to five million
11 probably.

12 MR. SANDOR: Mr. Chairman, I think we need to spend
13 some time to -- on this particular aspect. This may not get or
14 does it, Jerome, include the cost of the overhead management
15 team itself? Is that one to five?

16 DR. MONTAGUE: Well, that was what I was -- in the 15
17 to 20 percent of the projects, that would

18 MR. SANDOR: Okay. So it appears then we're talking in
19 the range of at least 25 to 30 million dollars?

20 DR. MONTAGUE: That's correct.

21 MR. SANDOR: I guess I restate my concern.

22 MR. COLE: What is your concern?

23 MR. SANDOR: My concern is -- really is as stated by
24 Mr. Barton earlier that we do definitely want to close the
25 studies in a scientific manner and not lose that. Nobody is --

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1 I don't anyone is questioning that. I guess a concern is that
2 we have before us the prospects in 1992 and ending in that
3 February 28 or March 1, 1992 period, an expenditure of 25 to 30
4 million dollars and apparently very little restoration work
5 itself done in 1992. And it'll be interesting to determine
6 from our public advisory group and from other entities out in
7 the various areas impacted by the oil spill of whether or not -
8 - you know, and it's perceived that, in fact, this restoration
9 work which must be out there can wait yet another year, and I
10 guess, Mr. Chairman, the troublesome part of this thing is by
11 March of 1993, we will have -- four years have passed after the
12 actual incident occurred and we will have -- and I think we've
13 spent what, something in the range of 40 million --
14 (indiscernible) -- studies this past year and -- this current
15 year, and I'm worried about the time in which we hold ourselves
16 accountable and the public holds ourselves accountable to what
17 restoration work we've done with the money that we've spent.

18 MR. COLE: Mr. Barton.

19 MR. BARTON: We -- you know, we've spent I think over a
20 hundred million dollars on the damage assessment process and
21 that began very shortly after the spill. I'm really puzzled
22 why there aren't some things, and I know this is probably a
23 frustration we all feel including the public, I'm puzzled why
24 there isn't -- why there aren't some things that we've learned
25 in the course of the last three years that we can actually do

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1 to restore the resources of an impacted area. I know that it's
2 a complex issue and I'm not advocating that we go forward
3 without a good scientific base, but it just -- it is awful
4 frustrating not to be able to walk out there and put my hand on
5 something that we did restore.

6 DR. MONTAGUE: Could I

7 MR. COLE: Did you want to make an observation, Doctor?

8 DR. MONTAGUE: Yeah. The

9 MR. COLE: Well, let me just say this -- you know. Dr.
10 Montague is not responsible for the hundred million. And I
11 haven't been involved in spending a nickel so I'm

12 MR. BARTON: I was going to clarify that, Mr. Chairman.
13 I realize that Mr. Montague hasn't been -- isn't responsible,
14 but I can say that I've been in this thing since the first day
15 and I had a big part in the hundred million.

16 MR. COLE: Mr. McVee.

17 MR. McVEE: Comment on a couple of questions. If I
18 remember right also, coming out of that 90 million is the cost
19 of any cleanup activities because if we've not closed out --
20 not

21 MR. COLE: Exxon's 1991 cleanup set off, so to speak.

22 MR. McVEE: Yeah. I guess the couple of questions
23

24 MR. COLE: Does that leave us with any money?

25 MR. McVEE: I'm not sure. I guess maybe the first

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1 question would be kind of what has to be done to close out the
2 NERDA (ph) studies? Is there field work or is it a matter of
3 writing out a summary report, a close out report? What do we
4 get for the eight million dollars?

5 DR. MONTAGUE: Okay, for the I could -- trying
6 to give you more exact figures, but I would think that
7 approximately half of that is for or less -- somewhat less than
8 half of that is for actual field work in 1992. The remainder
9 is for these final reports, then peer review, and a lot of the
10 backlog on that is analysis of hydrocarbon samples, and that's
11 a lot of the work that needs to be continued this year. It's
12 not field work. It's the samples collected in previous years
13 that haven't been analyzed and until those analyses are ended,
14 the investigators, they can't prepare their final reports.

15 MR. McVEE: Okay, thank you. I guess the second
16 question is that we've looked at -- or we looked at restoration
17 proposals. Is there -- and there have been some -- you have
18 had some criteria for selecting proposals, but is there any way
19 to look at the impacted area in a kind of a comprehensive way
20 so that -- you know, rather than address -- you know, to
21 address the entire you might say impacted ecosystem, so that we
22 could get some feel for what really -- you know, has priority
23 because I think the studies, as I understand it, were more or
24 less focused, an analysis more or less focused on species, the
25 murries; the otters; the mussels; and so on, but is there some

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1 way that -- you know -- and I guess that I would feel more
2 comfortable in dealing with the budget -- you know, when we get
3 to that point, of a budget in an overall perspective if we've
4 looked at the impacted area and we've identified what resources
5 we really need to evaluate some more in order to -- you know,
6 have the information we need to develop restoration programs.

7 DR. MONTAGUE: Well, your point about a lot of the
8 projects being species specific I would grant that that's true,
9 but I would say that our ecosystem wide picture of what's
10 damaged and what these damages are affecting or how they're
11 affecting the ecosystem, we do know quite well and if you need
12 to know 'em better, it would cost even more. But I think that
13 we can describe the damages to the ecosystem quite well.

14 MR. McVEE: I can see from that kind of a description -
15 - you know, we can develop as I say the kind of criteria that
16 would really be helpful to the Trustee Council in selecting
17 projects and selecting studies, and that would -- you know, get
18 us to the high priority which is what we want to take care of.

19 MR. MONTAGUE: I was going to comment to Mr. Barton,
20 some of his questions, and your statement about this many years
21 have gone by and we've spent this much money and what have we
22 done for restoration and actually we've done a tremendous
23 amount for restoration, particularly with species that are
24 harvested species, commercial and sport fishes and huntable
25 populations for subsistence and sport hunting. The results of

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1 these studies have made dramatic improvements in our ability to
2 both allow these things to continue, yet protect the resource,
3 and I would argue that a lot of the management activities are
4 enhancing restoration at this moment and have been for ever
5 since new information came in, and as far as bang for the buck,
6 in many ways, the management actions taken on some of these
7 species will restore 'em and in some ways, that's probably the
8 cheapest expenditures. And for some of the species that have
9 huge commercial harvests, many times without that information,
10 it would have meant simply closing the harvests.

11 MR. COLE: Let's see, did we want to get Commissioner
12 Rosier -- (indiscernible). Well, Mr. Pennoyer has been
13 All right, Mr. Barton, please, he wants to have a surrebuttal.

14 MR. BARTON: No, I don't want to rebut and I appreciate
15 Dr. Montague's amplification and I did not mean to imply that
16 Dr. Montague had any particular personal responsibility. As I
17 pointed out, there's two in this group that have been in this
18 since day one, and I'm one of those so if there's any arrows to
19 be shot, I can -- I'm one of the targets.

20 MR. COLE: Let's see, Mr. Rosier, Commissioner?

21 MR. ROSIER: No, nothing.

22 MR. COLE: Mr. Pennoyer has the floor.

23 MR. PENNOYER: Well, I guess I'll have to -- Mr. Barton
24 made an oblique reference to the two of us and I'm the other
25 one, I suppose, since I've been involved in the spill since

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1 about the second day after it occurred and in this research on
2 it.

3 We have spent a lot of money on damage assessment and I
4 think it is vitally important that we tie that together and
5 describe what happened and describe what our answers are to
6 what happened and that also serves as, I think, some guidelines
7 and mileposts for anything that might happen in the future.

8 Be that as it may, I'm not sure how much that costs and
9 I'm having trouble with this discussion because I have no
10 projects in front of me; I have no description of what these
11 items really mean and what the content is. All I hear is the
12 total amount of money, and that makes it very difficult to
13 really comment specifically on what is going to be accomplished
14 with that money or how it relates to something else we're going
15 to do with that money.

16 My presumption is that at some point here, you're going
17 to come back to us with a rather detailed expose of what this
18 means and why these expenditures in C.G.'s (ph) viewpoint are
19 appropriate. I don't have that now. I mean I can obviously
20 say it sounds like a lot of money and I can say if there are
21 other opportunities we're missing, we probably shouldn't miss
22 them. If there really are things that we can now evaluate and
23 say they're the right thing to do, but I have no way of
24 balancing those and at some point here, before we go out to
25 public review or before this goes a whole lot farther, we need

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1 to do more of that, and I think we want to utilize and involve,
2 of course, the people who have been working on the spill
3 cleanup and begin integrating those people into the regular
4 organization.

5 These folks that have been doing the studies should
6 have really a preferential opportunity to -- you know, become
7 employed in the regular organization itself rather than
8 perpetuating separate organizations. I think there's a time in
9 which these studies that are ongoing actually achieve other
10 objectives than those related to the spill itself or the
11 restoration work. Indeed, I suspect that there may be some of
12 this work that probably was requested from the general funds
13 even prior to the spill because this stuff was -- this
14 information was not available and was needed, and I don't fault
15 that, but I say the process of integrating this should --
16 should be kept in mind and the existing organizations that we
17 represent need to cover some of these activities that are basic
18 research and maybe only partly related to the spill, and the
19 spill shouldn't -- funds should not -- you know, pay the whole
20 bill and I -- this might be a time to again say that as you
21 look at this, see if there aren't some actual restoration needs
22 that have been prioritized to the extent that we ought to -- to
23 begin work on -- begin work on.

24 It's troublesome that we have this restoration
25 structure that's going to be done in March of 1992, a draft.

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1 The restoration plan is not going to be done until March of
2 1993 and I forget whether it was Mike Barton or Curt McVee or
3 Mr. Pennoyer that said well, maybe we can use that restoration
4 framework to begin doing some restoration work. I guess at
5 least those four or five points I would give as guidance.
6 Whether or not you folks share those or have some others, but I
7 think rather than just saying to this group hey, go back and be
8 more specific about your needs, I think they deserve guidance
9 from us and I think it comes loud and clear that at least from
10 my position, this 25 to 30 million budget for 1992 is
11 surprisingly large. It approaches the operating budgets of
12 many units within the existing State government, and I believe
13 we want to hear from the public to see if they -- you know,
14 share that concern or not.

15 MR. COLE: I'd like to make some comments. First, Dr.
16 Montague, I think your analysis is outstanding and I
17 congratulate you on the work product you've presented to us
18 here this evening.

19 I am somewhat stunned over the amount which is planned
20 to be expended in 1992, and I come at it as Commissioner Sandor
21 just alluded to. You know, I know what the budget is for the
22 Department of Law just for one fiscal year. I mean I think I
23 know, but I don't know it as well as I should. I know that.
24 But I mean we have 500 employees and we engage in heavy
25 litigation against -- you know, it seems like everybody in the

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1 to schedule a session where we spend some time and sit down and
2 look at the details of what you really are discussing because I
3 don't think you've presented us a final fait accompli (ph) of
4 any kind. You've done some preliminary planning. We haven't
5 signed off on it. We haven't sent it out for public review.
6 We haven't evaluated it relative to other things we might want
7 to do. So, I think we need, Mr. Chairman, to do that at some
8 point fairly quickly, although like everybody else, it sounds
9 like a lot of money and I think we're going to have to look
10 very closely at what's proposed.

11 MR. COLE: Commissioner Rosier.

12 MR. ROSIER: Thank you. I would like to say that at
13 this point, at least to my knowledge, there's been no public
14 input into the planning process here for the '92 field season.
15 As I understand it, this is basically a continuation of the
16 process that was in place up to settlement time on this.

17 Again, I think that we need some further detail in
18 regards to the total dollars and what those dollars represent.
19 I think as Dr. Montague indicated, these are maximum figures at
20 this point in time, and as I understood the request here, they
21 were interested in some indication from the Council here
22 tonight as to whether or not they should, in fact, proceed with
23 development of the specifics to support those figures and
24 whether we should -- at which time we, plus the public, would
25 have an opportunity to participate in the evaluations of the

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1 projects.

2 So, it seems to me that we -- personally I think we
3 need some further information on this before we get too far
4 down the road. I would again echo my concern about the total
5 dollars, and I would hope that in terms of those PI's out
6 there, that they're dealing with pretty sharp pencils when they
7 get the go ahead to come back to us with specifics.

8 MR. COLE: Commissioner Sandor, did you want to
9 comment?

10 MR. SANDOR: I'd like to elaborate on Commissioner
11 Rosier's last point. I think that as the pencils are sharpened
12 and that management group and the sub-groups lay out something
13 for us to really consider, I think this group, this Trustee
14 Council should actually give some guidance in this effort, some
15 very specific guidance, and -- you know, certainly from an
16 organization and process, my recommendation is that it be kept
17 simple and as lean as possible, and that the organizational
18 structure itself be minimum in size and that the process cost
19 be as tight as possible.

20 The second recommendation I would have, Mr. Chairman,
21 is that we utilize existing agencies and organizations as much
22 as possible, and I think to some degree, the group has done
23 that in this public information process and that's a good
24 example of that. In fact, that activity is going to be done by
25 an existing agency using its own organization. I think we need

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1 world including -- you know, perhaps would say sure, yeah, you
2 deserve to get sued for what you do all the time. I realize
3 that. We'll let that go, but -- you know, I mean we have 500
4 employees, some of these briefs that these people write are
5 magnificent work product, and maybe it's about 50 million
6 dollars. Now -- you know, how come these studies in these oil
7 spill areas cost -- you know, 6, 8, 10 -- you know, 20 million
8 dollars, 25 million dollars? I mean it seems to me an ungodly
9 amount to be paying for studies. I just can't fathom how these
10 costs for these studies could reach that magnitude, 25 million
11 dollars when you look at the budget for the Department of Law
12 and 500 employees. Now -- you know, maybe -- you know, there's
13 some intoxication in dealing with these monies. I don't know,
14 but it strikes me as incredibly large sums to get some data
15 about what the condition is out there in these oil spill
16 affected areas. I have really a lot of trouble with that --
17 you know. There's no use talking any more. I guess my
18 position is clear. Mr. McVee?

19 MR. McVEE: Thank you, Mr. Cole. Yes, it seems to me
20 like we probably do need some specifics. Steve, I guess,
21 suggested that -- you know, on what is the -- what can be
22 closed out, I guess we need to look at that. What needs --
23 what needs to be continued -- 'you know, what's essential and
24 what are the justifications behind that in a public review
25 fitting in there somewhere. And then, I guess -- you know, we

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1 need to look at restoration proposals from other sources, too,
2 it seems to me. That becomes part of the total package. I
3 don't think we can -- the Council evaluate until we have -- we
4 have that component. So, I think we need to see both
5 government proposals as well as from other sources before we
6 have a package for consideration plus these other elements
7 before we can look at in total.

8 DR. MONTAGUE: Can I comment on that?

9 MR. COLE: Yes, please.

10 DR. MONTAGUE: As I'm sure you're aware, the list of
11 these projects and all the background details are available and
12 the reason they're not presented here is because of the
13 litigation sensitivity of the damages that would be expressed
14 in looking over those documents, and relative to public
15 restoration proposals, it would have a hard time being
16 meaningful if they didn't know the damages. So

17 MR. COLE: I'd like to comment on that. I think we're
18 making great progress along that line and maybe in the next 30,
19 60 days, we'll have a lot of that behind us. Mr. Tillery, am I
20 off base on that one?

21 MR. TILLERY: We're making great progress.

22 MR. COLE: Yeah, thank you. Any other comments at this
23 time. Dr. Mon- -- let's see, Mr. Pennoyer.

24 MR. PENNOYER: Well, just, Mr. Chairman, I think we
25 kind of need to bring this to closure somehow. I'm not sure

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1 what we're telling them we want them to do with this '92 work
2 plan or what we'll want to look at or when we want to look at
3 it relative to even approving it to be part of the public
4 review package.

5 As I said before, I heard a dollar amount but I have no
6 concept of what's really envisioned in that, any explanation as
7 to concepts, but to evaluate it, some of those projects may be
8 restoration studies but as Dr. Montague says, those restoration
9 studies may lead to direct restoration through management or
10 other actions that we wish to take. So I'm not clear that it's
11 all just "studies" to be doing studies and I would hope it's
12 not. I presume it's not.

13 So we need to somehow put a time frame on this and some
14 decision as to how we can get this type of information, when we
15 want to make the decision. I think we've made it clear we want
16 sharp pencils and hard justifications for why things have to
17 continue or why studies, monitoring studies are appropriate as
18 opposed to some other activity.

19 We also at some point want to be able to entertain
20 alternatives for restoration. If the group has ideas that
21 based on what we've learned so far, there's some preliminary
22 estimates of the types of things that we might do, we'd like to
23 at least know those, and I don't think we've had that type of
24 interaction. Restoration planning has been going on under the
25 damage assessment process under litigation for quite a while,

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1 and I presume we have some ideas, people have some thoughts,
2 and I'm not hearing those yet. So, at some point, we're going
3 to need that type of feedback, how ever it's going to occur.
4 If we have a litigation problem, maybe we've got to do some of
5 that in closed session, but some how I need that type of input.
6 input.

7 MR. COLE: Thank you. Mr. Barton.

8 MR. BARTON: I'd suggest that we ask the RRCG to
9 proceed to develop the detailed study plans given the good
10 advice they're received from us tonight.

11 MR. COLE: Well, at least advice.

12 MR. BARTON: I would like to see a matrix of the damage
13 assessment studies, those that are to be closed out and why,
14 those that are to be continued and why, and approximate costs.
15 I'd like to see the same thing for the restoration studies.
16 Just -- not -- I know you can't get into any detail until you
17 get the detailed study plans back, but some two or three liners
18 about each of the proposals and what our best estimate of the
19 cost is right now.

20 I would suggest that if we need to go into executive
21 session because of the litigation to look at the damage
22 assessment studies, that we do so. We have done that for the
23 last three years and it's not anything unusual or mysterious.

24 MR. COLE: Mr. Rosier.

25 MR. ROSIER: Mr. Chairman, let me just -- I think Dr.

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1 Montague made the statement that it might be tough for the
2 public to make suggestions for restoration. I don't think in
3 all cases the restoration needs to be species specific the way
4 we've been working so far on this, but there may, in fact, be
5 ideas from the public out there for restoration projects that
6 would, in fact, be worth considering at this point. I mean
7 perhaps it is a fish ladder, a hatchery or a piece of real
8 estate or something like that. I think those should be
9 considered as part of the '92 work program itself.

10 MR. COLE: Mr. Pennoyer.

11 MR. PENNOYER: I have one last comment. I think in
12 putting this in a context, I know that Stan Senner in the past
13 has discussed these in previous times, but the restoration
14 planning group that did exist had matrixes of damages and
15 resources and all sorts of things. I think there's information
16 out there for the Council to use in looking at this for
17 deciding on the appropriateness of the package or actually the
18 appropriateness of going forward with certain restoration. I
19 think some of that does exist, and we have not had the
20 opportunity; we haven't given ourselves the time to receive
21 those type of presentations, and I think we have to do it.

22 MR. COLE: Commissioner Sandor, please.

23 MR. SANDOR: Well, I think we've seen this evening
24 evidence of a high degree of professionalism that has been
25 apparent in the spill or cleanup work that's been done, and I

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1 think we can take some substantial assurance and be reassured
2 that, in fact, these pencils are going to be sharpened and
3 these activities are going to be very closely scrutinized. I
4 would reiterate to the point that in doing this, we really do
5 have a test of examining whether or not the project that is
6 being proposed is one that really is mostly -- not totally, but
7 mostly related to the spill as opposed to a study that -- you
8 know, might more reasonably be generated from the General Fund.

9 I thought this was really an excellent session, Mr.
10 Chairman. Thank you.

11 MR. COLE: Commissioner Rosier has -- (indiscernible).

12 MR. ROSIER: Thank you. I would like to compliment the
13 group on their efforts. I think I heard somebody mention 12
14 days of evaluation that went into bringing the concepts forth
15 here tonight on this and that had to be quite a session to get
16 12 days worth.

17 MR. COLE: I can't resist one last comment. On these
18 studies, I personally would like to request that you look
19 carefully at the cost of these studies. Is the cost of the
20 study what it ought to be? Can the substance of the study
21 material be realized for less money? You know, we don't have
22 to study these things to the last decimal point, if you know
23 what I'm saying. I mean -- you know, just please look
24 carefully at the costs of these studies and beyond that, I,
25 too, want to add my appreciation for the work that the group

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1 has done. I don't want you to think that this outpouring of
2 Council this evening, if I can properly describe it as that,
3 with respect to the amount of the expenditures, has any
4 reflection on you or the group. It's just that I think it
5 shows a recognition of the Council that we're very concerned
6 about maximizing the restoration and the good which can be
7 achieved from this settlement. If there are no more comments,
8 thank you, Dr. Montague.

9 DR. MONTAGUE: Okay, so we have approval of the go
10 ahead for detailed plans at a bare bones effort?

11 MR. COLE: Well -- (indiscernible) -- your own good
12 judgment. Is that the consensus of the Council? Fine, thank
13 you, Doctor. Mr. Gibbons?

14 MR. GIBBONS: We're -- I told you we'd make it.

15 MR. COLE: We're rapidly approaching the witching hour.

16 MR. GIBBONS: I just looked up and saw -- one point of
17 clarification. Did we get approval from the Trustee Council to
18 development of the restoration frame work?

19 MR. COLE: Yes.

20 MR. GIBBONS: Okay, that's all I have.

21 MR. COLE: Thank you. Yes, sir.

22 UNIDENTIFIED: (Indiscernible - away from microphone).

23 MR. COLE: You certainly have the floor. Please be
24 seated and

25 MR. BORDERSON: I am Mark Borderson (ph), jack of all

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1 trades for DEC. I'd like to point out to you on the
2 restoration plan, the development of that plan would cost less
3 than one percent of the total funds that are available here.
4 That's the primary point I wanted to make.

5 Also, in

6 MR. COLE: You received sort of a stony
7 response.

8 Nonetheless

9 MR. BORDERSON: Well, I was just trying to put that
10 into perspective as to the cost of it. The set off for Exxon
11 in the question that Mr. McVee came up with there, the Exxon
12 set off comes in December of '92.

13 We also have the criminal restitution funds that we're
14 not necessarily addressing here this evening that we should be
15 considering for funding proposals from sources other than the
16 agencies here for implementation in '92, as should proposals
17 from the agencies for funding in '92. We want to make sure we
18 don't forget those funds, and that's the extent of my chat.

19 MR. COLE: Commissioner Rosier?

20 MR. ROSIER: This, Mr. Chairman, it's not a question.
21 It's more a comment. We haven't talked about all of the
22 funding sources, but maybe we have to talk amongst ourselves.
23 I don't know how you want to handle that.

24 MR. COLE: Well, we can't have any meetings that are
25 not open meetings. I can assure you of that.

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1 MR. ROSIER: I wasn't suggesting that.

2 MR. COLE: No, I know, I know.

3 MR. ROSIER: I was suggesting that we may want to
4 discuss this amongst us here at the table. I mean there are 70
5 funds that have been utilized in the past for funding on these.
6 There has been General Fund dollars that have been spent in the
7 past on this effort. There has been a lot of different
8 sources, and so far, all we've talked about tonight is the 90
9 million as Mark said.

10 MR. COLE: Good thought. Any other parting comments?
11 Well, the time

12 MR. PENNOYER: I'm sorry.

13 MR. COLE: I knew I shouldn't have asked that question.
14 Mr. Pennoyer.

15 MR. PENNOYER: I'm sorry, sir, I have to raise the
16 question administratively. I don't know when the next meeting
17 is going to be, but Dave, how are we doing with the Spees (ph)
18 contract? Do we have to make a decision on that tonight in
19 terms of extension if we're going to or I'm sorry?

20 MR. GIBBONS: Yeah, it expires February 8th.

21 MR. PENNOYER: Mr. Chairman, as I understand it,
22 currently we're still engaged in the peer review process under
23 Dr. Spees' direction in trying to get these damage assessment
24 projects wrapped up and the evaluation of them, and I'm kind of
25 unclear on this short a time how long we're going to need that

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1 type of a service, but I would hate to see it just drop out of
2 sight before the peer review process we're engaged in is
3 completed, and I don't know, Dave, if you want to comment on
4 that, but we've been sort of thinking about an extension for a
5 time -- certain period of time until you think that the
6 synthesis process is going to be done, so we do wrap that up,
7 and then discuss anything further when we get to the science
8 audit question.

9 MR. COLE: Preliminarily should we identify Dr. Spees?
10 I think maybe the people here would be able to follow the
11 discussion here a little more if we were to give a little
12 background about Dr. Spees' past participation.

13 MR. PENNOYER: Well, perhaps somebody on the management
14 team could better detail what he's done than I could, but he is
15 our scientist that has been under contract previously with the
16 Department of -- I think the State maintained part of it and
17 NOAA has at one stage and I think -- (indiscernible) -- did at
18 one point, and he's been sort of the focal point for our
19 science review in getting the peer reviewers brought to bear on
20 the question of evaluation of their studies.

21 MR. COLE: Thank you. Mr. Gibbons.

22 MR. GIBBONS: Yeah, that's quite correct, and with --
23 (indiscernible) -- like I mentioned, his contract expires on
24 February 8th. Until we get this damage assessment process
25 outlined and when the final reports are going to be -- you

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1 know, done and his involvement is wrapped up, we envision
2 needing him more than February 8th, but we're not sure how long
3 we need him into the future after that. So, one proposal we
4 have would be to extend with an interim contract until we get
5 this analysis done with your assistance and the public's
6 assistance, and then wrap up the contract with him.

7 MR. COLE: Mr. Pennoyer.

8 MR. PENNOYER: I don't know how you negotiate contracts
9 or how to do it, but aren't we going to have this time
10 specific. Is he going to do -- is he interested in just an
11 open ended process or how do you have to do that?

12 MR. GIBBONS: Yeah

13 MR. COLE: Can I make an observation?

14 MR. GIBBONS: Sure.

15 MR. COLE: You may want to consider getting a series of
16 three months options -- you know, with the option being held by
17 the Trustee Council, this group, and just extend it in a series
18 of three months, giving 60 days notice or something along those
19 lines, see if that's acceptable. Yes, sir?

20 MR. ALEX: (Indiscernible - away from microphone). We
21 really have two contracts. One that -- (indiscernible) --
22 separate contract with the Department of Law. It doesn't have
23 a termination date.

24 MR. COLE: Could you work with Mr. Gibbons and you and
25 Mr. Tillery on that and give 'em your input?

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1 MR. ALEX: Mr. Tillery and I -- (indiscernible)

2 MR. COLE: Because maybe the Department of Law would
3 want to cancel it and put the expense over on this Council.

4 MR. BARTON: It's worked very well in the past.

5 MR. COLE: Is that

6 MR. GIBBONS: One additional item. It's kind of a
7 housekeeping item also. Would the Council like -- I'll call us
8 the group, to initiate identification process of a -- for the
9 recruitment and selection of a final administrative director
10 for

11 MR. COLE: Can we put that off till the next meeting?

12 UNIDENTIFIED: I think we should.

13 MR. COLE: By the way, how much does Dr. Spees get each
14 month under this contract? I mean I

15 MR. GIBBONS: Maybe I can have the Department of Law
16 identify that, but it's kind of difficult. I don't have his
17 contract right in front of me. Maybe Steve might have a better
18 idea, but he has some assistants and some support and I'm not
19 exactly sure. I would be guessing 25 to 30,000 a month.

20 MR. COLE: A month?

21 MR. GIBBONS: No, that's too high, excuse me. That's
22 much too high.

23 MR. ALEX: I think with staff it's about -- and
24 expenses, it costs 25,000.

25 MR. COLE: A month? And how much

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1 MR. ALEX: Actually that's the upper limit on --
2 (indiscernible)

3 MR. COLE: And how many staff do we get for that 25
4 monthly grand?

5 MR. GIBBONS: He's got an assistant and some support
6 with his organization.

7 MR. PENNOYER: That's -- Mr. Chairman, that's travel
8 and the whole

9 MR. GIBBONS: Travel and per diem and

10 MR. PENNOYER: Mr. Chairman, there has been some
11 discussion about not being in a litigation mode and maybe some
12 negotiations was appropriate. I don't know if that's come up
13 or not.

14 MR. COLE: Well, why don't you look at that, but bear
15 in mind the expressed views of the Council this evening. Yes,
16 Mr. McVee.

17 MR. McVEE: I think it's reasonable to look at some
18 term extension for the contract and that at least so we will
19 have that capability through this initial framework restoration
20 planning and in preparation of the '92 program, but I think
21 maybe three months or something like that is realistic.
22 There's another thing that I think we need to think about for -
23 - that I'd like to have for discussion in our next meeting on
24 the agenda would be because we have concern of the size of the
25 organization that we're creating here, some discussion on how

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1 we go about -- you know, appointing committees, sub-committees,
2 membership and so on because I think indicative with the
3 philosophy that's been expressed here is that we need to keep
4 those committees lean; to limit the number of people that can
5 get the job done; and have the right -- be sure we have the
6 right expertise. But I think that we should do some review on
7 that.

8 MR. COLE: Are you saying that that's -- are those the
9 series of decisions you think should be held by this Council?

10 MR. McVEE: I think we should have some discussion on
11 that before we make those decisions.

12 MR. COLE: All right. Any other comments? When is the
13 next meeting? Let's see if we can get that done before we
14 hurry off to the citizen's comments. We should have one I
15 think in January, and I think there's just a lot of work to be
16 done and we shouldn't postpone it.

17 MR. PENNOYER: Mr. Chairman, from my standpoint, any
18 time in the first two weeks of January would be all right.

19 MR. COLE: Representative Cabena (ph) has asked that
20 the Cordova Road Task Force be present in Cordova on the 9th
21 and we have accepted his invitation. So, we'll be there on the
22 9th. I would say it should be after the 9th or that weekend
23 following the 9th.

24 MR. BARTON: Mr. Chairman, I'm unavailable from the
25 13th to the end of the month.

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1 MR. COLE: Well, what day is the week of the 12th?

2 MR. BARTON: Sunday.

3 MR. COLE: And you won't be available on the 13th?

4 MR. BARTON: No.

5 MR. McVEE: I have a problem that week also.

6 UNIDENTIFIED: I'm not going to be available on the
7 12th. I've got to leave

8 MR. COLE: Well, what about on the 8th? The 8th? We
9 have to get over to Valdez -- to Cordova on the 9th.

10 MR. BARTON: How about the 7th? The 8th I'm supposed
11 to be in Portland.

12 MR. COLE: You're unavailable?

13 MR. ROSIER: Till the 8th. The 9th I'm with you in
14 Cordova.

15 (Off record conversation)

16 MR. COLE: Well, I -- gentlemen, I am going to rest up
17 before the legislative assault, so I will not be available I
18 think before the 7th.

19 MR. GIBBONS: Can I suggest the 10th which is a Friday?
20 Is that a

21 UNIDENTIFIED: The 10th would work.

22 MR. COLE: If we get out of Cordova alive, we could be
23 here on the 10th. It's tough over there, let me tell you; I've
24 been there. Why don't we make it the 10th, Friday the 10th?
25 It's a deal, and we'll give public notice of the time and place

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1 I think if that's generally acceptable. All right, we've run
2 over by 14 minutes, but it's time for public comment. Mr.
3 Groh, counsel.

4 (Off record for tape change)

5 MR. GROH: Gentlemen, my name is Cliff Groh. I know
6 some of you. I'm an attorney. I've lived in Anchorage for 38
7 years and practiced law for that period of time. I am here on
8 behalf of the residents of Ella Mar which is the smallest,
9 fastest growing village in all of Prince William Sound and
10 somebody might ask where the heck is Ella Mar. I'm going to
11 tell you. It's

12 MR. COLE: Tell us where they got the money to hire
13 you, too, while you're at it.

14 MR. GROH: Well, let's make that clear.

15 MR. COLE: Getting disclosures here what's going on.

16 MR. GROH: Let's make that clear. I don't appear here
17 on behalf of any of my clients or anybody else. I appear here
18 on behalf of myself. Ella Mar is a town that is two miles
19 north of Tatitlik, 22 miles from Valdez, 75 miles from
20 Whittier, 45 miles from Cordova, and in 1778 when Capt. Cook
21 came into Prince William Sound, he went into Snug Corner Cove
22 at Port Fidalgo and the natives from Ella Mar went down and met
23 him, and that's some indication of how long the town has been
24 there. In the early 1900's, some miners came in there and
25 developed a copper mine and patented the land, some 200 acres

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1 of land. And in the early 1900's, there were 800 people living
2 there and the steamships from the southland, their first port
3 of call was Ella Mar and their second port of call was Latouch
4 and the third one was Seward, and there was no Valdez and no
5 Cordova at that time.

6 In 1920, the mine as Kennicott slowed down, and in 1940
7 there was a cannery there. In the early -- in the late 70's, I
8 decided to acquire some land in Prince William Sound for
9 purposes of development and so I acquired Ella Mar. There are
10 now nine full time residents and eight -- add eight in the
11 summertime or a total of 17 and nobody has consulted us about
12 anything, but that's okay, because whether you consult us or
13 don't consult us, the community is going to develop and there
14 will be one or two lodges built there within the next two or
15 three years and the cruise boats incidentally in the 20's, from
16 reading the old Valdez newspapers, went from Valdez to look at
17 Columbia Glacier and then they had dinner at Ella Mar. Stan
18 Stevens and all the people in Valdez think they invented this
19 process but, in fact, it's been in existence for 70 years.

20 I also -- and I speak only for myself and own another
21 large parcel of property in Prince William Sound and that's at
22 Horseshoe Bay on Latouch Island, and I own a 315-acre parcel
23 there. That's two miles south of the Latouch townsite. I have
24 well over a million dollars invested in these properties, and
25 what you do here vitally affects my future. Beyond the federal

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1 government, the state government and the native groups, I'm the
2 biggest single landowner in Prince William Sound, and I have
3 some suggestions for you as to what you should do.

4 One, is you declare that the damage assessment is over.
5 You've won the war, and that's how you win it. You just say
6 it's over, and save eight million dollars. And you start with
7 the restoration, and I happen to be from the same school that
8 Mr. Cole -- we both practiced law here about the same period of
9 time, sometimes on the same side, sometimes on opposite sides,
10 and he's a very good lawyer by the way. But in any event, if
11 you're going to preserve and restore the Sound, it becomes a
12 question of who you're going to do it for. You ought to do it
13 for the people so that they can enjoy it, and you can't leave
14 it like ANWR. You know, everybody talks about preserving ANWR.
15 We can't enjoy ANWR. The years I've lived here, I've never
16 been to ANWR, and I doubt that there over five people that have
17 ever been to ANWR or even close to it. You have to develop it
18 so that some people can see it and so that they can enjoy it.

19 For example, the legislature has authorized the
20 feasibility study for a Tatitlik ferry terminal and it's a two
21 million dollar deal and that's the total cost of the project,
22 and what would this do for the people of Tatitlik. It would
23 allow them to have an ability to go back and forth to Valdez or
24 to Cordova and it would open up transportation in the Sound. I
25 respectfully suggest to you that that's a lot wiser than

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1 another eight million in studies or at least to recommend to
2 the legislature that it be done. Your purpose should be to
3 enhance the uses of the Sound and make it available to the
4 public, and I think you ought to work with the federal people,
5 the state people, the native groups and the private developers
6 to unlock the Sound.

7 Recently there have been publicity about the
8 possibility of a road, a tunnel to Whittier. Insofar as the
9 enjoyment of the Sound is concerned, that makes a great deal of
10 sense. Now, these would be my suggestions to you. I hope I
11 haven't used up more than my five minutes. I'll be happy to
12 answer any questions, and thank you very much for listening to
13 me.

14 MR. COLE: Well, we'll look forward to hearing from you
15 in the future. We appreciate your comments and you'll be on
16 the mailing list.

17 MR. GROH: Thank you very much, sir.

18 MR. COLE: Thank you. Yes, sir.

19 MR. GATES: Mr. Chairman, members of the Council, my
20 name is Chris Gates. I'm a resident of Seward. I am also
21 honored by being the president of the Regional Citizens
22 Advisory Council for Prince William Sound. The RCAC is an
23 organization established under federal law under the OPA 90,
24 the Oil Pollution Act of 1990, signed into law in 1990, signed
25 by the President. Our RCAC was certified by President Bush a

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1 year ago. It appears to be that we will be recertified in this
2 coming month for another year.

3 As the designated Citizens Advisory Group for the Exxon
4 Valdez impact area, I'm here -- I heard your discussion with
5 regard to wrestling with Citizens Advisory input. How to do
6 it, the logistics, the mechanics of it. I want to tell you
7 we're two and a half years into that process ourselves. We've
8 spent roughly a million and a half dollars trying to do a good
9 job to make sure that the people of the region are deeply
10 involved with oil spill prevention and response, what's going
11 on, how it will not happen again, why it will not happen again,
12 and the citizens are very much involved with the effort of
13 evaluating the science that's going on, evaluating the oil --
14 the prevention efforts that are going on, and they're up to
15 speed with the vocabulary which took about a year, and they're
16 up to speed with some of the studies which are very complex as
17 you say.

18 We have four operating sub-committees with now I would
19 say trained people on them, trained citizens, housewives; port
20 people like myself; citizens; Council members from various
21 communities, but we're deeply involved in oil spill prevention
22 response, and I guess the learning curve is something I would
23 like to impress upon you. In your citizens advisory effort or
24 your citizen input process, watch out for that learning curve.
25 It is extremely long, and you might trip over it if you're not

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1 aware of how long it takes ordinary people in the area to get
2 up to speed on these subjects.

3 I bring up the RCAC as a mechanism, as a tool that you
4 might want to use to provide citizen input. We have a staff.
5 We have 16 representatives from all the communities in the
6 Exxon Valdez impact area. They're appointed by City Councils
7 in the aspect of cities, appointed by mayors. We have
8 representatives from National Wildlife Federation, from Prince
9 William Sound Aquaculture, from Cordova District Fishermen's
10 United, from various groups, interest groups, such as those
11 mentioned by Mr. Piper earlier in the evening. We are a
12 functioning team. We try and deal by consensus. We don't do
13 it all the time, but to organize 16, 18 people on a regular
14 basis is not easy and we're doing a very good job at it.

15 Again, I offer the RCAC to you as a thought, as a way
16 to access the citizens of the region. I applaud your efforts
17 to go out to the citizens themselves and to see how they might
18 want to interact with the Trustees. I applaud your efforts to
19 do that, and the RCAC, the members of the RCAC, because they
20 are so involved with oil spill issues, I'm sure will have
21 comments in that regard.

22 I would offer the use of our team in the interim. If
23 you want to do things with monies in the interim before you
24 establish a formal -- you call it a start afresh team, if you
25 will, feel free to call on our team maybe to give you a first

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1 blush look at how you might want to spend monies. That might
2 be a good way to use our team if you do want to start afresh.
3 We are up and running. We have a staff here in Anchorage, and
4 we have excellent communications with our people throughout the
5 region.

6 I'm going to chop my comments off right there and just
7 say that the citizens are vitally interested in the work that
8 you're going to be doing. I am delighted to hear that the
9 scientific studies are -- we're coming to some resolution on
10 releasing the scientific studies. We all have been watching
11 very carefully for when that might happen, and are looking
12 forward to that. And you've got a good team of people out in
13 the region. The RCAC itself is probably the best and the
14 brightest of the region. We have been working as a team for
15 two and a half years. I think we have over \$600,000.00 of in
16 kind contribution of volunteer time, volunteer hours. It's a
17 huge investment of volunteer effort that I just invite you to
18 take advantage of, and thank you very much for the opportunity
19 to speak and for the time.

20 MR. COLE: Are there questions, Commissioner Rosier?

21 MR. ROSIER: Question. What's the geographic area that
22 you cover with this particular group?

23 MR. GATES: We cover the impact area of oil for the
24 Exxon Valdez all the way from Kodiak. We have representatives
25 in Kodiak, the Kodiak Island Borough, the City of Kodiak, and

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1 Kodiak Native Chief. I'm not getting that name right, but
2 Kodiak Chief's Association, all the way up and through Cordova
3 with representatives in Cordova from the city, from Cordova
4 District Fishermen's United and from Prince William Sound
5 Aquaculture and in between, of course, the City of Valdez,
6 Alaska State Chamber of Commerce, City of Seward that I
7 represent, City of Whittier, Chugach Alaska Corporation and
8 their president is here tonight. We have, again, the region is
9 very well represented and the representation is established
10 under federal law to make sure that we are representative of
11 the region.

12 MR. COLE: Thank you. Mr. McVee?

13 MR. McVEE: Yes, I was wondering if you could share or
14 send -- have your staff send to Mr. Gibbons the list of
15 interests that are represented on the group and also, what size
16 of staff do you have?

17 MR. GATES: Okay, we've got seven full time staff now.
18 The -- our port operations team is operating in Valdez to look
19 at Alyeska shipping issues, tanker shipping issues. We have an
20 oil spill prevention response team operating in Anchorage and a
21 terminal operation, a terminal pollution team also operating
22 here in Anchorage. So, we have seven going right now. We have
23 about -- we have two million dollar a year budget. We have a
24 contract, a formal contract with Alyeska Pipeline Service
25 Company. We are a totally independent group that they fund at

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1 that level each year.

2 MR. COLE: Commissioner Sandor?

3 MR. SANDOR: Mr. Chairman, I think we want to thank Mr.
4 Gates for making that offer for our interim use of this group.
5 This is a proven entity that performs well, effectively, and we
6 would do well to explore the opportunities for such use.

7 MR. COLE: Thank you, Mr. Gates. Mr. Toma. Oh, I'm
8 sorry, was there a question? Anybody else? Thank you, Mr.
9 Gates.

10 MR. TOMA: Thank you, Mr. Chairman. I'll make my
11 comments brief. I will preface by saying I don't think the
12 settlement was in the State's best interest primarily because
13 of the monetary terms and, of course, the litigation
14 sensitivity has prevented the non-disclosure of economic damage
15 information and the cutting loose of State citizens such as
16 residents of native villages and commercial fishermen from
17 litigation.

18 I had the opportunity in the last year, the last two
19 years, to observe the settlement meetings and a number of the
20 other meetings in Juneau having to do with the spill. I read
21 all the 1990 and '91 damage assessment documents which were
22 substantive and, of course, the restoration section and what I
23 gleaned from all of that is the only restoration of any
24 valuable use is the sowing of beach grass. I think it's a very
25 valuable thing, but I think that's what it comes down to. We

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1 aren't going to impact wildlife species; we aren't going to do
2 anything of any substantive manner in a natural way except the
3 sowing of beach grass, and I should point out that both DNR and
4 the U.S. Forest Service have spent tens of millions of dollars
5 in beach surveys to do precisely this, to find out those places
6 where beach grass should be sowed and I think those studies
7 should be brought to the forefront and that that restoration
8 should proceed.

9 I understand that there is over a hundred million
10 dollars available from criminal restitution in addition to the
11 90 million, and I personally think that the bulk of these
12 monies should be used for the purchase of private land holdings
13 in spill affected areas and in the Lower 48 where migratory
14 species, especially bird species, use those areas and then come
15 to Alaska. I think it's a very, very valuable and a worthwhile
16 project that the federal government should get very actively
17 involved in to promote on this Council.

18 The State Trustees, as you know, have opposed this in
19 the past and I think it's just a very, very valuable
20 consideration that should be made. We have a lot of money
21 here, a lot of money that shouldn't be spent -- you know, after
22 the next year or so for any more studies. I think that we
23 should look very closely at what we have and look at some of
24 these areas down south that are being lost because of wetlands
25 loss and are very, very vital for migratory waterfowl that come

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1 to Alaska.

2 I also think that we ought to look at the
3 redetermination of future resource uses in spill affected
4 areas, specifically on Forest Service lands such as the Chugach
5 Forest or Prince William Sound and parts of Afognak and Kodiak
6 Islands. So, before these lands are logged, planned for
7 logging or hunting lodges are established or fuel depots put
8 in, I think the State Trustees should re-evaluate their strong
9 position that they took last year not to purchase such lands
10 for conservation and preservation purposes. I thank you for
11 your time and any questions, I'd be happy to answer them.

12 MR. COLE: Mr. Toma, I want to say this with respect to
13 your recommendation or suggestion that some of this proceeds of
14 the Exxon Valdez settlement be spent Outside. I was personally
15 involved in the negotiations dealing with that subject back in
16 Washington, D.C. and I made it very clear that so long as I was
17 a State Trustee serving at the grace of Governor Hickel, I
18 would never, never, never, never consent to spending one penny
19 of that settlement money outside the State of Alaska.

20 MR. TOMA: Well, I guess I'd just have to ask why then,
21 Mr. Cole? Why do you take such a strong stand on that?

22 MR. COLE: I will tell you why. The damage occurred to
23 the natural resources in the State of Alaska and that's where
24 the money to restore those damages should be sent, and I'm
25 telling you, I'm never going to change my mind on that, thank

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1 you very much.

2 MR. TOMA: I'm sure you won't. I can tell from your
3 tone, sir. I think you should look into fly ways though as
4 biological realities and

5 MR. COLE: Sure, I understand that, but

6 MR. TOMA: You do?

7 MR. COLE: I will never consent to that. I just
8 want you to know that. This money is to be spent in the State
9 of Alaska to restore the damaged resources injured in the state
10 and frankly, I just don't think there's much dissent from that.

11 MR. TOMA: I don't think there is on the State
12 Trustees' side, no, sir. But if you're going to spend 500
13 million

14 MR. COLE: And we made it clear to the federal
15 officials that that's the way it was going to be, so

16 MR. TOMA: Well, that's why I disagree with this kind
17 of settlement if the State's going to take that hardline
18 position on natural resources.

19 MR. COLE: But maybe it's a good thing that there are
20 hardliners like me around so and maybe there isn't. Thank you
21 very much, Mr. Toma, for your comments. Yes, sir.

22 UNIDENTIFIED: I have two quick questions. Does Mr.
23 Gibbons have a phone number that we can use to contact him?

24 MR. COLE: Get the FAX number, too.

25 MR. GIBBONS: 278-8012.

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1 UNIDENTIFIED: Are you going to be getting to the rural
2 areas sometime soon?

3 MR. COLE: Yes.

4 UNIDENTIFIED: I have one more quick question.

5 MR. COLE: Yes, sir.

6 UNIDENTIFIED: I appreciated you saying that maybe in
7 30 or 60 days, the State data would possibly be available to
8 the public. Is that true with federal data as well or I assume
9 we're not going to get Exxon's data.

10 MR. COLE: Mr. Barton?

11 MR. BARTON: It's all both data. The holdup though is
12 because of some litigation that the State is now involved in.

13 UNIDENTIFIED: I understand that, but one problem is
14 the public is not going to be able to evaluate a restoration
15 effort as well until they see the data so they know what's been
16 damaged, what's been documented as damaged.

17 MR. BARTON: I agree with that. It's one body of data
18 is what I'm saying.

19 MR. COLE: Let me just say, I appreciate your concerns;
20 we're working on the problem; and maybe we're coming along with
21 the solution.

22 MR. GIBBONS: My FAX number if anybody wants it is 276-
23 7178.

24 MR. COLE: Yes, sir?

25 UNIDENTIFIED: I think something that might help this

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1 group would be the definition of restoration be put on every
2 agenda -- (Indiscernible - away from microphone).

3 MR. COLE: All right. The more difficult definition is
4 enhancement, by the way, but nonetheless we'll try to address
5 both of those. Thank you. Yes?

6 UNIDENTIFIED: (Indiscernible - away from microphone).

7 MR. COLE: Sure. Thank you very much.

8 UNIDENTIFIED: (Indiscernible).

9 MR. COLE: Pardon me? Oh, all right. Well, do we have
10 any other public comment here this evening? Yes, sir. Would
11 you mind coming up here so the hinterlands can hear your
12 comment?

13 MR. HAGENSTEIN: It's Randall Hagenstein and I've got
14 just three comments. I want to reiterate that you can't have
15 meaningful public participation without meaningful access to
16 information. The point's been brought up and addressed. I
17 just want to hit on that one again.

18 Second, I guess I disagree with Commissioner Sandor on
19 the point that we ought to be looking at existing agencies to
20 take over a lot of these functions. I think that's a good way
21 to spend a lot of money that will just get subsumed by existing
22 bureaucracy and be used to increase the complexity of existing
23 bureaucracy. I think we ought to be looking at fresh
24 organizations that are outside of the existing framework.

25 And finally, I think we ought to be looking at

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1 restoration money to restore the ecosystem and the ecosystem
2 functions, not to enhance transportation or lodge opportunities
3 or that sort of thing. Thank you.

4 MR. COLE: Thank you. More comments, please. We have
5 no further comments at the meeting here in Anchorage. Does
6 someone in the -- oh, Mr. Tillery?

7 MR. TILLERY: Yes, if I could just -- we received
8 comments from the City of Cordova as long as you're moving to
9 the rural areas

10 MR. COLE: All right.

11 MR. TILLERY: and if I could just pass these out,
12 maybe you could -- (indiscernible).

13 MR. COLE: We received a copy of a resolution from the
14 City of Cordova, number 91-92 and following the recitals, it
15 says "Now, therefore, be it resolved as follows: That the
16 Mayor and the City Council support the concept that the highest
17 priority use of Exxon settlement monies be the acquisition of
18 timber assets in and around Prince William Sound in order to
19 conserve coastal forests for the public good and in the
20 interest of oil spill restoration, and that the Trustees act
21 immediately to secure lease option arrangements on these
22 forests that would fairly compensate timber owners in the
23 region in exchange for 2-3 year moratorium on all timber
24 harvesting activities so that the Trustees can methodically
25 assess all acquisition options and integrate them into a

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1 systematic restoration plan without such options being
2 foreclosed. Passed and approved this 18th day of December,
3 1991. Mayor Charles K. Weaverly." Thank you.

4 Does anyone in Cordova wish to comment further on that
5 subject?

6 MAYOR WEAVERLY: This is Mayor Weaverly from Cordova.
7 Chairman Cole, can you hear me?

8 MR. COLE: Yes, sir.

9 MAYOR WEAVERLY: I'd like to thank you and the other
10 distinguished individuals around the august table for allowing
11 us this opportunity to speak.

12 MR. COLE: Yes, sir. Is there anyone there in
13 Cordova -- did you have further comments, Mr. Mayor?

14 MAYOR WEAVERLY: Just briefly, if I may. I'm pleased
15 to hear that the Governor's Task Force on the road will be
16 holding a meeting on the 9th of January in our community.

17 MR. COLE: Yeah, thanks. We've got Commissioner Rosier
18 straightened out, thank you. Would you like to continue,
19 please, sir?

20 MAYOR WEAVERLY: I would just like to state that kevlar
21 jackets and hats are not necessarily required attire in our
22 community.

23 MR. COLE: That's reassuring. Is there any further
24 comment in Cordova, please?

25 MAYOR WEAVERLY: That's it in Cordova.

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1 MR. COLE: Thank you. Does any other station wish to
2 comment?

3 MR. SMITH: This is Homer.

4 MR. COLE: Homer?

5 MR. SMITH: This is Larry Smith in Homer, and I
6 appreciate the opportunity to comment on this and it's
7 particularly good to be once again in the socratic presences of
8 the sage of Southeastern, Mr. Toma, and Mr. Groh, the Baron of
9 Ella Mar. I have some preliminary thoughts on how to devise
10 this program. I've been involved with a variety of advisory
11 council activities in the state, and I must say that I think I
12 prefer what I took to be Mr. Cole's inclination to explore Mr.
13 Piper's further -- I think that an advisory committee ought to
14 within policy limits be able to devise its own program, select
15 its own officers and hire a director, have access to a legal
16 staff of the Trustee's Council at times, to have a budget for
17 additional staff, for local clerical support, for advertising,
18 for public meetings, for monitoring the implementation of
19 Trustee's policy decisions. I think it -- forest practices --
20 or a forest products, excuse me, industry representative would
21 be difficult to select and might have an undiluted economic
22 conflict of interest which would produce a lot of discord
23 within the coterie of timber owners that would be interested.
24 There might also be a modicum of conflict with aquaculture
25 representatives, but the -- (indiscernible) -- is obviously

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1 better there and regional aquaculture organizations are pretty
2 likely to be in harmony on the important questions.

3 I would -- Mr. Gates offer was interesting and that the
4 RCAC -- I happen to serve on that -- (indiscernible) -- form of
5 RCAC that said these councils could be a source of some support
6 to what I would rather see is an independent fresh and newly
7 constructed advisory committee, and I made a chart while I was
8 listening here and actually sort of selected who our
9 representatives for the interest groups that you folks
10 discussed from -- (indiscernible) -- keeping in mind that it's
11 a lot easier for a nine member group to -- or a smaller group
12 to work than a larger one, I started out with nine and found it
13 impossible to accommodate the geographic interests as the --
14 (indiscernible) -- of others identified. But I would be very
15 happy to fax to Mr. Piper if we can have his fax number, how I
16 would align these and perhaps he could distribute it to the
17 Council. I won't take any more of your time, thank you.

18 MR. COLE: Thank you. I would like to say that
19 Representative Gail Phillips there in Homer has been interested
20 in this process and I -- so you may want to speak with her on
21 some of your views because when she is in Juneau, she's very
22 influential with respect to these matters on the state scene,
23 and thank you. Any other comments from Cordova? Yes, Mr.
24 Piper.

25 MR. PIPER: Well, just excuse me, Larry requested our

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1 fax number. It's 563-1325.

2 MR. COLE: I meant to say any other citizen's comments
3 from Homer?

4 UNIDENTIFIED: Representative Gail Phillips was here
5 for the first half of the meeting but she had to leave.

6 MR. COLE: Thank you.

7 MR. BECK: This is Carl Beck in Cordova.

8 MR. COLE: Yes, sir.

9 MR. BECK: Do I have the floor or is there someone else
10 waiting? I

11 MR. COLE: No, no, you may have the floor.

12 MR. BECK: Thank you. All I wanted to say is just that
13 I urge your deep consideration of the resolution issue and just
14 a quick comment on -- a public comment. Maybe in the future, I
15 realize that you're in the early stages of this process, but in
16 the future, it would probably be helpful if you were to break
17 your opening presentation some way, maybe mid-way through the
18 presentation and allow some input or at least the audience in
19 Anchorage and the teleconferees. It gives people a lot more
20 faith that there is a connection there, and I guess that's
21 basically all I wanted to say. Thank you.

22 MR. COLE: Thank you. I thought of that, but we'll
23 think about that again later. Thank you. Commissioner Sandor,
24 did you have a comment? Does anyone else have public comment?

25 MR. JENKINS: This is Valdez.

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1 MR. COLE: Yes, sir, go ahead.

2 MR. JENKINS: This is Valdez. This is David Jenkins
3 with the Prince William Sound Conservation Alliance, and I,
4 like everyone else, I appreciate the input. I also very much
5 appreciate the Trustee Council's concern with too big of a
6 growing bureaucracy and the continuing studies, especially the
7 Attorney General's concerns along those lines and also the
8 concerns of Mr. Sandor for the problem that could develop with
9 the State agencies doing normal work out of these monies. I
10 very much appreciate that.

11 I wish to -- you know, emphasize that we can assess and
12 study and gather information and build an -- (indiscernible) --
13 system and before you know it, the money will be gone and the
14 Sound is being further impacted during all this time through
15 the long term problems from the spill as well as the
16 deforestation that's taking place and it's -- (indiscernible) -
17 - further damage being done there. You know, I've got --
18 (indiscernible) -- information and that is that damage was done
19 there and is continuing and that didn't cost anything. I do
20 wish to support the resolution from our neighbors in the City
21 of Cordova and hope that all of you will realize that whatever
22 we do, the main reason for it is to heal the environment of
23 Prince William Sound, Kenai, Kodiak and all affected areas. I
24 look forward to Chenega and Tatitlik being involved in --
25 (indiscernible). I'm not sure if -- (indiscernible) -- or what

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1 the problem was. When -- (indiscernible) -- they are and they
2 don't realize it, but again, thank you very much. I'm looking
3 forward to the next meeting.

4 MR. COLE: All right, sir, thank you very much for your
5 comments. Any other community on line?

6 MR. SPICER (ph): This is David Spicer in Homer. I'd
7 like to comment just briefly in I guess support of Attorney
8 General Cole's comments about the -- (indiscernible) -- about
9 spending a lot of the money on studies and not spending it on
10 actually enhancement and restoration of the spill damage. I
11 share those fears. I think that as he said, we could study
12 this for 15 years and still not be done studying it. So, I'd
13 like to encourage you to wrap up the studies that are ongoing
14 and then get on with identifying areas that need to be
15 protected and restored. Remembering extensive spill damage
16 that was caused on the outer coast of the Kenai Peninsula and
17 in Kachemak Bay State Wilderness Park, thank you.

18 MR. COLE: And thank you, sir, for your comments. Are
19 there further comments on line?

20 UNIDENTIFIED: (Indiscernible).

21 MR. COLE: What did you say again, please?

22 UNIDENTIFIED: Kodiak.

23 MR. COLE: Yes, Kodiak. Come in, Kodiak.

24 MR. PATRICK: My name is Greg Patrick and I appreciate
25 the opportunity to comment. I also want to support the

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1 resolution from Cordova and I feel that there should be some
2 immediate effort on lease options on various -- lease options
3 or conservation easements on areas that based on immediate
4 threat in terms of habitat development, and these should -- I
5 guess my main point would be -- (indiscernible) -- these
6 options at this point.

7 And also, one issue that comes up, the issue of
8 accountability and for anyone, a representative or a Trustee
9 who's making decisions based on public comment, I would like to
10 see all the public comment recorded and published and to see a
11 system set up where there's ease of accessibility to this so
12 that this will promote better understanding of what's happening
13 in other communities and also, generally help the people have
14 the feeling that there is some accountability.

15 MR. COLE: All right, sir. We have and are preparing,
16 are we not, gentlemen, the verbatim transcript of all of these
17 proceedings, so I want to assure you that that is available. I
18 don't know where they are. Mr. Gibbons, where are they being
19

20 MR. GIBBONS: They're presently housed in the Public
21 Information Center on 625 D Street.

22 MR. COLE: All right. Any further comments from
23 Kodiak, please?

24 MR. PATRICK: I appreciate that and this should be
25 expanded to include written comments, too. Okay?

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1 MR. COLE: Include what? Written comment. Yes, sir,
2 we will have those available at the same repository.

3 UNIDENTIFIED: We have one more person.

4 MR. COLE: All right.

5 MR. HOLM: Mr. Chairman, this is Oliver Holm in Kodiak.
6 Do you hear me okay?

7 MR. COLE: Yes.

8 MR. HOLM: Mr. Chairman, I'm the advisory board, the
9 local Fish and Game Advisory Board chairman and chairman of the
10 board of directors of the Kodiak Regional Aquaculture
11 Association and a board member of the Herring --
12 (indiscernible) -- Seiners Association. All three groups have
13 represented people that have been directly affected by the oil
14 spill in the Kodiak area, and we want to be involved in
15 restoration planning and in the other public process, and once
16 we're able to listen in to what you're planning here and I
17 guess we'll await an opportunity to participate in the future.

18 MR. COLE: All right. Perhaps sometime we can hold one
19 of these meetings in Kodiak and Valdez, maybe even Cordova.
20 All right, any other comments from Kodiak?

21 UNIDENTIFIED: No, thank you.

22 MR. COLE: Thank you very much. Any other station on
23 line have anyone who wish to comment?

24 UNIDENTIFIED: (Indiscernible) -- from Cordova.

25 MR. COLE: What did -- (indiscernible)? Nothing more

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1 from Cordova? Does that conclude all requests to comment from
2 the on line communities?

3 UNIDENTIFIED: There's one more here from Cordova.

4 MR. COLE: All right, one more from Cordova. Thank
5 you.

6 MR. ANDERSON: This is Bob Anderson. Amongst other
7 things here in Cordova, I'm a Cordova City Councilman. I know
8 there is a possibility of using RCAC as a conduit was discussed
9 and I don't know that I feel comfortable with that. I know
10 when I cast my ballot -- (indiscernible) -- representative for
11 the City here at RCAC, we looked at places to represent us on
12 spill cleanup and prevention. I would suspect maybe at least I
13 would go back to my fellow Council members and possibly have to
14 ask for a reconsideration of that. We feel that or I feel that
15 we picked a good candidate to represent us in those two areas.
16 We could envision them representing our community, our end of
17 the Sound here on this particular issue. I certainly can't
18 speak for the City, but that's how I feel and I think I could
19 make a convincing argument to the people I serve the community
20 with.

21 MR. COLE: Thank you. I think someone here on the
22 Council this evening expressed the same thought. Any other
23 comments from Cordova? Anyone else on line?

24 UNIDENTIFIED: This is Cordova clear and out.

25 MR. COLE: Thank you. I think that, ladies and

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1 gentlemen, concludes that -- did those comments prompt any
2 other request from anyone here this evening to Thank you
3 for attending. Good night. Merry Christmas.

4 (END OF PROCEEDINGS)

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