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**EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL**

PUBLIC ADVISORY GROUP

**EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD**

**RESTORATION OFFICE
645 G Street
Anchorage, Alaska**

**October 29, 1992
9:30 a.m.**

TRUSTEE COUNCIL MEMBERS:

State of Alaska

MR. CHARLES COLE
Attorney General

State of Alaska Department
of Environmental
Conservation

MR. JOHN SANDOR
Commissioner

United States Department
of the Interior

MR. CURTIS McVEE
Special Assistant to the
Secretary

* * * * *

PUBLIC ADVISORY GROUP MEMBERS:

RUPERT ANDREWS

PAMELA BRODIE

JAMES CLOUD

JAMES DIEHL

RICHARD ELIASON

DONNA FISHER

JOHN FRENCH

PAUL V. GAVORA

JAMES KING

RICHARD KNECHT

VERN C. McCORKLE

GERALD McCUNE

JOHN McMULLEN

BRAD PHILLIPS

JOHN STURGEON

CHARLES TOTEMOFF

LLEWELLYN W. WILLIAMS, JR.

EX-OFFICIO MEMBERS:

CLIFF DAVIDSON, ALASKA STATE HOUSE

JALMAR M. KERTULLA, ALASKA STATE SENATE

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P R O C E E D I N G S

MR. COLE: Let us call this informal meeting together, the first meeting of the Public Advisory Group.

First, I'd like to introduce myself, I'm Charles Cole, one of the Trustee Council appointed by Governor Hickel. To my right is Commissioner John Sandor, Commissioner of the Department of Environmental Conservation, another member of the Trustee Council appointed by Governor Hickel. And on his right is Curt Mcvee, a member of the Trustee Council, the nominee of Secretary of the Interior Lujan. Not present today as members of the Trustee Council are Commissioner Carl Rosier, Commissioner of Fish and Game of the State of Alaska, appointed by Governor Hickel; Mike Barton, a federal appointee, nominee of the Secretary of the Interior.

Ms. Brodie, if you would be kind enough to join us? Pamela Brodie, ladies and gentlemen, nominee of the Sierra Club.

And lastly, Steve Pennoyer, who is another member of the Trustee Council, appointee of Dr. Knaust from NOAA.

I think it might be well now to go around the table and have each member of the Public Advisory Group introduce themselves so that we can have a sense of who people are and who they represent and -- on the Public Advisory Group. Ms. Brodie, would you be good enough to start the personal introductions?

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1 MS. BRODIE: Yes. Excuse me for being late.
2 I'm Pamela Brodie with the Sierra Club, here as an
3 environmental representative.

4 MR. CLOUD: I'm Jim Cloud, a resident of
5 Anchorage, and a banker, and I represent the public at large.

6 MR. DIEHL: I'm Jim Diehl. I'm a board member
7 of the Knik Canoes and Kayakers, representing recreational
8 users.

9 MS. FISCHER: My name is Donna Fischer. I'm a
10 member of the Valdez City Council, beautiful Valdez, and I'm
11 representing local government.

12 DR. FRENCH: I'm John French. I'm the director
13 of the Fishery Industrial Technology Center in Kodiak. I'm a
14 faculty member with the University of Alaska Fairbanks, and out
15 in that capacity. I reside in both Kodiak and Homer, depending
16 on the conditions. I represent scientific/academic interests.

17 MR. GAVORA: I'm Paul Gavora. I'm representing
18 public at large. I'm from Fairbanks, Alaska.

19 MR. KING: I'm Jim King. I'm a wildlife
20 biologist and I was just chatting with Charlie Cole this
21 morning. I was a game warden in the 1950s in Fairbanks, when
22 he was starting his legal career. And it reminded me that
23 being a game warden, people would you want to do something like
24 that, because nobody likes game warden, and I used to tell
25 them, well, you know, everybody's trying to snare or trap or

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1 shoot those animals out there, and somebody had to speak for
2 the animals, or there wouldn't be any, so I'm here as a
3 conservationist I guess and I've been doing that for a good
4 many years.

5 MR. COLE: Welcome.

6 MR. McCORKLE: Good morning. I'm Vern
7 McCorkle, coyotes or wolves. I have been in public policy and
8 municipal administration for a career's worth in Alaska. I
9 presently work in publishing. I represent the public at large.

10 MR. McCUNE: Jerry McCune, and I'm representing
11 the commercial fishing interests, and I'm the president of CDFU
12 and UFA.

13 MR. COLE: Thank you. Brad Phillips?

14 MR. PHILLIPS: I'm Brad Phillips, and I've been
15 taking visitors into Prince William Sound since 1958, and we
16 were the first people to take -- have a regular service out
17 there. I was in Fairbanks when Charlie -- before Charlie Cole
18 started his legal career. But we're very interested in -- in
19 all of Prince William Sound. It's -- and I represent
20 commercial tourism.

21 MS. BENTON: My name is Kim Benton, and I work
22 as a consultant to Alaska's timber industry. I'm sitting in
23 for John Sturgeon today who unfortunately had to be on Afognak
24 Island.

25 MR. TOTEMOFF: My name is Chuck Totemoff, the

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1 president of the Chenega Corporation, representing the native
2 landowners.

3 MR. COLE: Well, let me introduce the Honorable
4 Cliff Davidson from Kodiak. It's always a pleasure to have you
5 join us, Mr. Davidson.

6 REPRESENTATIVE DAVIDSON: Thank you,
7 Mr. Attorney General. I just wanted to add that I was
8 appointed by the Speaker Grusendorf to represent the Alaska
9 House of Representatives, and I didn't know Charlie Cole before
10 he came down as Attorney General, and I'm still trying to be
11 his friend.

12 MR. COLE: And indeed he is. But let me tell
13 you it's tough to be summoned down before the Chairman of the
14 House Resource Committee and grilled and racked over the coals,
15 but somehow the last two sessions I have managed to survive it.
16 I don't know about the next two.

17 Before we go further with this meeting of the Public
18 Advisory Group, I see that we're honored to have Alaska's
19 Congressman with us today, Don Young, and I offer you the
20 floor, Mr. Young, if you'd like to make some comments about the
21 Exxon Valdez settlement, the future of the Advisory Group and
22 the Trustee Council, and any other political views you might
23 like to present today.

24 CONGRESSMAN YOUNG: Thank you, Mr. Chairman.
25 First, I want to congratulate all of you for the public service

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1 you're putting forth here. This is a very fine group of
2 Alaskans, and I know there will be a lot of opinions and a lot
3 of diversified ideas, but together I think we're trying to
4 solve a challenge facing Alaskans.

5 Mr. Chairman, I'm sure that you're well aware that I
6 have written a letter concerning the -- some of my ideas and
7 suggestions. And I hope the -- that all the members will have
8 it.

9 But I think we have to remember one thing in your
10 decisions, and you will not find me bothering you a great deal,
11 because I think this group can make up its -- its minds in its
12 own way, but I think we ought to remember the people that were
13 involved in this Spill, not just very frankly a lot of studies.
14 There are some serious environmental problems in Prince William
15 Sound and the areas that were affected that existed, were --
16 did not occur because of the Oil Spill. We have areas that
17 have tanks, we have polluted areas that this is an opportunity
18 for once to clean up those areas, and to make sure that the
19 Spill (sic) is safely, environmentally protected even beyond
20 the Oil Spill. We have areas -- Cordova, of course, and
21 Chenega Bay and Tatitlek and Kodiak and other areas that can be
22 fixed, and I'm hoping that you will consider that as you go
23 through these deliberations.

24 You will be in fact hit from all sides and different
25 groups of people, and we know that, and I want to commend you

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1 again for you efforts and your dedication to the State of
2 Alaska and the Prince William Sound area. This is a yeoman's
3 task and you have tremendous responsibility, and I'm confident
4 that we will be able to solve the problem.

5 And in closing, again, let's not forget the people
6 directly involved. I know that there will be a tendency and
7 demands in Congress, and I -- the reason I'm here, we've
8 already had numerous suggestions from Congressional leaders on
9 how you should perform your task, outside the State of Alaska,
10 and I'm just suggesting that before you act, and I'd hope you
11 will act on the positive side to recognize the Alaska needs or
12 the needs of the people of Alaska and -- and you'll go down in
13 history as one of the finest groups of people that ever served
14 the State.

15 And I thank you for allowing me to be here, and there's
16 no press, the press just came in. This was not for press
17 purposes, that's why I got here early. Thank you. I'm very
18 proud of you.

19 Thank you very much, Mr. Chairman.

20 MR. COLE: Thank you, Congressman Young.

21 I think probably it's best now to sketch briefly the
22 history of the Exxon Valdez settlement. I know you are all
23 likely familiar with it, but let me just sketch it.

24 I had in mind to prepare this morning my remarks, but
25 unfortunately the Southeastern weather caused a change in

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1 plans, and so I have not thought out carefully my remarks
2 today, but let's see if I can summarize for you the essence of
3 where we are.

4 You will recall that on October 7th of 1991 the State
5 of Alaska and the United States entered into a settlement
6 agreement, which on that day was approved by Judge Holland,
7 settling the claims of the United States of America and the
8 State of Alaska against Exxon for natural resource damages.

9 I won't try to summarize for you that agreement in
10 detail, but I simply want to say that under the terms of the
11 agreement, Exxon was to pay \$900 million. Some of those monies
12 were used to reimburse the State of Alaska and the United
13 States for -- for its work in assessing the natural resource
14 damages and cleanup. Those reimbursements total -- somebody
15 I'm sure will correct me -- approximately \$150 million.

16 Now, why was that provision included, you may ask, and
17 what is its status? Well, those provisions were included at
18 the instance of the State and the United States and it's
19 provided for in the regulations.

20 There has been in the past urgings by some members of
21 the public that the Federal Government and the State relinquish
22 those claims for reimbursement. We on the State scene have
23 presented those claims or demands or requests to the
24 legislative leaders and were promptly rebuffed. The feeling
25 was that the State has expended those monies from the State

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1 Treasury, and the State should be reimbursed.

2 In order, however, for there to be adequate funds to
3 get the work of the Trustee Council under way, and restor- --
4 begin restoration in the Sound, the State and Federal
5 Governments agreed to take those reimbursements over a five-
6 year period. The -- the State has been reimbursed
7 approximately \$29 million, and the Federal Government has been
8 reimbursed approximately \$24.5 million. That's up to this
9 current date. Roughly I think a like amount will be reimbursed
10 out of the next payment, and perhaps as I recall, a similar
11 amount in year three and -- and in years four and five the
12 payments will be substantially reduced. And like I say, the
13 purpose of that is to enable the Trustee Council to have funds
14 so that the restoration activities can get under way.

15 Now, at this juncture I see that Senator Murkowski has
16 joined us, and it's my pleasure to introduce Senator Murkowski
17 to members of the public at large and ask if he would like to
18 make some remarks to the group today. Senator, you may come up
19 here if you wish, and

20 SENATOR MURKOWSKI: Thank you.

21 MR. COLE: make whatever remarks you wish
22 to make today.

23 SENATOR MURKOWSKI: You have quite a group
24 here. Good morning, gentlemen and ladies. Let me thank you,
25 Mr. Cole for an opportunity to just make brief comments.

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1 First of all, I'd like to congratulate those that have
2 volunteered for what is obviously a very difficult and I assume
3 ultimately a controversial effort to make some recommendations
4 on this settlement, and I guess it would be appropriate to
5 simply thank you for agreeing to serve on -- on this Public
6 Advisory Group.

7 I think bringing the responsibility down to the level
8 of the people for their input is probably the best type of --
9 of government process that could be envisioned. You know, we
10 had this accident and tragedy as a consequence probably of
11 complacency if you were going to generate one single word,
12 depending on oversight from a government located in
13 Washington, D.C., and one in Juneau, Alaska, with various
14 agencies, but there was no involvement from the people.

15 As a consequence of that, why, we learned a couple of
16 things. The best oversight are the people in the area, and as
17 a consequence, you're all familiar with the citizens as council
18 that were established as a consequence of the Spill, both in
19 Cook Inlet and Prince William Sound. I think those of you who
20 have had some familiarity with those groups know that they're
21 active, they have funding, they're capable of reviewing new
22 technology, and as a consequence are made up of a balance of
23 people in the area, whether it be the fishermen, the
24 environmentalists, the -- the tour operator, the people in the
25 logging industry or what have you, they now review the

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1 contingency plans associated with the oil activity and the
2 movement in both Prince William Sound and Cook Inlet, and I
3 think the establishment of that was most significant.

4 Now, this advisory group, of course, is a consequence
5 of the 1990 Oil Pollution Act, and I believe it simply cannot
6 work without public oversight, so again I commend you for your
7 willingness to make this effort on behalf of -- of the public.

8 It would see to me that the general obligation would be
9 to encourage that the money be expended to enhance those areas
10 and those resources that were specifically damaged.

11 Now, I understand that there's some question about the
12 process as it relates to the Energy Bill, which the President
13 signed, and there was very little in it for Alaska as a
14 consequence of the inability to resolve differences in the
15 conference, and I'm here to briefly give you an explanation of
16 that conference and respond to any questions that you may have.

17 Now, the conference was divided basically into two
18 sections. The first addressed the Bristol Bay buy-back, and as
19 you know, that was part of a package that included leases in --
20 in Florida, North Carolina and Alaska, and the amount of those
21 leases total approximately \$1.5 billion. The Alaska portion
22 for the Bristol Bay leases was relatively modest, it was 130
23 million.

24 But the problem, of course, with the buy-back was how
25 you were going to identify the source of funds, because the

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1 legislation as introduced called for a scoring, which means the
2 Office of Management and Budget basically said, "All right. If
3 you're going to buy-back this package of leases, you're going
4 to have to find a billion and a half dollars." Well, I
5 suggested that we had an alternative for that, and that was to
6 allow a lease sale for ANWR. Unfortunately the Chairman of the
7 House Conference would not accept that, and -- of course, I
8 wasn't surprised, but we had that alternative. Then we
9 proceeded through a series of exploratory avenues such as
10 saying, "Well, let's take the one-year moratorium and see if we
11 could find the money in one year, and if not, it'll move over
12 to the second or third year." Well, they wouldn't accept that,
13 because they said that scored as well. So as a consequence,
14 Miller pulled down the Bristol Bay lease buy-back, because it
15 would not be accepted by either he or the other chairman,
16 Bennett Johnson, because Bennett wanted the Energy Bill to pass
17 and if he couldn't find the billion and a half dollars, he knew
18 that it couldn't pass, and there was simply no way to find the
19 billion and a half dollars unless we did something like open up
20 ANWR.

21 Then we proceeded into other issues that were in the
22 Alaska package, and we basically broke down on -- on two
23 specific issues. One was a \$50 million federal dictate of an
24 expenditure of the -- of the federal portion of the -- of the
25 settlement. There was 50 million from -- from civil -- or

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1 criminal penalties for both -- for both the State and federal.
2 The \$50 million for the federal was proposed to -- to purchase
3 certain land acquisitions in legislation by Miller. There were
4 no hearings on that, and there was, you know, no question of
5 the -- the alternative authority of the Trustees to recommend
6 that if they so see fit, so that's an area that you folks might
7 care to address with regard to a recommendation.

8 But nevertheless, the issues broke down as a
9 consequence of the inability to get assurances in the package
10 that those damaged, in other words, the fishermen that were
11 damaged by the Spill could pursue in court their damages. And
12 Bennett Johnson, who's from Louisiana, again the Chairman of
13 the -- of the Senate Energy Committee and the co-conference
14 chairman, refused to accept that. I said, "I'm not going to
15 sell out one interest group for another. I'm not going to sell
16 out Alaskans who were damaged from their right to pursue
17 litigation in their case in the courts."

18 And the other issue was the Alaska OCS subsistence
19 review study, and I maintained that we simply could not accept
20 a prohibition which would prevent the -- the affected areas to
21 have the assurance that they would have a subsistence review on
22 any OCS activity.

23 Now, those are the facts. We could have accepted
24 something out of that, but to accept something would have meant
25 that we would have had to give up on what they call the TAPS

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1 remedy non-exclusive, which is the basic right of Alaskans to
2 pursue their damages in court. And I make no apologies. That
3 would have been a poor deal to have accepted. To have accepted
4 it, we would have been criticized for basically selling out
5 Alaskans who were damaged in their right to pursue the matter
6 in court. As a consequence, we intend to pursue this
7 legislation when we go back in January, re-introduce it.

8 And the -- the interesting thing that I'd like people
9 to recognize is by not accepting it, we are not excluded from
10 pursuing it. Had we accepted this, or some kind of an
11 alternative trade-off, which I was prepared to -- to pursue the
12 50 million purchase for the land, if I could have gotten both
13 of the other provisions, the OCS subsistence review and the
14 right of the damaged people to initiate litigation. I could
15 not get that, so I simply said, you know, there's no point in
16 Alaskans taking a deal that's not in the best interest of
17 Alaskans, and particularly those people who have the right to
18 pursue litigation through the courts as a consequence of their
19 damages.

20 I think I've gone on long enough, but if anyone has any
21 questions, I'd be happy to expand. Yes, ma'am?

22 MS. BRODIE: Yes, Senator, I was at the
23 conference committee,

24 SENATOR MURKOWSKI: Uh-huh.

25 MS. BRODIE: and you have repeatedly

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1 blamed Congressman George Miller

2 SENATOR MURKOWSKI: Yes.

3 MS. BRODIE: since then

4 SENATOR MURKOWSKI: That's correct.

5 MS. BRODIE: for not getting any progress
6 on the

7 SENATOR MURKOWSKI: Uh-huh.

8 MS. BRODIE: Bristol Bay buy-backs,

9 SENATOR MURKOWSKI: Uh-huh.

10 MS. BRODIE: but in fact
11 Congressman Miller was trying very hard to protect Bristol Bay
12 from oil drilling, including proposing compromises, and the
13 problem was with the Bush Administration. The Bush
14 Administration was refusing to go along with a five-year
15 drilling ban and a one-year drilling ban. It was not
16 Congressman Miller.

17 SENATOR MURKOWSKI: I beg to differ with you,
18 and this isn't, obviously the place to interpret feelings, but
19 as you know, in the House bill there was a five-year provision,
20 in the Senate bill there was a one-year moratorium provision.
21 We still have a one-year moratorium provision. You're going to
22 see some news relatively soon with regard to that matter, which
23 I'm not prepared to announce, but I'm sure you'll be very
24 pleased.

25 But make no mistake about it, Miller accepted no

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1 responsibility for finding out where the funding would come
2 from, and that's very, very easy to do in the legislative
3 process, particularly in a conference late at night by simply
4 throwing it out and saying it's, one, the Administration's
5 responsibility. Chairman Miller had as much responsibility as
6 any member of that conference to say where that money was
7 coming from. He simply washed his hands of that obligation,
8 and I don't think that's responsible -- an appropriate
9 responsibility for him to take. He has as much responsibility
10 to come up with where the money's coming from as certainly
11 anyone else, and he just divorced himself and just threw it off
12 and said, "It's a political problem, it belongs to the Bush
13 Administration." He should have said where the money's coming
14 from. Why didn't he accept the ANWR? We had an identification
15 of where the money would come from.

16 MR. COLE: Does anyone else have a question for
17 Senator Murkowski? Yes, sir, Mr. McCune?

18 MR. McCUNE: Senator?

19 SENATOR MURKOWSKI: Uh-huh.

20 MR. McCUNE: I'd just like to get one little
21 point straight, is that you're going to go back and try to
22 establish the legislation on the TAPS fund, because where it
23 stands now, looking at it know, it looks like most likely the
24 TAPS finding by the -- the Committee is going to stand as is,
25 which Judge Holland has already said that the court date is

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1 canceled now, so in essence, and I don't want to get into a
2 bunch of legal stuff, but looks like maybe we might have lost
3 our ability to go to court on the economic side, so -- I think
4 maybe we still have a chance if -- if we can preserve that way.
5 I'm not quite sure, but maybe you have a better handle on that?

6 SENATOR MURKOWSKI: Well, to respond to your
7 question, what we intend to do is what should have been done
8 previously, and that's to hold hearings, which Miller -- you
9 know, those hearings were not held on our side. It was simply
10 introduced on one side. Hold hearings, and I intend as I said
11 to introduce legislation which will allow the damaged parties
12 to pursue in court separately from Judge Holland's package
13 proposal, a process that had I accepted Miller's proposal, you
14 would have been excluded from law. You're not excluded from
15 that right now if -- if the law is -- if the legislation is
16 accepted. But to have accepted that package, we'd have sold
17 you people that were damaged right down the river, and there's
18 no question about that.

19 MR. McCUNE: I understand that. Thank you. I
20 was just wanted to see the point about putting it back in
21 there.

22 SENATOR MURKOWSKI: Yep, it's going to be put
23 back in.

24 MR. McCUNE: Thank you.

25 SENATOR MURKOWSKI: We're going to hold

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1 hearings, and proceed in a -- in a manner that I think will
2 address the concerns of all, and everybody will understand.

3 MR. COLE: Any other questions for
4 Senator Murkowski? Thank you, Senator, for appearing here.

5 SENATOR MURKOWSKI: Mr. Cole. I wish you all a
6 good day, and again my -- my congratulations on your
7 willingness to undertake this -- this effort which is
8 extraordinarily worthwhile, but is going to be tough. Good
9 luck.

10 MR. COLE: Thank you. Before proceeding, I
11 want to introduce Chuck Meacham -- Meacham, who is here as a
12 representative of Commissioner Rosier from the Alaska
13 Department of Fish and Game.

14 Well, let me sort of move along quickly. As a result
15 of the settlement, the -- and the agreement between the State
16 of Alaska and the United States, there was a requirement that a
17 public advisory group be appointed to act essentially in -- in
18 the capacity which the name implies, to advise the Trustee
19 Council in connection with the decisions required to be made by
20 the Trustee Council.

21 And we got the Trustee Council underway really last
22 December and held the first meeting here in Anchorage, and at
23 that time, early on in connection with the work on the Trustee
24 Council, we were faced with coming up with a restoration plan
25 for the 1992 summer season. We -- we had to make decisions as

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1 to a lot of on-going studies in those early meetings. Those
2 on-going studies were focused really on the development of
3 damage assessments and damage claims for use in connection with
4 litigation against Exxon. And so one of the first decisions we
5 had to make was what studies should we terminate, what studies
6 should we allow to run their course, and what studies we should
7 endeavor to delimit and endeavor to draw to a conclusion early
8 on.

9 That was not an easy process for the Trustee Council,
10 because one of the principal problems which we faced in that
11 regard was we did not want to lose the benefit of a lot of on-
12 going studies and just chop them off and say, "well, too bad.
13 They're ended, you can't finish them up. You can't write you
14 conclusions," and therefore what we did is we allowed a number
15 of these studies, projects to continue so they could be wound
16 up in an orderly fashion and thus preserve the -- the
17 information which was being developed from the studies.

18 In addition, with respect to the 1992 plan, we had to
19 make decisions in connection with that plan as early as March
20 1, and certainly by April 1, and the reason we had to do that,
21 we had to do it, because of budget problems with the State and
22 Federal agencies, we had to do it for personnel reasons, we had
23 to do it for contract reasons, and we simply had to have some
24 time available for these projects to get underway, so that they
25 could be started as -- as soon as possible. Some in fact had

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1 to be started as early as April, others obviously could not be
2 started until the weather got better out there in the Sound.
3 But at any rate, we -- we approved a number of projects for
4 1992. They're largely completed.

5 In connection with those projects, and in connection
6 with the current projects we have for the 1992 -- or 1993
7 season, they're largely formulated by what we call the
8 Restoration Team. Let me tell you a little bit about the
9 Restoration Team. We decided early on that we had to have a
10 framework of people who work almost on a daily basis in
11 connection with the development of these projects, to review
12 proposed projects, and to make recommendations to the Trustee
13 Council.

14 And so what we did is we agreed that each member of the
15 Trustee Council would have one appointment to make in
16 connection with the formulation of the Restoration Team. And
17 that has been done. Primarily the appointments have been made
18 by the member of the Trustee Council to a member of the agency.
19 For example, Carl Rosier has appointed a representative from
20 the Department of Fish and Game; John Sandor has done likewise.
21 I as the Department of Law appointed Marty Rutherford. She is
22 really now a member of the Department of Natural Resources.

23 And this Restoration Team works essentially on a daily
24 basis reviewing these projects, making recommendations to us,
25 and so

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1 In addition to that, in order to have an independent
2 voice looking at these restoration projects, we have retained
3 the services of Dr. Spies from the San Francisco Bay area, a
4 scientist, to furnish us along with members of his peer review
5 team his independent comments on these proposed studies and
6 projects, as recommended to us by the Restoration Team.

7 Let me say this, maybe skirting out a little bit, but
8 let me explain one of the reasons we've done that. There's
9 been views expressed by the public, some of you may hold the
10 same views, that -- pardon me? That's all right. -- that --
11 that these agencies and members of the Restoration Team are
12 simply making these project recommendations to further their
13 own agency, and to provide an economic, you know, base and so
14 on and so forth. And obviously, and maybe this is a flaw in
15 the system, but it's one of the reasons we have the public
16 advisory group composed of you people, that -- to guard against
17 that -- that possibility.

18 We've had Dr. Spies and members of his peer review
19 group look independently at these proposals, which we did in
20 the 1992 season, and to furnish us with his views as to, you
21 know, whether these projects are justifiable, and in many
22 respects we have relied heavily on Dr. Spies' independent views
23 in that regard. Dr. Spies and his staff will be available to
24 you in connection with your review of these projects.

25 So I should say another thing about the Trustee Council

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1 that's very important I think is under the terms of the
2 agreement between the State and Federal Government, the Trustee
3 Council must act unanimously, and by that I mean each member --
4 each of the six members has an independent veto over any
5 project, and if John Sandor, for example, has a strong
6 objection to any particular project, simply by his saying "I
7 don't vote for that project. I'm unable to accept it," I mean,
8 that kills the project. And we've had criticism from the
9 public, some members of the public about how that should work,
10 but I tell you, in my view, and I think in the view of the
11 Trustee Council generally, that unanimity clause has worked
12 well. In some ways, rather than making the Trustee Council
13 more divisive or divisive, it's served to bring us together,
14 because I think not one of us really wants to be a sole and
15 independent voice which -- which rejects any particular
16 project.

17 Now, what is to be your fundamental purpose here? I'm
18 speaking for myself largely, not necessarily for other members
19 of the Trustee Council. Mr. Sandor and Mr. McVee can do that,
20 but

21 Of course, the Public Advisory Group is provided for in
22 the agreement, and it's a requirement of the consent decree and
23 order entered by Judge Holland. At first we in the Trustee
24 Council sat down and decided how many members of the Trustee --
25 of the Public Advisory Group we would want, and then --

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1 actually it was probably the reverse. We sat down and thought
2 about the various interest groups which we thought would be
3 productive to help the Trustee Council discharge their
4 responsibilities under the agreement. And, you know, you can
5 see the various groups which we put together: sport hunting
6 and fishing, environmental, science, government, conservation,
7 aquaculture, forest, tourism, native interests, subsistence.
8 And then from that, after we got those various groups together,
9 we said, "Well, how many members should there be, and should we
10 have some people from the public on the committee?" We first
11 arrived at 15, to be comprised of three members of the public
12 at large. Later on in the process we decided to enlarge the
13 public group to five. We thought we would get, you know, a
14 better public representation. So we changed our view and made
15 the public at large five, increased the total membership to 17.

16 In addition to that, because my good friends in the
17 Legislature, like Mr. Davidson, they didn't want the Hickel
18 appointees, if I may say so, to have too much say in this, and
19 the Executive

20 MR. DAVIDSON: I hope you're not speaking for
21 me.

22 MR. COLE: in the Executive Branch -- no,
23 I'm not. I'm speaking generally, thanks -- and the Executive
24 Branch to have oversight, you know. And -- and it was --
25 frankly, it was my thought that the Legislature, which has been

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1 very interested in this whole project to have representatives
2 there to be able to -- to have, you might say, a hands-on
3 understanding of what is going on in this Council. Be- -- and
4 there is a sound reason for that, and one of them is -- is in
5 order to achieve a balance in the separation of powers between
6 the Legislative right to appropriate monies, and the Executive
7 Branch, that the Legislature really does have an interest in
8 seeing how these monies are being expended, and we have a
9 provision in recently passed legislation that makes all these
10 expenditures go through the Legislative Budget and Audit
11 Committee. And that way the Legislature has a sense of how
12 much money is going to the State and -- the State agencies, to
13 be able to have a sense in the Legislature of the budgets of
14 these various agencies, and principally it's the Department of
15 Fish and Game and the Department of Environmental Conservation
16 with respect to the State. So we have one member of the
17 Legislature appointed by the Speaker of the House, and another
18 member of the Legislature appointed by the Senate President to
19 sit in as ex-officio members of the Public Advisory Group.

20 Now, what is your -- like I say, let me just see if I
21 can bring this to a conclusion with respect to your function.
22 Obviously, you know, you've read the papers, there's a wide
23 diversity of views as to how these monies should be expended.
24 That -- that is a task which the Trustee Council has found,
25 believe me, not easy. Obviously there's a very strong public

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1 view that these monies should be primarily expended for the
2 acquisition of habitat and to protect the Prince William Sound
3 generally from logging and -- and the destruction of habitat
4 there. There is another widely held view that we should
5 continue with studies to enable us to make the restoration
6 projects driven by science. There's other views that these
7 scientific studies are simply waste and will lead to nothing
8 more than gathering dust in the -- in the bowels of some
9 library some place, and it will just be of use to, you know,
10 further the -- the interest of scientists in the various
11 bureaucratic agencies.

12 So obviously you people well understand yourselves as
13 to the various tensions about how this money should be
14 expended, and I think it's certainly accurate to say that we
15 look to you people to furnish us with views as to how these
16 monies should be spent, what projects we should -- we should
17 adopt, what the long-range policies should be for the
18 expenditures of these funds.

19 Finally, let me say this, and I feel strongly
20 personally about this, under the terms of the settlement and
21 the decree, these monies are to be used for restoration,
22 replacement, and enhancement of the damaged resources.
23 Category one. Or the acquisition of equivalent resources and
24 services. Now, in my view that's a mandate from the federal
25 court, and we're simply required to comply with it, and we have

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1 as far as I'm concerned complied with that so far.

2 Now, let me add to that we have a very broad question
3 as to what is comprised, and I'm sure you will want to know, is
4 an equivalent resource, and most of all difficult problem is
5 what is an equivalent service. We'd look to the regulations in
6 this area and promulgated by the Department of the Interior,
7 and I must say they're not very helpful. Not very helpful as
8 to what's within the scope. But anyway, that's something we'll
9 have to struggle with.

10 We have, in the process of preparing for you a
11 memorandum on that subject. It's not quite done, because we
12 want to make certain that the Department of Justice agrees with
13 every word that's in there. We do not want the State -- and
14 the State, particularly the Department of Law, to be accused of
15 sort of loading the deck with our personal views. We want the
16 blessings of the Department of Justice on that subject.
17 Probably within a week or two, we will get them.

18 Obviously, you know, you've seen the proposed
19 restoration projects for 1993. They have been distilled from
20 over 400 recommendations from the public generally at large and
21 from the various State and federal agencies for the 1993
22 projects. The Trustee Council has reviewed those. They've
23 been reviewed in addition by Dr. Spies and his group, and we
24 will be looking to you to review those projects, and to furnish
25 us with your recommendations on them.

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1 In addition, a very sensitive subject, the Trustee
2 Council has -- has, you might say, contracted with The Nature -
3 - Nature Conservancy to take a look at the areas of threatened
4 habitat in Prince William Sound and to furnish us with its
5 recommendations as to what -- to what areas of the sensitive
6 habitat in Prince William Sound are threatened, and to furnish
7 us with its recommendations concerning the acquisition of that
8 threatened habitat.

9 I think that generally concludes my remarks.
10 Commissioner Sandor? Commissioner -- or Trustee McVee? Would
11 you like to make some further comments, please?

12 MR. McVEE: Well, thank you very much,
13 Mr. Cole.

14 I thought about this meeting for some time and -- and
15 all of the things that I guess that I felt like should be said,
16 and knowing that the time is going to be short to do that, so I
17 tried to -- I tried to boil it down, so -- and -- and hit upon
18 some very key items, things that hopefully will help you in the
19 immediate future, and so I -- I put it in writing, so I'm going
20 to -- to a large extent read that statement so I don't miss
21 those thoughts and maybe it will make it -- make it go a little
22 faster.

23 But I'm very pleased that each of you agreed to serve
24 on the Exxon Valdez Oil Spill Public Advisory Group. Like most
25 government programs, you now have been given an acronym,

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1 P.A.G., and I know how Attorney General Cole hates acronyms,
2 but

3 MR. COLE: Never do I know what they mean,
4 thank you.

5 MR. McVEE: But -- I appreciate that the longer
6 he be -- he's in government, the more of these he will -- he
7 will have to face up to, but you will now that you're here that
8 -- you now will hear that you're a member of the P.A.G. As
9 best that I can tell, that there are no pejorative connotations
10 from this term, and certainly -- certainly none were intended.

11 You will have, you know, considerable contact with the
12 Department of Interior, with Doug Mutter, who some -- I sure
13 that some of you have -- have talked to on the phone. And the
14 way that business is done in the Trustee Council, that programs
15 or projects are taken on by a lead agency, and I guess that we
16 were either out of the room or raised our hand at the wrong
17 time, but anyway we have the responsibility for the -- the
18 advisory group. And it's -- it's operated under -- under
19 federal rules, the Federal Advisory Committee Act, and
20 therefore you have a charter asserting certain process and Doug
21 has a -- has a title, and -- to meet compliance.

22 In -- in turn, there's certain, you know, State rules
23 or State laws that also apply to us, the Open Meetings Law is
24 an example, so we have that to contend with.

25 Like the State of Alaska, nothing related to this Oil

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1 Spill has been small. It was the largest oil spill in the
2 United States, affecting fish and wildlife, as well as the
3 people and services who rely upon them in substantial areas
4 within Prince William Sound as well as the Gulf of Alaska.

5 It was also the largest ever environmental litigation
6 settlement, and it's going to take a major effort to put a
7 complete -- complete restoration program in place.

8 When the settlement was adopted, the Secretary of -- of
9 Interior and, I am sure, the other Trustees, viewed it as a
10 model for the conduct of -- conduct of joint Federal/State
11 activities in such large ecosystem-wide spills. The court-
12 approved settlement agreed -- agreement required joint
13 decision-making by the U.S. and the State, rather than
14 utilizing arbitrary allocations to attempt to assign the
15 recovery based on concepts of ownership of the impacted
16 resources.

17 Your presence here today reflects another of the
18 settlement's requirements, that of public involvement
19 throughout the entire restoration process, both directly and
20 through this public advisory group. This requirement for
21 public participation was included at the personal initiative of
22 the Trustees, and is clear recognition that the resulting work
23 product will be far superior with the active participation by
24 you and the public at large.

25 The success of this program will be a model for future

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1 restoration efforts, and its failures will be equally obvious
2 to everyone.

3 The Trustees are very aware of the criticism leveled by
4 many members of the public and the national and local media on
5 the lack of progress that has been made on actually expending
6 the settlement money for restoration of injured resources.
7 Similar concerns have been expressed for -- expressed with
8 respect to the level of money being spent for administrative
9 support of the not yet begun actual restoration implementation
10 program and for additional studies. The Department of Interior
11 feels that there is validity to such concerns and we recognize
12 it is essential that the process remain responsive to public
13 comment and recommendations.

14 And this morning you witnessed the interest of our
15 Delegation and -- and they made some expression of Congress --
16 Congress' over-all expression of interest in this whole area.

17 Progress has been made on development of a draft
18 restoration plan, for public and P.A.G. review, during the year
19 that has elapsed since the settlement was approved by the
20 court. Even so, the Council has been advised that the staff
21 cannot complete preparation of the draft restoration plan that
22 is now -- that is suitable for public review until late winter
23 or spring. Both the law governing the Superfund and the
24 Department of Interior's Natural Resource Damage Assessment
25 Regulations provide that adoption of a restoration plan is

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1 necessary before commencing expenditures for restoration
2 implementation. The one exception to this policy is where
3 emergency situations present such an imminent threat to
4 resources or services that any delay would exacerbate the
5 injuries. Such -- such action will still require compliance
6 with the requirements of the National Environmental Policy Act.

7 Your advice will be particularly important with respect
8 to the proposed budget/work plan for the period running from
9 March 1, '93, through September 30, '93, and it's a blue book,
10 one of the many handouts that you have here. A seven-month
11 budget was proposed in order to conform future budgets to the
12 Federal fiscal year budget cycle.

13 The proposed work plan was mailed to the general public
14 last week and is included in your materials. Comments from the
15 public on the proposed work plan are due by November 20. The
16 Council has scheduled a meeting on December 11th to review the
17 public comments and further consider this budget. I would
18 recommend that you consider scheduling your next meeting prior
19 to December 11th in order to focus your comments and concerns
20 on the draft budget for the Council's benefit.

21 I want to be very frank and straightforward with you
22 now, because I think it's essential that you understand the
23 nature and issues of problems that the Trustee Council must
24 deal with in the near future. And I would -- I have put these
25 into two basic categories: Those which will come before the

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1 P.A.G. concerning the restoration plan land programs; and those
2 concerns on management and administration of the Trustee
3 Council operations and organizations.

4 Examples of the first category of issues which I would
5 anticipate the P.A.G.'ll -- P.A.G. will review are the scope of
6 spending that should be made under the '93 work plan prior to
7 finalizing the Restoration Plan. Is too much money proposed to
8 be spent in the absence of a completed Restoration Plan? Is
9 too much money being spent for overhead and administrative
10 costs?

11 Were the criteria used by the Restoration Team or the
12 Trustee Council in approving a particular project the
13 appropriate ones for the intended purposes?

14 Review of specific projects for feasibility, priority,
15 urgency, cost of administrative and overhead. Are -- are all
16 the studies proposed necessary? From the public's standpoint,
17 how many studies are justified?

18 Is the Restoration Plan being completed without undue
19 delay? Have the appropriate resources been devoted to
20 completion of the Restoration Plan and Environmental Impact
21 Statement?

22 Since the standard under law is to restore the
23 resources to their pre-spill base line levels, the levels they
24 would have been but for the Spill, how should it be determined
25 when services have been restored?

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1 The second category of issues, organization and
2 management problems, which have, perhaps, resulted from the
3 Council not fully appreciating the scope of the task and the
4 amount of time necessary to start an organization of this kind.
5 The Council, as mentioned by Attorney General Cole, operates on
6 the basis of unanimous agreement.

7 I don't expect these problems will necessarily come
8 before the P.A.G., but I think if you're aware of them, the
9 Council will -- that the Council will have to deal with these
10 land similar administrative concerns, it will help you. We
11 have been basically through a start-up phase I would say, and
12 now I think we need to look at a more efficient operation. And
13 there are a series of issues, just as examples, and I will
14 touch on some of them:

15 For nearly 11 months, the Council has operated with an
16 interim Administrative Director and has yet to fill the
17 permanent position.

18 Rather than having its own staff, the Council has used
19 personnel from each Trustee department or agency to form the
20 Restoration Team, to carry out the day-to-day management
21 efforts. Mr. Cole mentioned this. We are concerned that this
22 creates some agency bias to procure for each agency its share
23 of funds rather than to objectively approve projects which are
24 essential for restoration efforts.

25 Schedules for many activities have not been developed,

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1 and when they are developed, we have problems meeting
2 deadlines. We're concerned this tardiness and that revised
3 updated deadlines are not being established and made available
4 to the public so they know what's going on.

5 The procurement process has generally failed to utilize
6 the competitive procurement procedures at this point.

7 Finally, the role that the P.A.G. will undertake is one
8 that you and the Trustee Council ultimately decide is needed.
9 The Trustee Council will from time to time undoubtedly make
10 recommendations or suggestions for you to examine -- examine.
11 How do you consider them and what positions you wish to take,
12 are solely up to you.

13 With you help and the participation from the general
14 public, we believe that a program can be put together of which
15 everyone can be proud.

16 I'll be pleased to answer any questions now or in the
17 future, and I want to ask you not -- not to hesitate to call me
18 at any time if you have questions or need some information.
19 Thank you very much.

20 MR. COLE: Thank you, Mr. McVee.

21 Commissioner Sandor, would you like to make some
22 remarks at this time?

23 MR. SANDOR: Thank you, Attorney General Cole,
24 and those very excellent summaries by Mr. Cole and Curt McVee
25 will prompt me to make just some very view -- very few comments

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1 and observations. And I make these comments and observations
2 from a perspective of a -- of a 40-year career in natural
3 resources and environmental administration, but mostly as a
4 federal bureaucrat and mostly from the standpoint of natural
5 resource protection and administration. It was my good fortune
6 to have most of this in -- in the State of Alaska itself.

7 It's been a special pleasure to work with the Trustee
8 Council and -- and I'd like to make this observation based on
9 this -- this rather lengthy career in -- in natural resource
10 administration, that a lot has actually been done, and much
11 more than I think perhaps people realize. The Exxon Valdez Oil
12 Spill of over 10 million gallons is the largest in -- in the
13 United States. However, it is only one of 18 spills of
14 10 million gallons or more over the last 30 years throughout
15 the world, and this is not an unlikely event that may yet
16 happen again. Certainly hopefully not in -- within Alaskan
17 waters, but it will happen again. And I think it's important
18 to place what is happening now in that perspective.

19 The Amoco Cadiz which actually broke up about 14 years
20 ago off the coast of France spilled over 60 million gallons
21 of -- over six times the amount of -- of oil that spilled in --
22 in the Exxon Valdez. Not as sensitive an area, and not as
23 important an area to be sure. One of the real important
24 lessons from that, however, was that the litigation and the
25 settlement of that Amoco Cadiz catastrophe took 14 years in

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1 resolution, and was only resolved, finally settled the first of
2 this year, 14 years after the spill itself occurred, for a
3 total settlement of something in the range of \$250 million.

4 We're extremely fortunate in this day of -- of
5 litigation and constant litigation, on-going litigation, to
6 have had this settlement reached really so -- in such a
7 relatively short period of time so that we can actually get on
8 with the job of restoration, and that's been one of the most
9 satisfying aspects of this -- this thing. We are getting about
10 the job of -- of restoration of -- of the natural resources and
11 services that's been damaged.

12 The other observation I would make to -- to you as
13 members of the Public Advisory Group, is that this group of
14 three Federal agencies and three State agencies have been
15 working together in -- in remarkable harmony. Not that we
16 haven't had battles, we've -- we've had battles, but it's --
17 it's really been an amazing thing to see three State and three
18 Federal agencies working as we've worked together, and it's
19 easy to -- to criticize and perhaps second guess some of the
20 decisions that are made out of this -- that have been made out
21 of this group. But as both Curt McVee and Charlie Cole have
22 pointed out, the scientific studies that -- that actually led
23 to -- to the settlement, helped lead to the settlement, have to
24 be continued, and it's important that they were -- that they --
25 that the work continue to be able to not only complete the

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1 studies, but to set the basis and groundwork for additional
2 restoration work of species that have been damaged, resources
3 and services that have been damaged so that they can in fact be
4 -- be restored.

5 I believe that as -- as you get into -- to looking at
6 the studies that have -- are underway and the many, many
7 millions and millions and millions of dollars of proposals for
8 not only restoration work, but for acquisition, that you'll see
9 the tremendous challenges that -- that you face. And I see
10 ourselves sitting in a partnership effort, to -- to look at
11 these proposals, to help set priorities in -- in evaluating
12 these and then to working with the various agencies involved,
13 the organizations involved. The Nature Conservancy has had
14 three contracts, two pend- -- two under say and -- and an
15 earlier one that's been of great help in -- in setting the
16 stage for this evaluation.

17 But as you will see in the proposals that come before
18 you, that it's going to be very difficult, very, very difficult
19 indeed to set priorities that will please everybody.

20 But I -- but I believe in conclusion that one --
21 certainly express my personal appreciation for -- for your
22 willingness to serve in what is going to be both an exciting
23 challenge, but sometimes frustrating. And we look forward to -
24 - to our partnership together in developing programs and
25 activities which best meet the needs of the resources and

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1 communities and the people who have been impacted by the oil
2 spill, and that as we work together in looking at proposals
3 which are put before us that we do this in -- in a way that's
4 within strict confines of the settlement agreement and the
5 consent decree, looking at restoration, replacement,
6 enhancement and the acquisition of equivalent resources and
7 services. We have a tremendous partnership. We have a lot of
8 resources. Dr. Spies, the chief scientist, the 40-some peer
9 reviewers, peer scientific reviewers, tremendous resources
10 that's available to -- to all of us.

11 I see through this partnership that you're a special
12 pathway to the public, to the people, to the resources, the
13 communities that have been damaged by the Spill, and I believe
14 that working together in this partnership effort that we can in
15 fact not only bring about the restoration and replacement,
16 enhancement of the -- the resources and services damaged in
17 this area, but provide a guide to those other regions of the
18 world that have been impacted by spills such as this.

19 So, Mr. Chairman, I appreciate the opportunity to make
20 these comments, and thank again the public advisory group for
21 their willingness to tackle this difficult job. Thank you.

22 MR. COLE: Thank you, Commissioner Sandor.
23 Mr. Meacham, would you like to speak on behalf of
24 Commissioner Rosier?

25 MR. MEACHAM: Yes, thank you, Mr. Chairman.

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1 I would also like to thank you on behalf of
2 Commissioner Rosier for your willingness to participate in this
3 group. Commissioner Rosier had to be in Washington, D.C. this
4 week and -- and was unable to participate.

5 My name is Chuck Meacham. I'm Deputy Commissioner with
6 the Department of Fish and Game and Commissioner Rosier's
7 designated alternate for the process here.

8 As with Commissioner Sandor, I offer you both
9 congratulations and condolences. I think you'll -- you'll find
10 that this is both rewarding and -- and frustrating, but I do
11 believe that you will find the rewards are far more -- far more
12 numerous than the -- the frustrations. With my limited
13 experience in the -- the oil spill-related activities, I
14 certainly did so. I spent two years as a fisheries program
15 manager with the Department's oil spill studies immediately
16 after the oil spill.

17 I'm sure as you all realize, we do have a tremendous
18 opportunity here, a really tremendous opportunity to make
19 things right. And I mean right for the resource and right for
20 the people. And the Department and Commissioner Rosier look
21 forward to working with you to do -- to do just that. Thank
22 you.

23 MR. COLE: Thank you, Mr. Meacham.
24 Representative Davidson, would you like to make some remarks on
25 behalf of the Legislature?

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1 REPRESENTATIVE DAVIDSON: Thank you,
2 Mr. Attorney General. I would simply say that the House indeed
3 takes -- the House of Representatives and the entire
4 Legislature takes a very keen interest in how we resolve some
5 of the issues that will come before this group. And I won't
6 attempt to paraphrase what others will say, but I think that we
7 -- we are concerned about how the -- the system will work here,
8 and that the primary thing, of course, is to get the resources
9 that we're dealing with here out to -- to the replacement and
10 enhancement of the damage that was done, and listen to the
11 people who were most directly affected, and that was the way I
12 think that the Legislature acted last time.

13 I don't know that -- I don't know you determine which
14 acquisitions are most favorably driven by science, but I'm sure
15 that this body will be able to examine many projects and offer
16 that advice to this august body of councilors, and we look
17 forward to working with you.

18 It's also -- I will add my thanks to the citizens here
19 and their willingness to serve, because it is not always an
20 easy task to serve merely as an advisor to a group who will
21 have ultimate control of what decisions you'll make, but
22 certainly they will take into consideration I'm sure the full
23 measure of what the consensus of the group as well as even
24 minority opinions might have from our -- our advisory group
25 here.

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1 So with that I just would like to say I'm glad we're
2 all here. The process moves forward, and hopefully we can move
3 with undue haste to resolve some of the frustrations and
4 grievances that people have out there.

5 MR. COLE: Thank you, Mr. Davidson.

6 Can I have just about --? I want to say that
7 Senator Kertulla was the appointee of the President of the
8 Senate. Senator Kertulla's sister is very ill, and as a result
9 he's not able to be here today.

10 But I'd also like to introduce Senator Hoffman, who is
11 here today. Welcome, Senator.

12 SENATOR HOFFMAN: Thank you.

13 MR. COLE: Yes, sir. I think now is -- let's
14 have questions, if you don't mind?

15 DR. FRENCH: Okay. I would like clarification
16 of two points you made, Mr. Cole. The first is how was the
17 chief scientist selected, since we're obviously going to be
18 asked to put a lot of weight on his decisions, and who
19 constitutes his peer review group?

20 MR. COLE: Let me say this: The chief
21 scientist

22 DR. FRENCH: By the way, I have known Dr. Spies
23 for over a decade.

24 MR. COLE: Yes. Thank you. I hope you have as
25 much respect for him as we do.

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1 But he had been retained by the Department of Law early
2 on to advise it in connection with the development of its
3 litigation against Exxon, and as a result of his experience in
4 working with the Department of Law, and the contract which he
5 had at the time, the decision was made by the Trustee Council to
6 continue that relationship. We in the Department of Law had
7 found his work to be excellent. That's the reason for that.

8 Now, frankly, I do not know all of the members of his
9 peer review group. Mr. Tillery, the head of the Department of
10 Law, Environmental Section, would you like to add anything to
11 my response?

12 MR. TILLERY: No, but I also don't know all the
13 names of the peer group. Mark, can you help us out?

14 MR. COLE: Mr. Broderon?

15 MR. BRODERSON: I do not have all of them
16 either. That's the contract under the Department of Natural
17 Resources right now. There's a list of about 50 of them.
18 They've been picked over the three years since the Spill by
19 people who have been most responsive to using their good
20 judgment to help us review things is what it basically comes
21 down to. People who can come in and -- and give us unbiased
22 opinions, whether we want to hear them or not, and that's
23 pretty important to us, and that's what we look for in peer
24 reviewers over the years.

25 MR. COLE: Yeah. We can get you that

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1 information.

2 DR. FRENCH: Okay. I'd appreciate that.

3 MR. COLE: Sure.

4 DR. FRENCH: As an aquatic toxicologist of
5 sorts for over 15 years, I'd like to state that there are not
6 very many people that are unbiased in the field. It's a very
7 polarized field, and whereas Dr. Spies is a very good
8 scientist, independence isn't one of the traits -- the traits I
9 would normally attribute to him.

10 The other question I needed clarification on was with
11 respect to damaged resources. Most of the NRDA work, and as I
12 understand it, the legislation which provided for the NRDA work
13 to be done, basically required that there be a high probability
14 that the results of that work would be usable in litigation,
15 that they would provide, to be crass about it, a body count,
16 some measurable, legally acceptable characterization of that
17 resource as being damaged, and so therefore early on in the
18 process, correct me if I'm not correct, but it's my
19 understanding that a number of types of projects were not
20 undertaken at that point simply because they would not be using
21 techniques or would not be likely to produce a high probability
22 outcome of legally determined damage. In other words, an
23 emphasis on acute rather than chronic toxicity.

24 Now, with respect to many of the other oil spills,
25 including the Amoco Valdez -- Amoco Cadiz, there has been

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1 several indications of chronic toxicity, particularly to
2 fisheries, which is one of the areas of my own personal
3 interest, and many of projects that are undertaken and many of
4 the projects that are in the '93 Work Plan, at least to my
5 reading, are continuations of projects that are designed to
6 monitor acute toxicity and recovery from acute toxicity.

7 We still lack the knowledge of what really tends to --
8 to be measurable as chronic toxicity. One of the reasons we
9 didn't undertake it in the first place is we didn't really
10 understand the system. One of the reasons some federal
11 investigators expected the oil to stay in -- in Prince William
12 Sound when the Spill first occurred was a lack of understanding
13 of the dynamics of the North Pacific, be they physical
14 oceanography or be they biological or be they of human
15 resources. A great deal of knowledge is not there, and for us
16 to assess the damage and for us to prevent situations like this
17 from occurring in the future, for us to enable the
18 determination of future damage as directed under paragraph 17
19 of the settlement, namely re-opener of -- for unknown injury,
20 to allow those types of information to be accumulated, we're
21 going to have to take a somewhat broader view of a damaged
22 resource than a purely NRDA one. At least that's my
23 perspective.

24 MR. COLE: Well, let me say this: I'm sure
25 that you will have a full opportunity to express those views in

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1 the various meetings of the Public Advisory Group, and receive
2 I'm sure in response the views of other members of the group as
3 to how these resources should be allocated. As you know, we've
4 been under a rather severe criticism as recently as a couple of
5 weeks ago from the President or the CEO of the Sierra Club,
6 that we've made a lot of, quote, unnecessary expenditures for
7 studies, so, you know, that's going to be one of you
8 assignments, to present your views and the views of others to
9 the members of the Public Advisory Group and furnish the
10 Trustees with the recommendations as to what studies should be
11 undertaken, what -- in other areas where we haven't already
12 done so. You'll certainly have an opportunity to in addition
13 confer with the representatives of the Department of Fish and
14 Game, who have made their recommendations for projects in the
15 1993 budget.

16 MR. McVEE: Mr. Cole?

17 MR. COLE: Yes, sir?

18 MR. McVEE: Yeah, let me just add further
19 comment. I think that the Trustee Council has struggled with -
20 - with the problem you're addressing on several occasions,
21 and -- and argued maybe to some extent as to whether there is
22 the proper balance between the data that we have available to
23 us for -- for the various damaged resources. And -- and I
24 think that -- that we are looking for help in that direction
25 from any source that's available to us, and that the -- the

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1 court decree and the -- and the judgment does allow for us to
2 do further -- further studies. And -- but, you know, I think
3 they have to be carefully thought out and carefully designed
4 and efficient and all that.

5 DR. FRENCH: Oh, yeah, I agree completely. I
6 mean, if you -- if you're going to look at a body bag, there's
7 only so many perspectives you can have on a body bag, but the
8 broader perspective may be important and may lead to some --
9 some useful information.

10 MR. McVEE: Yes, I agree.

11 MR. COLE: Mr. McCune:

12 MR. McCUNE: Yes, I just wanted to understand
13 the process just a little bit more now. The Restoration Team
14 gets all the projects from the public groups, agencies,

15 MR. COLE: Yes.

16 MR. McCUNE: and also you said Mr. Spies
17 has the final say on any project,

18 MR. COLE: No.

19 MR. McCUNE: is that -- is that

20 MR. COLE: No.

21 MR. McCUNE: what you said, or?

22 MR. COLE: Absolutely not. He is simply one
23 other source of advice to the Trustee Council, and like I say,
24 one of the reasons, I can speak for myself, that I look to
25 Dr. Spies is I want to have a test as to whether, you know,

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1 Commissioner Rosier, for example, but only for example, has
2 said, "Gee, we've -- we want more information out here in the
3 Department of Fish and Game with respect to the red salmon down
4 in the Cook Inlet, and we need it badly to make restoration
5 decisions," and so -- and we say, "Well, Dr. Spies, you know,
6 what about that? What's your views on that?" It's just an
7 independent source of advice like the Public Advisory Group in
8 my view will be to the Trustee Council. He -- his views are
9 entitled, and I don't think they're given any more weight than
10 anyone else. It's just an independent source.

11 MR. McCUNE: Okay. To go a little bit further
12 then, once those project are forwarded, they're forwarded to
13 the Trustee Council, as -- as the Restoration Team votes on
14 those projects and weeds them out, is that correct?

15 MR. COLE: Yes, I think that's substantive
16 correct. It

17 MR. McCUNE: So then

18 MR. COLE: hasn't come to the Trustee
19 Council yet, I mean. Then we send them out to the public as
20 we've done, and you have the public comment on every one of
21 them, and send them to this group for comment.

22 MR. McCUNE: Okay. That's where we're going to
23 break in, after the projects have come from the Restoration
24 Team and been forwarded to the Trustees?

25 MR. COLE: I would say that's where we are now.

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1 You know, for

2 MR. McCUNE: Okay. I just wanted to

3 MR. COLE: the 1993 plan.

4 MR. McCUNE: we come

5 MR. COLE: I don't necessarily say that
6 that will be the case in the ensuing years, but that's where we
7 are right now. Okay?

8 MR. McCUNE: Okay. Yes.

9 MR. COLE: Yeah. Is that true, Commissioner
10 Sandor and Mr. McVee?

11 MR. SANDOR: Yeah, I think that's certainly the
12 way I see it for this present material that's -- that's now out
13 for public review, but I see the Public Advisory Group as also
14 being especially helpful in really looking at the process by
15 which we, one, invite, solicit proposals for consideration,
16 evaluating them and prioritizing, and even providing advice
17 about the over-all operation of the -- of the -- this whole
18 process.

19 Bear in mind we've been in business, you know, less
20 than a year, and so we've had to begin primarily with the --
21 with the basic information that was developed since the spill
22 occurred, and we see some opportunities for strengthening the
23 Restoration Team itself, and -- and I -- and also for the
24 executive directorship relationship with the Restoration Team
25 and the -- the Council itself.

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1 We have an interim director, we expect to have -- make
2 a selection of a permanent director, but we're really even
3 looking at the ways of strengthening those -- those activities.
4 That is the work of the Restoration Team, the -- and the flow
5 of the work of the executive director with the Restoration
6 Team, and the work of the Trustee Council.

7 I see, Mr. Chairman, the Public Advisory Group as being
8 able to offer some perspectives on how this total process of --
9 of developing our work, to strengthen our work, so -- but for
10 the -- what's on the table now is the material that's out for
11 public review.

12 MR. COLE: Let me -- let me say this. You
13 know, we -- we may have -- first, we're -- we've struggled for
14 this first year trying to find out way. There's no other group
15 like this in the United States, and we don't have any channels
16 to look to, or history to look to. We're pioneering this road,
17 and so we're looking to the Advisory Group to give us guidance
18 as to where we're going. I mean, we may have sort of lost
19 control of this in my view to the -- the State and Federal
20 agencies. I don't know. But we -- I certainly would like the
21 Public Advisory Groups thought on that. Are we getting too
22 bureaucratic? Are we functioning well in that regard? I don't
23 know. And I think that Commissioner Sandor and the State --
24 and other State and Federal Trustees feel likewise. I mean,
25 you know, this is no narrow thing.

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1 Did you want to say something, Mr. McVee?

2 MR. McVEE: No.

3 MR. COLE: I think Mr. Totemoff first.

4 MR. TOTEMOFF: Yeah, thanks. I was wondering
5 if there would be additional consideration given to projects
6 for 1993? I know the draft is out after public comment. Would
7 there be further consideration by the Trustee Council or
8 P.A.G.?

9 MR. COLE: Let me defer that to -- is
10 Dr. Gibbons here today? Or he's

11 MR. MUTTER: No.

12 MR. COLE: Does anybody have any thoughts on
13 that? Frankly I don't know the answer to that. I don't --
14 does anybody else want to take a shot at it? Commissioner
15 Sandor?

16 MR. SANDOR: Well, I believe that -- that the
17 Public Advisory Group as it scrutinizes the plan that's out
18 there, if it identifies not only the -- the strengths and
19 weaknesses in the proposals that are out on the table, but if
20 you actually see and identify something that's been overlooked,
21 something -- some gaps, by all means present them, and I -- it
22 seems to me those ought to be added to the package.

23 Bear in mind there's a number of things that -- that
24 are underway that have not yet come together that will be very
25 crucial for our December 11 meeting, and I think as either

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1 Charlie Cole or Curt McVee had pointed out, we hope you can
2 meet again before the December 11 meeting to -- to really
3 scrutinize what's there. And if -- if we've missed something,
4 or if everybody's missed something, by all means lay it on the
5 table.

6 The December 11 meeting is going to be a crucial
7 meeting, but it's also going to help set the stage for the
8 development of the next -- next year's program. Mr. Totemoff,
9 we need your help in not only identifying what's on the table,
10 but what's missing.

11 MR. COLE: Mr. McVee?

12 MR. McVEE: Yes. In -- in the blue back in
13 your package, there are a series of questions asked the public,
14 and -- and one of them is "do you believe there are other
15 projects that directly address injured resources or services
16 that are not contained in this document? If so, please
17 identify the project." So we're asking people for -- for their
18 thoughts in that respect.

19 MR. COLE: Mr. Meacham?

20 MR. MEACHAM: No other comments.

21 MR. COLE: I'm told that's a periwinkle color.
22 That was quite a shock to me, but -- because, you know,
23 periwinkles to me was those little snails that we used to find,
24 you know, along the irrigation ditches, but anyway it's nice to
25 know.

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1 Yes, Ms. Fischer first.

2 MS. FISCHER: Mr. Cole and Trustee Council
3 members, some of the things that I'm sure that other members of
4 this Council have also been approached on, and I realize that
5 you've done a lot of work, and I -- I complement on the
6 hearings that you've had. I've sat through some of them with
7 you, listening over the telephone. Do we also go out to
8 different groups and listen to them? I know I'm getting
9 invitations, I'm sure some of the others are, and get their
10 input, and if it's in here, explain it to them?

11 MR. COLE: I would say yes.

12 MS. FISCHER: Would that be our -- part of our
13 responsibility, too?

14 MR. COLE: You get to be a funnel of all this
15

16 MS. FISCHER: I understand.

17 MR. COLE: information from the public,
18 bring it in to the Public Advisory Group to hear, you know. We
19 want broad public input. That's one of the principal
20 approaches that we in the Trustee Council want. It's one of
21 the principal approaches dictated by the consent decree and
22 order. And I think Mr. McCloud (sic) was next.

23 MR. CLOUD: Well, on the -- on the subject of
24 contractors, I guess you already have who are on-going out
25 there, is that are contractors for certain tasks chosen on a

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1 competitive bid process or sole-source award?

2 MR. COLE: I think I can answer this. I -- as
3 I recall, and I have not looked at this legislation passed in
4 the last session, but as I recall, except for administrative
5 type contracts, now I mean like for power and, you know, things
6 like that, electricity, and related things, these work projects
7 are to be funnelled through the State and Federal agencies,
8 number one, and we cannot under the statute go out and the
9 Trustee Council contract with North Pacific Air Photo, for
10 example, for aerial photography ourselves. We have to assign
11 that project to one of the State or Federal agencies. And then
12 they're required on a competitive bid proposals under the
13 Procurement Codes to engage those services.

14 I must say that I personally had some reservations
15 about that statutory requirement, but, you know, sometimes, you
16 know, you read the tea leaves and -- and you say that will be
17 fine. We thought that in any event we could look at that and
18 see how this works, you know, the first year, whether we have
19 problems with that or whether we don't, but the short answer is
20 competitive bids under the State and Federal Procurement Codes.

21 MR. CLOUD: So that the contract you already
22 have working out there to evaluate the threatened areas, is --
23 was that competitive bid?

24 MR. COLE: Yes, Mr. McVee?

25 MR. McVEE: No. It was -- it may have

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1 originally I guess been a competitive -- there was some
2 competition, but it was set up through lead agency, which is
3 the Forest Service in that case, but as Mr. Cole mentioned,
4 that -- that we have to comply with either State or Federal
5 procurement processes. I think during this -- this phase, what
6 I call -- rather this initial start-up phase during this year,
7 that we have -- we have not probably had the opportunity, maybe
8 the lead time to some extent, maybe part of the planning -- our
9 planning has not been perfected enough in advance so that we --
10 we could take advantage of the competitive situation, and I
11 feel personally whether the rest of the Trustee Council agree
12 with me at this point, but that is something that we have to
13 address. That's why we have to have good schedules, to know
14 what we -- what we're going to go out in advance, but I do know
15 that the rest of the Trustee Council's members have addressed
16 the issue of competitive contracts and -- and have been very
17 supportive of that, but I think it's something that along with
18 organization and trying to be more efficient, we also need to -
19 - to get our act together in that respect.

20 MR. COLE: Mr. McCorkle?

21 MR. MCCORKLE: Thank you, Mr. Cole. Three just
22 very brief questions. Number one, will it be possible to get a
23 copy of Mr. McVee's remarks today? You mentioned that they
24 were in writing, so maybe you could send us along a copy later,
25 or do you have

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1 MR. McVEE: I have some copies.

2 MR. McCORKLE: You have 17 copies right there.

3 Thank you.

4 MR. COLE: Consummate bureaucrat.

5 MR. McCORKLE: Number two, does the PAG have
6 any staff or is there any plans to do that or are we minimizing
7 costs and not having staff? It seems to me the amount of work
8 that the advisory group may have to do might call for some
9 kinds of help or assistance, and

10 MR. COLE: I think the answer to both of those
11 questions is yes.

12 MR. McCORKLE: Wait and see. Okay.

13 MR. COLE: Nothing but a qualified yes.

14 MR. McCORKLE: And then when it meets, will
15 there be minutes or proceedings of each meeting in the record
16 or do we have to keep our own notes?

17 MR. COLE: I'm not sure we've gotten there, but
18

19 MR. McVEE: Maybe if Doug has

20 MR. MUTTER: We'll -- we'll issue a meeting
21 summary after each meeting and prior to the next meeting.

22 MR. McCORKLE: Thank you.

23 MR. COLE: Let me point out in that regard, all
24 meetings of the Trustee Council are recorded, and a transcript
25 is prepared, so that we have a record of essentially every word

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1 that's said at these meetings, and people will be able to refer
2 to them, you may have copies of them if you wish. We will, I'm
3 certain, provide you with the, you know, the requisite support
4 staff. I don't think there's any doubt about it. We recognize
5 you're going to have to have some support staff.

6 The next question?

7 MR. GAVORA: Is the Council, Advisory Council
8 going to be organized, formally organized?

9 MR. COLE: I think that's up, largely up to the
10 Advisory Group itself.

11 MR. McVEE: The charter, Mr. Cole, the charter
12 calls for a chairman and vice charter, but when you make that
13 selection, I think, and who is -- is your business.

14 MR. COLE: I think we should give them a copy
15 of that charter.

16 MR. McVEE: I think they have.

17 MR. COLE: Do you have a copy of that charter?

18 SEVERAL: Yes.

19 MR. COLE: Yeah. Okay.

20 MR. McVEE: It may be mixed in with this mass
21 of paper that has descended upon you here.

22 MR. COLE: Yes, Brad?

23 MR. PHILLIPS: Charlie, does the Council expect
24 that this group will mostly or in large on our reaction to
25 questions you give to us to consider, or do you expect this

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1 group to go out and make their own agenda? And, second, how is
2 the information, if any develops on our group, transmitted to
3 the Council? Is it on an individual basis or a consensus basis
4 or?

5 MR. COLE: My -- my personal view is that
6 that's up to the group itself to formulate its own internal
7 operating procedures.

8 Mr. Mutter, do you -- do you have any views on that?

9 MR. MUTTER: Yes, that's correct. We have a
10 draft guidelines, background that is in your packet, but one of
11 the topics at perhaps the next meeting would be for the P.A.G.
12 to determine how they want to make recommendations to the
13 Trustee Council, as well as to elect officers to -- a chair and
14 a vice chair for the group. So that's information that still
15 needs to be dealt with by the group.

16 MR. PHILLIPS: How about the matter of subject
17 matter that we are to deal with? Is it of our own making or is
18 it just strictly in response to the Trustees' request for
19 opinions?

20 MR. COLE: Let me take a pass at that. I think
21 it's a very broad commitment or -- to the Advisory Group to
22 furnish us with your over-all recommendations. There's nothing
23 in that decree that says the Advisory Group shall just be
24 limited in any particular fashion. That's my view.

25 MR. PHILLIPS: Uh-huh.

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1 MR. COLE: I mean, I -- I think we all want
2 broad expression of views. Like Commissioner Sandor said, tell
3 us where you think we've gone afield if we have, areas which we
4 think -- you think we should address, et cetera, et cetera.

5 Now, I want to say this, you know, in the past year
6 we've had a lot of criticism about what we've done from all
7 fields, but few constructive suggestions as to what we should
8 do. I mean, everybody says, you know, I mean, "you've got too
9 many studies," well, I mean, tell us which ones that -- that's
10 what we'd like to know you think are excessive, that, you know,
11 it's off the chart as Judge Holland would say.

12 You want us to buy land? Habitat? Tell us where you
13 want us to buy habitat, you know, why we should buy that
14 habitat, why it's essential. Not just, you know, "Go buy
15 habitat." I mean, run out to Prince William Sound with you
16 check book and see if you can't buy some habitat some place, so
17 we can say we bought habitat.

18 I mean, you know, we want sound advice that's
19 constructive, you know. And that's what we're looking for.
20 And, look, here's -- here's what I say, I mean, all of us are
21 busy. Commissioner Sandor is busy, I'm busy, all the members
22 of the Trustee Council are busy, but we're looking for broad
23 public input from the public generally, funnelled through you
24 people.

25 I'm pleased to say Mr. Tillery has given me this

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1 memorandum dated the 29th. Paragraph four, it says "The Group
2 should supplement our efforts at public participation by going
3 out to their interest groups, and being sure that they're
4 informed." You know. And coming to us with constructive
5 decisions to help us, you know, discharge our obligations, too.

6 And I -- I tell you, it's -- to me it's been a real
7 pleasure to work with the other members of the Trustee Council
8 in the past year. They're as finest a group of -- I always
9 exclude myself -- other people that I've ever known to work
10 with. It's just been a pleasure, the privilege of working with
11 them. We've plowed a lot of uncharted ground, sailed through a
12 lot of unchartered waters, and I think done pretty well, but we
13 can do better, and -- and we're looking for your help.

14 MR. McVEE: Mr. Cole, one of the things I guess
15 in working with advisory groups I've noticed in the past, or
16 I've felt to be very beneficial is the dialogue that goes
17 with -- on within a diverse -- the diverse interests, and I
18 think that's one of the things that -- things that I really
19 look forward to, and -- and, you know, seeing the minority
20 reports that come out as well as the -- the other reports,
21 because these -- I think these things will be most helpful to -
22 - to us in the Trustee Council in reaching a conclusion on
23 various issues.

24 And I would hope that you -- that you don't just look
25 at issues that we place before you. In fact I think that --

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1 that most of you would become very discouraged if that were the
2 case and probably would not want to continue. But I hope that
3 you take some initiative to -- to broaden out and look at other
4 issues.

5 MR. TOTEMOFF: I've got one

6 MR. COLE: Yes, Mr. Totemoff?

7 MR. TOTEMOFF: one last question now.

8 You mentioned earlier that it was pretty much up to the Public
9 Advisory Group on how to handle their affairs as far as
10 communication, transmitting of that communication to the
11 Trustee Council and to our respective interest groups. Would -
12 - would it be pretty much up to the Public Advisory Group to
13 develop a budget regarding that to the Trustee Council, or is
14 there a cap on us?

15 MR. COLE: I think the answer to you question
16 is yes and, no, there's -- I think it's largely up to you to
17 make recommendations as to what you think, you know, a budget
18 should entail and require, and there's no cap that I'm aware
19 of. Commissioner Sandor? Meacham? No? No cap. Remember,
20 we're public servants.

21 Yes, Ms. Fischer?

22 MS. FISCHER: Yeah, one more question. You had
23 mentioned that we should meet with you I believe on December
24 11th?

25 MR. COLE: No, let me restate that.

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1 MS. FISCHER: Okay.

2 MR. COLE: The -- the Trustee Council itself
3 will meet on December 11th to make what essentially are the
4 final decisions on the 1993 Work Plan. We would expect the
5 group to meet before that, however many times it feels is
6 necessary, and furnish us as soon in advance of December 11th
7 as it can with its recommendations on this work plan. Now,
8 with that, did you have a further question?

9 MS. FISCHER: Well, then -- more or less, yeah,
10 you pretty much answered it, but then we're going to need to be
11 meeting for the next -- quite frequently to get things together
12 and to go over this and come up with some ideas, or to -- to go
13 with your recommendations.

14 MR. COLE: Whatever you think is necessary, I
15 would say, to discharge your assignment.

16 MS. FISCHER: Okay.

17 MR. COLE: Ms. Brodie?

18 MS. BRODIE: Yes, thank you, Mr. Cole. I don't
19 have a question. I just wanted to say how much I appreciate
20 the introductory remarks that you've all made and that
21 representing the groups that have been the most voluble in
22 criticism, I do also want to say I appreciate having been
23 appointed to this group, and that we do intend to work
24 cooperatively, which is not to say that we will never criticize
25 again in the future, but we do wish to participate in this and

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1 work with you, and -- and I am sure that you all want a
2 successful restoration plan as we do.

3 MR. COLE: Thank you. I should tell other
4 members of the Advisory Group that Ms. Brodie has attended
5 nearly every meeting of the Trustee Council since its
6 formulation, and has -- has been very familiar with our work,
7 and has had the occasion to offer I believe constructive
8 suggestions at virtually every meeting, so she -- she knows
9 what's gone on.

10 MS. BRODIE: Thank you.

11 MR. COLE: Yes, Mr. King?

12 MR. KING: I haven't been through all these
13 proposals, so this is sort of a theoretical question, but I
14 assume that there may be some that we'd want more information
15 on, and what are the possibilities of that -- for that? Can we
16 invite people to come to our meetings?

17 MR. COLE: Yes.

18 MR. KING: Do we go through the agencies or
19?

20 MR. COLE: I would think you should speak
21 either with Mr. Mutter or Dr. Gibbons, who's the current
22 Executive Director, but we will certainly furnish you with all
23 of the support

24 Let -- let me say this, for example, just so you'll
25 know one of the problems. If you look at those proposed

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1 projects, you'll see four or five archeological study proposed
2 projects. Now, and I'll -- I mean, environmental groups say
3 "Buy land," the subsistence people say, "Look, what are you
4 doing for subsistence out there?" The tourism people say,
5 "What are you doing for the whales?" I mean, let me tell you,
6 I mean, making decisions on things like those -- and then the
7 archeological people say, "Well, you have to preserve our
8 heritage. This oil spill caused water to get in there. It
9 opened up new areas. People are raiding these archaeological
10 sites. We can't lose them, we must preserve them.
11 Furthermore, we must have public information hearings to tell
12 the people about that." Those are all in my view very, very
13 difficult decisions, and -- and we have to make that cut, you
14 know? And that's just an example of some of the problems which
15 we face, and so I would say that, for example, in the
16 archeological area, you can call the State archeological
17 people, the various native groups have very deep interests in
18 those studies.

19 I mean, you know, it's sort of wide open for you, and,
20 you know, just give us some help. I think that's the broad
21 thing.

22 Yes, sir?

23 MR. McCUNE: Mr. Cole, as you know, and as the
24 Trustees Council members know, that you get a wide variety of --
25 - of proposals. Some of them has nothing to do with

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1 restoration. So as I was looking through all the by-laws and
2 all the different things that we and you have been through, I
3 haven't really seen the criteria for what projects are, you
4 know, real restoration projects and what aren't, besides
5 Mr. Cole's comments during the State restoration money process.
6 So do we have that in writing somewhere?

7 MR. COLE: You mean what the rules are as it
8 were, in quotes?

9 MR. McCUNE: Yes.

10 MR. COLE: Rules? I think we'll likely be able
11 to give that to you maybe within the next week or ten days, in
12 writing. Mr. Tillery, it's up to you. Can you --? Yeah. I
13 think we can do that.

14 Mr. McVee?

15 MR. McVEE: Yes, I think, you know, that's the
16 key point. The -- the R.T., Restoration Team, did develop some
17 criteria which they used for their screening purposes. Now,
18 those haven't been -- they may not be the final criteria the
19 Trustee Council will use.

20 The other thing I think that's in play here is -- is
21 the Restoration Plan which we were talking -- which we had
22 talked about, which is in the process of being developed, and
23 the draft will be out sometime in mid winter, but that will go
24 in a lot more depth into criteria and priorities and options,
25 alternatives and so on. So one key question is, you know, what

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1 do we do now, what do we -- what do we lock in on now for the
2 '93 program when we haven't gone through that -- that exercise,
3 and we haven't had the public exposure of that over-all
4 planning exercise.

5 MR. COLE: Let me say this: There again we're
6 looking to this group to tell us what its views are on the
7 necessary restoration, (a) studies, projects for direct
8 restoration, for indirect restoration, et cetera. I mean, you
9 know, that's -- that's one of your charges. I mean, that
10 restoration is a pretty broad term, so as you can see, as you
11 look through this plus or minus 60 proposed projects -- some of
12 those I -- I will say now I doubt if they make the cut in
13 December. You know, the cut, you know, that's when your score
14 isn't really quite high enough to -- but some of those aren't
15 going to make the cut, but -- from my standpoint, but we would
16 like your views on the ones which should or shouldn't, why they
17 should or shouldn't, maybe expand them a little bit, maybe
18 contract them a little bit, maybe other proposals, projects for
19 next year, you know.

20 Yes, sir?

21 MR. DIEHL: I -- I see that the heads of the --
22 the Regional Forester and the -- and Steve Pennoyer are not
23 here. I -- I was wondering, you know, about the competitive,
24 you know, this work here as I understand it has not been put up
25 for competitive bids, right?

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1 MR. COLE: It will be though.

2 MR. DIEHL: It will be.

3 MR. COLE: Those projects will not be done

4

5 MR. DIEHL: All right. So

6 MR. COLE: other than by competitive
7 bids.

8 MR. DIEHL: So the figures in the projects are
9 rough estimates or what?

10 MR. COLE: Yes, I think so. Is that --
11 Mr. Meacham?

12 MR. MEACHAM: I think you're going to have both
13 competitive bid and other in this. I know I've seen a list
14 that -- that includes a number of projects that we're
15 recommending both a competitive bid, and

16 MR. COLE: But some of them will be done

17 MR. MEACHAM: (indiscernible) almost all.

18 MR. COLE: Some of them will be done, for
19 example, with -- with Agency personnel, i.e., personnel within
20 the Department of Fish and Game.

21 MR. DIEHL: Right.

22 MR. COLE: Did that help your

23 MR. DIEHL: Yeah, but

24 MR. COLE: answer your question a little
25 bit?

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1 MR. DIEHL: Is there a breakdown of the budgets
2 for each of these projects?

3 MR. COLE: Yes.

4 MR. DIEHL: Okay.

5 MR. COLE: I have seen, and I have personally
6 reviewed very detailed breakdown of the budget to each almost
7 acquisition of goods down to maybe \$50.00 or something like
8 that. It's a very detailed breakdown, and if -- if it's not in
9 the material you have, well, we'll certainly furnish it to you.
10 And, like I say, we'd like your advice, for example, on whether
11 some of these projects are simply too rich for our blood,
12 whether some of those estimates are too high.

13 Mr. Mutter, would you?

14 MR. MUTTER: I think that's in the periwinkle
15 book.

16 MR. COLE: It's in the periwinkle book I'm
17 told. Anyway, there's -- it seems to be, yes. For example,
18 you can look -- if you look at page 113, you will see how --
19 that's an example of one of the -- project number 93024 is
20 broken down. Page 113. Yes?

21 MS. BERGMANN: There is additional detail
22 that's going to be made available within

23 MR. BRODERSON: Roughly a week.

24 MS. BERGMANN: a week or so that will
25 provide the kinds of detail that Mr. Cole was talking about,

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1 and it would be available for all of the P.A.G. members as well
2 as interested members of the public.

3 MR. COLE: There's so much data on these
4 projects you'll swelter and suffocate under it, if you have the
5 time to go through it, I assure you, but a lot of it's there.
6 Maybe almost too much.

7 Yes, Doctor?

8 DR. FRENCH: Well, in terms of the time frame
9 then, we're expect- -- to be expecting more material within
10 about a week?

11 MR. BRODERSON: The extremely detailed budgets
12 will be out in about a week, there's

13 DR. FRENCH: Well, I guess what I'm trying to
14 do is think about our scheduling for future meetings and -- and
15 what -- at what point we can expect to have most of what we're
16 going to have in front of us prior to going out and getting
17 other public review and other information. From this group, is
18 there much -- we're -- we should anticipate beyond the next
19 week to ten days?

20 MR. COLE: No, I would say from your
21 standpoint, I would hope not, but, you know, it takes a lot of
22 time to read this stuff and study it, devour it, evaluate it
23 all.

24 Yes?

25 MR. BRODERSON: Jerome I think has another

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1 thought there.

2 DR. MONTAGUE: Mr. Chairman?

3 MR. COLE: Yes?

4 DR. MONTAGUE: All the information that is ever
5 going to be available is here in -- in this building, in OSPIC,
6 and is accessible to all these people. I think what Mark is
7 talking about is making up a bunch of additional copies.

8 MR. COLE: Yes. Any further questions? Did --
9 sir, did we talk about Dr. -- you know, I mean Commissioner
10 Rosier not being here, and Mr. Pennoyer and so forth, did --
11 did you have a further thought on that that you wanted?

12 MR. DIEHL: No, I was just -- the whole things
13 was, you know, details about -- about the monies and
14 everything, and -- and them not being here.

15 MR. COLE: But like I say, you're welcome to go
16 to those agencies and

17 MR. DIEHL: Yes.

18 MR. COLE: ask them questions, and I'm
19 sure you'll have no difficulty in getting

20 MR. DIEHL: Right.

21 MR. COLE: a full answer. Anything else
22 before we break for lunch?

23 MR. MUTTER: Mr. Cole?

24 MR. COLE: Yes. Yes?

25 MR. MUTTER: I'd to if we could before we break

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1 for lunch just take care of one administrative detail. We have
2 a couple of professionals here from the Fish and Wildlife
3 Service I believe that will explain how we're going to do
4 travel and expense reimbursements, and I think they need to get
5 back to work. If we could just take about five minutes and
6 have them explain some of that, would that be?

7 MR. COLE: Sure. If there's no objection from
8 the group here.

9 MR. MUTTER: Okay. Gina? Kathy? Do you want
10 to do your thing for us? Here's a microphone here.

11 MS. MARTINEZ: Oh, I talk loud enough. I don't
12 need that.

13 My name is Gina Martinez, and I work for the Fish and
14 Wildlife Service. This is Kathy Miller, and she also works for
15 the Fish and Wildlife Service. We will be processing both your
16 travel vouchers, and then I will be doing the travel
17 authorizations authorizing you to come.

18 Do you want to go ahead and pass those out?

19 I have prepared folders for everybody that has samples
20 of what -- what the paperwork that we get in should look like
21 from you, so it's got references for -- those of you who are
22 only going to need to claim mileage, it's got references in
23 there. Then it also shows once you give us something, what
24 (ph) you're going to get it back, what it's going to look like.

25 For those of you -- I don't -- I'm -- this I just came

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1 into about three days ago, so I'm kind of -- I don't know
2 everybody's names and everything, but I want it known for the
3 record that we are here to help you. If you ever have any
4 questions whether it's whether we're going to pay for travel
5 for you to go to any of these meetings, other -- outside of
6 this PAG meeting, or if it's how to make your travel
7 arrangements, how -- you can't get ahold of the LIFECON Travel
8 Center, how can you, you know, get your stuff done. You're not
9 going to be out of -- or you're going to be out of town, you're
10 not going to be able to file your travel voucher in a timely
11 manner, what can you do to, you know, expedite that? Certain
12 questions like that, that if you have any problems, or if you
13 had any questions on the travel that you needed to do to come
14 to this trip, if you had any problems that you ran into across
15 the way, feel free to ask us this.

16 In the folder that you have -- First of all, we'll
17 start off with the -- the hand-outs in the folder. The -- this
18 gold colored piece of paper here, this is what we ask that you
19 fill out when you get done travelling and you're ready to file
20 your claim. You will all be paid per diem while you're in
21 town, and that is at the Anchorage rate. And I believe you got
22 a hand-out that showed what the different locality rates are in
23 Alaska. But it's a front and back page. It just says when you
24 left your house, when you left the airport, from whatever city
25 or town you're coming -- community you're coming from. Then on

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1 the back, if you were authorized a rental car on your travel
2 authorization, if you had to pay parking while you were at the
3 meeting, if you had to get a taxi to get to and from the
4 airport if you were not authorized a rental car, those types of
5 -- types of expenses go on the back of this form.

6 Then the green sheet of paper shows a sample of a trip
7 that I made up for just me. That if -- once I filled out the
8 green piece of paper, front and back, what your actual travel
9 voucher that's going to go in for reimbursement is going to
10 look like is page two of that. It's got your name, mailing
11 address. Mailing address is going to be where your check are
12 going to be mailed from the Finance Center. So this is just a
13 kind of complete sample.

14 Once you get done travelling, you complete the -- the
15 goldenrod copy and then the second page of this is going to be
16 what -- what the actual voucher is going to look like, so that
17 you don't get this strange form and don't have a clue in the
18 world what to do with it. Government forms can be very
19 intimidating and very complicated. So we've tried to simplify
20 that for you.

21 The pink piece of paper is just for your information on
22 how I and Kathy or one of our people that work with us are
23 going to calculate your per diem. The per diem is -- is pro
24 rated on a -- on a quarter day basis, for every six hours on
25 the first and last day of travel. Every other day -- if you're

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1 in travel a complete day, then you get the whole day, then you
2 get the whole day at that per diem rate, and that just kind of
3 explains this. If you want to read that, that's fine. You
4 don't have to.

5 The blue pieces of paper in here are copies of a claim
6 for reimbursement if there's no per diem authorized. If you're
7 not in travel status for ten hours or more, you're not
8 authorized per diem. But if you got a rental car, or if you
9 had to pay a taxi fare, if you had to pay parking, you can
10 claim that on an 1164 and still be reimbursed for those costs.

11 Also in your folder you have blank forms of an 1164 and
12 a travel voucher. We ask that you sign these. Well, we can do
13 this two ways. You can either sign them blank now and we can
14 fill them in with the information that you provide us, and you
15 will get copies of those back once they're signed and approved.
16 Or you can fill out the form, send it in and have it signed for
17 approval, and then send it back -- or filled out for accuracy,
18 then send it back to you and you can sign it and approve if you
19 want to, then send it back in again for approval signatures.
20 That's why we request that you sign it now blank. That's -- I
21 mean, but that's a preference.

22 Travel vouchers will take four to six weeks to be done.
23 If you chose not to sign them blank now and chose to have us
24 prepare them, then send them to you for signature and then send
25 them back for approving signatures, it could be six to eight

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1 weeks. That's a preference.

2 That is your money. You will be out-of-pocket money,
3 there is no travel advances authorized for any of this. That's
4 another incentive for you to sign them blank now.

5 Questions? Nobody had any problems making their travel
6 arrangements for this meeting?

7 Can you think of anything else?

8 MR. MUTTER: No, I'm sure we'll stumble our way
9 through this for a couple of meetings before we get the hang of
10 it. This is a government work after all.

11 MS. MARTINEZ: That's true.

12 MR. MUTTER: Thank you very much, Gina and
13 Kathy. Thank you, Mr. Cole.

14 MS. MILLER: Oh, by the way, here's some
15 envelopes they can send in to us.

16 MS. MARTINEZ Oh, we also have envelopes here -
17 - If you could pass those out, too? -- that are addressed to
18 Kathy Miller, and she will be actually doing the vouchers. I
19 will do the authorizations, she will be doing the vouchers.
20 Once you complete your forms, you can just send them back in
21 these sealed -- sealed envelopes, and they'll go directly to
22 her. How many of them are here?

23 MS. MILLER: There's about 50.

24 MS. MARTINEZ: Okay. If each -- if each of you
25 want to take about three -- pull three of them, then continue

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1 passing them around.

2 MS. MILLER: And make sure to keep you
3 receipts. Very important.

4 MS. MARTINEZ: Yeah. Also in your red folder,
5 or your orange folder, is a copy of a lodging receipt. The one
6 thing that is mandatory is that if you acquire any lodging,
7 even if it's only for \$6.00 at some bunkhouse somewhere, you
8 have got to have a lodging receipt. It doesn't matter of cost.

9
10 And the other thing, the lodging receipt has to show
11 that the fee was paid. If you stay here in Anchorage, and the
12 total bill is \$75.00, if your lodging receipt says "balance
13 due, \$75.00," and doesn't zero that out, then we need a copy of
14 either a credit card or a cash register receipt that shows that
15 you have physically paid that balance. And there's a sample
16 like I said in your orange folder about what a paid balance and
17 a zero balance receipt would look like.

18 MR. COLE: What time do you want to resume this
19 afternoon? You might as well assert your independence now.

20 MR. KING: I've got one question on this

21 MR. COLE: Yes?

22 MR. KING: expenses thing.

23 MR. CLOUD: Well, how about 1:30, Charlie?

24 MR. COLE: 1:30 this afternoon. There's a
25 question on the travel voucher. Mr. King?

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1 MS. MARTINEZ: Yes?

2 MR. KING: Now, as I understand it, if we fill
3 this out and put the slips in, if we send this white one and
4 sign where it says "traveller sign here," and put that all
5 together, that's what you're saying you need?

6 MS. MARTINEZ: Uh-huh. Uh-huh.

7 MR. KING: And

8 MS. MARTINEZ: And what will happen then
9 is we will transfer the information from the yellow sheet of
10 paper to the white sheet of paper, and since you will have
11 already signed it, then it will just have to go for an
12 approving signature here in Anchorage. If you send -- if you
13 chose not to send that signed, then we'll fill out a blank, a
14 white piece of paper

15 MR. KING: I got that.

16 MS. MARTINEZ: Okay.

17 MR. KING: So -- but we

18 MS. MARTINEZ: Is that

19 MR. KING: need to complete the travel,
20 so we'll have to get home before we can complete this thing?

21 MS. MARTINEZ: That, or you can just sign blank
22 forms and -- and leave them with Doug, and he can get them to
23 us.

24 MR. MUTTER: But we need to get you receipts
25 when you're all done, including your

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1 MS. MARTINEZ: Yes, exactly.

2 MR. MUTTER: airline coupon.

3 MR. KING: So the best way to do would be just

4

5 MS. MARTINEZ: To send a blank

6 MR. MUTTER: When you get home

7 MS. MARTINEZ: Yeah.

8 MR. KING: Get it out in the mail.

9 MR. MUTTER: Right.

10 MS. MARTINEZ: Using those envelopes, and
11 they'll go directly to Kathy.

12 I don't know if you -- have they been given Kathy's
13 phone number?

14 MR. MUTTER: Yes.

15 MS. MARTINEZ: Okay. And also in that envelope
16 is one of my business cards. You can feel free to call me at
17 any time also. Kathy will be the primary person doing the
18 travel vouchers, the reimbursements. If she is out, then I
19 will step in and -- and do that for her.

20 MR. COLE: 1:30. Thank you.

21 (Off record)

22 (On record)

23 MR. MUTTER: Shall we reconvene the meeting,
24 please? I think just about everyone has returned.

25 We have a couple of additional administrative items

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1 that I'd like to go through with you before we get into the
2 meat of this afternoon's discussion. First of all, you
3 probably noticed that you've got a lot of paper and materials
4 that you've been sent and -- and have placed in front of you.
5 And we've set up a couple of notebooks hopefully to help you to
6 control the flow of your paper. We may have to add additional
7 notebooks in the future.

8 What we'll try and do is indicate when you get
9 materials what tabs and what notebooks to insert things in, to
10 help you keep track of things. And if there's -- there are
11 materials that you would like distributed to the group, why,
12 maybe we can do the same thing. Or if you think you have
13 suggestions for additional tabs or information that ought to be
14 provided, why you can let me know, and we'll set that
15 information up. There is a lot of paper to go through, so we
16 thought there ought to be some way to keep control of that.

17 And some of the materials in front of you should be
18 marked with tabs. You can go ahead and insert those.

19 You also have a hand-out, three tables on habitat,
20 potential habitat acquisition. Those all go into your second
21 volume, tab five. They aren't marked. There's three tables
22 that you received this morning.

23 There's another item that we need to discuss. If you
24 wish, you can decide this toward the end of the day, but we
25 need to schedule the next meeting of the Public Advisory Group,

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1 and you heard Mr. Cole mention this morning that December 11th
2 the Trustee Council will be meeting to make decisions about
3 that 1993 work program and would like to have the Public
4 Advisory Group recommendations prior to that meeting to help
5 them in their decisions. You have a copy of the proposed
6 projects for '93, that's the periwinkle book in volume two of
7 your notebooks.

8 To set up a Public Advisory Group meeting, we almost
9 need 30 days advanced notice. We've got requirements to
10 advertise the meeting in the Federal Register, to advertise the
11 meeting in local newspapers and generally to let people know
12 ahead of time that there's going to be a meeting. So keep that
13 in mind as you decide to schedule meetings, that there's a
14 certain time lag that we -- we have to conform with.

15 I've put together a suggested agenda and a time for a
16 second meeting, Wednesday, December 2nd. You can mull that
17 over and -- and decide if you want to do that.

18 Now, let me pass around the proposed agenda. The key
19 item of -- of concern at your next meeting would probably be
20 the 1993 program plan since that's the -- the major decision
21 item that the Trustee Council is going to be undertaking, so
22 we've devoted a substantial amount on the agenda for that
23 second meeting to the '93 work plan.

24 Another item that the P.A.G. needs to take some action
25 on is the election of officers. The charter calls for a chair

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1 person and a vice chair person. Now, if you wish to deliberate
2 on that at this meeting today, you can do so. If you'd rather
3 wait until the second meeting to do an election of officers,
4 you can do that. I've put it on as the first item of second
5 meeting agenda.

6 Also in your handouts is a draft background and
7 guidelines, operating procedures if you will, for the Public
8 Advisory Group, and there are some things in there that you can
9 decide to do differently. There are some items in there that
10 are mandated by the charter and some of the Federal and State
11 laws that govern advisory groups. You need to take a look at
12 that, and you don't have to make a decision at the second
13 meeting of the group, but at some point in time, you'll want to
14 decide on those operating procedures that you wish to follow.

15 The fourth item that needs to be discussed at a future
16 meeting is the status of the draft Restoration Plan. There's
17 quite a bit of activity going to put together a long-term
18 restoration plan, and there's a work group that's been
19 established doing that work, and they're ready in December to
20 present some information to you about the direction that's
21 going and -- and solicit some suggestions and to get you
22 recommendations.

23 So there's basically four items on -- on the proposed
24 agenda, and the bulk being the '93 work plan.

25 Do you want to discuss the -- the meeting time and --

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1 and the agenda at this point, or would you rather -- we need to
2 make a decision sometime today on that. Okay. How does
3 December 2 sound?

4 MS. FISCHER: Fine.

5 MR. CLOUD: I move for December 2.

6 MS. FISCHER: And I'll second it.

7 MR. MUTTER: Okay. Any discussion?

8 MR. PHILLIPS: Could I suggest an earlier hour
9 for meeting? The day's half over at 9:30 for me.

10 MR. MUTTER: Okay. One of the problems we have
11 is getting people from outside of Anchorage into town, and --
12 would 8:30 cause problems? I think 8:30 might cause problems.

13 MR. PHILLIPS: Well, we don't want to cause
14 problems.

15 DR. FRENCH: For those of us coming from
16 Kodiak, that would cause a problem, although going later than
17 five would not cause a problem. I mean, we could add on to the
18 end of the day. That would -- that would be find I think from
19 that perspective.

20 MR. PHILLIPS: Do you anticipate a one-day
21 meeting? Is that it?

22 MR. MUTTER: You -- you can meet more if you
23 desire to, but I thought everybody's pretty busy with other
24 things, that we'd try and keep these to one-day meetings.
25 Maybe it makes sense to meet at noon and -- starting at noon

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1 and meet until noon the next day, if that would accommodate
2 travel better for people out of state (sic).

3 MS. FISCHER: I think it would.

4 DR. FRENCH: Yeah. That would also provide
5 some time -- I'm not quite sure how this fits into the open
6 meeting laws, and maybe it's not an appropriate statement, but
7 it would provide time for informal discussion amongst various
8 members of the group, until we're strict- -- that's strictly
9 forbidden in -- in the sense of the open meeting provisions,
10 but it allows more unstructured time for discussion of projects
11 and approaches which I think is going to be very critical at
12 this juncture, because most of us don't really know each other
13 very well, or have much opportunity for informal contact
14 outside of the process, although hopefully that will develop,
15 otherwise we're not going to get our work done.

16 MR. MUTTER: Well, is there a feeling of the
17 group then that it might be useful to meet say -- say starting
18 on noon on the second and adjourn at noon on the 3rd of
19 December?

20 MS. BENTON: It'll give a little more time with
21 handouts.

22 MR. DIEHL: Some -- some of us do have to work
23 for a living and,

24 MR. MUTTER: Right.

25 MR. DIEHL: that -- that means two days

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1 gone instead of one out of the week, and that's the problem for
2 those in the Anchorage area.

3 MR. MUTTER: Mr. McCune?

4 MR. McCUNE: Maybe -- I'd like of like to stick
5 with what we've got going right here right now, and then we'll
6 see if we need to do something different. You know, I have --
7 it's pretty well -- 9:30, I mean, we should be able to --
8 everybody -- that accommodates everybody so far, so that's my
9 opinion anyway.

10 MR. MUTTER: Okay.

11 MS. FISCHER: Maybe -- I agree with Jerry, too,
12 because the Valdez plane leaves at 8:30, so -- or 8:45, so it
13 gets us in here, if it's on time, right around 9:30, quarter to
14 ten. But I would -- I agree with Mr. Brad Phillips over there
15 that I would like to see the meetings -- meetings start
16 earlier. Why not come in the night before, and then that way
17 if groups wanted to get together, meet that day, and then leave
18 that afternoon, it would still be the same as what you're
19 saying, but still it's giving everyone a chance to meet if we
20 wanted to, that you'd meet before,

21 DR. FRENCH: Yeah. Yeah, the

22 MS. FISCHER: and we're not taking two
23 full days.

24 MS. BRODIE: I would like to -- to try to
25 minimize the costs of our meetings, because the money that we

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1 spend on this is money that doesn't go for restoration, and so
2 maybe this is easy for me to say, because I'm an Anchorage
3 person, but insofar as if people don't really need to pay for a
4 hotel, I'd rather not -- I'd rather not structure our meetings
5 so that a lot of people are needing hotels when we can avoid
6 that.

7 DR. FRENCH: I was -- I was just checking the
8 schedule here, and the first flight we can get in from -- from
9 Kodiak is scheduled to arrive at the airport at 9:20 in the
10 morning, so technically even that's tight considering the
11 Kodiak weather. So realistically Rick and I would probably
12 have to come in the night before if we wanted to make sure that
13 we'd make even a 9:30 meeting.

14 MS. FISCHER: And I -- yeah, I -- most of us
15 live out in the outlying areas, and we travel a long ways to
16 come here. Not that we're looking for anything special or
17 anything, but people that live in Anchorage, yes, it's
18 beneficial -- beneficial to them, but to us it's not. So many
19 of us do have to travel quite a distance, and the weather is a
20 big factor for us. And we don't want to miss the meetings. I
21 think we're taking our time, too, to make sure that we are
22 here, and if we can be assured of starting at a good hour in
23 the morning getting in here late in the evening to help that, I
24 think it would be to the benefit of the -- pardon me?

25 MR. DIEHL: Yeah, I see nothing wrong with

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1 that.

2 MS. FISCHER: Yeah. It would be to the benefit
3 of the whole organization so that we can all be here.

4 MR. MUTTER: I think there's no question that
5 some people are going to have to spend a couple of days for a
6 one-day meeting

7 MS. FISCHER: Yeah.

8 MR. MUTTER: just because of logistics.

9 MS. FISCHER: Right.

10 MR. KING: We had a pretty good example of the
11 kind of problems coming from Juneau today. A number of the
12 people that were here this morning were scheduled on -- to come
13 in last night and were bumped, or the flight was canceled due
14 to weather, but we were able to get re-scheduled in time to get
15 here at 9:30. I think we landed at 9:25 or something out at
16 the airport. But we had two options, and the first one failed,
17 but the second one worked out. So I'd say that's an example of
18 how a little redundancy might help.

19 MR. MUTTER: Well, maybe for the time being we
20 ought to go with the one day, start at 9:30 to accommodate late
21 arrivals. We may not get started until 10. Some people may
22 have to come in the night before, which is acceptable, and give
23 it a shot that way.

24 You may wish at some point in time to have meetings in
25 locations other than Anchorage, and that's -- that's up to you

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1 folks to decide that, too. Initially we thought we'd meet
2 here, because the staff and -- and everyone is here, and
3 there's a lot of information here in this building.

4 DR. FRENCH: Along those same lines, if we
5 chose to have subgroup meetings as public hearings or whatever
6 at various other locations, would we be bound by the 30-day
7 public notice rule, or will we be bound by the two-week State
8 rule, or which rule will we be bound by?

9 MR. MUTTER: Well, we -- we need to notify
10 people in the Federal Register 15 days ahead of time, and I'm
11 saying 30 days, because it just takes a little time to get
12 things

13 DR. FRENCH: Right.

14 MR. MUTTER: into the Federal Register and
15 published and

16 DR. FRENCH: Right.

17 MR. MUTTER: I think we're

18 DR. FRENCH: So realistically there's --
19 there's very little way we'd be able to do anything before
20 pretty close to this December 2nd date?

21 MR. MUTTER: Right. Right. How does that date
22 look to everyone?

23 MS. FISCHER: I looks fine.

24 MR. MUTTER: Okay. What about the election of
25 officers? Is it acceptable to wait until the second meeting to

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1 do that? What's your preference?

2 MS. FISCHER: I would recommend that be the
3 first order of business at the second meeting, and it gives
4 everybody a chance now to start getting acquainted.

5 MR. MUTTER: Okay. Then we'll -- we'll go
6 ahead and advertise December 2nd in this room starting at 9:30
7 for your second meeting. And does this agenda meet your
8 satisfaction?

9 MR. KING: Are you going to take care of the
10 officers before the meeting?

11 MR. MUTTER: We'll do a call to order and have
12 an election of officers and then carry on with the meeting.

13 MR. PHILLIPS: Will there be some staff
14 assistance at that time for -- at that meeting?

15 MR. MUTTER: For what purposes?

16 MR. PHILLIPS: Whatever purpose that you've
17 got. If the group decides they want to do something, you
18 should have somebody be able to do it. I'm just wondering -- I
19 don't see a committee like this functioning forever without
20 some kind of staff assistance. I just wondered if there would
21 be anybody even on a temporary basis from one of the agencies
22 that would be available?

23 MR. MUTTER: Right. We'll work that out.
24 Okay.

25 Next I'd like to introduce Keith Goltz who's with the

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1 Department of the Interior, Solicitor's Office, to say a few
2 works about ethics and serving on public advisory groups.
3 Keith?

4 MR. GOLTZ: Okay. My name is Keith Goltz, I am
5 an attorney. I heard the word "voluble" this morning though,
6 and I'm going to try to avoid being too voluble at this point,
7 but I -- I was interested in Mr. King's story about meeting
8 Charlie Cole in the 50s while he was chasing poachers. I can't
9 really top that story, but I can say that I met Brad Phillips
10 in the 60s while he was President of the Senate, and I was in
11 the Department of Law. Since that time I've been with the
12 Department of Justice, in private practice, and now for the
13 last ten years with the Department of the Interior.

14 And it's in that capacity I want to talk to you today
15 about Federal statutes, which is certainly going to be
16 exciting. They've been described by Federal judges as
17 authoritative writings done in haste by people of moderate
18 ability. I don't know if that's entirely accurate, but it is
19 true that most statutes have a core that is clear, and they
20 have margins that are fuzzy and unclear.

21 And what I want to do today is talk to you a little bit
22 about the core of the Federal Advisory Committee Act. That
23 also has an acronym, FACA, like ANILCA, this is FACA. This Act
24 is part of a cluster, a quartet of statutes that make up the
25 Open Government Laws. Those laws together are the Sunshine in

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1 Government Act, the Administrative Procedures Act, the Freedom
2 of Information Act, and FACA. And if you stay around this
3 environment very long, you're probably going to want to get to
4 know all four of them.

5 But today I think we'll introduce you to FACA,
6 primarily because that's why you're here. You are a FACA
7 committee. You have a FACA charter, and that charter sets out
8 what you can and cannot do. Now, with the size of the pot
9 involved, that's not a very restrictive covenant that you have.
10 You are to give advice on the spending of \$900 million. But
11 even though those are very broad parameters, you should
12 recognize that those parameters are there, and there are rules
13 as to how you conduct your business within those parameters.

14 Generally those rules require that your meetings be
15 open meetings, available to the public, all of the documents
16 that you have in front of you, all of your committee documents,
17 are also available to the public, and as somebody pointed out
18 this morning, you take minutes and those minutes, too, are
19 available to the public. Those are the basic rules. There are
20 more, but if you -- if you know those, you're going to be
21 headed in the right direction.

22 There's also a specific rule that applies only to this
23 particular committee. That rule says that you are
24 representatives of larger groups, even the public-at-large
25 members are representatives of a larger group. You're not

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1 appointed as individuals. Now, that distinction may cause you
2 to yawn until you realize that individuals are subjects to the
3 Federal Conflict of Interest laws. Federal Conflict of
4 Interest Laws are criminal laws which prohibit anybody from
5 giving advice on any matter in which he has a financial
6 interest.

7 Now, there is, as in most statutes, an exception. And
8 that is -- it's called a waiver provision, and if anybody wants
9 to make full financial disclosure to the decision-maker, in
10 this case the Secretary of the Interior, he can -- he has the
11 opportunity to determine that the individual's services
12 outweigh the potential for a conflict of interest. And if
13 anybody is interested in having our office pursue that for you,
14 we will do that.

15 I should point out, however, that the Secretary is very
16 reluctant to grant those waivers, primarily because of the
17 perception that the granting of such a waiver reduces the
18 credibility of the committee's actions.

19 We know we can't avoid all conflicts, nor do we want
20 to. Some of the members here are chosen precisely because they
21 have an interest in what happens in Prince William Sound. To
22 avoid getting in conflict with any of the Federal laws
23 regarding conflict of interest, we recommend two things:

24 Remember that you are representing a wider interest, so
25 frame your discourse as representatives of that interest.

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1 And then, secondly, participate in no decision that
2 might have a direct impact on your financial well-being. If a
3 topic comes before this committee that might have or might
4 result in a direct financial impact, excuse yourself from the
5 deliberations, and make sure, as you should do anyway, that
6 there is a vote taken on the record, and that you're not one of
7 the voters.

8 Now, none of this is meant really to chill your
9 participation in this group. It's only meant to warn you of a
10 potential pitfall. And if all else fails, you're going to
11 avoid that pitfall if you simply don't participate in matters
12 that may have a direct financial impact. If you do that,
13 you're going to stay in the center of the statute, and you're
14 going to avoid all that muddle on the margins.

15 Now, we're going to be available either individually or
16 in a group forum to help anybody that may have questions. I'll
17 be here today. I'll be here at the future meetings if you want
18 me. It's entirely up to you. You can call me directly if you
19 have a personal question. It would probably be better though
20 to go through Doug. Either way is -- is acceptable. If -- if
21 you have any -- don't have any questions now, that's all I have
22 at this time.

23 MR. McCUNE: Ah, shoot. How do you define that
24 financial interest?

25 MR. GOLTZ: All right. Okay.

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1 MR. McCUNE: Let's say, for example, I'm a
2 commercial fisherman,

3 MR. GOLTZ: Right.

4 MR. McCUNE: and -- and I am for a
5 restoration project that enhances fish in Prince William Sound.
6 Well, that will benefit a whole group of people besides myself,
7 but it also would benefit me if I went fishing in that area
8 where those fish decide to come back. Is that -- is that a
9 conflict of interest or not?

10 MR. GOLTZ: We think not. We think that what
11 we're talking about here is a direct financial interest. If
12 you owned a piece of property on the Sound and one of the
13 proposals was for purchasing that piece of property, you should
14 get out of that deliberation. There probably will be some
15 areas where it's simply not all that clear. Maybe an
16 enhancement project in your district in a very confined area
17 that you personally fish. I think that's the kind of case you
18 might want to discuss on a one-to-one basis.

19 You have to consider the -- the criminal code, I think
20 you also have to consider in a more general sense how your
21 participation is likely to be perceived by people who might not
22 share your point of view.

23 You're -- you're already getting me away from the
24 center of the Statute, and I'm sure we're going to get there
25 quickly. My number is 271-4131. You can call me, or I can

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1 come down here, or I can stay here.

2 You might not -- I think until you actually sit down
3 and look at a proposal, you aren't going to know whether you
4 should excuse yourself or not. If it was me, and I saw a
5 proposal that triggered a bell in my head, I probably wouldn't
6 push that line very far. I'd probably excuse myself right
7 away. It's a pretty disparate group, and I think that there's
8 going to be enough discussion without you, and I -- frankly I
9 wouldn't take much of a risk myself.

10 MS. BRODIE: This is a similar question to
11 Mr. McCune's, and that's it would seem to me that, for
12 instance, for forest products and native landowner interests
13 couldn't help but have some things come up that are potentially
14 conflicts of interest to them, and so it's a question of how
15 broadly it's interpreted. Does that mean that anything having
16 to do with habitat acquisition would be a conflict, or is it
17 only purchase of habitat where they own the land or the timber
18 rights?

19 MR. GOLTZ: Well, I'm not -- I'm not going to
20 be able to tell you exactly where that line is. The statute
21 isn't that well drawn. The statute requires us to have a broad
22 representation of all interests, and in this context, I would
23 certainly argue that tourism and forest products and landowners
24 and commercial fishing could hardly be excluded and still have
25 a credible advisory committee.

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1 As to the -- how you approach an individual project, I
2 think you have to take a look at direct financial impact, and -
3 - and how direct, I think is a matter of judgment and in large
4 major -- measure, that's the individual's judgment. I'm
5 certainly willing to assist in that, but I think that as the
6 group evolves, you'll probably get a collective sense of when
7 somebody should come in and when somebody should come out. And
8 I think it would not be useful to set down very precisely rules
9 at this point, because you want to start with the whole, and
10 not start excluding people right at the very beginning. At
11 least that's my personal opinion.

12 MS. FISCHER: The question that I have would be
13 on the Open Meetings Act. I know in Fairbanks they ruled now
14 where no more than one person can meet at a time. Are we
15 included in that, or like if we come in the night before and
16 decided to get together, would we be covered under the
17 announcements, since we're going to have a meeting the next
18 day?

19 MR. GOLTZ: I was hoping that the State
20 Attorney would stick around.

21 MS. FISCHER: Because that's become a real
22 sticky problem here in the State.

23 MR. GOLTZ: That's a State statute. You're
24 probably subject to that, too, even though this is a Federal
25 committee, it has State participants, and -- and they are

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1 bound.

2 I don't know the answer to that question.

3 MR. CLOUD: Well, wouldn't there be a
4 distinction between the Trustees themselves holding a meeting
5 and a public advisory group talking amongst each other?

6 MR. GOLTZ: There may be. I don't -- I don't
7 want to speak for the State. I can find out. That may very
8 well be the distinction. You aren't decision-makers. You are
9 advisers.

10 Yeah?

11 DR. FRENCH: Yeah. We have what we call a
12 Restoration Council in Kodiak, and both Rick and I are members
13 of it, and it does go by both meetings.

14 But if we either volunteered to or -- or were asked to
15 present information on the Public Advisory Group, and solicited
16 input from that group, would be violating the Open Meetings
17 Statute on that?

18 MR. GOLTZ: No, frankly I -- no, I don't think
19 so. You're -- you're talking about meeting with a third
20 entity,

21 DR. FRENCH: Yeah.

22 MR. GOLTZ: and I think that's probably
23 part of your charge, to communicate with a constituency.

24 DR. FRENCH: Okay. That -- I was -- I was
25 hoping that would be the answer, but, yeah, good.

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1 MR. GOLTZ: The one thing you do -- you want to
2 avoid, start -- starting pos- -- creating a posture of you as
3 expert, even though you may be, you're not here for that
4 purpose. You're here to represent broader views. Hopefully,
5 there's enough concentric circles here that by drawing them
6 around all of these views, we've included the entire public.
7 That's the idea of this. If there are any holes in it that
8 show up, you should let us know that, because we -- we may want
9 to broaden this and -- and re-do the charter.

10 This is -- and I think Charlie Cole gave a very
11 incisive statement of -- of what this is. This is a funnel
12 from the public into a relatively new group. It's democracy in
13 action. I'm sure it's -- you're going to find it untidy, but
14 democracy always has been.

15 MR. TOTEMOFF: As far as defining the edges on
16 this, and not participating in any decision-making process,
17 where -- where is that line drawn? When it comes times to vote
18 or are we allowed to go out and do fact finding and actual --
19 actually bringing in the projects and input from our respective
20 interest groups?

21 MR. GOLTZ: I think what you want to avoid is
22 the perception that you got this seat to enhance your personal
23 well-being, your personal financial well-being. Anything that
24 might add to that perception should be an alarm bell. Now, I -
25 - frankly I don't think that alarm bell rings as long as you

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1 speak in tones that include all native landowners, or
2 Mr. Phillips speaks in ways that include all commercial
3 tourism. I don't think that's what these statutes were
4 intended to avoid. They're really at bottom line intended to
5 avoid tainting the decision-making process with personal
6 financial motivations. The ball you want to keep your eye on
7 is representing the group, and the ball you want to avoid is --
8 is the green one in your pocket.

9 MR. MUTTER: Any other questions?

10 MR. GOLTZ: I don't think this is going to be a
11 real large problem, except in a couple of cases maybe for you
12 and maybe for forest products, as far as I know. I mean, I
13 looked down at some of the projects, and I -- I think you have
14 to be aware of it, you have to keep it in you mind, but it
15 shouldn't become such a tumor that you can't do the work.
16 You're -- you're here to do the work and represent a group.

17 MR. MUTTER: One of the things you need to take
18 a look at in the operating procedures, or the -- is the process
19 for voting and how you want to do that, too, and that -- that
20 should be on the agenda for the next meeting.

21 Any other questions of Keith?

22 MR. GOLTZ: If there aren't any others, I'm
23 going to seek opportunities to be silent, but I will be in the
24 back of the room.

25 MR. MUTTER: Yes?

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1 MS. BRODIE: Is there an agenda for today's
2 meeting? This is an agenda for the next meeting, correct?

3 MR. MUTTER: You should have one in your
4 white -- didn't you get a -- did you get an agenda in the mail?

5
6 MR. CLOUD: It came in the mail.

7 MR. MUTTER: Here's one.

8 MS. BRODIE: No, I -- I didn't get that. This
9 is -- this is an extra?

10 UNIDENTIFIED: There's -- there's some on the
11 table. She's getting them.

12 MR. DIEHL: They're out on the table.

13 MR. MUTTER: There's some extra copies out on
14 the table by the coffee.

15 UNIDENTIFIED: Yeah, she's getting them.

16 MR. MUTTER: Okay.

17 MS. EVANS: Does anybody else need one?

18 MR. MUTTER: One -- one thing you ought to take
19 a look at is make sure we've got telephone numbers, addresses
20 and so on for each of you correct in your notebook. If -- if
21 there's anything to be changed, why let me know and I'll take
22 care of that.

23 MS. FISCHER: Yeah, should we let you know now
24 or after the meeting or what?

25 MR. MUTTER: How about after the meeting?

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1 MS. FISCHER: Okay.

2 MR. MUTTER: Okay. Well, at this time I wanted
3 to turn the meeting over to Dave Gibbons, who's the interim
4 Administrative Director of the Restoration Team, however I
5 understand he got stuck in Yakutat or Juneau. He's been out
6 moose hunting and couldn't make it in today. And I notice that
7 his stand-in, Mr. Broderon, has conveniently stepped away from
8 the table.

9 MS. RUTHERFORD: Mr. Broderon to -- to try to
10 get ahold of Alex Swiderski from the Department of Law to try
11 to determine an answer to your question about the State's Open
12 Meetings Act, so

13 MR. MUTTER: Okay.

14 MS. RUTHERFORD: we don't want to keep
15 you holding until the next meeting, and then

16 MR. MUTTER: Well, at that -- at this time what
17 I think would be appropriate to do would be for the Restoration
18 Team to introduce themselves and give you a little information
19 about their background. They're -- they're now at the table,
20 so if we could start with you, Ken?

21 MR. RICE: I'm Ken Rice. I'm the Department of
22 Agriculture representative for Mike Barton. I'd like to pass
23 on that Mike had to go to Washington, D.C. to talk with his
24 boss today, and was unable to be here to welcome the Public
25 Advisory Group into existence.

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1 I have a background in -- in wildlife management and a
2 number of years of experience in -- in resource management with
3 the Forest Service. And I'm glad to meet you.

4 MS. RUTHERFORD: I'm Marty Rutherford. I'm --
5 I am Charlie Cole's designate on the Restoration Team, however,
6 I'm a strange duck in that I'm an employee of the Department of
7 Natural Resources. Since the Department of Natural Resources
8 is not present on the Trustee Council, I serve as that
9 coordination for them. I have a background in political
10 science; I was Deputy Commission of the Department of Community
11 and Regional Affairs and Director there for nine years. I'm
12 looking forward to working with you folks; I've only been a
13 part of this project, myself, since December, unlike most of
14 these folks who have been involved prior to the Settlement, so
15 I'm still on somewhat of a learning curve myself.

16 MS. BERGMANN: Hi, my name is Pamela Bergmann,
17 and I'm the Department of Interior representative to the
18 Restoration Team, and I'd also like to welcome everyone, and
19 indicate that we're looking forward to working with you. I,
20 like Marty, am one of the newcomers to the group, I have just
21 been in the Settlement since 1a- -- well, actually, the NRDA
22 part of the Oil Spill since last October; however, I was
23 involved in the response portion of the Spill since March 24th,
24 1989. I work for an office called the Office of Environmental
25 Affairs, which is part of the Office of the Secretary for the

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1 Department of Interior, which is located here in Anchorage. I
2 have, also, been very active in the Alaska Regional Response
3 Team, which is the group of federal and state agencies that do
4 contingency planning for oil spills and oil spill response.
5 I've been real active in developing guidelines for protecting
6 wildlife resources following the Oil Spill. And my background
7 is in social science, which is a little bit different than a
8 lot of the other folks on the Trustee Council and the
9 Restoration Team.

10 DR. MONTAGUE: Thanks, Pam. My name is Jerome
11 Montague, I represent Carl Rosier and the Alaska Department of
12 Fish & Game on the Restoration Team. My background is an
13 ecologist, until recently, I was Director of the Oil Spill
14 Impact Assessment & Restoration Division, which is combined,
15 recently, with our Habitat Division and a new division is about
16 to be named; the Habitat & Restoration Division, and I'll be
17 chief of Restoration in that new division. And since we all
18 read the Settlement in October, the development of the Public
19 Advisory Group, last year, has been on our minds frequently,
20 and it's been a long process getting you here, and as I'm sure
21 you'll find, everything we do is a pretty long process. But
22 welcome and it's nice to have the litigation bans lifted and
23 have the public involved.

24 MR. MORRIS: I'm Byron Morris, I represent
25 Steve Pennoyer from the National Fishery Service and NOAA on

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1 the Restoration Team. My background on biology- -- Ph.D. in
2 biological oceanography. Prior to the Spill, I worked in OCS
3 Oil & Gas leasing programs for NOAA, and prior to that, the
4 environmental studies programming the Bureau of Land Management
5 conducted in the State in '77 through '80 is when I was with
6 them. I'm the old man of the group, I've been on this job
7 since -- in more ways than one -- since April of '89, and I've
8 been partly responsible for the Yellow Book, Pink Book, Buff
9 Book, Green Book and now the Periwinkle Book.

10 MR. BRODERSON: My turn?

11 UNIDENTIFIED VOICE: Okay.

12 MR. BRODERSON: I'm Mark Broderon with
13 Environmental Conservation. Excuse me for dropping out there,
14 though, when I went to talk to the State lawyers to find out
15 about the Open Meetings Act and see if we could get some
16 clarification. So, before I get into myself, I'd like to do
17 that one. Craig Tillery from the Department of Law suggests
18 that what you all do in terms of conduct between now and the
19 next meeting is that it's fine to talk to each other, but don't
20 come to any decisions amongst yourselves out of the public
21 arena here, no vote trading, et cetera, and that you should be
22 fine. That he will give you a better guidance than that at
23 either the next meeting or prior to that via mailing, and that
24 should all -- keep all of you out of trouble on that issue.
25 He's not sure if it applies or not, and we'll let you know

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1 formally soon.

2 Now, back to me, I've spent some time with DEC in the
3 '70s. I'm an oceanographer by trade, got tired of government,
4 went commercial fishing for 11 years, had a friend of mine at
5 DEC call me up one day and said I wasn't doing my bit for the
6 State of Alaska, the Oil Spill had occurred, and I needed to
7 come back and work on it, so that's what I've been doing for
8 the last two and a half years, and I plan to go back to fishing
9 as soon as this over. So

10 MS. BRODIE: In another 10 years.

11 MR. BRODERSON: In another 10 years, yes, God
12 forbid; but although, there is money coming in for the year
13 2001, which we'll get into shortly. I guess that's enough
14 about me.

15 MR. MUTTER: Mark, I'm going to turn the agenda
16 over to you.

17 MR. BRODERSON: Okay.

18 MR. MUTTER: Have at it.

19 MR. BRODERSON: I guess you all heard that Dave
20 Gibbons, unfortunately, was unable to be here, and I consider
21 that unfortunate, also, since I now get to run the meeting. He
22 extends his apologies, he spent most of yesterday trying to get
23 into Juneau to get up here today, and finally got into Juneau
24 today and figured the heck with all of this, he was going to
25 stay there since he couldn't get here in time today to help.

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1 Since we're running a little behind and we do want to get into
2 the meat of this, I thought we could skip over the brief
3 history and the Court agreement since the Attorney General
4 basically covered that this morning. If there are any
5 questions, we could certainly come back to it, but we'll skip
6 over that and get down to the part that I'm sure is near and
7 dear to everyone's heart, which is money; and that's my one
8 section which I will try and get out of the way quickly, and
9 then we get onto the other parts of it. I have a couple of
10 handouts here for folks that I created late last night, so it's
11 not in your books and you'll all need to put it in your books,
12 if you don't mind. Pass some that way and the majority of it
13 this way.

14 UNIDENTIFIED VOICE: Where does it go in the
15 booklet?

16 MR. BRODERSON: Pardon?

17 UNIDENTIFIED VOICE: Where does it go in the
18 book?

19 MR. BRODERSON: I looked and I couldn't figure
20 it out, so hopefully, somebody else is smarter than I am.

21 (Off record comments)

22 MR. BRODERSON: The first one you see is a nice
23 stair-step, which is intended to give you an idea of when the
24 money comes in and the amounts that we receive, and it's, more
25 or less, self-explanatory. We're coming up on the 150 million

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1 dollar payment to be paid December 1st of 1992. The next
2 payment, in September 1st of '93, is 100 million dollars; and
3 then, every year after that, on September 1st, we pick up 70
4 million through the year 2001, which comes up to a nice round
5 number of 900 million.

6 The other page here is an attempt to show, roughly,
7 where we are now with the cash on-hand. The first line up
8 there in 12/9/91, Exxon made its first payment of 100 million
9 dollars. I'm used to thinking in thousands, but this
10 particular table is in millions. It gives an idea of the
11 magnitude of this whole project, that one does use millions
12 rather than thousands. In 12/9 of '91, part of the 100 million
13 went for reimbursements, as the Attorney General talked about
14 this morning; that was 54.5 million. The '92 Work Plan was
15 19.3 million, that has not all been expended, but I, for
16 purposes of this discussion, will assume it is. The next
17 payment coming in from Exxon on December 1st is 150 million,
18 out of that monies, Exxon gets part of it back; actually, they
19 never pay us. The estimates that I have heard have ranged from
20 40 to 50 million dollars, this is for cleanup both this summer
21 and last summer. And so for purposes of discussion, to give
22 you some idea of the money we're talking about, I've just put
23 45 million down here; it could be more, it could be less, but
24 it's in that ballpark.

25 The Blue Book, I'm unfortunately not an artist and so

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1 periwinkle just leaves me cold. The Blue Book there is
2 currently at a value of 37.8 million dollars, that's not been
3 approved by the Trustee Council, but again, I was trying to get
4 some order of magnitude down here for you all to look at to see
5 the cash on-hand. Let's see, where are we on this? Which
6 leaves 93.4 in the account balance in the court registry at
7 this point. There will be some reimbursement probably comes
8 out of this this year, also, on the December 1st payment. It
9 has not been determined yet, to the best of my knowledge, if
10 you want to draw your own conclusion, I'd use the 54.5 number
11 again this year as last year, at least that's what I heard the
12 Attorney General say this morning, for purposes of discussion.
13 If -- my understanding is is that if we find we need more money
14 than that, then we won't take that full amount of
15 reimbursement, but that's a decision that has not yet been
16 made. And so, I've put a question mark there, it's idle
17 speculation on my part to go any farther than I have on that.

18 The next payment -- so, basically, what we have here,
19 after you've paid for the '93 Work Plan, and if you assume
20 54.5, you've still got in the neighborhood of 40 million
21 dollars sitting in the Joint Trust Fund. So, there's the money
22 that we have in-hand now. A year from now, we'll get another
23 100 million from Exxon, and then 70 million dollars every year
24 after that through 2001.

25 Any questions on that?

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1 MS. BENTON: Are we ever going to know a total
2 figure for the question mark for what's actually been spent by
3 the Agencies that needs to be reimbursed?

4 MR. BRODERSON: Yeah. The question mark for
5 this year will be determined shortly.

6 MS. BENTON: I understand that. But what's
7 really owed

8 MR. BRODERSON: In terms of the total
9 reimbursement, there's actually a little footnote down here
10 where I tried not to get into it 'cause I was trying to save
11 time, but if folks want to, we can go into that and spend a
12 little time on that, and I'll wave my hands and you'll realize
13 I haven't told you any more than when I started. But there are
14 two solid numbers, one in the Settlement is 67 million for the
15 Federal Government and 75 million for the State Government
16 through -- well, there's two different time periods -- but
17 essentially, through January 1st, 1991 -- or is it -- yeah,
18 January 1st, 1991 for the litigation, for cleanup and for
19 damage assessment and restoration up through that time. The
20 periods that are fuzzy are the periods since then to now.

21 The damage assessment and restoration is a fixed
22 period, we'll have a handle on that one in the next few months.
23 The litigation is ongoing, it's got a cap on it of a million
24 dollars a month, it can't exceed that under terms of the
25 Settlement and it cannot exceed 40 million dollars total. I --

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1 closer than that, I just flat out don't know.

2 On cleanup costs, cleanup is, essentially, over.

3 Another one of my tasks is to close that one out on the State
4 side, we're down to two people full-time and two people part-
5 time currently still working on cleanup; so, we're not spending
6 very much money there any more. We'll have a number on that
7 one, I suspect, in about six months. So, it's coming, we just
8 don't have it right now. And in terms of spending out of the
9 Settlement, there's very little being expended any more, it's
10 strictly past expenditures that have already occurred.

11 Yeah, Pam.

12 MS. BRODIE: Has there been any kind of
13 auditing of the money already spend; and if not, will that
14 happen automatically or how does it happen; how is that
15 decision made?

16 MR. BRODERSON: On the monies that Exxon has
17 spent, the Coast Guard is about two days away from finishing an
18 audit of that; they've been back in Houston for about three
19 months doing a very careful audit of that one. The monies on
20 the State side have been audited through a contractor that we
21 have down in Seattle, and that's how we're taking care of our
22 costs. And I don't know how they're being done on the Federal
23 side. Does anybody know on the Federal side, in terms of
24 pulling together the State -- or the Federal reimbursement
25 charges?

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1 So, on the numbers, the 67 million and the 75 million
2 dollars, on those two numbers, auditing is not necessary; that
3 was done as part of the Settlement, that the two sides -- the
4 two governments satisfied themselves that the other government
5 was giving them a valid number. And so, my understanding is is
6 that there will not be further auditing of those amounts.

7 The amounts since the 1st of January, '91, I believe
8 that there is negotiations going on as to what type of auditing
9 should be done on that to satisfy each other's curiosity about
10 the other's numbers. But that's the extent of my knowledge on
11 that subject.

12 MS. BRODIE: How can we or other members of the
13 public get more information about how that 67 million and 75
14 million dollars was, in fact, spent?

15 MR. BRODERSON: It's -- yeah, it's a negotiated
16 figure between the two governments, and I think that's

17 MS. BRODIE: Because the reason I push
18 this

19 MR. BRODERSON: Um-hum.

20 MS. BRODIE: is because it is money that
21 comes out of the Settlement.

22 MR. BRODERSON: Right.

23 MS. BRODIE: And so, it's money that can't be
24 spent on restoration.

25 MR. BRODERSON: Well, except when the

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1 Settlement amount -- total Settlement amount was determined,
2 these two numbers were taken into account to make the
3 Settlement number high enough to account for those numbers.
4 And they're negotiated amounts, and I don't think that there's
5 any more information available on it, but I could certainly ask
6 and try and find out.

7 MS. BRODIE: Our objection, ever since the
8 Settlement, has been that we didn't feel it really was a
9 billion dollars, it's called a billion dollars. But because
10 there were these automatic -- for several reasons, including
11 the fact that these things were automatically taken out, we
12 didn't feel that that should be counted as part of the
13 Settlement. And there's -- we've never felt we had a handle on
14 what happened to that money.

15 MR. BRODERSON: Well, it's part of the
16 Settlement, it's not, necessarily, going to restoration. The
17 Settlement was to pay for both restoration and the cleanup
18 costs and damage assessment costs that the governments
19 incurred. For these monies to be let go and not collected by
20 the governments is injurious to taxpayers outside of the Spill
21

22 MS. BRODIE: No.

23 MR. BRODERSON: affected area, so

24 MS. BRODIE: No. I didn't mean to imply that,
25 but just that there's a difference between court costs and what

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1 you're getting as compensation for your damages. So, that
2 these were part of our court costs rather than -- I don't want
3 to get into this too much, it's just that we're looking for
4 more information on that.

5 MR. BRODERSON: I think the answer --

6 MS. BRODIE: Yeah.

7 MR. BRODERSON: I don't know how to get you
8 more information on that one, I don't have it.

9 MS. BRODIE: Okay.

10 UNIDENTIFIED VOICE: Walt Jerrad (ph) may know
11 the Federal procedures for accounting on this.

12 UNIDENTIFIED VOICE: Well, the Federal
13 Government now is in the process of trying to collect all its
14 costs, and we're hoping to have that pulled together by some
15 time early '93 of what those costs are going to be for that
16 second period of time.

17 MR. BRODERSON: Back on -- one thing I should
18 mention on the 75 million, it's not an automatic thing that the
19 Government has to take it. The numbers that I've been hearing
20 lately on the State side is that we're, actually, only going to
21 request about 72 rather than the 75. That whomever is doing
22 the accounting, as I say, we have a private contractor doing it
23 for us, we're only going to take the amount that we actually
24 expend, that is opposed to the amount that we actually could
25 take. And the number that I was given about three days ago is

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1 that it will be somewhere in the neighborhood of 72 million not
2 75 million.

3 Yeah, Pam.

4 MS. BERGMANN: On the response side for those
5 costs, those all ended up going through the Coast Guard for
6 approval and verification. And there had to be approval ahead
7 of time before any expenditures were made, that you couldn't
8 just go out and do whatever, and then go to the Coast Guard and
9 say by the way, here's a bill for this. So, those were all
10 pre-approved ahead of time, and then all of that financial
11 information went through one office within the Coast Guard,
12 through their own accounting people to make sure that they
13 agreed that those were fair costs for reimbursement for
14 response. So, I recall, somewhere along the way, that there
15 was some sort of OMB or someone was working on an audit of
16 those costs. I can't speak to the costs that were incurred on
17 the NRDA studies, and that was before I was really part of this
18 group, and I don't know how that piece was handled. But at
19 least, on the response side, there was a requirement that the
20 Coast Guard put forward the people -- you know, hoops that the
21 people had to jump through or agencies had to jump through in
22 order get those costs approved.

23 MR. BRODERSON: For the

24 DR. MONTAGUE: The damage assessment studies,
25 the costs are very straightforward, they're all in the Work

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1 Plan books, the actual budgets that were approved for each
2 agency to spend. They can be reimbursed up to the amount they
3 were authorized, not for over-expenditures. But we don't know,
4 until we do the accounting, whether they spent the full amount
5 they were authorized to spend. But the authorized budgets for
6 the damage assessment effort are contained in each of those
7 year's study plans.

8 MR. BRODERSON: I should mention that what Pam
9 was talking about there in terms of the Coast Guard authorizing
10 those for the Federal side, the State had a similar person, in
11 terms of the State on-scene coordinator, that had to approve
12 all State expenditures.

13 MS. BRODIE: What I'm trying to get at with
14 these questions is that I get anecdotal remarks from people,
15 and I don't know how to judge them; that say well, some of
16 these studies are costing more than they should, they could be
17 done more cheaply than this, and maybe that's not true, I don't
18 know. But if I look at a study and it says so much for
19 personnel and so much for travel, I don't know how to interpret
20 that. I don't think the Trustees know how to interpret whether
21 these are appropriate costs. And even if you give us all the
22 information, it doesn't mean we're going to be able to be able
23 to judge it. And I'm hoping we can have some people who do
24 know how to compare these with what is normally spent for this
25 kind of study to give us some judgment. And what's past, you

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1 know, we can't really get that money back, but in terms of the
2 1993 study, we look at this Work Plan, it says it's going to
3 cost so much, and I'd like some expert, outside the agency
4 expert, input into whether these studies can be done
5 competently for less money.

6 MR. BRODERSON: Should I try that or does
7 somebody else want to answer it?

8 DR. MONTAGUE: In terms of studies, and that
9 was the example you gave, Dr. Spies and the peer reviewers are
10 research experts outside the agency. They comment to us on,
11 you know, the cost effectiveness of a project, and I'm sure
12 they would give you their opinions on them. And they may not -
13 - you know, they may not agree with what's in the Blue Book at
14 the moment, but they'll give you their opinion.

15 MR. BRODERSON: As valuable as this
16 conversation is, we are getting off of the agenda, and perhaps,
17 we need to save this for the next session. Hello? Do you want
18 to ask one more question after I've said that?

19 DR. FRENCH: No. I just wanted to present the
20 opposite side of the issue, and that is that, of course, you're
21 probably all very well aware that when you force the University
22 to under-recover the actual costs on projects that

23 MR. BRODERSON: They have (ph) 50%, I don't see
24 what the problem is.

25 DR. FRENCH: You're putting forward a position

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1 of under-recovery of several million dollars, and you're well
2 aware of it, and those costs are being passed on and borne by
3 the students and the users of the University system when those
4 monies cannot be recovered.

5 MR. BRODERSON: Yes. Excuse me for being so
6 flip there, I'm sorry. So, anyway, we probably should get back
7 to the

8 DR. FRENCH: ONR has audited those under those
9 numbers, by the way.

10 MR. BRODERSON: Yeah. We probably should get
11 back to the agenda here to get through and try and put all of
12 this in some kind of context in terms of the Restoration Plan
13 and the Environmental Impact Statement, et cetera; and then,
14 perhaps, the questions could be asked either at the end of this
15 or at the next session.

16 I sus- -- let's see, according to the agenda here,
17 we're supposed to drop on to Public Involvement here, which
18 Marty Rutherford's going to address.

19 MS. RUTHERFORD: I apologize for not being here
20 this morning, I was pulled into a meeting with the Governor,
21 but Doug allowed me to roll the role of the Public Advisory
22 Group and the public participation discussion together. I
23 understand that the Trustees did spend some time talking about
24 the role, but I think it's worthwhile to just briefly go
25 through it one more time.

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1 The role of the Public Advisory Group -- and if it's
2 all right with you, I think I'll use the acronym, the PAG,
3 because pretty soon -- in fact, you're going to hear a lot of
4 acronyms, we're going to -- RT, Restoration Team; NRDA, which I
5 heard several people say, Natural Resource Damage Assessment.
6 It took me six months to figure it out, I think we probably
7 should give you guys a list of them, it'll help in the long
8 run.

9 But the role of the PAG is laid out in the Charter that
10 was approved by the Trustee Council and signed by the Secretary
11 of Interior this month; it was actually amended and resigned.
12 By the way, the Charter is located in your Volume Number 1,
13 Section 4(B). Doug Mutter, your designated Federal officer,
14 has also provided some of the very same information in that
15 document that's called Background & Guidelines; it's also in
16 Section 4(C); and where it talks about duties, it's on Page 6.
17 And the Duty Statement is pretty straightforward; it indicates
18 that the Public Advisory Group shall advise the Trustee Council
19 on all decisions relating to injury assessment, restoration
20 activities or other use of natural resource damage recoveries,
21 including the planning for, the evaluation of and allocation of
22 available funds; the planning for, evaluation of and conduct of
23 injury assessments; the planning for, evaluation of and conduct
24 of restoration activities and the coordination of all those
25 three.

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1 Of these four tasks, the -- by far and away the most
2 important in our opinion is the planning for, evaluation of and
3 conduct of restoration activities. It's through working
4 together on this task that we'll find a way to make Alaska
5 whole, to make the affected areas as much like they were prior
6 to March 24th, 1989 as is humanly possible. The other duties
7 should be subordinate to this primary concern, and I believe
8 that's probably true for all of us.

9 Towards this goal, the Public Advisory Group itself
10 will be involved with the development of the Draft Restoration
11 Plan, and eventually, the Final Restoration Plan; as well,
12 secondarily, as the review of the '93 Work Plan, the
13 development and review of the '94 Work Plan, the monitoring
14 program for the damage resources. You will also -- and I think
15 this is equally as important, you will facilitate, and as
16 Charlie says, you'll be the funnel; you'll facilitate the
17 process of working with your constituencies in insuring that
18 they understand, and participate and have input to all of these
19 products.

20 However, your responsibilities of working with the
21 public are shared ones. The Trustee Council itself and the
22 Restoration Team will also continue to hold public meetings and
23 hearings concerning the very same issues that I mentioned
24 before. It's through this combined effort that we hope to
25 develop an excellent public participation program, I don't

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1 think anyone would argue that we haven't had one to date. It
2 will, however, require very good coordination, and we're really
3 committed to that; in fact, we're really excited about you're
4 being seated today. We're looking for some significant
5 improvement in this area.

6 I, also, want to tell you a little bit about what's
7 been happening to date concerning public involvement, and a bit
8 about the group that's called the Public Participation Work
9 Group and its tasks. As you're all aware, the Trustee Council
10 has held many public meetings itself, beginning with its
11 December 5th, 1991 organizational meeting which set up the
12 operating structure for the post-Settlement activities. I,
13 also, know that you were informed that with the exception of
14 some discussions on confidential personnel matters, all of
15 these meetings have been open meetings, and that practice has
16 now been formalized in Alaska Statute; I think it's S.B. 478.
17 Most of these meetings have utilized the State Legislative
18 teleconference facilities which allows you to participate with
19 all the remote sites, and I'm sure you'll probably want to
20 consider that yourselves, in the future.

21 In addition, since December of '91, two series of
22 statewide public hearing have been conducted by the Restoration
23 Team on behalf of the Trustee Council. The purpose of the
24 first series, which was held in January and February of this
25 year, was to solicit comments regarding the public

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1 participation in the injury assessment and restoration process.
2 These meetings were held throughout the affected area, and it
3 was Anchorage, Juneau, Chenega Bay, Cordova, Fairbanks,
4 Tatitlek, Homer, Seward and so forth; all throughout the
5 affected area, including Juneau, Anchorage and Fairbanks. The
6 comments from these meetings were then evaluated, and
7 recommendations were provided to the Trustee Council regarding
8 the role, the structure and the operating procedures for the
9 Public Advisory Group.

10 The second series of meetings were held in April and
11 May of this year, and provided the public with an opportunity
12 to comment on the Restoration Framework. It also included an
13 opportunity for them to comment on the '92 Draft Work Plan;
14 however, they had just received it, so that was a little bit of
15 sharing of what was in and some response back; we got most of
16 those through the mails, however. And finally, the last thing
17 we dealt with as part of that series was the composition of the
18 Public Advisory Group. Again, the hearings were held
19 throughout the affected area and in Anchorage, Fairbanks and
20 Juneau.

21 As a bit of general information, all the papers that
22 are discussed during the Trustee Council meetings are provided
23 to the public either at the meetings or through the Oil Spill
24 Public Information Center, which we call OSPIC, another
25 acronym; it's located right across the hall here in this

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1 building. A transcript of each meeting is made and is also
2 publicly available. In addition, in early June of this year,
3 the Trustee Council decided to make available to the public,
4 through, again, OSPIC, the Natural Resource Damage Assessment,
5 again NRDA, scientific studies, including their interim and
6 final reports and their detailed study plans. I think
7 additional copies of these were provided to libraries
8 throughout the State and, I believe, around the country. As
9 new study information or as new reports are made available from
10 ongoing studies, these will also be added to OSPIC and made
11 available.

12 Now, a little bit about who and what the Public
13 Participation Work Group is. This is a work group that was set
14 up through the administrative function and consists of five
15 people; Ken Rice of the Forest Service, and is on the
16 Restoration Team, is on it; Peg Carrer (ph) with the Alaska
17 Department of Fish & Game; L.J. Evans, who's seated right back
18 there in the green, who you probably all have met or I'm sure
19 you will get to know well, she serves as the Public Outreach
20 person working for Dave Gibbons as part of this administrative
21 function; Sandra Rabinowich (ph), who's seated right next to
22 her is with the National Park Service and is also part of the
23 restoration process; and I serve as Chair.

24 This group had the task of developing the structure and
25 the process for advertising and choosing the Public Advisory

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1 Group members. We developed the Draft Public Advisory Group
2 Operating Procedures. We assisted the Restoration Team with
3 the two sets of public hearings that were held to date. And we
4 helped develop the handouts and text describing the issues that
5 were provided at those meetings.

6 The Work Group will continue on and end its function,
7 hopefully, in March of this year. This year's tasks, which are
8 in -- noted in the Blue Book, as all the Work Group tasks are
9 noted in the Periwinkle Blue '94 Work -- '93 Work Plan Work
10 Group Book. This year's tasks include coordination with you,
11 the Public Advisory Group, concerning public hearings that will
12 be held by yourselves, the Restoration Team and the Trustee
13 Council. We are to assist the Restoration Team and the Trustee
14 Council with organizing their public hearings; review the
15 public information or public participation element of the Draft
16 Restoration Plan, once it's developed; define the goals,
17 objectives and strategies of public participation, which we'll,
18 hopefully, look to you for some fairly significant guidance;
19 facilitate and review public information materials and to
20 define new public informational products and processes which
21 need to be created to improve the whole process of
22 communicating with the public.

23 I think that wraps up everything I want to say. I just
24 want to, once again, say I'm really glad you're seated and
25 going to be part of this, and if you have any questions about

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1 this, I'll be glad to try to answer them.

2 MR. BRODERSON: In theory, we're supposed to
3 take a break now, would folks object if we pushed on for a
4 while, considering we got kind of a late start after lunch?
5 Okay. The next topic is the Restoration Plan, which is really
6 the reason we're all here, and without further ado, I'll turn
7 it over to John Strand and Bob Loffler.

8 (Off record comments)

9 MS. BRODIE: I'm sorry, I have one question
10 going back to the funds, and that was I think the first payment
11 was 90 million dollars and, yet, this says 100 million?

12 MR. BRODERSON: Did I screw it up?
13 (Indiscernible) about 2:00 o'clock yesterday when I did this,
14 in the morning.

15 MS. BRODIE: So, I think this would change,
16 also, the bottomline of what's available.

17 MR. BRODERSON: Okay. Yeah. I got
18 (indiscernible - microphone off).

19 MR. STRAND: Well, thank you, Mark. I'm sure I
20 can speak for everybody on the Restoration Planning Working
21 Group, we're very pleased that the Public Advisory Group has
22 been formed, and we welcome the opportunity to brief you today,
23 and look forward to working with you in the future. Like many
24 of the other work groups, some of which Marty spoke about just
25 recently, each of the Trustee agencies sends a representative

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1 to the Restoration Planning Working Group. I represent the
2 National Oceanic & Atmospheric Administration; Bob, to my left,
3 Bob Loffler represents the Alaska Department of Environmental
4 Conservation. Sandy Rabinowich is in the back, representing
5 the Park Service, Department of the Interior. Art Weiner has
6 been a long-time member of our group, representing DNR; he has
7 now been, I think, sent to Habitats & Lands. Veronica Gilbert
8 is not here, but she represents Department of Natural
9 Resources. Carol Gorbicks (ph), Fish & Wildlife Service,
10 Department of the Interior. Ray Thompson from Park Service --
11 excuse me, from Forest Service. And Mark Fraeker (ph) from the
12 Alaska Department of Fish & Game adds to the group.

13 As a working group, we've been in existence since, I
14 think, January of 1990; although, we were not fully manned,
15 that is every Trustee Council -- or every Trustee Agency having
16 a member until about June of 1990. We've been working for
17 two -- two and a half years there, therefore, with one goal in
18 sight, and that's to produce the Draft Restoration Plan. And
19 as you might expect, we're hard at work on that task at
20 present.

21 Pending completion of a rigorous internal review of
22 that document, I believe it's still the intent of the Trustees
23 to publish this document in March of 1993. We, internally,
24 will have a working draft for review sometime in December;
25 certainly, key elements of that Restoration Plan will be

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1 available to the Public Advisory Group; perhaps, some of those
2 will be available at your next meeting on December 2nd.

3 The presentation today will largely focus on how our
4 planning group has approached the task of developing the
5 Restoration Plan, with special emphasis on our current
6 activities. Today's presentation will, also, discuss the very
7 important role that the Public Advisory Group can play in the
8 restoration planning process. While we only have 20 minutes
9 today, I would ask that you consider this just an introduction
10 to the topic of restoration planning. I know that we are,
11 again, on your agenda for December 2nd, and we'll get into much
12 more of the details of our efforts at that time.

13 Before I ask Bob Loffler to continue with today's
14 presentation, I thought I would call to your attention,
15 however, two very important documents that our group has put
16 together on behalf of the Trustee Council and the Trustee
17 Agencies. I think that each of these will provide you a good
18 review of our planning group's activities to date, and give you
19 a better understanding of the logic that we adopted to approach
20 this task of producing the Draft Restoration Plan.

21 The first of these documents is the Restoration
22 Planning Work Group summary report produced in 1990, we call
23 this the Blue Book. It may not be in your folders just yet,
24 but I'll make sure that Doug gets copies for your folder. This
25 document highlights the approach that our working group took to

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1 collect ideas and concepts for how one could restore injured
2 resources and services. And it provides, I think, a good
3 account of the results of the workshops, and symposia and
4 public scoping meetings that were held for that purposes.

5 The second document, I know this is in your folders, is
6 the Restoration Framework document, produced, I believe, in
7 April of 1992. And this will serve us -- providing a process
8 and structure to guide the restoration of injured resources and
9 services. It's really the blueprint and the guidebook for how
10 we are approaching the development of the Restoration Plan.
11 Many of the ideas and concepts that were put forth first time
12 in this book are further developed, evaluated and better
13 described in the Restoration Planning -- the Restoration
14 Framework document.

15 I'll, now, ask Bob to continue today's briefing.
16 Again, I welcome the opportunity to work with you, and we'll
17 see you again on the 2nd of December. Bob.

18 MR. LOFFLER: Okay. What I would like to do is
19 three things. I'd like to give you an introduction in the
20 basics of the Restoration Plan, sort of what the concepts are,
21 the mechanics, the steps. Then, I'd like to talk about
22 involvement by the Public Advisory Group; that is, where we'd
23 like your help, where we think you can be the most effective.
24 And finally, give you sort of a brief schedule so you'll know,
25 like, when you can expect to see us again, and what we'll be

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1 carrying under our arms.

2 So, with that, let me start with sort of the basics.
3 Well, conceptually, the Restoration Plan, in concept, isn't all
4 too complicated. It's really -- the information base for it is
5 really three questions. Was it injured by the Spill? Is it
6 recovering? What, if anything, can we do to help; that is,
7 what restoration techniques exist, how effective are they?

8 Those simple questions, of course, hide a lot of
9 complexity. And was it injured by the Spill, some places where
10 -- some places, the information's quite good; some places, the
11 information is not particularly good. Is it recovering? It's
12 helpful to know if the population is declining, stable,
13 recovering, mostly recovered or if they're continuing some
14 lethal injuries. And on what, if anything, can we do to help
15 is a complex question. What I'd like to do is spend on a
16 second on this question and tell you where we came with -- how
17 the techniques were developed that we're analyzing so far.

18 Back in 1990, there was a variety of scientific and
19 public symposia, feasibility studies, literature support,
20 agency ideas, and they culminated in this book. This book is -
21 - portions of it are listing of ideas for restoration. We,
22 then -- the group, then, went out for public review. On the
23 basis of public comments, staff evaluation. They distilled
24 some of those ideas into categories, which are listed in here.
25 Now, we use the term "restoration option" to be a category of

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1 techniques. So, you could list everything we could possibly do
2 for the Spill area, but my life's too short to think of them
3 all now; that is, they'll all come up. So, what they are is
4 they're grouped into categories; and we use the name "options"
5 just as a category of techniques.

6 Well, those options, some of them -- most of them are
7 in here, they went out for public comment. There has been
8 public comment, some staff evaluation, and they're further
9 distilled (ph), and that's what we're looking at now. So,
10 we're, right now, in the process of getting our information
11 base together, being was it injured by the Spill, the status of
12 recovery and what techniques are available the injury. And I'm
13 including techniques to prevent further degradation,
14 replacement techniques, the whole range. Well, in the best of
15 all worlds, what we do is we take all the things that we wanted
16 to do and then we'd go do them, and you wouldn't need a
17 Restoration Plan. Unfortunately, even with quite a wealthy
18 settlement, there's not enough money to buy all the land we
19 want, to do all the techniques we want, some choices are
20 required. The plan is the way we make those -- is both the
21 information base and it's the way we make those choices.

22 We're, now, in the process of putting together groups
23 of alternatives. So, let me talk for a second about what that
24 means. And those alternatives are being sort of different
25 combinations of choices. Since that's where we're going, let

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1 me give that a minute. We do that as a way to show the public
2 and yourselves the choices facing the Trustees. It's to focus
3 the public review and comment on a reasonable range of viable
4 choices. Now, what an alternative is is it's some policies,
5 it's a way to approach restoration, and then what techniques we
6 should use. So, it's techniques, what we call options, groups
7 of things that correspond to some policies needing approach.
8 That's -- for example, it's possible to put together an
9 alternative where most of the funding emphasizes protection;
10 things like habitat acquisition, other protection techniques.
11 It's possible to put together another them or another series of
12 policies which would, of course, be more detailed when they go
13 out to the public, certainly, after your review, that emphasize
14 other things. But those are approaches we can use, and they're
15 a way of showing the public the choices.

16 Some simple concepts, when we build them, are that
17 alternatives should represent the range of significant agency
18 and public opinion. That we want to represent that range, but
19 don't multiply them so great as to cause confusion, that is
20 shoot the three to five alternatives, and don't do things that
21 are dumb, which means if there's no controversy, don't create a
22 strong-man alternative, one that creates controversy. If
23 there's general agreement on some things, it's a good idea, we
24 might put it in awe (ph). But in any case, we have the
25 information base, injury, status of recovery, the effective

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1 techniques, we're going to alternatives, different approaches,
2 different ways to combine them. And finally, in the future,
3 one will be selected, and that will be the long-range plan with
4 updates.

5 So, that's, I won't say Restoration Planning 101, it's
6 maybe Restoration Planning 1 or a half or something. But the
7 next portion of this is where we think where we would like your
8 help, where we think you can be the most effective. Well, the
9 first part is to help review our information base. While
10 believe there has been a great amount of scientific inquiry and
11 bright minds that have put together a lot of our information,
12 many of the fishermen know parts of the Spill area quite well
13 and may have something to add. Certainly, a lot of people
14 living in the villages, the kayakers, people who run tour
15 boats, may have ideas that weren't thought up. So, what we'd
16 like, is through you, to get a review of our information basis.
17 What we will be putting out to you is a summary of the injury
18 recovery and techniques. And we'd like you to take that back
19 and give us comments; that is comments as individuals, not
20 necessarily as a group; this is if someone has a good idea,
21 we'd like to know it. And it's not necessary at that point for
22 -- or it helps us to get the variety of ideas. The next part
23 is before they go to the public to review the alternatives, and
24 we'll like your comments on those before we decide that these
25 are the right ones to give the public.

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1 So, that's where we think you can be the most help and
2 what we'd like your help on. The last portion of my talk is
3 when that'll happen. Well, part of it, we're hoping to happen
4 in December; so, in mid-December, we're hoping to have that
5 information base as running as we can, or at least, a
6 preliminary version. So, we'll have summaries of this to give
7 you. If -- as my grandmother used to say, from your lips to
8 God's ears, which is to say, we hope it'll be December 2nd, at
9 your next meeting, we present it to you, but I can't guarantee
10 it. We're aiming for December. And then, we'd like you to
11 review it for -- I'm not sure, but at least a month and give
12 your comments back. And when we'll have alternatives, I'm not
13 quite sure, but it's got to be within the next couple of
14 months, because we're going to put the alternatives out to the
15 public; we're shooting for late March with public meetings in
16 April, that's our goal.

17 So, that's where we're going, where I would like your
18 help or where we'd like your help, and what we're going to give
19 you. Are there questions, comments? Sure.

20 DR. FRENCH: Yeah. I have the same problem
21 that I had this morning with Attorney General Cole's comments
22 in terms of damage, finding damage. Most of your damage
23 assessment, most of the parameters you have to deal with are
24 those defined by the NRDA framework; those that we're allowed
25 to measure clear, discernible damage. Take, for example, the

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1 many resources out there that we couldn't define specific
2 damage to that we didn't really have the tools to look at the
3 specific damage to; not we didn't know the background levels.

4 Now, as a specific example, let's take halibut. In the
5 years since the Oil Spill, we've got a pretty good idea what
6 the distribution and what the location of zero through three
7 year old halibut are; and they're in fairly shallow waters,
8 generally up in the heads of the bays where they where they
9 were fairly effec- -- could have been fairly affected by the
10 Oil Spill. However, the only project I know that was under the
11 NRDA guidelines that would have attempted to was shot down
12 before it got through the process, but that's neither here nor
13 there. The fact is that those fish aren't going to show up as
14 recruits in the commercial fishery or a significant
15 contribution to the recreational fishery for at least seven
16 more years. And, we may, 1999, come up with another
17 undetermined and unexpected injury assessment.

18 However, before that, there should be ways that somehow
19 we, either in the Restoration Framework, or at least, in the
20 work plans for the upcoming years, that we might be able to
21 look at that basis and get a better idea of whether or not
22 we're seeing a change occurring before it actually comes to
23 that crunch that my God, we've only got half the recruits we
24 expected or whatever. We just don't have a lot of the
25 background data, and you're building a Restoration Framework on

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1 sand.

2 DR. MONTAGUE: Dr. French, could I comment upon
3 that?

4 DR. FRENCH: Yeah.

5 DR. MONTAGUE: First of all, if you're -- I
6 mean if the only time the information could have been collected
7 is in the past, then we're never going to get it, so we'll just
8 have to live with not having it. If chronic injuries need
9 effort that they're not getting now, new projects need to
10 investigate injuries that we did not use to look at; it's open,
11 you know, get in there.

12 DR. FRENCH: Yeah. Exactly, that's all I'm
13 trying to get towards, that we need to keep our minds open as
14 to what might be other areas of injuries. We don't want to get
15 tunnel vision as to what is an established damaged resource,
16 those do need restoration, I don't question that. But there
17 are good possibilities that there are areas that there were
18 damage, either chronic or, in this case, it could have even
19 been acute, and it would have been undetected. And so we need
20 to keep a fairly broad scope is all I'm saying. We don't want
21 to build a Restoration Framework that -- I heard you saying
22 and, at least, I read this Blue Book as saying, you know, we
23 need a definitive definition of injury before we can even start
24 on a restoration frame (ph).

25 MR. LOFFLER: I think what you're saying is not

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1 inconsistent with what we need to do. And I think part of the
2 idea of getting your review before going to the public is
3 finding out those glitches. But I think that would not (ph)
4 study therefore doesn't exist is not necessarily, anyway, the
5 model of the plan.

6 DR. FRENCH: Okay.

7 MR. STRAND: You know, in the -- as we write
8 the plan for review, in the part of the plan that deals with
9 implementation, I think you will see a section that captured
10 what you're concerned about; that if new information is derived
11 that suggests that there is injury that's not been disclosed
12 previously, that then that becomes fair game or warrants
13 consideration of future restoration. I think that caveat, that
14 entree will be there, it's my understanding it will.

15 DR. FRENCH: Yeah. Okay. And with response to
16 this past study/not study, I mean part of my whole reason --
17 part of my whole interest in this process is attempting to get
18 to a position where if an when another oil spill occurs, we're
19 not back to trying to build it on exactly the same data base,
20 that we're in the same position of having great difficulty in
21 assessing damage. And I'm not saying you can only do it by
22 going backwards, but I am saying if we broaden the scope of our
23 studies and look at a broader base, we'll be in a better
24 position next time.

25 MR. STRAND: As we evolve the more

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1 comprehensive and integrated monitoring program, I think we
2 need to capture the essence of that to look beyond just
3 monitoring the injured -- the obviously injured species, but
4 look more at the ecological relationships to these species to
5 have a broader base for looking at change and a response to a
6 disturbance in the future. I think that's possible if one
7 properly designs the monitoring program.

8 MR. BRODERSON: Any other questions?

9 MR. KING: I'm not clear exactly on whether
10 you're saying we need to be thinking about commenting on
11 something that's here or something that you're going to present
12 us in December.

13 MR. LOFFLER: I will present it. No, no. I'll
14 present -- it will either be available at the meeting in
15 December or we'll have to mail it to you afterwards. Actually,
16 one quick comment is that you bring up a good -- a larger
17 issue, which is the amount of uncertainty. And there is a
18 large amount of uncertainty in both the damage recovery and in
19 the effectiveness of the options of even things that were
20 studied. And part of the challenge of the plan is making
21 choices in the face of uncertainty.

22 MR. BRODERSON: The more -- to add to that, the
23 more money we spend becoming certain, the less we have to
24 repair it; and so, it's a trade-off figuring out how soon can
25 you be comfortable with the level of information you have to go

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1 out and respond. It's one of the major policy questions that
2 faces the Trustee Council, and it's one of the things that you
3 all can be very helpful in giving them some input on when do we
4 feel comfortable enough to expend the dollars. And it's
5 probably a different answer for each alternative or option that
6 we have.

7 One other, though, minor thing, some questions were
8 asked this morning about definitions on such as equivalent
9 resources, injury, et cetera, and draft attempts at those
10 definitions were attempted in the framework. And for those of
11 you who are interested in the thinking at that time, you might
12 want to go back and look at those definitions, that we spent
13 several months trying to come to something that was definitive.
14 But as I say, they are still in the draft stage, but that would
15 be a good place to start in wanting to know what constitutes
16 direct restoration, what constitutes replacement, what
17 constitutes acquisition of equivalent resources, is to go back
18 and look at the Framework document.

19 Let's see, any additional or are we -- should we move
20 on?

21 MR. STRAND: Thank you, Mark.

22 DR. FRENCH: Thank you.

23 MR. BRODERSON: Okay. If we're going to take a
24 break, now is the time, otherwise we'll keep pushing ahead;
25 what's the pleasure of the group?

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1 UNIDENTIFIED VOICE: Let's take a break.

2 MS. BERGMANN: A short break.

3 MR. BRODERSON: Should we try to take a short
4 break, five or ten minutes, and get back to

5 (Off record)

6 (On record)

7 MR. BRODERSON: Well, let's see. Now, I think
8 what we're going to try and go to next is the Environmental
9 Impact Statement that needs to go along with the Restoration
10 Plan. As with any good government process, there's a lot of
11 NEPA compliance that has to go along with it to make sure that
12 the government does it right. Ken Rice with the Forest Service
13 will address the subject.

14 MR. RICE: Some of you are probably familiar
15 with what NEPA stands for and what it is, and others of you may
16 consider it to be just another delay tactic or justification
17 statement that agencies put together. Basically, as you're
18 aware, the Trustee Council is made of three State and three
19 Federal Council members. The Federal Council members are bound
20 by the National Environmental Policy Act of 1969 as amended,
21 NEPA or another acronym for those of you who need to learn more
22 than half a dozen acronyms today.

23 MR. BRODERSON: I didn't say that 'cause I
24 didn't know what it stood for, but I'm sure that he did get it
25 right (ph).

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1 MR. RICE: This Act, in its most basic terms,
2 requires Federal agencies to disclose and consider the affects
3 of their actions in an Environmental Impact Statement when such
4 actions may have a significant affect on the human environment.
5 If you don't know whether you're going to have a significant
6 affect, you can do something less than a full-blown
7 Environmental Impact Statement, and I can talk to you
8 individually, or if you have questions about that, we can get
9 into all the written up (ph) cases of it. But anyway, let me
10 leave it at that for now. The Restoration Plan will be -- will
11 have an Environmental Impact Statement at the February 4th and
12 5th, I think were the dates, anyway, the Trustee Council
13 meeting in early February. The Trustee Council agreed that
14 because the Settlement funds are joint funds and decisions have
15 to be made by all six members, that the Trustee Council would
16 be bound by the National Environmental Policy Act.

17 Decisions in the Restoration Plan will set the basis
18 for future restoration activities. The Trustee Council will be
19 analyzing alternative approaches to restoring the resources and
20 services injured by the Oil Spill, as Bob and John discussed
21 just before our break. These will be displayed in a broad,
22 general way, and in a very broad, general way, we will be
23 looking at the impacts of these alternatives in the
24 Environmental Impact Statement. We hope to publish -- we will
25 be publishing the EIS concurrently with the Restoration Plan,

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1 so that both documents will be stand-alone document. In other
2 words, you can pick up the Restoration Plan and look at all the
3 various ways or various themes and approaches that restoration
4 could be accomplished. It will have some additional
5 information in there. The Environmental Impact Statement will
6 analyze those exact same alternatives, have -- disclose the
7 affects of implementing those. In other words, estimates of
8 what changes would occur to the environment out there over the
9 course of the 10 year period as the Restoration Plan is
10 implemented.

11 A contractor, Walkoff & Associates (ph), has been
12 chosen to conduct the analysis and write the EIS. Walkoff &
13 Associates have been involved with the oil spill process for
14 several years; they were under contract with the Justice
15 Department. They had people that were familiar with what was
16 going on and could step into the project without a long delay
17 between being able to get up to speed and get this going. They
18 are currently collecting background material, determining the
19 scope of the analysis that will be performed. All of you
20 should have received a letter inviting you to the last, early
21 stage of the scoping meetings that we're going to have as this
22 EIS is being developed. Now, we've set up this last scoping
23 meeting to be, basically, an open-house. In other words, there
24 will be several of us available in this room to take comments
25 from agencies interested, individuals knowledgeable, people --

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1 anybody who has some interest in the restoration planning
2 process. Now, if you decide to do this, here's what concerns
3 me about that; what are the issues, what's important to
4 individuals, what are the values that you bring that you want
5 to be displayed and information gathered on -- in this EIS
6 process. We'll be doing that next -- the 4th of November,
7 which I think is Wednesday, the day after -- yeah, the 4th of
8 November, anyway, on Wednesday.

9 UNIDENTIFIED VOICE: The day after the
10 election.

11 MR. RICE: The day after the election, that's
12 right; the election's on Tuesday. And you're invited to come
13 and sit down with us on a one-on-one basis and give us some
14 feedback; we'll be recording those, making sure we understand
15 what it is that people are bringing to the table, and then
16 using that to help define the range of things that we're going
17 to have to look at. Scoping is sort of a narrowing down
18 process, you look at it as trying to focus in on what's
19 important, what do you have to analyze that's important; throw
20 out the extraneous stuff, the stuff that doesn't really mean
21 anything, and focus in on what's really critical there.

22 As I mentioned, because the Restoration Plan will not
23 be making site specific decision about where and when
24 restoration options would be applied, the EIS will not be able
25 to disclose site specific impact. It will, however, look at

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1 the cumulative impacts of conducting a large number of
2 restoration options over the next 10 or more years. Individual
3 projects, as the work plans are being developed, may require
4 site specific NEPA analysis and documentation. And some of
5 those projects may be large enough that they would require a
6 stand-alone Environmental Impact Statement; some of them may
7 only require an environmental analysis of the environmental
8 assessment, that doesn't go quite as far as a full-blown
9 Environmental Impact Statement. Others of them, studies for
10 example, probably don't require any further NEPA analysis and
11 documentation.

12 Are there any questions? Yes, Chuck.

13 MR. TOTEMOFF: Under our 1993 Work Plan, and I
14 realize it's a couple of other agenda items ahead here, but if
15 we're -- you know, there's a lot of talk about evident threat
16 for habitat, namely timber. But -- and no where do I see a
17 concentrated effort, if I may speak on the subsistence part for
18 a minute, do I see a concentrated effort to address the chronic
19 subsistence problems expressed, especially, in the rural areas.
20 There is one project identified in the '93 Work Plan, but
21 that's just to begin the process of identifying those resources
22 that were injured or damaged or irreparably harmed. Is -- will
23 there be any suggestions to try to meet, the immediate need for
24 those people that depend heavily on subsistence resources in
25 the form of replacement or harvesting in other areas?

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1 MR. RICE: As you mentioned, one of the
2 projects, I think it's 93017 addresses some of the res- -- the
3 subsistence resources needs. I think we've had a lot of
4 discussion as we were developing the '93 Work Plan on how to
5 deal with subsistence -- the subsistence service or resource.
6 And we'd gotten some advice from our legal counsel as to what
7 we could or couldn't do within that, and some of that is
8 reflected in the recommendations we have made to the Trustee
9 Council. In other areas, it's still a little -- in my mind, at
10 least, it may not be as gray in some other people's mind as it
11 is in mine, but in my mind, it's still a gray area that needs
12 further refinement and further clarification. And I would see
13 that clarification coming out of the Restoration Plan that
14 would more clearly define just what kinds of activities could
15 be conducted towards the subsistence service.

16 Anybody want to add anything to that?

17 MS. RUTHERFORD: I would, if I could.

18 MR. RICE: Sure.

19 MS. RUTHERFORD: The legal advice that Ken just
20 referred to was from the Federal legal counsel, and the State
21 legal counsel has not yet produced their comments on -- along
22 the same -- addressing the same questions. And in fact, we
23 were talking to them about it last week, and they hope to have
24 their information out to us here in the near future. And I
25 think that there may be some differences on that issue, and it

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1 may allow for -- once it's resolved, it may allow for a little
2 more flexible approach to some of the subsistence issues, and
3 hopefully, that'll be well resolved before the Draft
4 Restoration Plan and, also, before the '94 Work Plan
5 development. But it is a little unclear right now, Chuck; but
6 93017 does provide for some of that. I think there's
7 \$53,000.00 in there for trying to harvest resources or gather
8 resources from a different area. Maybe Jerome could go into
9 some detail on that particular project.

10 MR. BRODERSON: Maybe what we should do on
11 these questions, can we wait on further elaboration on this
12 until we get down to the Work Plan part of the agenda,

13 MR. TOTEMOFF: Sure.

14 MR. BRODERSON: is that okay? Is there
15 any other questions on the Environmental Impact Statement, any
16 questions for Ken? No. Okay. If not, moving right along
17 into

18 MR. GOLTZ: Well, maybe I'll just
19 take --

20 MR. BRODERSON: Okay.

21 MR. GOLTZ: it'll just take a second.
22 You've drawn a two edge sword. And I think the edge you were
23 focusing on was what are we doing for the subsistence
24 resources. There's another aspect to it, and it fits in with
25 the NEPA process. On Federal lands, there's the 810 (ph)

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1 process, which I'm sure you're familiar with, but some of you
2 may not be, and that may apply to some of these projects. And
3 in a nutshell, what that says is do no harm; or if you're going
4 to do harm to subsistence resources, these are the steps and
5 the ways that you get that done. But the 810 process will be
6 part of, at least, some of this, maybe most of it. It is
7 folded into the NEPA process, and subsistence resources are
8 considered in that way on Federal lands.

9 MR. BRODERSON: Any other questions on this?
10 Okay. Well, onto the next section here there, Habitat
11 Protection. It's come to my attention that I was remiss in not
12 explaining a little bit on the structure of the process here.
13 And that I believe it was Charlie Cole, this morning, touched
14 on there's a Restoration Team that works for the Trustee
15 Council, and then under the Restoration Team there are a number
16 of work groups; RPWG, the Restoration Planning Work Group,
17 you've already from; the Environmental Compliance Work Group
18 headed up by Ken; another group is the Habitat Protection Work
19 Group, which is chaired by Marty and Dave Gibbons, and she's
20 now going to talk about habitat protection.

21 MS. RUTHERFORD: Actually, I handed this one
22 off to Ken, so Ken is going to talk about it.

23 MR. RICE: Habitat protection for injured
24 resources and services is an idea that first surfaced during
25 the first Restoration Planning Work Group scoping meetings in

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1 1990. And if you look at the August 1990 progress report, you
2 can see where those ideas were captured. And we've, basically,
3 been in the process of evaluating that. Several resources
4 injured by the Oil Spill utilize uplands; marbled murrelets,
5 bald eagles, harlequin ducks, salmon, dolly vardon, char, cut-
6 throat (ph) trout are examples of resources that were injured
7 by the Oil Spill that are linked to the uplands. Services
8 would include recreation for pleasure boating, sport hunting,
9 fishing, subsistence, wilderness values and intrinsic values.

10 Public concern over potential logging and general
11 support for habitat protection has convinced the Trustee
12 Council that they need to accelerate the evaluation and
13 possible implementation of this option ahead of the Restoration
14 Plan. In order to do this, the Restoration Team has proposed
15 an interim process for Trustee Council approval that will
16 provide the Trustee Council some initial information in late
17 December or early January.

18 This past July, we published the Restoration Framework
19 Supplement, which is in your handouts, in your Black binder, in
20 Volume 1; it's affectionately known as Ugly Book.

21 MS. RUTHERFORD: Volume 2.

22 MR. RICE: Volume 2, excuse me. Well, Tab 1.
23 It's about the same color as this building, I think. Most of
24 you have probably already looked at this document, I won't go
25 into it here. Elements of this supplement, hopefully, in a

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1 more understandable format and where necessary, modified will
2 go into the Draft Restoration Plan. It has several flow charts
3 in it and discussions of fairly -- the steps that we think need
4 to go -- that we need to go through in order to implement a
5 habitat protection or acquisition option.

6 We have asked the scientists involved in the damage
7 assessment and restoration studies to provide us with some
8 information that will be useful in our evaluation. At the
9 start of the meeting this morning, you should have received
10 four tables; these tables, I think, are supposed to go in
11 Volume 2, Tab 5. Table 4 in there is a summary of some of the
12 information we have received back from the scientists. In
13 other words, we sent out a questionnaire and said what do you
14 know about the injured resources, what do you know about their
15 habitats, what are the limiting factors affecting those, what
16 information would we need in order to further understand the
17 processes going on with these resource and their linkage to
18 upland habitats, and we summarized some of the comments in
19 there.

20 We have entered into a contract with the Nature
21 Conservancy, as Attorney General Cole mentioned this morning,
22 to build on the information that's been provided in Table 4 by
23 interviewing key users, scientists, residents and other
24 knowledgeable people about the resources and their habitats and
25 services injured by the Oil Spill. This information will be

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1 available to us by mid-November and will be used to identify
2 and evaluate the suite of proposals we have received this year
3 for habitat protection and acquisition. We're going to be --
4 we started out calling it a workshop, we're going to,
5 basically, be calling people, conducting in-depth interviews
6 with them, trying to draw out those key elements of information
7 that's going to help us identify specific habitat, specific
8 resource needs throughout the Spill area. They're going to be
9 doing that the week of November 9th, and be summarizing that --
10 getting that back to us so we can use that information.

11 Table 1 in the handouts in Tab 5 shows all the lands
12 have been identified by the public and willing sellers for
13 habitat protection. As you can see, it covers a lot of land
14 within the Spill affected area. On the wall here, we have put
15 a map, which unfortunately, is not very large. Basically, the
16 green area -- the dark green and the light green are Federal
17 and State lands. And what is this, a peach color, salmon
18 color?

19 UNIDENTIFIED VOICE: Peach.

20 MR. RICE: Anyway, peach colored lands are all
21 the private lands within the Spill affected area. By looking
22 at all the proposals that are in Table 1, it covers -- one
23 proposal or another covers the vast majority of the peach
24 colored land there.

25 Table 2, which is stapled to that, to Table 1,

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1 summarizes some of the information we have on imminent threat
2 on some of the recent or projected timber harvested lands
3 within the Spill affected area. This information was gathered,
4 primarily, from State permitting requirements and reflects what
5 the State has for information on where proposed activities
6 would go. The acreage figures in there probably are fairly
7 gross; in other words, they cover all of the area that might be
8 under permit, specific logging operations would not necessarily
9 impact all of those acres. It may occur over the course of two
10 or three years, probably in 1993, not all of these lands -- not
11 all of this 14,000 acres at the bottom of the estimate acres
12 there would be harvested. But certainly, over the course of a
13 couple of years, most of that may be.

14 Table 3 summarizes some additional information of all
15 the permits that are out there in terms of any kind of land
16 disturbing activity that we, at least, have information on now.
17 And some of Table 3 was used to -- was summarized forward into
18 Table 2.

19 We plan to use this information, as well as other
20 available information, in evaluating imminent threat lands for
21 inclusion in an interim protection process. As I said earlier,
22 the interim protection process is the process the Trustee
23 Council intends to use until the Restoration Plan is in place.
24 The 1993 Draft Work Plan contains several other projects that
25 will provide necessary information for the interim and

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1 comprehensive habitat protection process. These projects are
2 designed to provide the Trustee Council the information they
3 need to understand the resources and how implementing habitat
4 protection or any other restoration option will benefit the
5 resources and services injured by the Oil Spill. One of those
6 projects is another contract with the Nature Conservancy to go
7 out and identify -- basically, go around to all the agencies
8 and any non-government organizations that might have
9 information and say what information do you have that might be
10 relevant, what form is it in, what's the accuracy of that
11 information, what's the precision of that information, what's
12 the scale; just what is it that you've got. We're pulling that
13 all together, and hopefully, going to be able to use that to
14 further determine what additional information may be important
15 for fully understanding the linkage between the injured
16 resources and their habitat so that we can further identify
17 where those habitats are, which ones of them are most important
18 and what protection mechanisms may be applied to that.

19 We hope to go to the Trustee Council, as I said, in
20 December of January with the information we've been able to
21 pull together very recently with, hopefully, some
22 recommendations for movement on that. We're also working on
23 how to not just look at imminent threat lands but also those
24 lands where opportunities are being provided to us to enter
25 into some kind of agreements. Chenega Corporation has

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1 indicated that they are willing to work with us, and we just
2 need to look at those landowners who said they're also willing
3 to work with us and not just the ones where we think logging is
4 going to occur today or tomorrow; but we also have other
5 willing sellers out there, or willing players I should say, and
6 we're going to be evaluating those lands as well.

7 Are there any questions. Chuck. Yes, sir.

8 DR. FRENCH: On Table 2, things that are listed
9 as harvested are harvested already, right?

10 MR. RICE: I think that's correct.

11 DR. FRENCH: So, I mean, the Afognak Joint
12 Venture is trying to sell us -- or sell whatever entity is
13 buying 14,000 acres of which 12,000's already been harvested?

14 MR. RICE: I don't think they're -- they're not
15 the same acres. The Afognak Joint Venture has some lands where
16 they are going in and logging it, but what they've approached
17 us with for entering into this protection process are lands are
18 that they may ultimately go in and harvest over the next three
19 or five years, especially if they can't see some movement
20 towards providing revenue for that land. But it's not lands
21 that have already been harvested.

22 DR. FRENCH: Well, as I understood it, they
23 were trying to sell all their holdings on Afognak Island, when
24 there's two listings on the bottom of Table 2 here, one at
25 12,000 acres, which is listed as harvested, one at 2,500 which

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1 is listed as projected harvest. And the projected harvest is
2 clearly projectable, but it doesn't seem to me that the other
3 12,000 is really protecting any trees, even for the people that
4 want to protect trees.

5 MR. BRODERSON: I don't believe that Afognak is
6 attempting to sell all of their holdings, it's only a fraction
7 of that. You might be able to shed some light on that?

8 DR. FRENCH: Well

9 MS. BENTON: If I can answer that at all. The
10 Afognak Joint Venture holdings that have not been harvested are
11 separate from Concor Forest Products holdings that have been
12 harvested. And on Afognak Island, Concor Forest Products is
13 not a willing seller, nor have they ever been. So, you're
14 dealing with two separate entities.

15 DR. FRENCH: Okay. 'Cause I know Jim
16 Carmichael has told me they're willing to sell everything
17 they've got.

18 MS. BENTON: Right, but that's separate
19 from the other holdings.

20 DR. FRENCH: Okay.

21 MS. RUTHERFORD: I might note on Table 2, also,
22 where it says harvested, I think what that -- the 12,000
23 they're referring to here, it's a portion of it is being
24 harvested, it's not totally harvested yet.

25 DR. FRENCH: Yeah, that's what I was wondering

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1 is whether there was any time critical element there.

2 MS. RUTHERFORD: Yeah. That's not really an
3 accurate status.

4 MR. RICE: Pam.

5 MS. BRODIE: I'm confused about

6 DR. FRENCH: That's what it said, and I didn't
7 think that much had been logged yet.

8 MS. BRODIE: the -- some of the numbers,
9 because, for example, Afognak Joint Venture, I thought they had
10 150,000 acres.

11 MR. RICE: Which table are you looking at?

12 MS. BRODIE: Table 2.

13 MR. RICE: Okay. Table 2 is just those acres
14 where, basically, there are State permits for harvesting.

15 MS. BRODIE: I see, okay. I'm sorry.

16 MR. RICE: And it's just the stuff that's under
17 permit now, it doesn't -- they could come in next week with
18 another permit or, you know, application and say that they're
19 going to be moving into another 10,000 acres. But basically,
20 this is what as -- actually, it's about a month and a half old,
21 the information we had at the time, those areas where it was
22 identified some activity would be occurring.

23 MS. BRODIE: Okay. Thank you.

24 MR. RICE: Yes, Gerald.

25 MR. McCUNE: I was a part of this process but,

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1 you know, I've forgotten about how are you going to -- how long
2 was the purchase for on -- if you purchased those timber rights
3 for land, how long is that for anyway (ph)?

4 MR. RICE: Well, it would vary, I guess. You
5 could do a fee simple, in other words, buy all the land -- buy
6 all the bundle of rights to the land; it's also possible to
7 enter into other agreements, conservation easements, various
8 buffers around streams, for example, that would not result in
9 complete transfer of rights. If you bought just the timber
10 rights, I guess it would depend on the negotiations, whether
11 you were buying it for 10 years for a hundred years. And the
12 Nature Conservancy, in -- last winter, gave us a book on all
13 the various tools that could be used for protecting habitat.
14 And certain, fee simple is just one of those tools.

15 MR. McCUNE: So, if we were looking at habitat
16 acquisition here, then everyone of these things would most
17 likely be different.

18 MR. RICE: They could be different.

19 MR. McCUNE: Some kind of a different
20 arrangement.

21 MR. RICE: They could be.

22 MS. RUTHERFORD: Could I add something here?
23 During this, what we're calling the interim process or where
24 we're dealing with imminent threat lands, lands that may be
25 logged, what we're going to aim for is moratoriums. Now, I say

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1 aim for, what we're looking for is an opportunity to do further
2 investigation on the lands. The information we'll be applying
3 to these imminent threat parcels between now and January is
4 somewhat limited, and -- but if the Trustees want to move on
5 it, they -- you know, they'll say okay. But at that point in
6 time, we're looking for just an opportunity to provide time, an
7 opportunity to find -- apply more information as it becomes
8 available to us, and determine if within those lands, those
9 imminently threatened lands, there are particular parcels we
10 want to eventually purchase long-term protections for.

11 Now, I say we would like to because it very well may be
12 that the landowners aren't willing to consider that. So, it
13 probably will vary from parcel to parcel. And to some degree,
14 there will be some competition based upon what the landowner's
15 willing to consider. But again, the Trustees may very well not
16 be willing to do fee simple purchasing when they don't know the
17 in-depth information about the specific parcels that we'll know
18 by January. Does that make sense, Gerry.

19 MR. McCUNE: Sort of, except of the moratorium
20 part of it, it could be very controversial.

21 MS. RUTHERFORD: Absolutely, we recognize that,
22 and that's why I say right now, that's something we're talking
23 about but we're not -- you know, we're not at all sure that
24 that's what will occur once, you know, we start negotiations
25 with landowners.

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1 MR. McCUNE: Thank you.

2 MR. RICE: Any other questions? Pam.

3 MS. BRODIE: Yeah. Excuse me if I ask
4 something that you've already explained, 'cause I'm getting to
5 the point where it's hard to absorb everything. What kind of
6 negotiations have you had so far with landowners; for instance,
7 there are stars here for willing sellers, and yet, I don't
8 think that means that other landowners have said no if they
9 don't have a star. Does it mean that they haven't come forward
10 -- they haven't made the initiative to come forward to you?

11 MR. RICE: Yeah, basically, that's it. If we
12 received a proposal as part of the '93 Work Plan ideas where,
13 for example, yeah, the AJV or Concor

14 MS. RUTHERFORD: Just the AJV.

15 MR. RICE: Or the AJV, for example, came
16 forward to us -- or Koniag is what I was -- not Concor, I
17 always mix the two up, so catch me on it. Koniag, for example,
18 said that they have these lands that they would be willing to
19 enter into the process with us, then we identified it as a
20 willing seller. We haven't taken it any farther than that.
21 We're trying to gather as much information about those lands as
22 we can. But we haven't -- it's premature to enter into any
23 negotiations at this time.

24 MS. RUTHERFORD: And it doesn't mean that the
25 rest of them are not willing sellers, this is just -- the

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1 indication here of willing sellers just has to do with whether
2 or not a proposal was received as part of the '93 ideas effort.

3 MS. BRODIE: And when in the process would you
4 anticipate contacting some corporation that has not been
5 participating at all, but that some of us may say we'd like to
6 acquire?

7 MR. RICE: When would we approach those that
8 have not identified themselves as willing sellers?

9 MS. BRODIE: Yes. Yes.

10 MR. RICE: Well, I think

11 MS. BRODIE: Those who haven't come forward.

12 MR. RICE: for the interim process, we've
13 probably got enough on the table right now to deal with in
14 terms of gathering information about those lands where we do
15 have identified willing sellers and possible imminent threat on
16 those. In terms of identifying those where maybe the public
17 has identified some lands in going out and contacting those
18 owners, it would be -- it may be as early as January, but I
19 wouldn't -- I'd hate to be quoted on that.

20 MS. RUTHERFORD: To be real frank, we're not
21 real sure on that, the answer to that question, Pam. I mean,
22 it's -- we know we have to move real quickly into what we're
23 calling the comprehensive effort. But -- and that is sort of
24 where we go out and begin talking to the people that haven't
25 already come forward, but we just aren't there yet. And it's

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1 of concern to us because we don't want to preclude them, we
2 don't want to, you know, just be considering places where, you
3 know, the chainsaw is running. Like Chenega has come forward
4 and said we're willing to work with you, yet, they're not
5 saying we have any imminent threat activities, they're just
6 saying we want to work with you. We want to enter into some
7 kind of agreement with them, and we, certainly, will want to do
8 that with others, too, we just aren't there yet. And I really
9 can't -- I mean, the honest answer is we don't know yet.

10 MR. BRODERSON: As soon as possible.

11 MS. RUTHERFORD: Yeah.

12 MR. RICE: Trust us, we're from the Government.

13 MS. RUTHERFORD: We even make ourselves
14 nervous.

15 MR. BRODERSON: The check's in the mail.

16 MR. RICE: Any other questions? Yes.

17 MS. BENTON: Will the study from the Nature
18 Conservancy be available before the Trustee Council meeting on
19 December 11th to the public?

20 MR. RICE: The information from the workshops?

21 MS. BENTON: Yes.

22 MR. RICE: Probably, yeah.

23 MS. BENTON: Okay.

24 MR. RICE: Yeah. I don't -- we haven't
25 discussed about making it public before then or not, but I'm

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1 sure we can arrive at some workable solutions here. The Nature
2 Conservancy Handbook is a very useful document. Some of you
3 probably have copies, we're out of our first printing. And if
4 any of you would like to have copies, let me know and we'll try
5 and get some additional copies printed up for you. Okay. It
6 sounds like most people want a copy.

7 MS. BENTON: Um-hum.

8 MR. RICE: Okay. We'll have enough copies made
9 up and probably can do that in fairly short order.

10 DR. FRENCH: How many of us already have
11 copies? It looks like you could make at least three less than
12 you might otherwise. They're a big book.

13 MR. RICE: Okay. Well, I need to make more
14 than just enough for here, because we do get periodic, other
15 needs for it.

16 DR. FRENCH: That's a lot of pages in that.

17 MR. RICE: Yeah.

18 MS. BENTON: A little more light reading.

19 MR. RICE: Yes.

20 MS. RUTHERFORD: Tell them about the 20 million
21 dollars.

22 MR. RICE: Okay. We do have one project in the
23 '93 Work Plan that identifies up to 20 million dollars. The
24 Trustee Coun- -- we're asking the Trustee Council to basically
25 go to the court registry, pull that money out and then as they

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1 identify specific parcels of lands where they want to enter
2 into negotiation and agreement with landowners, then they would
3 be able to access that money to use that. It's sort of, you
4 might say, a good faith -- showing good faith that we are
5 moving forward with the process and that we do have money
6 identified to move if we feel that it's to the resources
7 benefit and the landowners are willing.

8 MR. BRODERSON: And that's not to say that the
9 Trustee Council is just limited to 20 million dollars either,
10 they can go back to the court for the additional money that is
11 shown on that incorrectly calculated numbers that I gave you
12 earlier. This 20 million just makes it easily accessible
13 without having to go back into court, but that other money is
14 there for Trustee Council discretion to spend as they see fit
15 with your input.

16 MS. RUTHERFORD: In fact, the Trustees had
17 fairly significant discussions when they first reviewed the '93
18 Work Plan about that amount, because -- and they wanted it to
19 be made very clear that that was just an indication of their
20 commitment to it, but it in no way indicated a prescribed
21 amount, a cap or anything like that.

22 MR. BRODERSON: Shall we push on to the '93
23 Work Plan? Any other questions about this? Pam.

24 MS. BRODIE: Speaking of that 20 million, it
25 was divided 10 million to a State agency and 10 million to a

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1 Federal agency, which surprised me. Does that mean that there
2 is some sense that the money needs to be divided 50/50?

3 MR. RICE: No. It was just to show that it
4 would either go to the Feds or the State. It could go into
5 both accounts, and then, depending on who the logical land
6 manager would be, then the money could come out of that fund.
7 But there was no prejudgment as to what lands would be going
8 where, it's a topic the Trustee Council needs to wrestle with
9 just to figure out how they're going to determine the
10 appropriate land manager for anything that is acquired
11 (indiscernible - voice lowers)

12 MS. RUTHERFORD: An important fact, it's
13 something the Habitat Protection Work Group is wrestling with
14 is to try to give the Trustees some information and guidance on
15 how the -- once the lands are acquired for some type of
16 protection on how they will decide to hold it. So, it is
17 something, also, that we're working on (ph).

18 MS. BRODIE: It's something that worries me a
19 lot since the Federal Government appears to be the more logical
20 landowner for most of the land, and I'm afraid that that might
21 cause problems.

22 MS. RUTHERFORD: There's been really no
23 significant discussion on it really, no substantive discussion
24 on it.

25 MR. BRODERSON: Just a minute here. We're

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1 thinking -- we request your indulgence to switch the '93 Work
2 Plan and the Oil Spill Symposium to make sure that the
3 symposium doesn't slighted. We could very easily spend the
4 rest of the time talking about the '93 Work Plan, so if you all
5 don't mind, we'll have the brief discussion of the symposium by
6 Dr. Morris, and then we'll drop into the '93 Work Plan.

7 DR. MORRIS: It'll be real quick, I just want
8 to make sure. I just want you to know that we have an Oil
9 Spill Symposium scheduled for next February, the 2nd through
10 5th, we hope you'll all attend. It will be the first time
11 we'll be presenting the comprehensive results of the damage
12 assessment studies and other studies that were conducted on the
13 Oil Spill. It will be at the Egan Convention Center, here in
14 Anchorage. You will have to put pressure on Doug Mutter to
15 approve travel, otherwise I hope you'll come on your own to
16 this; at least for the first day, which will be summary
17 prese- -- sort of more general public oriented summary
18 presentations of the various types of studies that were
19 conducted. The final three days will be the individual
20 presentations by principal investigators, more technical, on
21 individual topics. So, there'll be something for everybody,
22 it'll range from marine birds to archeology to subsistence
23 impacts to the state (ph) of the oil, marine and terrestrial
24 mammals, marine anadromous fish, a number of other things which
25 I haven't thought of right now. The registration fee is set at

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1 \$95.00 for the technical sessions; the preliminary session the
2 first day is free. The registration forms should be out within
3 the next couple of weeks (indiscernible) -- that you can
4 respond to. We'll make sure you all get copies individually as
5 well.

6 But there's a fact sheet there that kind of summarizes
7 the who, what, when, where and why of the symposium and the
8 initial announcement that went out about a month and a half or
9 so ago. And I think you'll all find it of interest to learn
10 the extent of some of the injuries that we've documented,
11 resources and services, in a more detailed fashion that you
12 maybe have seen so far.

13 Any questions?

14 MR. TOTEMOFF: Yeah, I've got one.

15 DR. MORRIS: Yes.

16 MR. TOTEMOFF: I understand the Exxon
17 scientists are not going to be here?

18 DR. MORRIS: No, they aren't. They chose not
19 to use our forum to present their side of the story.

20 MR. BRODERSON: Those of you who are

21 DR. MORRIS: We invited them.

22 MR. BRODERSON: Yeah, we made the effort to
23 have them come. Those of you who are interested to hear from
24 the Exxon scientists can journey down to Atlanta in late April
25 where they will be having a symposium of their information.

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1 DR. MORRIS: They chose a better climate.

2 MR. BRODERSON: Moving on to the '93 Work Plan
3 now. Jerome Montague will discuss this, it's another one of
4 our work groups; we had a '92 Work Group, it died when '92
5 stopped; the '94 Work Group will start up shortly. So, with
6 that

7 DR. MONTAGUE: Okay. This is the Blue handout,
8 unfortunately, I didn't follow our procedures and get holes
9 punched; I will leave a hole puncher by the door. This should
10 go under Volume 2, Tab 4, between the '92 and '93 Work Plan.
11 And this isn't, for the most part, I don't know is any new
12 information, but it's, more or less, just to organize the
13 presentation here and prevent -- present some key items that
14 you can find by digging, but we'll bring them to the front
15 here.

16 The schedule for the work plan process, the annual work
17 plan process is very consuming, and the Restoration Team is
18 fully involved, I would say, more in the development of the
19 annual work plans than most any other work group activity. And
20 it really is all consuming, and for some behavioral quirk, I do
21 enjoy the development of these plans. And I've appreciated you
22 all's interest throughout the day in the '93 Work Plan, and I
23 will do my best to help you get consumed with it and by it,
24 too, because there's a lot to grab ahold of here.

25 Briefly, going over the schedule, you know, there was

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1 the Spill, there was an '89/'90 Work Plan, and then '91, it was
2 approved in April of '91, the Settlement in October of '91.
3 May of this year, we solicited ideas for the '93 Work Plan. In
4 June of this year, the '92 Work Plan was approved. In October
5 of this year, we completed the Blue Book, and you know,
6 during -- the printing process took a few weeks, and it was
7 issued the 20th of October. The 23rd of October, I believe
8 that's the correct date, you all were established. On the 20th
9 of November, the public comment period ends, and I don't
10 believe that that is necessarily the PAG comment end on that
11 day, I think, and you know, you all can carry on beyond that.
12 December 11th, the Trustee Council approves the projects for
13 the '93 Work Plan. Some time soon after that, we would request
14 funds from the court. A few weeks after the decisions, we will
15 probably finalize the Blue Book either into a new book or just
16 some modifications to its current makeup. And then, between
17 the 1st of January and the 1st of March, most projects would
18 begin.

19 One point I want to bring to your attention on the
20 schedule is from '91 to '92, there was 14 months, from April of
21 '91 to June of '92, till the '92 Plan was approved. But the
22 '93 is being done in six months, so it's a very accelerated
23 process, and I really don't think we've cut any corners, we've
24 just had to work a lot harder. And the reason for that is that
25 we're attempting to go from an oil year, which is March 1st to

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1 February 28th, to the Federal fiscal year. And this was our
2 first attempt to do that, and in all future years, we hope the
3 annual work plans are completed in August instead of December.

4 We developed a number of assumptions to help the
5 Restoration Team in developing the work plan, and we took these
6 assumptions to the Council, they rejected many, added a few and
7 modified the ones we kept or the ones they kept, and this is
8 sort of a summary of the assumptions that they sort of turned
9 us loose with on how to develop the plan. And the first point,
10 as I've kind of mentioned, we wanted to have, at least, a draft
11 of the budgets done by the end of August; you know, we missed
12 it by a couple of weeks. But the need for that was to have
13 budgets, at least for the Federal agencies, to the Federal
14 Office of Management & Budget before October 1st.

15 Another major point is since the Restoration Plan,
16 which we heard talked about earlier here, is not done, that we
17 should take a conservative approach, meaning we shouldn't have
18 as big a program as we may have after we have the Restoration
19 Plan. And there's a lot of other elements that kind of fall
20 into what a conservative approach is. But one of the main ones
21 was that the project should be time critical and that delaying
22 them until after the plan's developed and the public and the
23 EIS and all those kinds of things are done, be delayed; and
24 those that really couldn't be delayed, to consider for this
25 year.

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1 Okay. And we divided the projects into various
2 categories, and we kind of had some moderate direction on what
3 we should try to achieve in those categories. And under the
4 damage assessment projects or damage assessment closeout
5 projects, 1992 closed out, I believe, something on the order of
6 35 or 40 injury assessment projects. So, any injury assessment
7 that we have proposed to carry on from '92, there was a high
8 priority to close it out this year. And they weren't
9 considered, if they were supposed to closeout in '92, they were
10 immediately rejected if they showed up as a '93 idea. Damage
11 assessment was only considered if there was reason to believe
12 that injury was continuing and not fully elucidated or there
13 was some strong evidence of -- at least circumstantial evidence
14 of injury that would indicate that we need to start a new
15 injury assessment investigation. In any case, it was to be
16 much smaller than what we had in '92.

17 The restoration monitoring, many of the projects that
18 were proposed in '92 were deferred as monitoring is -- I think
19 we all agree, we need to monitor, the amounts you need to
20 monitor and whether it needs to be every year. We're working
21 on developing a schedule for that, but in any case, we
22 anticipated more monitoring projects in '93 than '92.

23 Restoration manipulation and enhancement projects,
24 these are such things as putting in fish ladders and other
25 active manipulation. We only had one such project in '92, we

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1 anticipated to have more than that in '93.

2 For habitat protection and acquisition, we had guidance
3 to try to wrap the three information gathering projects that w
4 had from '92, and to develop some processes -- or develop some
5 projects to develop the processes for protecting habitats. And
6 the Council did recognize there is strong public support for
7 that, and that, indeed, in '93, they may protect habitats,
8 which will be a first step. It hasn't been done in a previous
9 year.

10 Restoration management actions was a large category for
11 '92, and we also expected it to be large for '93.

12 Technical support projects, depending upon which other
13 projects went, there, indeed, would be technical support
14 projects. And we anticipated that while a conservative
15 approach would be taken, the plan may be somewhat bigger in '93
16 than it was in '92. The Blue Book was to -- or the '93 Work
17 Plan was to include administrative director, Restoration Team
18 and other budgets associated with the process. And endowments
19 should be considered.

20 And those were sort of the -- that was the guidance we
21 had from the Council on what kind of a plan to develop. So,
22 our first step, after that, was the litigation band had just
23 been lifted, the public could get involved, so we immediately
24 opened it up to the public, and we came up with a one-page idea
25 format and solicited ideas far and wide from the public and the

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1 agencies. And the reason we went with a one-page idea is we
2 didn't want to people to spend a lot of effort developing
3 something that would likely be rejected. We just wanted to get
4 an idea. And well, let's see. Those are the ideas that we
5 received. There was 463.

6 Mid-June, we received 463 of these ideas, approximately
7 two-thirds from the agencies and a third from the public.
8 After duplicates and other comments were -- duplicates and
9 ideas that were more accurately categorized as comments, once
10 those had been removed, there were 358 ideas that remained.
11 And to get some idea of the scope of what these 463 projects
12 would do, discounting one idea, which was to spend the entire
13 billion on removing the Alaska Pipeline. The remain ideas
14 would have amount to about 6 or 700 million dollars. So, with
15 the guidance the Council had given us and with the number of
16 ideas and the size of the program that these ideas warranted,
17 we had a big job ahead of us to pare it down.

18 And on the -- I'm sure you're thinking, you know, why
19 two-thirds agencies and a third public, and you know, we
20 thought a lot about that, too, as the ideas came in, why that
21 was. And you know, the agencies have been involved intimately
22 with it for three and a half years; you know, they've had ideas
23 on what to do running around in their heads, and all they
24 needed was the word go to start putting them in. I imagine
25 that as the public gets a lot more involved and they understand

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1 the injuries more, the public participation and ideas is bound
2 to go up.

3 Okay. Then, we developed a process of -- approved by
4 the Council of how we were going to go through all these ideas
5 and try to actually develop some sort of a work plan. So,
6 before we went any further in terms of further developing an
7 idea, we applied all these criteria here. And we had three key
8 criteria, or so-called killer criteria, that any idea had to
9 pass all three of those before it was considered further. And
10 the first one was compliance with the terms of the Settlement.
11 There's a lot of ways they need to comply, but the one that
12 usually affected a project or not is whether there was a link
13 to injury. Two, whether it was technically feasible. And
14 three, whether it complied with laws, regulations and policies.
15 And in terms of Criteria 3, although we looked at, legal
16 counsel further looked at our decisions and, in many cases,
17 reversed them or added new ones.

18 As I've kind of covered under damage assessment
19 projects, if they were a '92 closeout project, they were
20 rejected. New and continuing projects only if the injury
21 wasn't well enough identified to carry our restorative actions.
22 And under restoration, the idea had to have a definable
23 restoration end point, and it had to be time critical, meaning
24 there would be significant loss to not do it this year, and/or
25 it could have a lost opportunity. And what that means is, for

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1 instance, the \$50,000 data gathering project may be able to get
2 a free ride on a \$300,000.00 oceanographic ship in '93 that
3 they wouldn't have in future years; and that's what we meant by
4 lost opportunity. And that we not go with a restoration
5 project that involved a long-term commitment, but we waive that
6 on occasion if the time criticalness or lost opportunity
7 aspects seem very noteworthy.

8 After they had gone through all of that, then the
9 Restoration Team and the Chief Scientist looked at all the
10 ideas that remained and combined any of those that seemed to be
11 logically combined, and had a lot of discussion on whether in
12 spite of having these 463 ideas, were there any major areas
13 that weren't addressed; so, we tried to fill in any gaps.
14 After all that was done, we had 55 projects that remained. And
15 of those 55, I don't have it written here, but I think it
16 actually represents about 120 ideas when you count the
17 combinations.

18 And once we made it as far as which 55 they wanted to
19 be developed further, we assigned the project to one of the six
20 Trustee agencies to be the lead, and it was their
21 responsibility to have a brief project description written and
22 a detailed budget. And the -- what's in the Blue Book is,
23 basically, the three-page text description, and then there is a
24 much larger -- this Red Book, the detailed budgets, which
25 Charlie Cole was talking about earlier, and this is available

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1 to look at. But Mark and his people are correcting it on some
2 errors, so until he's done, there's no point in really looking
3 in that. But it will be a document of a similar size.

4 Once these three-page descriptions and detailed budgets
5 were received, peer review was conducted under auspices of the
6 Chief Scientist. So, the Chief Scientist and a few selected
7 peer reviewers looked over what we had. Then the Restoration
8 Team, based on that review, made changes to the projects, and
9 then voted on the individual merits of the projects. Again,
10 the projects were revised, the Chief Scientist alone commented
11 on the package, and the Restoration Team voted on the projects
12 again in terms of their priorities. And they used -- we used
13 our best professional judgment based upon a number of factors,
14 and I'll read one of them to you. I know several of you asked
15 what -- you know, aside from the criteria I've just gone over,
16 there was additional criteria at this voting stage.

17 And for example, for a injury assessment project, there
18 was eight things that we were considering when we made our
19 votes, and for each category, we have a different set of
20 evaluation factors; I won't read them all, they're here for you
21 to look at. Just for injury assessment, what are the affects
22 of any other actual or planned actions, the potential to
23 improve the rate or degree of recovery, potential adverse
24 impacts on health and safety, relationship of expected costs to
25 expected benefits, cost effectiveness, potential for additional

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1 injury resulting from the action, importance of starting the
2 project the next year, and reason to believe the injury was
3 continuing or not fully understood. And there is a record of
4 all this for you all to review if you choose to.

5 Then, all the original 55 were presented to the Trustee
6 Council. And with our recommendations and our -- by our
7 operating procedures, the Restoration Team's recommendations
8 are based upon five or six yes votes. So, those projects that
9 had five or six yes votes became the Restoration Team's
10 recommendation to the Council. And then, the Chief Scientist
11 presented an independent recommendation to the Council, which
12 didn't necessarily -- or didn't match ours. And that's
13 included in the back of the Blue Book.

14 During that Trustee Council meeting, five of the 55
15 projects were removed, and the remaining 50 make up Blue Book.
16 And the Trustee Council -- you know, our recommendations and
17 Spies' recommendations are there, the Council has no
18 recommendation at this point; all 50 are in there. And to --
19 here on this page, to give you sort of a snapshot of what's in
20 there now, of the 50 projects under injury assessment, there's
21 2 projects restoration monitoring, 11 projects management
22 actions, 13 projects restoration manipulation, enhancement 12,
23 habitat protection 7, and technical support 5. And the
24 technical support includes things like computer support and
25 hydrocarbon analysis. And then, we also presented a spread

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1 here by resource type, fish, shellfish, birds, mammals,
2 intertidal, subtidal, human resources, habitat protection and
3 technical support. The second list has a larger number, 55
4 instead of 50, the reason for that is if a project was a bird
5 and sea otter survey, then it would appear both under birds and
6 mammals; but still, we're talking about 50 projects.

7 Okay. Where do we go from here, other than what I've
8 just pointed out and a few other statistics or status of what
9 is represented in Blue Book, is that as we talked about, some
10 of the projects -- or all the projects are really assigned to a
11 lead agency. Currently, the way Blue Book is set up, 36 of
12 these projects would be conducted primarily by agencies, 14
13 conducted primarily outside of agencies. And of the funding,
14 approximately 50% in Blue Book, which isn't an approved book,
15 would be agencies and about 50% to the private sector. The
16 Draft Plan of the projects only is about 40 million dollars,
17 and that includes the 20 million dollars set aside for habitat
18 protection actions. That's the whole plan or the whole Blue
19 Book. The Restoration Team recommended a portion of Blue Book
20 as 35 million, including the 20 million for habitat protection
21 action.

22 At their December 11th meeting, the Trustee Council
23 will consider public comments, the Public Advisory Group's
24 advice and the recommendations of us, the Restoration Team and
25 the Chief Scientist before they make their decision.

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1 The next step, after they approve the work plan, will
2 be our job will be to develop detailed project descriptions for
3 an agency project or requests for proposals for an outside
4 agency project. We receive funds from the court, we'll either
5 issue contracts or initiate agency projects, and monitor
6 performance and carry out mid-course corrections and changes to
7 projects as is necessary.

8 And then, last, I've noted the documents here that are
9 available. I know you had a lot of questions on the Work Plan,
10 there's more information here than you can shake a stick at if
11 you -- you know, the Blue Book summarizes it well, but this is
12 all -- will lead up to Blue Book. So, you know, particularly,
13 if you're interested in recommending some new project that's
14 not in there, it's probably valuable to see if it wasn't
15 already suggested and why it wasn't carried further. You know,
16 since there are that many ideas that didn't get carried
17 further, there's a lot of good projects that will probably be
18 considered in the future.

19 Is there any questions?

20 MR. PHILLIPS: In regard to that last
21 suggestion, is there an easy way to find out whether or not the
22 idea was offered and rejected rather than reading through 400
23 and some

24 DR. MONTAGUE: Yes, there is, and I should have
25 just gone through these documents that I talked about, and I'll

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1 do that now because it answers your question. Okay. What we
2 have is a notebook -- notebooks, three notebooks of all the
3 original ideas. The notebooks -- or notebook of the project
4 evaluation sheets and the voting record of the Restoration
5 Team, the detailed budgets of which Mark Broderon's soon going
6 to have revised. The Blue Book, what we call the fate of ideas
7 table, in that, you know, through a number of approaches,
8 either by the title of the project, by the proposer's name, you
9 can find out what happened to it. And there is this table, and
10 it'll tell you, you know, rejected and it'll give the reasons
11 why it was rejected, so on and so forth. So, I'm glad

12 MR. PHILLIPS: Could I just call you and ask
13 you?

14 MR. RICE: That would be easier.

15 DR. MONTAGUE: That's fine.

16 MR. PHILLIPS: Okay.

17 DR. MONTAGUE: That's fine. But this isn't as
18 -- I mean it is pretty complicated, but it's there, it's all
19 there.

20 UNIDENTIFIED VOICE: Do you want a
copy?

21 MR. PHILLIPS: No, I don't want a copy.

22 MR. MOFFIT: By the way, Jerome's phone number
23 is in there (ph).

24 MR. RICE: And call only Jerome.

25 MR. BRODERSON: His number is 555-1212.

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1 DR. MONTAGUE: And there's one other document I
2 didn't mention there.

3 UNIDENTIFIED VOICE: Please don't.

4 DR. MONTAGUE: But it's the status of the 1992
5 projects which the Council will have in hand to help them
6 decide on what to do in '93. Pam.

7 MS. BRODIE: You said of the 358 ideas that you
8 considered, that approximately two-thirds were proposed by
9 agencies and one-third was proposed by the public?

10 DR. MONTAGUE: Not necessarily 358, of the 463,
11 it was two-thirds and one-third.

12 MS. BRODIE: Okay. Of the final 55 that appear
13 in the workbook, how many of those were proposed by the public?

14 DR. MONTAGUE: Well, as I mentioned the 55
15 represent something like 117 ideas, and those 117 have roughly
16 the same breakdown of one third public and two-thirds agency,
17 which we didn't have any mandate to do; I was surprised to see
18 that's that what happened. Other

19 MS. BRODIE: Is that clear in the descriptions
20 of them, where it initially came from?

21 DR. MONTAGUE: No. It's clear in those tables
22 that I just -- you know, that you can look up all the ideas in.
23 And it does say that Project 9317 is made up of these ideas; it
24 doesn't say it in the project description but it says it in
25 these look-up tables, the fate of the ideas table. I know

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1 there's a lot to digest there, and I'm sure you'll enjoy

2 MR. TOTEMOFF: I've got one question.

3 MR. PHILLIPS: I wish they were all this
4 succinct.

5 DR. MONTAGUE: Thank you.

6 MR. PHILLIPS: That's excellent.

7 MR. TOTEMOFF: You mentioned there's a 50%
8 agency money allocated and a 50% private sector, how -- is it
9 in any of these volumes?

10 DR. MONTAGUE: Well, basically, how that is
11 determined is if you -- Line 300, which is contract funds, if
12 you add up all the Line 300s, it amounts to about half the
13 program, and that wasn't even considering -- I'm glad you
14 brought that up -- wasn't even considering the habitat
15 acquisition. If you add the 20 million for habitat
16 acquisition, assuming that's what we did, it would skew it to
17 like 15% agency and the rest outside the agencies. I'm glad I
18 made that point, because with the 20 million, it really
19 wouldn't be 50/50, it'd be much less to the agencies.

20 Other questions?

21 MR. BRODERSON: Do you want to take it back
22 over, Doug?

23 MR. MUTTER: I might mention, before we
24 adjourn, that the library across the hall will be open till
25 6:00 o'clock tonight, so after we adjourn, if you'd like to

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1 step in there, why Carrie will show you around and show you
2 what kind of resource materials that we have available. At
3 this time, I think it might be useful just to go around the
4 table and see if any of the Public Advisory Group members have
5 any comments or anything they'd like to say with regard to
6 where we're at and where they think we're going. Pam, shall we
7 start with you, do you

8 MS. BRODIE: Yes. First, I have a question.
9 And that is do we have specific terms that we serve for? This
10 may be in the Charter, but are we appointed for one year or
11 does it vary depending on who we are?

12 MR. MUTTER: It's a two year term.

13 MS. BRODIE: Two year. We all have a two year
14 term.

15 MR. MUTTER: At this point. The Charter of the
16 group is, by law, for two years. One of the items that you may
17 want to discuss is setting up staggered terms for members.

18 MS. RUTHERFORD: Doug, could I add something to
19 that?

20 MR. MUTTER: Um-hum.

21 MS. RUTHERFORD: Yeah. The Public
22 Participation Work Group had actually suggested that they do be
23 staggered terms because we didn't want to see the potential for
24 a total turnover, should the Trustee Council ever get to that
25 point. And -- but given the way you were appointed, which was

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1 two years terms, it would be have to be like after that. So, I
2 would suggest that maybe you consider that when you look to
3 making the suggestions on your operating procedures to the
4 Trustee Council, because I don't think a total turnover is a
5 good option.

6 MS. BRODIE: Also, is there something -- maybe
7 we already have it -- something that lists the working groups,
8 the names of the working groups and who's on them; is that
9 something that we could be provided

10 MS. RUTHERFORD: Yeah, the

11 MS. BRODIE: without causing too much
12 trouble?

13 MR. MUTTER: Sure. There is a tab in your
14 notebook for that,

15 MS. BRODIE: Okay.

16 MR. MUTTER: and we're preparing those
17 materials, so we'll get those in the mail to you. Yes.

18 MS. BRODIE: Okay. Great.

19 MS. BERGMANN: A follow-up comment on your
20 question. The terms of the PAG members are two years, but
21 those members can be reappointed for additional two year terms,
22 if after serving two years you wish to subject yourself to
23 that; and of course, if the Trustees would like to continue the
24 appointment. So, even under the present situation, it doesn't
25 mean that we're going to have a hundred percent turnover at the

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1 end of two years.

2 MR. MUTTER: Jim.

3 MR. CLOUD: Is there a budget for the
4 administrative costs of the Council separate from -- what I saw
5 was there seemed to be an administrative cost for each project
6 that was

7 DR. MONTAGUE: Okay. That's --

8 MR. CLOUD: sort of assigned to it.

9 DR. MONTAGUE: that's overhead that's
10 assigned to the project, but the administrative costs are also
11 shown here, too; there's the '93 administrative director, '93
12 Restoration Team represented in two categories. One, that
13 portion of the funds that really supports the project, and that
14 portion of the funds that really do not support any project,
15 per se. And I think this is Page 18 and 19 of Blue Book.

16 MS. BERGMANN: Also, if you're interested in
17 more detail on that budget, all the way down to individual
18 working groups, that will be contained in the document that
19 we've alluding to all day that will be produced in about

20 MR. BRODERSON: About a week.

21 MS. BERGMANN: another week.

22 MR. BRODERSON: It's 400 plus pages, so it's
23 good nighttime reading.

24 MS. BERGMANN: It's about this thick, but it
25 does break down the administrative budget in a great amount of

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1 detail,

2 UNIDENTIFIED VOICE: And the amount of

3 MS. BERGMANN: as well as the project
4 budgets.

5 MS. RUTHERFORD: I might note, too, in the Blue
6 Book that they do have lists of all the work groups and their
7 tasks for this coming year; they don't name the -- which -- who
8 -- the names of the people that are on that work group. And
9 then, you know, there's no specific detail beyond just the
10 tasks.

11 UNIDENTIFIED VOICE: Okay.

12 MR. MUTTER: Jim.

13 MR. DIEHL: Just rules of the PAG meetings, I
14 guess, that's kind of a concern; like, what's going to
15 constitute a quorum, it's not in the Charter is it?

16 MR. MUTTER: No. But it's in the draft
17 background and guidelines, and

18 MR. DIEHL: To public groups (ph)?

19 MR. MUTTER: in the handout. Yeah, so
20 take a look at that. And that's one of the items to go over at
21 the next meeting.

22 Mr. DIEHL: Okay. I'll find that.

23 MR. MUTTER: Okay. Donna.

24 MS. FISHER: We have received a lot of material
25 today, and these books are quite thick to be carrying back and

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1 forth on the plane; is there one particular -- probably this
2 one that we should continue to bring back and forth or both of
3 them or what?

4 MR. MUTTER: Well, you may want to pull
5 materials out of the book. At the next meeting, we'll look at
6 the operating procedures and the 1993 Periwinkle Book. Okay.

7 MS. FISHER: Okay.

8 MR. MUTTER: So, those will be the two key
9 items at that point.

10 MS. FISHER: That we should bring. Okay.

11 MR. CLOUD: And there'll probably be more.

12 MS. FISHER: I'm sure there will.

13 MR. MUTTER: Bring an empty suitcase. John.

14 DR. FRENCH: I don't have too much in terms of
15 specific comments. I'm a little disappointed to see this
16 process starting as late as it did, but I can, somewhat,
17 understand the reasons why. I wish there were some ideas we
18 could get to facilitate public input between now and December
19 2nd, but it looks like we're pretty much hamstrung by the
20 public meeting process. So, if anyone has any ideas, I'd be
21 happy to hear them. But, yeah, I'm real concerned about
22 getting enough public feedback, because I don't think the
23 public process to date has really reflected the entirety of
24 opinion throughout the Spill area.

25 MR. MUTTER: Paul.

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1 MR. GAVORA: Well, kind of following on what
2 John says, is I would like to see us to get organized, budget
3 it so we can function as a body. If we're going to be sitting
4 here for too long, you know, just being kind of a response
5 team, I don't think we're going to get our job done. So, I
6 think the sooner we go and develop a budget, the sooner we get
7 this thing organized and take on these functions, the better
8 off we will be. To me, it was a very informative session
9 today. I came in very cold on the subject, and I appreciate
10 it, but in order to step forward, I think we need to go and
11 expedite the formal setting up so people can go to work and we
12 can accomplish something.

13 MR. MUTTER: Jim.

14 MR. KING: Well, I think I'm a little
15 overwhelmed by the material you've presented us, and I'm
16 impressed by the work that's already been done. And I probably
17 will have comments after I digest all of this material, but at
18 this time, I think I'd just like to say thanks for some good
19 presentations today. I know a lot of you have worked very hard
20 for this meeting, and I think it went well.

21 MR. MUTTER: We hope no one wants to quit after
22 today. Gerald.

23 MR. McCUNE: Well, I don't have too much to
24 say, except for, you know, at least we got started; we had some
25 pretty overwhelming stuff here. But although, I'm familiar

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1 with a lot of this process already, one concern I have is that
2 some people aren't familiar with this process and haven't been
3 part of this process. I don't know why John wasn't here today,
4 but you know, there's some reason why he wasn't. So I suggest
5 that we try to get the minutes of this meeting out to these
6 members that aren't present so they can see what has been done
7 so far, because they're going to be way behind from where we're
8 at, I can see that right now. So -- and I wouldn't want to sit
9 through this again.

10 MR. MUTTER: We'll get a meeting summary out.
11 Brad.

12 MR. PHILLIPS: It seems to me that if our input
13 is going to be meaningful and really be helpful to the
14 Committee, that I feel very much like Paul Gavora does, that
15 we've got to get organized in a hurry. And the only other
16 admonition I have is that I hope that the members of the PAG
17 can be here at each meeting, and have, if not a full group, as
18 close to it as possible, because it'll really hurt our progress
19 if we've got to bring everybody up to speed every time there's
20 another meeting. I'm looking forward to it, but I'll tell you
21 there's got to be a fast learning curve to catch up with you
22 guys that have been at it for two years or three years. And
23 I'm going to do my very best, but I hope we get organized and
24 our budget going, and a direction as quickly as possible.

25 MR. MUTTER: Kim.

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1 MS. BENTON: I guess I'll follow it up with the
2 missing member, I know that John wished that he could be here,
3 and unfortunately, December 2nd, he's going to be in Japan, so
4 you'll be stuck with me again. And I appreciate you allowing
5 me to be here, and I'll do everything that I can to make sure
6 that when John can attend, he is fully aware of what's going
7 on. I know he regrets not being able to here, but I appreciate
8 your opportunity to allow me to sit at the table.

9 MR. MUTTER: Chuck.

10 MR. TOTEMOFF: Kind of closing comments, I
11 think it's rather more a concern. I am very concerned about
12 the conflict of issues -- conflict of interest issues that the
13 lawyer over here, the solicited officer (ph), bring up, that
14 this brings to mind to a lot of problems. All of us in here
15 have our own interests, and if we're disallowed to participate
16 at some point in time, I think our interests, or whoever we
17 represent in our interest groups, is going to suffer. And I
18 would just like to get a definition of where the line will be
19 drawn. And it seems like it's case by case issue. But I
20 certainly don't want to get myself in trouble, you know, by
21 going too far, and I'm sure nobody else does either. That I'd
22 just like some follow-up before the next PAG meeting or
23 discussions anyway.

24 MR. GOLTZ: Okay. Well, you or anybody else
25 can feel free to call me, and in addition, I'll be here next

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1 time, so if we meet any of these problems, we can deal with it.
2 I think they will be -- have to be handled on a case by case
3 basis.

4 MR. MUTTER: Okay. One of the requirements of
5 the Public Advisory Group in their meeting is that they allow
6 time for members of the public who are sitting in the audience
7 to say a few brief words. Do we have anyone?

8 SENATOR STURGULEWSKI: Yes.

9 MR. MUTTER: Senator Sturgulewski. There's a
10 microphone right here.

11 SENATOR STURGULEWSKI: Thank you very much.
12 I'm Senator Sturgulewski. I am here as an individual, and wish
13 to congratulate you when I see that you're a success because
14 you already have an acronym; so, therefore, you are alive and
15 well. I just wanted to tell you that there has been, I
16 believe, some frustration in that there has not been a lot of
17 opportunity for public comment, and so I've tried to attend as
18 many meetings as I can, and certainly to make comment. I do
19 want to, and am passing around, you're getting a tremendous
20 amount of information, but something about which I feel very,
21 very strongly, and that is for the creation of an Exxon Valdez
22 Marine Sciences Endowment that will allow for ongoing
23 scientific effort. And have -- this came about, I'm an advisor
24 to the International North Pacific Fisheries Commission, I had
25 fellow colleagues, Senator Zharoff and Senator Cotten, on that

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1 particular advisory group. And we've been very interested and
2 did quite a lot of background work in finding out just who's
3 doing scientific work in our marine environment. And out of a
4 whole lot of discussions, this proposal has involved -- or
5 revolved and involved. You will see on the back of this
6 particular thing, letters of support that we have received;
7 there have also been many other letters that have gone into the
8 staff. And you'll notice in the work that you have, that there
9 was -- the Trustees did ask that there be, under the
10 Restoration Plan, the consideration of an endowment.

11 So, my purpose here today is really to encourage you to
12 take a look at this and to consider the longer term interest in
13 getting knowledge about our marine environment. It was very
14 interesting. One proposal that came before the Trustees, I
15 believe, is in the fiscal year '93 Plan, called for a study to
16 be done. And after the study had been, more or less, agreed
17 upon, it was for around 100,000 plus, and made a part of the
18 plan, after the meeting was over and comments of the Trustees,
19 it was indicated that to really be successful, that should be,
20 in fact, a 10 year study utilizing something like a million
21 dollars. So, we need, I think, in this whole issue of getting
22 baseline information and monitoring, to take the longer view.
23 This has strong support from the University of Alaska, you will
24 find a letter by Dr. Komasar (ph) there. I am going on the
25 statewide board for the -- as an advisor to the Fisheries &

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1 Marine Science for the University.

2 So, I hope you will take a close look at this. I do
3 not want it to be seen as being in conflict, and we've talked
4 about that, with the purchasing of trees to protect the
5 environment. But this is a separate part, and it's just with
6 that that every opportunity I have, I'd just like to advance
7 that proposal. And so far, it's stayed out there as a part of
8 a restoration plan, but I really would like to see it
9 activated. I would have no -- I hasten to add, I would have no
10 role in it other than having brought together the idea, met
11 with members of the scientific and other community, and have
12 been actively involved in trying to see that it gets a place in
13 the whole proposal.

14 With that, I thank you very much and wish you well.
15 You're going to develop curvature of the back just by carrying
16 things about, but it's time that you were appointed, and I look
17 forward to further participation. Thank you.

18 MR. MUTTER: Thank you. Does anyone else care
19 to speak?

20 MR. McKEE: My name's Charles McKee. And I
21 haven't digested any of your material to the extent that some
22 of you people at this board have. I have other information
23 that I want to dispense, and I'll just -- here's -- I don't
24 have enough, I only printed 11 for this side, I guess I didn't
25 know that -- yeah, pass it, you can make copies, there you go.

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1 I'm here today not to embellish on emotionalism or
2 prejudice, I'm here to talk about facts. I would also like to
3 bring to your attention today's newspaper by -- in a letter to
4 the Editor by Michael O'Callahan, talking about our local
5 politicians and their endeavor. And what I'm handing you on --
6 within that document, you've got "League Hires New Director.
7 Now, this individual represents Alaska Municipal League, he
8 presides over what you would call the Governor of the State of
9 Alaska, which is not (ph).

10 I mentioned earlier, moments ago, that I'm not here to
11 embellish into emotionalism and prejudice, I have a book here
12 "Money, Banking and the Fed" which is what you're looking at
13 right now, as private currency, it's illegal (ph) currency when
14 you're talking about how to spend the restitution of same, this
15 money that you receive from this Oil Spill or you're
16 contemplating.

17 Now, I have another book, "Paper Money in the United
18 States" which also included this; private money is included in
19 this, but it's also illegal currency.

20 Now, another thing is Congress gave up the right to
21 issue currency in 19- -- I mean 1913. So, the court is now
22 delegating settlement of illegal currencies. So, what I'm
23 trying to say to you people is I suggested a settlement of 3.5
24 billion dollars in a letter to Judge Holland, I've stated this
25 many times before. I have now found out that there's an

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1 organization within the Masonic that is behind this process to
2 monopolize on the currency. And what I have done is researched
3 and found out what the original Treasury seal is and copywrited
4 that in conclusion with the math that I have got a copyright
5 of, and its redemption coupon. I will be making out a
6 redemption coupon to the Treasury for the issuance of United
7 States note, what they call legal tender issue, and that's
8 called customer and community currency. Now, it's not the type
9 of currency that you use in a safety deposit -- I mean a
10 savings account, it won't draw interest, but you can use it to
11 spend on restoration of the damage done in Prince William
12 Sound, which is what your focus is, but it could be used for
13 anything.

14 The question is is to what bank, what bank account
15 should I make that out to, of the 3.5 billion. Lloyds of
16 London actually made out a payment of 3.6 to the Crown, we
17 didn't see any of that. And I'm out of the loop, you people
18 are not considering me at all. I signed on that application
19 for speaking representing people of King. You can find the
20 word and the definition of the word in the dictionary in that
21 library that says a people of a sovereign. Not any of you
22 people are representing me or the people that that word
23 signifies. That's what this currency signifies, though.

24 And so, I'm also trying to get this case brought before
25 the Supreme Court -- Claims Court Legal Service Corporation and

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1 with this Robert Hinkerson (ph) at Alaska Legal Service
2 Corporation, people are dragging their feet because of their
3 premier occult organization that's behind this private monetary
4 monopoly situation which is entirely illegal on our
5 constitutional grounds. So, I haven't even delved into the
6 reason why this organization would even want to cause a oil
7 spill in Prince William Sound, but the likelihood that they
8 were instrumental in that decision is possible, very possible.

9 MR. MUTTER: Thank you, Mr. McKee, and thank
10 you for your handouts, appreciate it.

11 MR. McKEE: Again, what decision would you like
12 to render and which bank shall I make request of this money
13 transfer?

14 MR. MUTTER: I don't think we can answer that
15 right now.

16 MR. McKEE: Well, you have my address, please
17 keep me in touch.

18 MR. MUTTER: Is there anyone else in the
19 audience who would like to speak? Carrie, why don't you raise
20 your hand back there, if anybody wants to tour the library
21 facilities, she's the gal that'll take you through. With that,
22 I'll adjourn the meeting until December 2nd, 9:30, same room.

23 (Off record)

24 (END OF PROCEEDINGS)

25 * * * * *

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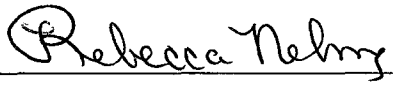
I, Rebecca Nelms, Notary Public in and for the State of Alaska and Reporter for R & R Court Reporters, Inc., do hereby certify:

THAT the foregoing pages numbered 02 through 190 contain a full, true and correct Transcript of Exxon Valdez Oil Spill Settlement Trustee Council, taken electronically by Meredith Downing on the 29th day of October, 1992, commencing at the hour of 9:30 o'clock a.m., at the Restoration Office, 645 G Street, Anchorage, Alaska;

THAT the Transcript is a true and correct transcript requested to be transcribed and thereafter transcribed by Karen Squiers and Meredith Downing to the best of their knowledge and ability.

THAT I am not an employee, attorney, or party interested in any way in this action.

DATED at Anchorage, Alaska, this 3rd day of November, 1992.

_____

Notary Public in and for Alaska
My Commission Expires: 10/10/94

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