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**EXXON VALDEZ OIL SPILL SETTLEMENT  
TRUSTEE COUNCIL**

**PUBLIC ADVISORY GROUP**

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

**January 6 and 7, 1993  
9:30 a.m.**

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**EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
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1 salmon run was very important to the ecosystem of Prince William  
2 Sound and the return of that run would be a lot toward generally  
3 improving service losses from the Exxon Valdez to sport fishing to  
4 commercial fishing, to subsistence fishing, and generally, put the  
5 Sound in better health than it was. And it is an injury that we  
6 think that we can correct. There may have been some further injury  
7 to the sockeyes that were in the Coghill run from the Exxon Valdez,  
8 but we haven't really made that link. Then essentially what it's  
9 going to do, the Forest Service component is to actually fertilize  
10 the lake, and the Fish & Game component is more or less -- to  
11 decide when and where and what concentration, and then to monitor  
12 it to see if its actually working to the extent that we hope it  
13 will.

14 MR. PHILLIPS: Chairman will introduce -- or would  
15 entertain a motion on this matter.

16 MR. ANDREWS: Move to adopt.

17 MR. CLOUD: Second.

18 MR. PHILLIPS: Moved and seconded, Mr. Cloud, to adopt or  
19 to recommend. Alright is there any discussion on the matter. Yes

20 MR. McCORKLE: I would just briefly like to say I think  
21 it's a very good project. We have a fertilization lake outside of  
22 Sitka the Forest Service has been doing for a number of years that  
23 has been tremendously successful, and I think this is the type of  
24 programs people appreciate.

25 MR. PHILLIPS: Any other comments? If not, the motion is  
26 before us. I would ask for unanimous consent, and if there is no

1 objection, it is so ordered.

2 Let's move on to '25. That isn't one of them we put off is  
3 it?

4 MR. MUTTER: No.

5 MR. PHILLIPS: Okay '025. This one is the Forest Service  
6 and -- are you going to talk on this one? Okay. Real fine.

7 MR. RICE: 93025 is essentially a replacement enhancement  
8 project for chum salmon. There is some streams out on Montague  
9 Island, mostly on the northern end in the Port Chalmers area that  
10 if some small work was done on those streams would result in re-  
11 establishment of chum salmon in those streams. These were not  
12 oiled streams, but they are streams that could -- based on work  
13 that's been done over the past couple of years -- with reasonably  
14 small amounts of money -- improve the productivity of those streams  
15 for chum salmon. Most of the work for '93 would be determining  
16 just exactly what work would need to be done in those streams. A  
17 couple of the streams would have some small work done on it.  
18 Putting in some dead-falls, other small structures that would  
19 improve the habitat for it, but most of it would be basically  
20 figuring out what needs to be done in order to enhance the habitat  
21 which then could be done in subsequent years.

22 MR. PHILLIPS: Is the 81,000 -- for this project. Is  
23 that just to determine what has to be done?

24 MR. RICE: Not all of it. There are, I think, two or  
25 three streams in there where some work would go on in there. I  
26 don't know exactly how many fish would be expected to be produced

1 in those two or three streams, but there would be some small work  
2 in there.

3 MR. PHILLIPS: Okay. The chair would enter -- entertain  
4 a motion on '025.

5 DR. FRENCH: I recommend.

6 MS. FISCHER: I second.

7 MR. PHILLIPS: It's been moved and seconded. Is there  
8 any discussion? Yes, John?

9 DR. FRENCH: (Inaudible - out of microphone range)...  
10 information that they were previously -- historic chum stream --?

11 MR. RICE: Yes they are.

12 MR. PHILLIPS: Do we know when, when the problem  
13 developed with their natural runs --

14 MR. RICE: Yeah, the problem was actually originally  
15 created by the '64 earthquake in the uprift and the streams haven't  
16 stabilized or they haven't created the same conditions that were  
17 there prior to that. It's created an opportunity basically for  
18 some replacement.

19 MR. PHILLIPS: Pam?

20 MS. BRODIE: -- if this were not funded with Exxon money,  
21 would it be funded anyway?

22 MR. RICE: There would be some small work that that the  
23 agency might be able to do, it would be depending on yearly, yearly  
24 budgets on that. But there would be some work that, that -- that  
25 they have done in the past with appropriated money. This would be  
26 contributing to that.

1 MR. PHILLIPS: Is there any further discussion, yes?

2 MR. KING: I would feel a little more comfortable about  
3 this sort of project if it was considered under the Restoration  
4 Plan, rather than on some emergency basis here.

5 MR. PHILLIPS: Do you have your mike on?

6 MR. KING: I said I'd feel a little more comfortable  
7 about this sort of project if it was considered in the Restoration  
8 Plan rather than in the sort of emergency category that we're --  
9 dealing with for '93.

10 MR. PHILLIPS: Can anybody tell us why it was put in for  
11 '93?

12 MR. RICE: It wasn't really considered an emergency for  
13 '93. It was a small suite of projects that we felt would fall  
14 within any restoration plan and in order to show that some, some  
15 restoration, this was one of those small suites of projects that  
16 was, was put forward as a restoration project.

17 MR. PHILLIPS: Any further comments? The question is on  
18 '025 whether it should be recommended to the -- oh, yes?

19 MR. ANDREWS: I just hope, Mr. Chairman, I just wanted to  
20 add that I think that -- for the modest budget that I see presented  
21 here, this is the kind of project that you can get -- a very good  
22 response in a reasonable amount of time, and you know, one of the  
23 efforts here has returned a thousand adult fish already. This is  
24 the kind of project I think that for, you know, for the money that  
25 we're talking about that if we went ahead on it now, we wouldn't  
26 lose two or three years on the thing, and -- I think it looks like

1 a good one myself, you know, for the amount of money involved here.

2 MR. PHILLIPS: Yes, Donna?

3 MS. FISCHER: Where are you getting the eggs and that  
4 from, or the smolt from? I -- you're going to -- that river's --  
5 is that right? Or what are going to do there? How are you going  
6 to stock it? Are you getting it from a hatchery or what?

7 MR. RICE: Yes. They would be taken from the -- Fish &  
8 Game -- in Prince William Sound Aquaculture Corporation.

9 MS. FISCHER: So wouldn't you have to pay them, wouldn't  
10 that be under ....

11 MR. RICE: They would be a cooperator -- and I don't  
12 think -- none of that egg take would take place this year. We  
13 would -- I, I don't -- no. They would be collected in '94, so that  
14 would be a '94 budget item if the project went forward in '94.

15 MR. PHILLIPS: Any other questions? Alright, the  
16 question is shall '025 be recommended to the Trustees? I would ask  
17 unanimous consent and if there is no objection, it is so ordered.

18 We'll move on to '026. No, '026 was put off until the end.  
19 Somehow '27 got lost in the shuffle here, so we go to '28. This  
20 one also is the Forest Service as the lead agency. Would you give  
21 us a print on this one?

22 MR. RICE: 93028 is again, another opportunity as a  
23 replacement activity. Again, as the result of the earthquake, a  
24 small lake has dried out on the south end of Montague Island. This  
25 has created an opportunity basically that if you could go in and do  
26 some -- work in the existing -- channel that comes through there,



1 you could enhance the wetlands in that area and maintain it as a,  
2 as a wetland area as opposed to the -- continued drying out that's  
3 occurring now and -- and establishment of a young forest that's  
4 going on in there, and it would replace injured wetlands. It  
5 wouldn't be exactly the same kinds of wetlands that were injured,  
6 as a result of the oil spill, but it would be a replacement for  
7 wetlands that were injured by the oil spill that we can't really do  
8 anything for right now.

9 MR. PHILLIPS: How do you make a lake where there isn't  
10 one, do you have to dam it?

11 MR. RICE: Well, it was a lake at one time and because of  
12 the earthquake, it has been uplifted and drained and, and -- this  
13 year's money would go in and figure out exactly what would need to  
14 be done in order to create or maintain the wet meadow area that's  
15 in there now, but that is in, is in the process of drying out. I  
16 don't think it would be as much of a dam as it might be some, some  
17 ....

18 MR. PHILLIPS: Dig a hole and bury it?

19 MR. RICE: Well you might be able to rechannel some of  
20 the water so that it flows into the area and just maintains a wet  
21 area for longer periods of time.

22 MR. PHILLIPS: So actually, to accomplish what you're  
23 trying to do, it's going to take another appropriation and some be  
24 put here.

25 MR. RICE: Yes it would. This year's money would look at  
26 the -- do the environmental compliance and do the engineering work

1 to figure out just what would be the most effective way of  
2 maintaining a wetlands in there.

3 MR. PHILLIPS: -- Dr. Spies, I noticed in your comments  
4 you mentioned that it may have some side effects for birds -- I  
5 assume because the it would return the wetlands according to plan  
6 that would be utilized by birds, or are you talking about, is this  
7 the way we can do the murre thing?

8 DR. SPIES: No, that was one of the -- objectives of the  
9 project, is to presuppose that it would benefit migratory birds in  
10 an area where they had lost -- where it was previously a nesting  
11 habitat do to the uplifting during the '64 earthquake.

12 MR. PHILLIPS: Okay. Are there any further questions?  
13 Donna?

14 MS. FISCHER: Yeah. We oppose this and we opposed  
15 generally, we felt that you know, it's a good project but we still  
16 felt that it did not go along with the oil spill guidelines due to  
17 the fact that it was damaged by the earthquake and not, had an oil  
18 impact effect on it. We understand what you're trying to do and we  
19 think the idea is good, but we oppose the project at this time  
20 because of those reasons.

21 MR. PHILLIPS: Yes, Pam?

22 MS. BRODIE: The environmentalists are also opposing this  
23 project. As much as we love wetlands, we think that money is much  
24 better spent protecting existing habitat, than trying to restore  
25 this habitat that changed by natural forces, not by man-made --

26 MR. PHILLIPS: Yes?

1 MS. FISCHER: Is there any guarantee even if you did try  
2 to refill this lake that it wouldn't continue to drain anyway. You  
3 ....

4 MR. RICE: Well, the intent would not be to create a  
5 lake, it would be to create a wet marshy area and there aren't any  
6 guarantees, but the intent would be to figure out the best  
7 engineering methods for making sure that you continued to have a  
8 wet marshy area in there.

9 MR. PHILLIPS: What size area is this?

10 MR. RICE: 250 acres roughly.

11 MR. PHILLIPS: Are there any further questions on this  
12 item? I can see that it is not unanimous, so I will call for a  
13 vote on '028 to be recommended to the Trustees. Those in favor of  
14 '028 would you?

15 MR. MUTTER: Mr. Chairman?

16 MR. PHILLIPS: Yes.

17 MR. MUTTER: We don't have a motion to accept it yet.

18 MR. ANDREWS: I move to adopt.

19 MS. FISCHER: I second it.

20 MR. PHILLIPS: Thank you. Okay the question is shall,  
21 should we adopt it. Those in favor, please raise your hand so that  
22 we can have it counted. Those opposed? Eight to three. Looks  
23 like eight to three -- so the motion fails. And that'll be  
24 transmitted to the Trustees.

25 MR. ANDREWS: Mr. Chairman, can I make a minority report  
26 for the record.

1 MR. PHILLIPS: Certainly.

2 MR. ANDREWS: I voted yes on this because I think it is  
3 important we keep on encouraging the Forest Service to develop  
4 habitat for wildlife.

5 MR. PHILLIPS: Would you, you'll get that...

6 Okay. Then let's proceed on to '029. Again it's a  
7 Forest Service lead agency.

8 MR. RICE: This is another project that has received less  
9 than overwhelming public support in reviewing the comments. The  
10 idea behind this second-growth management project would be to go  
11 out into some of the areas that were clear-cut logs in Prince  
12 William Sound in the mid-1970's. -- Go into the riparian areas  
13 primarily and do some management in those areas, some thinning to  
14 enhance the habitat for those species that are primarily dependent  
15 upon older stands of timber. Anadromous fish and the birds and  
16 mammals that would use that area. It would be -- attempt to  
17 accelerate recovery in those areas. Again, primarily the intent  
18 for this year's work would be to figuring how best to accomplish  
19 that. It would not be doing on-the-ground work.

20 MR. PHILLIPS: The Chair would entertain a motion at this  
21 time.

22 MR. PHILLIPS: Yes. Jim Cloud.

23 MS. FISCHER: I'll second it.

24 MR. PHILLIPS: Seconded by Donna. Yes?

25 SEN. ELIASON: I just have, have a question. The Forest  
26 Service does a considerable amount of thinning in the second growth

1 in Southeast Alaska as a matter of course and they do harvest that  
2 area.

3 MR. RICE: Um hum.

4 SEN. ELIASON: Aren't they doing that in Prince William  
5 Sound also at the present time?

6 MR. RICE: No. There's essentially no management going  
7 on in Prince William Sound. No, no timber harvesting on National  
8 Forest Service lands. That, the that area was cut in, I think the  
9 last cutting was around 1976, '77 somewhere in there. Any money  
10 that is available for doing that kind of management under, under  
11 harvesting practices is KB (ph) monies as we use them in the  
12 agency, are no longer available. They've either been used up  
13 elsewhere within the forest or -- or were not even collected  
14 (inaudible -- coughing).

15 MR. PHILLIPS: Donna?

16 MS. FISCHER: Yeah. Once again, this is another project  
17 that we felt was not related or came under the guidelines of the  
18 Exxon oil spill project descriptions -- or guidelines of the oil  
19 spill and we did not, our committee in Prince William Sound did not  
20 support this project due to the guidelines.

21 MR. PHILLIPS: Jim?

22 MR. CLOUD: It would seem, it would seem to me that this  
23 project would accomplish about the same sort of goal that we're  
24 trying to achieve through habitat acquisition. Improving habitat  
25 on property already logged sometime ago in increasing its  
26 friendliness for the recovery of injured species.



1 MR. PHILLIPS: Pam?

2 MS. BRODIE: The environmental organizations are opposing  
3 this because we'd like to see in terms of habitat protection,  
4 getting the biggest bang for the bucks, and we think that that is  
5 through acquisition and prevention of logging in critical habitat  
6 areas rather than trying to manipulate areas that have already been  
7 logged.

8 MR. PHILLIPS: Richard?

9 MR. KNECHT: You mentioned that a certain number of these  
10 projects were in fact, not time-critical. Is this one of them?

11 MR. RICE: That's correct.

12 MR. PHILLIPS: Any other comments. The question before  
13 the body is whether '029 will be recommended to the Trustees.  
14 Those in favor, please raise your right hand. Got five. Do you  
15 have them all? Those opposed? One, two, three, four. Those --  
16 did you get those? Those abstaining? You have one. So the motion  
17 passes, five to four with one abstention.

18 MS. BRODIE: Weren't there five opposed?

19 MR. PHILLIPS: I beg your pardon?

20 MS. BRODIE: There were five -- opposed.

21 MR. PHILLIPS: What did you get?

22 MR. MUTTER: Opposed was Pam Brodie, Jim King, Richard  
23 Knecht, John McMullen, oh, Donna Fischer.

24 MR. PHILLIPS: Oh. See, you're so close I didn't see  
25 you. Okay, it's five to five. Well, we'll just send the results  
26 to them because there's kind of a tie there.

1           Okay, could we move on then to the next item, '030 and this is  
2 Fish & Game Department, so if we can get a thumbprint on this one?

3           MR. McMULLEN: Mr. Chairman?

4           MR. PHILLIPS: Yes.

5           MR. McMULLEN: Might we consider '30 and '031 together.  
6 They're both Red Lake restoration projects on Kodiak Island?

7           MR. PHILLIPS: Are you familiar with those two?

8           DR. MONTAGUE: Yes.

9           MR. PHILLIPS: Do you have reason why we shouldn't.

10          DR. MONTAGUE: Actually, other than, other than -- than  
11 referring to the same lake, they probably aren't that closely  
12 related.

13          MR. PHILLIPS: Could you just distinguish between the two  
14 what ....

15          DR. MONTAGUE: The Red Lake restoration project is going  
16 to actually try to help the recovery of Red Lake. The Red Lake  
17 mitigation fishery, or mitigation project is going to create an  
18 artificial closed-end fishery to supplant what would have come out  
19 of Red Lake until Red Lake recovers.

20          MR. PHILLIPS: If it's the will of the group to combine  
21 them, we'll do so. It will help on our expediting on time, but  
22 whatever you would like.

23          DR. FRENCH: I'd prefer to see them handled separately.

24          MR. PHILLIPS: Okay. What is the will of the group? Do  
25 you want to handle them separately? Okay. Why don't we do that  
26 and then we'll just try to get through.

1 All right, let's start with '030.

2 DR. MONTAGUE: Okay. For the restoration project, Red  
3 Lake was like the Kenai River, was another area that suffered an  
4 overescapement problem. It hasn't been as severe as what we've  
5 found in the Kenai River. And, but nonetheless, it's a reduction  
6 to approximately 20 to 50 percent of the historic or pre-spill  
7 level. And this project was initiated in 1992,. The equipment was  
8 purchased and the modifications made to the Pillar Creek Hatchery  
9 to support this year's component of the project. And this project  
10 kind of has a go, no-go point in August, that if the escapement  
11 level reaches 150,000 fish, we won't do the project, and if it  
12 doesn't reach that goal, then we'll initiate carrying out this  
13 project which would take eggs from Red Lake, put them into the  
14 Pillar Creek Hatchery, and raise them with a much higher survival  
15 rate than would've happened in the wild, and that the young fish  
16 will also have a much higher survival rate and be larger and more  
17 robust than they would have been in the wild and then reintroduce  
18 to Red Lake, once they've reached the fry stage.

19 MR. PHILLIPS: Are there any comments on this. Oh, first  
20 we better have a motion, to accept.

21 MR. CLOUD: I move.

22 MR. PHILLIPS: Okay, Jim Cloud and John French. Okay,  
23 comments -- Dick?

24 SEN. ELIASON: I have a question. It seems -- of course,  
25 its over-simplification I'm sure, but when the, the lake is  
26 supposedly over-stocked or, why don't they go in and fertilize the

1 lake for a period of time to take care, you know, the competition  
2 for food in that area. I know that this lake we have down -- is 10  
3 miles long and fertilized, we increase production 100-fold. So it  
4 seems to me, that would be a method of doing it.

5 DR. MONTAGUE: Well, the, it's kind of a -- it's a timing  
6 problem. The fry are having their most trouble soon after they  
7 come out of the egg and if they could be artificially protected, I  
8 forget how long, but for a matter of months, they kind of miss what  
9 the main problem is in the lake.

10 MR. PHILLIPS: Any other comments? Yes, John.

11 DR. FRENCH: Yeah, with both the Kodiak working group and  
12 the Kodiak Island Borough would recommend that -- this '31 and '32.  
13 I personally do not feel that the mitigation project is warranted  
14 at this time in part of the '93 work plan, I don't see it as that  
15 urgent. What I do support, one we're immediately considering,  
16 namely '30.

17 MR. PHILLIPS: Any other, further comments -- John.

18 MR. McMULLEN: The Prince William Sound work group  
19 supported this project.

20 MR. PHILLIPS: If there are no further comments, the  
21 question before the group is whether '030 -- I did get a motion  
22 didn't I? Yeah. '030 -- will be recommended to the Trustees. I'm  
23 going to ask for a unanimous consent. If there is no objection, it  
24 is so ordered and we will move on to '031.

25 DR. MONTAGUE: Okay. Project '31 again, has the same  
26 decision point as project '30 in that it won't be carried out if

1 the escapement levels in August of '93 are sufficient to reach the  
2 150,000 level. And what this project would do would take eggs from  
3 Afognak Lake, raise them to what we call super-smolts, so that they  
4 have a two-year turn around time in the ocean instead of three  
5 years and that this would create a mitigation fishery for the fish  
6 that won't be coming back to Red Lake in 1996. And -- the lake has  
7 supported is, on the average about, a catch of about 450,000 fish.  
8 While this won't replace 450,000 fish it will replace 100,000 fish  
9 and will primarily be directed at, the commercial purse seine fleet  
10 that normally would have fished the fish return to Red Lake and --  
11 the cost-effectiveness is essentially is one-third the value of the  
12 catch. So this project will cost one-third the value they catch.

13 MR. PHILLIPS: Yes, Donna?

14 MS. FISCHER: It was brought up during our, our hearings  
15 that there was some problems with water in there, is there any  
16 truth to that or?

17 DR. MONTAGUE: Problems with the water in the --?

18 MS. FISCHER: I don't know, what was the problems John,  
19 that ....

20 MR. McMULLEN: Well, we heard from other people that  
21 there was limited support for this program because of -- of a there  
22 might be disease in the water at the Kitoi Hatchery and that,  
23 disease organisms in that -- might not want to transfer fish that  
24 had been exposed to that water source -- back to the, you know,  
25 natural lake. It was my impression that the water entering the  
26 hatcheries, to which these fish would be exposed is -- is depurated



1 the word, it was depurated or -- with ultra-violet light or  
2 whatever and that that the organisms were present, you know, in the  
3 presence of these fish and that this project would be carried out  
4 in accordance with Fish & Game disease prevention policies and  
5 procedures, but I don't know if that's absolutely true or not.

6 DR. MONTAGUE: So first of all, they won't be returned to  
7 the lake because this is a closed-end mitigation fishery that that  
8 won't ever return to Red Lake. Was this a specific concern about  
9 Kitoi or just a general concern about hatchery releases?

10 MR. McMULLEN: I think it was Kitoi.

11 MS. FISCHER: Kitoi. And I ....

12 DR. MONTAGUE: I haven't heard that, but I'll certainly  
13 investigate it.

14 MS. FISCHER: Yeah, and also a mixing of hatchery in wild  
15 stock.

16 DR. MONTAGUE: Okay. They, we don't anticipate there to  
17 be a mixing.

18 MR. PHILLIPS: John.

19 DR. FRENCH: Okay. Just a real quick response with  
20 respect to Kitoi Bay hatchery. There was a disease problem. They  
21 put in a high-intensity light that -- or killing system and as far  
22 as they know, there are no problems with water quality or water  
23 supply at this point. In other words, the project is practically  
24 feasible. As I said, I don't personally support it.

25 MR. PHILLIPS: Are there any further comments? Yes.

26 MR. CLOUD: So, if I understand this, if I understand

1 this correctly. The, this is just a one-year deal. If the returns  
2 are so low, you're going to go ahead and put these out and those  
3 fish will basically be caught and dead-ended and that's it?

4 DR. MONTAGUE: For 1996, it's a just one-year deal. You  
5 know, presumably we would be at the same stage in '94, that if the  
6 return, you know, if the Council wanted to, if they wanted to  
7 continue with the mitigation fishery, it's plausible to do it until  
8 the returns to Red Lake have recovered. But this is a one-year  
9 shot, could be done another year, if somebody wanted to.

10 MR. PHILLIPS: Pam?

11 MS. BRODIE: Looking at the budget, it's budgeted for  
12 every year as far as the budget goes -- at what point would you  
13 anticipate that the problems from the overescapement would be  
14 resolved and so, we wouldn't need to do this anymore?

15 DR. MONTAGUE: If I understand your question correctly.  
16 How long will it take for Red Lake to recover?

17 MS. BRODIE: Yes.

18 DR. MONTAGUE: We don't know. We think that the reason  
19 to have this decision point in there is because unlike the Kenai,  
20 we think that this system was injured less severely and it could be  
21 recovering. And that's the reason that we have the -- form. But  
22 as far as an estimate as to when it will recover, we don't know.  
23 We presume that -- going ahead of project number '30, that it would  
24 be accelerated. Maybe on the order of two or three returns, but it  
25 could return to normal in two or three more years.

26 MR. McMULLEN: Mr. Chairman, if Jerry McCune was here

1 representing the fisherman, he would probably say that -- that the  
2 Red Lake situation right -- I guess in terms of a loss of services  
3 to the, to the same fishery in the Kodiak Area and that the fishery  
4 is dependent upon mixed species fisheries and the, given what the  
5 pink salmon prices have been in the last couple of years and maybe,  
6 in the near future, that that certainly doesn't provide much of an  
7 income to fishermen. They do need that diversity of species in the  
8 higher, higher priced, more valuable sockeye salmon which looks  
9 like are going to come into little shorter supply in, in the Kodiak  
10 area without mitigative measures and so I'm sure he would ask that  
11 it be, this project be supported.

12 DR. MONTAGUE: Mr. Chairman. It is time critical in that  
13 -- you know, it was actually time critical last year, that we would  
14 have liked to have had fishery available in '95. One of the  
15 returns we know will be bad and we presume that they'll probably be  
16 bad in '96 as well. So that would be the loss of delaying it.

17 MR. PHILLIPS: Any further comments? We didn't get a  
18 motion on this did we? Chair would entertain a motion.

19 UNIDENTIFIED: Motioned

20 UNIDENTIFIED: Seconded.

21 MR. PHILLIPS: The question is whether '031 will be  
22 recommended to the Trustees -- those in favor, please raise their  
23 hand. Ten. All right. We don't have one of those electronic  
24 tally machines like they have at the legislature. Yeah -- bring  
25 them with the doughnuts next time. Do you? All those opposed.  
26 John French. -- is there any abstentions? There are two, did you

1 get them. Okay, the motion passes, so could we go on then, to  
2 '032, which is also a Fish & Game Lead Agency.

3 DR. MONTAGUE: Project number '32 is an outgrowth of a  
4 restoration planning project we had '91 and '92 that, that more or  
5 less looked at a variety of streams throughout the oil spill-  
6 affected area to see which, which streams had natural hindrances to  
7 their full production, meaning waterfalls that fish couldn't pass  
8 and access spawning areas upstream of there and so on, and so forth  
9 and quite a number I think probably 35 streams have been indicated  
10 as likely sites for, for improvement such as a fish ladder to get  
11 around the waterfall, something like that, and this will be part  
12 of the Restoration Plan and the feeling was that we should do some,  
13 what we call hard restoration, in 1993, even though we kinda as a  
14 time critical major for almost all the program, we felt that it  
15 would be applicable to have some projects that perhaps may not be  
16 time critical per se, but to finally get on with hard restoration  
17 and we had six proposals for these kinds of things in 1993. We  
18 paired them down to two, mainly because of that reason. We didn't  
19 want to badly deviate from our emergency approach, but we did want  
20 to have a few projects of this nature in here, that's why they're  
21 in here.

22 MR. PHILLIPS: Chair would entertain a motion.

23 MR. ANDREWS: Move to adopt.

24 DR. FRENCH: Second.

25 MR. PHILLIPS: Got Rupert and John -- questions, any --  
26 comments, yes?

1 MR. STURGEON: Have the upland owners -- this is on  
2 private land -- has, have the upland owners been contacted, to  
3 approve this project?

4 DR. MONTAGUE: -- When the, the projects in the previous  
5 years have been conducted, discussions were made with landowners,  
6 but I don't think that permission would be sought until we actually  
7 intended to do it. We felt that to go to every potential stream  
8 and to obtain permission for something that may or may not ever  
9 happen wasn't appropriate way to go. We don't -- during the  
10 initial project, there wasn't any response from the landowners that  
11 would indicate a particular problem. But no, we don't have their  
12 written permission, per se.

13 MR. PHILLIPS: You mentioned 30 -- about 35 streams. Are  
14 they all in the Kodiak area?

15 DR. MONTAGUE: No, throughout the oil spill-affected  
16 area.

17 MR. PHILLIPS: I don't see anything here that indicates,  
18 maybe I don't read well ....

19 DR. MONTAGUE: Well the only thing we mentioned here is  
20 these two, the results of the '91 and '92 project on evaluating  
21 which streams isn't, isn't in this book.

22 MR. PHILLIPS: Yes.

23 MR. STURGEON: Is my company is the landowner and manager  
24 of at least Cold Creek. I'm not quite sure where Pink Creek is.  
25 If fish ladders are put in, that changes the requirements of our  
26 company. We have to -- becomes a salmon stream -- as far as



1 buffers, as far as the management prescriptions for our timber  
2 operations, change substantially. Have there been any provisions  
3 made for that? -- because we haven't been contacted about this, at  
4 least at Cold Creek, that's a fairly good-sized creek, it'd go  
5 through a lot of our land.

6 DR. MONTAGUE: Is it entirely on your land or --

7 MR. PHILLIPS: Wouldn't be appropriate in our  
8 transmission of this information to the Trustees to have a  
9 statement in there that if we do approve this, it'll be conditioned  
10 on the fact that all private landowners would be consulted and  
11 determination made whether they are impacted or not. I would think  
12 that's a major thing to have happened before the government comes  
13 in and impacts the private land.

14 MR. STURGEON: For example, for us, we'd have to leave  
15 buffers. We'd be more than happy to do that along salmon streams,  
16 but if the stream that is -- is not -- currently doesn't contain  
17 salmon and it's opened up to salmon, then the entire area requires  
18 a buffer, so maybe there should be some kind of compensation for  
19 the private landowner for the loss of their land if you're going to  
20 do this.

21 MR. PHILLIPS: Rupert, you have a question. I guess not.  
22 Yes Donna.

23 MS. FISCHER: I feel that since, you know, the private  
24 landowners are in my opinion that haven't been contacted, that  
25 maybe we should turn this down with that statement, until they do  
26 check on that. I don't think we should even, you know, recommend

1 it.

2 MR. PHILLIPS: John and then Jim.

3 MR. McMULLEN: Mr. Chairman. I have a couple of  
4 questions. One is, is there any salmon production below the  
5 barriers in any streams. When I see stream catalog numbers on  
6 these, kinda indicates to me that they are in Fish & Game's  
7 inventory are probably categorized as a salmon stream and should be  
8 treated accordingly.

9 MR. STURGEON: I think they are, but if you have a  
10 barrier and you -- you remove the barrier, the stream -- the actual  
11 protection stops where the barrier is and if -- if, beyond there is  
12 different protective measures.

13 MR. McMULLEN: Well doesn't the, excuse me -- direct  
14 question, does, doesn't what happened upstream from that barrier  
15 then affecting siltation into that stream, isn't, isn't that a  
16 concern to the Department of Fish & Game and require a protection?

17 MR. STURGEON: It certainly is, but the requirements are  
18 substantially different.

19 MR. PHILLIPS: Jim.

20 MR. CLOUD: It would seem to me that to approve this  
21 process -- project -- would amount to the proving of the taking of  
22 it, of a service from another class of population. I don't that  
23 the project is at a stage certainly where we should be approving  
24 it.

25 MR. PHILLIPS: Dick?

26 SEN. ELIASON: My question is, could they do this without

1 the consent of the landowners. Now it seems to me that if you own  
2 the land, they just can't come it and build these, so they, so  
3 there has to be some cooperation, but in fact, if you didn't want  
4 them there, you could say no and that's it, I would assume.

5 MR. STURGEON: I don't think we, we endorse these kinds  
6 of projects. I guess all we're saying is that -- you know, private  
7 landowners should be consulted and I guess, I wouldn't want to see  
8 it turned down, but I think there should be something in here to  
9 private landowners consulted and the impacts on the private  
10 landowners considered and at least compensated in some form.

11 MR. PHILLIPS: Would you be satisfied if a statement of  
12 that nature went along with the transmission. Yes Richard.

13 MR. KNECHT: I'm sorry, I was just going to urge just  
14 that. That we go ahead and pass this along with that caveat. And  
15 this document has been distributed to landowners too, in the area,  
16 there has been some framework.

17 MR. PHILLIPS: Any other comments. Yes John and then  
18 Pam.

19 DR. FRENCH: Unlike the previous project, this project  
20 would result in permanent enhancement, and if that positively  
21 affects both commercial and recreational users and for that reason,  
22 I do support this project as does the Kodiak working group and the  
23 Kodiak Island Borough.

24 MR. PHILLIPS: Pam?

25 MS. BRODIE: I'm uncomfortable with this business about,  
26 the idea of, of getting into a situation that's leading to

1 compensate the owner because that might change the whole economics  
2 of the deal. It may not make sense economically if we're having to  
3 compensate the owner. It seems to me that moving ahead with this  
4 is premature, but it does not necessarily make sense to -- this  
5 project or in any way .... people look at.

6 DR. MONTAGUE: Mr. Chairman, can I offer something on  
7 that?

8 MR. PHILLIPS: Sure.

9 DR. MONTAGUE: Rather than put something in here about  
10 compensation, how about a statement that only if the landowners  
11 approve, so they chose not to approve because they're not being  
12 compensated, than it won't be done.

13 MS. BRODIE: I feel better with that.

14 MR. PHILLIPS: Any other comments. If there isn't -- did  
15 we, we didn't get a motion did we? Did we? I'm falling down here.  
16 The question is whether '032 will be recommended to the Trustees --  
17 and I think that there would be a caveat attached to that that we  
18 have discussed here about consideration to the private landowner.  
19 Yes Lew.

20 MR. WILLIAMS: I'll amend the motion to say that it, only  
21 with the approval of private landowners.

22 MR. PHILLIPS: Alright, is there a second to that the  
23 amendment?

24 MS. FISCHER: I'll second it.

25 MR. PHILLIPS: It's been seconded by Donna. The question  
26 is whether we will amend the motion to -- say what he said -- only

1 with the approval of the private landowners -- if there's any  
2 comment on that, I would ask for unanimous consent for the adoption  
3 of the amendment. -- Jim.

4 MR. CLOUD: I can't agree with that.

5 MR. PHILLIPS: Okay, those who are in favor, please raise  
6 your hand. Those opposed? Any abstentions. Okay the amendment  
7 has been adopted, so the main motion is before us on '032 -- I'm  
8 going to ask for unanimous consent, and if there is objection we'll  
9 take a vote. Are there any objections? If not, it is so order and  
10 it'll be transmitted.

11 MR. CLOUD: For the record, I got mixed up on what we  
12 were voting on. The first vote was for the ...?

13 MR. PHILLIPS: Amendment.

14 MR. CLOUD: Amendment. Okay. Well you can count me as  
15 unanimous consent on that one and against this one.

16 MR. PHILLIPS: Okay fine. Would you -- then if we'll go  
17 on to '033. Again, Fish & Game.

18 DR. MONTAGUE: Okay. The harlequin duck was naturally,  
19 everything couldn't be studied and the harlequin duck was more or  
20 less chosen as the indicator to represent sea ducks, and what we've  
21 found -- and the only area we've studied this is western Prince  
22 William Sound -- is that the harlequin ducks have not reproduced in  
23 any year since the spill including 1992 in the western part of  
24 Prince William Sound, but in the northern and eastern part they  
25 have. And this project has a number of components. The main  
26 emphasis now is not so much the injury assessment, but to define

1 the habitat primarily in terms of -- if habitat acquisition is used  
2 to restore the harlequin ducks, we need to know precisely what  
3 types of habitats would benefit them and we know this reasonably  
4 well for western Prince William Sound, and one aspect of this  
5 project would be simply to look at the habitats in northern and  
6 eastern Prince William Sound very generally without much effort to  
7 see what we found in western Prince William Sound could be  
8 extrapolated to those areas. The primary habitat assessment effort  
9 is going to be on Afognak Island where we feel that the habitats  
10 are different enough that they won't be applicable. So that's the  
11 major cost of the project is the habitat assessment on Afognak  
12 Island. The Trustee Council chose to add the Kenai Peninsula to  
13 the habitat assessment component which upped the cost somewhat and  
14 other smaller components of the project would be to work with the  
15 oiled mussel bed project to try to pin point precisely whether  
16 indeed it's the hydrocarbon uptake in through the mussels that  
17 preventing reproduction of harlequin ducks. So I think in a  
18 nutshell that, that's the scope of the project.

19 MR. PHILLIPS: The chair would entertain a motion.

20 UNIDENTIFIED: Moved

21 MR. PHILLIPS: And moved and seconded by Richard --  
22 comments? John?

23 DR. FRENCH: Mr. Chairman, in view of yesterday's legal  
24 opinion, I wish to remove myself from debate on this and all other  
25 projects that include subcontracts to the University of Alaska -  
26 Fairbanks.

1 MR. PHILLIPS: Well, I would suggest that you do that one  
2 at a time, because we don't keep track of it, but on this one, if  
3 you'd ....

4 DR. FRENCH: For this particular project, then.

5 MR. PHILLIPS: Alright. Yes, Jim.

6 MR. KING: I would like to speak in favor of this one --  
7 because of the clear connection with the oil spill and also because  
8 of the aspect of using the harlequin as indicator of things that  
9 may be affecting a number of other species. So, I think this is a  
10 good project.

11 MR. PHILLIPS: Just in passing, a note that there could  
12 be a reduction of 50,000 in the contractual on this, if the  
13 Department of Interior vessel is available for studies on the  
14 Kenai. Is there any further comments or questions?

15 MR. ANDREWS: Call for the question, Mr. Chairman.

16 MR. PHILLIPS: The question is, shall '033 be recommended  
17 to the Trustees. I would ask unanimous consent, with the notation  
18 that John has removed himself from consideration. If, what?, if  
19 there are no objections, then it is so ordered and the information  
20 will be transmitted.

21 Could we move on then to '034. Yes, Pam?

22 MS. BRODIE: I've got a general question about projects  
23 like the ones we just approved and I, I didn't object to that, but  
24 I am concerned at how the Trustees and now with our approval, keep  
25 spending half a million here, and a million there on monitoring and  
26 I'd like to know, in general, are we going to be able to see these

1 costs coming down soon so that maybe we can start monitoring these  
2 species every other year, every three years, instead of every year?

3 MR. PHILLIPS: Yes?

4 DR. GIBBONS: Yes, Pam, maybe I can respond to that. One  
5 of the projects in the book here is to develop a monitoring plan  
6 for injured resources, so it will come out with said, that -- we  
7 should monitor harlequin ducks every third year, every fourth year,  
8 every other year, whatever it is and it's going to go through the  
9 whole, it's going to set up a monitoring plan for the injured  
10 resources. And that's what we have in mind to do, so we don't have  
11 -- have this problem should we monitor them every year. You know,  
12 you've got killer whales, you've got harlequin ducks, you've got  
13 murre, you've got a lot of these things, you know, that we're  
14 doing, but we're going to develop that plan.

15 DR. MONTAGUE: Mr. Chairman, could I further respond to  
16 Pam's comment. Being if it was directed to this project, perhaps  
17 I didn't make it clear, but probably 80 percent of the project is  
18 related to the habitat determination and the linkage to mussels, so  
19 the monitoring component is a small part of this project.

20 MR. PHILLIPS: Okay. Before us is -- '034 and the lead  
21 agency is Fish & Wildlife, so if you would give us a thumbnail on  
22 this one please.

23 MS. BERGMANN: Yes. 93034 is a pigeon guillemot colony  
24 study. Pigeon guillemots are diving seabirds -- that have been  
25 affected by the oil spill. It was, there was an estimated two to  
26 3,000 that were killed in the initial stages of the spill which



1 represented an estimated 10 percent of the population in the Gulf  
2 of Alaska and about a third of the population in Prince William  
3 Sound. Information to date on pigeon guillemots has not been, has  
4 been received through general bir -- boat surveys which have been  
5 funded to look at seabird populations -- in Prince William Sound  
6 for all different kinds of species, including pigeon guillemots.  
7 The information that we have -- to date is that those populations  
8 have not recovered. The purpose of this study is not to continue  
9 to document injury, but it's rather to try to identify the  
10 important breeding areas for pigeon guillemots in the Sound for use  
11 in habitat protection.

12 MR. PHILLIPS: -- The chair would entertain a motion on  
13 '034.

14 MS. FISCHER: So moved.

15 MR. PHILLIPS: Donna. Do I have a second? Yes. Rupert.  
16 Any questions, comments on '034? If not the question before the  
17 body is whether '034 will be recommended to the Trustees. I would  
18 ask for unanimous consent and if there are no objections, it is so  
19 ordered. We'll go on to '035.

20 MS. BERGMANN: 9303 -- 93035 deals with potential impacts  
21 of oiled mussel beds, again on higher organisms. This time, we're  
22 looking at the contamination of black oystercatchers. Black  
23 oystercatchers, like the harlequin ducks are being used as an  
24 indicator species to look at the impacts again, like Jerome was  
25 talking about, for the harlequin duck study, looking at the  
26 persistent oils in the mussels beds and looking at this particular

1 species to look at the potential injury that appears to still be  
2 occurring with black oystercatchers.

3 MR. PHILLIPS: The chair would entertain a motion on  
4 '035?

5 MR. ANDREWS: So moved.

6 MS. FISCHER: Second.

7 MR. PHILLIPS: Okay, Rupert and Donna. Are there any  
8 questions on this item? Yes, John?

9 MR. STURGEON: This is a question similar to what I had  
10 yesterday I guess. How much does the U.S Fish & Wildlife Service  
11 annually have budgeted for these kind of surveys, or -- how many  
12 people do you have statewide for these kinds of projects? I  
13 realize this is suppose to be in addition because of the oil spill,  
14 but what do you normally have as far as a budget for doing bird  
15 surveys, how many people do you have for doing this statewide.

16 MS. BERGMANN: I can't give you the direct -- I work for  
17 the office of the Secretary, not specifically with Fish & Wildlife  
18 Service, so I would have to ask them that specific question. I, I  
19 don't know the answer to that right off the top of my head.

20 MR. STURGEON: Can we find that out?

21 MS. BERGMANN: Certainly.

22 MR. PHILLIPS: Yes, Rupert?

23 MR. ANDREWS: How, how does this differ from the one that  
24 we just approved, '033, harlequin duck restoration. Seems to me  
25 that other than the species involved, we're looking at a similar  
26 project.

1 MS. BERGMANN: They are -- very similar project there and  
2 in both the harlequin duck and the black oystercatcher have been  
3 targeted as indicator species because of their use of this  
4 particular part of the ecosystem.

5 MR. ANDREWS: My question is, you're trying to tie in the  
6 mussel beds to hydrocarbon tox -- toxic -- or toxins I should say.  
7 Can't you transfer information from one to the other?

8 MS. BERGMANN: Well I would, can you respond to that?

9 DR. SPIES: They have different feeding habits.  
10 Certainly, the projects, are quite separate and I guess your  
11 question would be whether the results from the harlequin duck  
12 studies would apply to the black oystercatchers.

13 MR. ANDREWS: Right.

14 MR. PHILLIPS: Are their areas different, between the two  
15 species, the essential areas that you'll be looking at? Is that  
16 one of the reasons that ...?

17 MS. BERGMANN: Yes.

18 MR. PHILLIPS: .... because you have to study different  
19 areas?

20 DR. SPIES: Definitely different study designs -- there's  
21 an ongoing contrast of western Prince William Sound versus eastern  
22 Prince William Sound of the harlequin duck work, and it's carried  
23 out in a different manner. The black oystercatchers were, to my  
24 understanding, it's a fairly limited of field sites in which  
25 they're trying to quantify greater food transfer to young and  
26 nesting activities, that sort of thing, so -- it, I think it's

1 difficult to combine the two projects together, although on a  
2 certain sense, one could, at a certain level one could say well, if  
3 the ducks are affected, perhaps the oystercatchers are too, that's  
4 just a matter of how fine of a line you want to draw.

5 MR. PHILLIPS: Yes, Donna.

6 MS. FISCHER: -- Mr. Chair, one of the questions that the  
7 Prince William Sound group had was could '35, '36, '38 and '39 be  
8 combined since they were monitoring and you're going to be doing  
9 the shoreline and everything else and there -- why could that not  
10 be combined to do it all together?

11 MR. PHILLIPS: That's '35, '36, what?

12 MS. FISCHER: '38 and '39.

13 DR. GIBBONS: I might be able to respond to that a little  
14 bit -- we, we try to combine wherever possible. You'll notice in  
15 the notes here for -- black oystercatchers, the field camped in  
16 Herring Bay. Well, the intertidal survey is strictly Herring Bay -  
17 - the work there -- and they'll combine logistics as much as  
18 possible in mapped locations. Project '038 is a project to survey  
19 oiled beach segments and it's completely separate from this.  
20 There, that's out looking at, is there still oil there? How much  
21 is there? Do they need to clean it up, in working with the  
22 communities. So -- in the mussel bed study, Byron will talk about  
23 it a little bit, but it's, we, we know the location for the oil  
24 mussel beds. We're trying to figure out how to clean them up.  
25 It's a purpose, you know, on part of the clean-up to avoid mussel  
26 beds that were oiled. That was a decision made there, don't clean

1 them up. Now, we're left with a decision how we best clean those  
2 up, because we're trying, we're seeing that link between the oil  
3 transfer in the continued injuries. So, they're similar projects,  
4 they're monitoring projects, but we try to combine them as much as  
5 possible, but they're, they're different locations and different  
6 study designs and there's you know, it's a complicated process.

7 MS. BERGMANN: Another point if I may on that is that  
8 when the Trustee Council adopts its final work plan and we see what  
9 projects are in there, then obviously we need to go through and  
10 make a cut and make sure certainly for logistical pieces of this  
11 that we do combine them and get the best use of the money.

12 MR. PHILLIPS: Are there further comments? Yes, Richard.

13 MR. KNECHT: I support the oystercatcher study because  
14 they're feeding on some of the same shellfish that people are and  
15 might feed into some of the concerns that subsistence users have  
16 about the safety of their shellfish.

17 MR. PHILLIPS: Any further comments. Did I ask for a  
18 motion? It is, okay. You have to put up with me, my memory isn't  
19 that good.

20 MS. BRODIE: Dr. Spies, -- you say, it says in the  
21 comments here there's no population-level injury for  
22 oystercatchers, so I don't understand why this study is needed.

23 DR. SPIES: Well, if you accept the population of the  
24 injury is the appropriate measure to do something for a species --  
25 then I think that -- based on that kind of criterion, that it's  
26 difficult to -- I think there's probably about 2,000 oystercatchers

1 roughly in the oil spill area and very few of them were probably  
2 killed by the spill. There was no pre-spill data at the study  
3 sites. It's been mainly Green Island, Montague Island that have  
4 been studies, Montague being the control, and Green Island the  
5 oiled sites and there's some different aspects of beach slope and  
6 so forth between those sites and we don't know what went on before  
7 the spill, but going there after the spill, there are these  
8 differences in egg volumes and the rate of transfer of food to  
9 young, and so forth, that have been a concern as possible sublethal  
10 effects. And, -- the link to the oiled mussel beds is one of the  
11 reasons we kept them in there to try to understand if there are  
12 species we can study to indicate that the oiled mussel beds may be  
13 a problem. I haven't seen the results of the last season's -- I  
14 haven't had a chance to study them, I just got the report sometime  
15 ago to see how much this study is telling us about this situation,  
16 but that was the main reason that has been included, although it  
17 has been a population-level injury, and so it's matter of what the  
18 Trustees want to do. I mean, if you want to be conservative, you  
19 say you should only those study those populations that are -- that  
20 you can measure the injury, and you should only be doing something  
21 for the population where you can check the course of recovery by  
22 doing some kind of a census. That's, that's a conservative  
23 approach, but one that deals with a smaller sub-sort of studies in  
24 the end. Is that a pretty circuitous answer to you?

25 MR. PHILLIPS: Further questions, comments? Yes.

26 MR. KING: I'd like to speak in favor of this, again,

1 it's a matter of tracing the effects of the oil spill up through  
2 the food chain and it's one of the really good things that are  
3 coming out of the Exxon Valdez studies.

4 MR. PHILLIPS: Further comments? Before us is the motion  
5 on whether '035 should be recommended to the Trustees? I'm going  
6 to ask for a unanimous consent and if there's no objection, so  
7 ordered and we will move on to '036.

8 This one is also -- oh this is NOAA. You're better  
9 looking than the last guy whose been here. (Laughter)

10 MR. BYRON MORRIS: I'm Byron Morris with NOAA and this is  
11 my first chance. I'll do more. This study is, is the one that's,  
12 the oiled mussel bed study that supports the other studies we've  
13 already been talking about that have concerns with oiled mussels.  
14 Essentially, what it does it measure the extent of contamination of  
15 mussel beds. This was a problem that was identified in 1991. We  
16 did some limited field work, piggy-backed. It wasn't an identified  
17 project. Studied nine mussel beds and found that several of them  
18 were heavily contaminated with oil. The oil was -- the problem is  
19 that the mussel can only cover over the gravel and sand sediment --  
20 protecting the oil that got through the mussels into this, in and  
21 beneath the histomat (ph), the histo tread mat (ph) of the mussels.  
22 This past year we've identified I think, an additional 12 or so  
23 mussel beds that were contaminated. The analyses haven't been  
24 conducted yet because the chemistry program, we're still trying to  
25 finish off the damage assessment studies, the samples we needed for  
26 final reports for damage assessment, but the sniff test indicates

1 that they were injured. In addition, in '92, we tried a couple of  
2 approaches to maybe help the mussel bed naturally depurate, such as  
3 taking strips of mussel bed mats, moving them, they tend to  
4 reattach rather readily to a new location and seeing if by -- by  
5 letting the subsurface be exposed, the oil concentrations will  
6 decrease and we need to go back out in '93 and see if this is  
7 working and maybe test some new technique, also to see if the oil  
8 is naturally decreasing beneath these and in these beds and in the  
9 mussels that are in these beds.

10 MR. PHILLIPS: The chair would recognize a motion on this  
11 so we could discuss it.

12 MS. FISCHER: So moved.

13 UNIDENTIFIED: Seconded.

14 MR. PHILLIPS: Okay, Donna and Richard. Okay, the motion  
15 is before us, Donna?

16 MS. FISCHER: Where are the three mussel bed sites that  
17 you have documented here.

18 MR. MORRIS: I was afraid somebody ask me the details.  
19 I can't give them to you, they're in western Prince William Sound.

20 MS. FISCHER: Are any of them located around Chenega?

21 MR. MORRIS: Yes.

22 MS. FISCHER: And is that going to, and, you're going to  
23 work in that area as well --?

24 MR. PHILLIPS: Is it possible that -- if it's determined  
25 that these will not readily correct themselves that you may have to  
26 destroy the mussel beds to solve the problem?



1 MR. MORRIS: It's not -- that's not determined. It may  
2 be a problem, we may decide to move ....

3 MR. PHILLIPS: But it's a possibility.

4 MR. MORRIS: That, that gets almost back to clean up and  
5 I don't, I can't speak to that. I think we need to know the  
6 magnitude of the problem and how long it's likely to continue.

7 DR. SPIES: Our, our evidence that the oil in those  
8 mussel beds is actually causing harm is very, the solid evidence is  
9 very thin, it's a hypothesis. We've got several species that look  
10 like they have continuing effects. They're, you know, weaknesses  
11 and uncertainties and each of those. One way to look at this is  
12 that they are all feeding on mussels to some extent and maybe its  
13 the -- it's the -- the source of the problem. However, we don't  
14 know for each species how much oil they ingest, how often they feed  
15 in oiled mussel beds, and how often in clean mussel beds. How much  
16 of their total resource is oiled. How much is unoiled. Whether,  
17 there is still oil in other areas of the intertidal beside mussel  
18 beds on protected beaches, and we don't -- these are very difficult  
19 and questions to get certain answers to, and they're very expensive  
20 studies to carry out, so before we run off in ripped up mussel beds  
21 -- which potentially has a -- could cause a lot of harm -- locally,  
22 where those are occurring, would also be very expensive. I think  
23 we'd have to really -- balance the kind of information we have in  
24 the certainty, we haven't even saw the equation.

25 MR. PHILLIPS: No question about that. I just wonder if  
26 possibly, maybe that may have to be one of the results if this

1 natural protection of oil, by the mussel beds -- were -- there's no  
2 way of cleaning them, you might have to destroy them in those  
3 areas.

4 MR. MORRIS: You'd have to look at where the mussels are  
5 located and where, and whether if you ripped up a bed that was the  
6 size of this, half of the size of this room, but there's other  
7 areas that are clean near by wouldn't be a threat, you'd have to  
8 kind of take it on a case-by-case basis.

9 MR. PHILLIPS: Any other comments on this one? Question  
10 before the group is whether '036 should be recommended to the  
11 Trustees. If there are no more questions, then the chair would ask  
12 for a unanimous consent. Yes, John?

13 DR. FRENCH: I have a quick question. One specifically  
14 to Byron. I assume that the need for the extra equipment is to  
15 catch up on the analysis time. The fact that everything is  
16 backlogged so that, otherwise I notice the fluorescent detector and  
17 some of the other things are specifically analytical tools for  
18 methodology (inaudible -- coughing) you already had set up.

19 MR. MORRIS: My recollection is that, that's for  
20 additional -- UV -- equipment, that ....

21 DR. FRENCH: The other comment I have is in general, I  
22 support this project fairly strongly, mytilus trossulus (ph) is one  
23 of the indicator species used worldwide. The more we understand  
24 it, the better off we'll be.

25 MR. PHILLIPS: Any further questions, comments, if not,  
26 the chair will ask for a unanimous consent and if there's no

1 objection, then it is so order and we will move on to '038. Once  
2 in a while we lose one out of this?

3 This one, the lead agency is the DEC. Who is going to speak  
4 on that? Oh okay.

5 DR. GIBBONS: Just a note on the numbering system.  
6 Trustee Council did remove some studies, that why you don't see --

7 MR. PHILLIPS: Oh, I see.

8 MR. BRODERSON: A very quick thumbnail of this, this is  
9 basically a continuation of shoreline assessments carried out in  
10 the three previous years. We're looking to see what the recovery  
11 rate and retention rate of oil is on the shoreline segments in the  
12 spill area and -- I'll entertain questions or I can go into more  
13 detail.

14 MR. PHILLIPS: The chair will entertain a motion. Jim,  
15 do I have a second?

16 MS. FISCHER: Seconded.

17 MR. PHILLIPS: Second. Here -- go ahead, Jim?

18 MR. CLOUD: This is an on-going study and I see most of  
19 the funds are -- a preponderance of the funds out of ADEC are  
20 contractual. Are they, do you plan to continue to contract with  
21 the same outfit and who is it?

22 MR. BRODERSON: In times passed, most of this contracting  
23 work was done by Exxon. Exxon is now gone because the clean-up is  
24 officially over. This is for logistics, for disposal of any waste  
25 thats, might be generated during the study, etc. This would be put  
26 out for bid. We're looking to see what we can do to contract with

1 local people, that has done in the past, but then Exxon had that  
2 privilege which we did not, we have to follow state procurement  
3 codes. We're looking to see what exceptions are available to us to  
4 allow that to happen. At this point, basically, you do the  
5 project, you go out for contract and whoever comes back with the  
6 best price gets the contract to provide logistics to you, workers  
7 to you to do whatever work needs to be done, etc.

8 MR. PHILLIPS: Further comments or questions? The  
9 question before the group is whether '038 should be recommended to  
10 the Trustees? If there are no further questions, the chair will  
11 ask for unanimous consent and if there are no objections, it is so  
12 ordered.

13 MR. TOTEMOFF: Mr. Chairman?

14 MR. PHILLIPS: Yes?

15 MR. TOTEMOFF: I'll abstain from --

16 MR. PHILLIPS: You want to abstain. Okay. If you have  
17 anything but an approval when I ask unanimous consent, be sure and  
18 raise your hand at that time, and then we'll just take a vote on  
19 it. Show an extension of -- do you want to give a reason for it?  
20 I think's its important that if there is an abstention, really that  
21 the group know what the abstention is for. If you have no -- well  
22 you shouldn't have any objection if you have to vote on things.  
23 Why don't you, whenever we abstain, if we can give a reason for,  
24 I'd appreciate it.

25 MR. TOTEMOFF: The reason for the abstention is to --  
26 that there's a possibility that some restoration crews/clean-up

1 crews may be from Chenega on this project.

2 MR. PHILLIPS: Okay, that's fine. Yes.

3 MR. ANDREWS: What, what information, what is HASWPR  
4 training?

5 UNIDENTIFIED: You haven't had yours?

6 (Laughter)

7 MR ANDREWS: I still feel pretty good so ....

8 MR. BRODERSON: There's a program that EPA requires for  
9 people that are in, very, dealing with hazardous materials that  
10 you're required to take, and oil on the beach is considered a  
11 hazardous material under some EPA regulations and so the agency  
12 folks are required to take that training prior to going out in the  
13 field, as they have been in the past.

14 MR. ANDREWS: Does it deal strictly with crude oil, or?

15 MR. BRODERSON: No, it's dealing, crude oil is sometimes  
16 considered a hazardous material. It's maintaining health and  
17 safety personnel that deal with crude oil. If you ingest a  
18 sufficient amount of crude oil, for instance, you could get a  
19 little, mildly sick.

20 MR. CLOUD: I thought is was a prerequisite to joining  
21 the PAG.

22 (Laughter)

23 MR. PHILLIPS: The vote on this was shown thirteen for  
24 and one abstention, is that correct?

25 MR. MUTTER: I put, by unanimous consent with Charles  
26 Totemoff as an abstention.

1 MR. PHILLIPS: Okay. Then let's pass on to, I don't mean  
2 that either. Let's go to '041 which the lead agency is NOAA again.

3 MS. FISCHER: '39.

4 MR. PHILLIPS: Did I, I thought we passed that, I didn't  
5 sneak that through did I? '039 it's Fish & Game, again. I didn't  
6 mean what I said about you a little while ago.

7 UNIDENTIFIED: I thought it was an appropriate comment.

8 DR. MONTAGUE: A little bit of background on this. The  
9 injury assessment projects on coastal habitats was by far the  
10 largest and most extensive project we had. I think that perhaps,  
11 Dave, you could correct me, but on the order of \$17 million was  
12 spent on the assessment of the coastal habitat regions and what was  
13 found was that all three areas of the intertidal range, upper,  
14 middle and lower, that the middle and lower areas in the intertidal  
15 zone have shown noteworthy recovery. The upper intertidal has not  
16 and primarily we're talking about -- during spill and cleanup, an  
17 important algae, fucus, was diminished largely, in an aerial  
18 extent, and that other invert -- not other invertebrates -- but  
19 invertebrates that depend upon that habitat such as limpets are  
20 having trouble re-colonizing because they need the protection and  
21 the food of the fucus to survive. And -- you know its harder to  
22 grasp the impact of something like this than you know, say otters  
23 or birds or salmon, but these lower aspects in the food chain  
24 probably are more keyed the long-term injuries and recovery than  
25 anything else and what this project specifically is going to do is  
26 concentrate on the upper intertidal. It will try to determine what

1 are the limiting factors for the recovery of fucus and vertebrates,  
2 and the second aspect of the project is to try to experiment with  
3 ways of artificially helping their recovery of fucus and this is  
4 done by testing a variety of maps that are seeded with fucus  
5 embryos and these are laid down and -- and, to be tested to see if  
6 its a successful way of helping fucus to recover. And there will  
7 also be tested without seeding under the theory that the mat itself  
8 will stabilize the environment enough that natural seeding can  
9 occur and then if any of these are successful, then an estimate  
10 will be made what the cost would be of doing this on a large scale.  
11 And that's the project summary.

12 MR. PHILLIPS: The Chair would entertain a motion on  
13 this. Richard and Donna. Any comments, questions, or yes, John?

14 MR. McMULLEN: Two questions. I notice that the budget  
15 here is almost entirely in contractual. What is that? And number  
16 two, are you stabilizing the environment or proving or improving  
17 the environment for fucus. You know, was, was the environment  
18 destabilized by the disrupt, disrupted other than oil by that  
19 incident in -- time?

20 DR. MONTAGUE: Well oil -- well, oil and clean-up  
21 destroyed the -- in a large areas, or at least the density of fucus  
22 and -- other than that, we don't, we're not aware of any other  
23 change in the environment that's preventing recovery. We just  
24 think that natural recovery is probably real slow.

25 DR. GIBBONS: I might add a little bit. That was the,  
26 the contracting officer for this study, damage assessment. The

1 problem with fucus recolonization is dissection. They're going out  
2 and they're drying up and that's what they're finding recently. So  
3 this one's, that if you dig at them like a little plant and the  
4 young ones just kinda walk away from it, you know, and that's how  
5 they spread and what's happening is they're drying out and then the  
6 limpets need to cover from the, from the, it's called rockweed.  
7 You know everybody knows, they'll walk on the beach and it pops  
8 under your feet, but -- so what this is, is they're using burlap I  
9 believe and they're trying to keep it damp enough so that they can  
10 get established, part of it. But the habitat is still there. You  
11 can see the, the basis of the plant still attached to the rocks  
12 that have been removed.

13 MR. PHILLIPS: John?

14 MR. McMULLEN: Fucus must move around, I don't know what  
15 happens to it when it gets out in the tide rips, if it ever  
16 reestablishes itself, may beach or not, if it's loss forever. But  
17 my other question was one of the, what is the contracting money  
18 for?

19 DR. MONTAGUE: I could answer that. This very large  
20 project that I said and it was all conducted by the University of  
21 Alaska, you know, they really developed a tremendous amount of  
22 expertise in this area during that project and we're currently  
23 proposing that this be a contract to the University of Alaska.

24 MR. PHILLIPS: Bingo.

25 DR. FRENCH: I remove myself from this.

26 MR. PHILLIPS: Okay -- are there any other comments or



1 questions on '039? Would you record that John French has excluded  
2 himself from discussion and voting on this because of the  
3 connection of the University of Alaska.

4 MR. WILLIAMS: Brad?

5 MR. PHILLIPS: Yes?

6 MR. WILLIAMS: I apologize for not being here all the  
7 time, but I missed yesterday when the attorney gave the conflict of  
8 interest rundown and I serve on the Board of Regents, although I'm  
9 not familiar with all the programs the university has by far.

10 MR. PHILLIPS: He's sitting right here. Could we ask him  
11 the question, we have one member who serves on the Board of Regents  
12 of the university, would that be considered a conflict, that that  
13 far removed?

14 MR. GOLTZ: How are you compensated, if at all, for your  
15 services?

16 MR. WILLIAMS: None.

17 MR. GOLTZ: It's not a conflict. Federal conflict of  
18 interest statute goes only to direct financial interest.

19 MR. PHILLIPS: Thank you. Okay. Are there any further  
20 questions on '039? Yes, John.

21 MR. McMULLEN: Mr. Chairman, when the Prince William  
22 Sound work group discussed this series of projects, some of which  
23 we haven't gotten to yet, I think we did register some objection,  
24 at least concern for the size of the budgets on these projects and  
25 I -- and when I looked at a half million dollar project for  
26 studying the population dynamics of barnacles and maybe reseeded

1 some focus, I said I believe that's excessive and -- especially  
2 when, the way that's its contracted and so, I would like to object  
3 to the, to the budget of this project. You know, regardless of  
4 whether its passed or not, and say that I think this is an  
5 excessive amount of money you can spend on an individual project in  
6 one day in Prince William Sound.

7 MR. PHILLIPS: Do you care to comment at all on that?

8 DR. MONTAGUE: I could comment on this but fortunately,  
9 Dr. Spies, this is your area of expertise more than others and, and  
10 could you offer something on whether you think this is ....

11 DR. SPIES: On the question of whether it's excessive or  
12 not?

13 DR. MONTAGUE: Yes.

14 DR. SPIES: It depends on what your assumptions are.

15 MR. PHILLIPS: Okay. What are yours?

16 (Laughter)

17 SEN. ELIASON: Mr. Chairman?

18 MR. PHILLIPS: Yes.

19 SEN. ELIASON: I would like to associate myself with  
20 those remarks also.

21 MR. PHILLIPS: Alright. Do you care to make any comments  
22 at all? I don't know what --

23 DR. SPIES: The resource continues to be injured if, if,  
24 if it -- if one of the objectives is -- of the process is to track  
25 that and to track the recovery and to look at the feasibility of  
26 recovery, then in some way, this project is justified. However,

1 the cost -- it's very expensive to work out there, and the costs in  
2 the past for the intertidal work at the University of Alaska have  
3 run into millions of dollars every year and it is very high. This  
4 is a reduction in that, but still represents a substantial amount  
5 of money. In terms of the objectives outlined in the project, I  
6 don't think that they're is excessive.

7 MR. PHILLIPS: Dave, may I ask -- I assume that the  
8 Trustees look critically at the budgets on these things, is that a  
9 bad assumption.

10 DR. GIBBONS: No, when we -- when we develop the detailed  
11 study plan, Restoration Team goes through those detailed budgets,  
12 you know, for the projects and, and looks at them critically.  
13 We've got detailed budgets that you have copies of that includes  
14 this project and all the other projects in the package and it goes  
15 through all the personnel, list all of what, every -- all the costs  
16 are, but the detail is there.

17 MR. PHILLIPS: May I suggest then that we express a  
18 concern about the size of the budget, just to bring it to the  
19 attention of the Trustees that we are concerned about it, unless  
20 you want to start from scratch and go through the whole budget,  
21 which I don't think you want to do. The question before us is  
22 whether '039 should be recommended to the Trustees. Are there any  
23 further comments? Yes Lew.

24 MR. WILLIAMS: I'll just make an amended, a motion to  
25 amend that we call to the attention of the Trustees that the budget  
26 appears excessive in the opinion of several of the members and we

1 asked them to re-examine it.

2 MR. PHILLIPS: Do I have a second to that?

3 SEN. ELIASON: Seconded.

4 MR. PHILLIPS: Second by Dick -- the question is the  
5 adoption of the amendment -- any discussion on the amendment, if  
6 not the chair would ask for unanimous con -- yes, Donna?

7 MS. FISCHER: No, no.

8 MR. PHILLIPS: ... ask for unanimous consent and if there  
9 is no objection, the amendment has been adopted. Now the main  
10 motion is before us on '039. Are there any questions or comments  
11 on '039? If not, the chair would ask for unanimous consent and if  
12 there are no objections, it is so ordered, and we will then go on  
13 to '041.

14 Alright, when we finish this one, then we'll take a  
15 break. So this one is NOAA. Would you give us a thumbnail on it?

16 MR. MORRIS: Yes, we've touched on the subject a number  
17 of times all ready. This is a project to develop the  
18 comprehensive, long-term monitoring plan for the Exxon Valdez oil  
19 spill. It's phase two of this project. Phase one is in place this  
20 year. It is to design or to develop the conceptual design for what  
21 this monitoring plan should look like. What will it, will it be  
22 limited to natural recovery of resources, resource and services,  
23 would it include monitoring the efficacy of restoration projects,  
24 things like that and what -- and then identifies some -- what  
25 resources and services may be included. Phase two -- phase one  
26 will, will be carried out under contract, and there will be a

1 workshop, probably this March, bringing in all the interested  
2 parties to develop the plan and concept and phase two will be  
3 putting the meat on the concept and that will be then done this  
4 summer, hopefully with a product that would come out of this  
5 contract which would be this specific long-term restoration  
6 monitoring program which would, as you will discuss, identify which  
7 resources and services we should monitor, how often, which  
8 additional resources perhaps we should be monitoring that weren't  
9 included previously, such as this forage fish which may be a key  
10 component to a lot of these other resources that we have been  
11 studied, those sorts of things, but that's speculation because this  
12 is to develop that product.

13 MR. PHILLIPS: The chair will entertain a motion on '041.

14 MS. FISCHER: So moved.

15 MR. PHILLIPS: Moved and seconded by Richard. The motion  
16 is before you, are there any questions, observations, complaints or  
17 anything on '041? Yes John?

18 MR. McMULLEN: This project in, in our consideration of  
19 it is -- is Prince William Sound work group -- brings to light the  
20 -- our possible inability to correctly chose or not chose projects  
21 based on the minimal amount of information we've had before this.  
22 However, this led -- need to comment that this appears -- this is  
23 a plan to plan and then we looked at the \$4 million that's tied up  
24 in administrative budgets of this type, for this program for this  
25 year and all the work groups that are represented in that work  
26 plan, and we ask ourselves or I asked myself, why isn't that type

1 of activity being carried out, you know, within the -- within the  
2 administrative program that is so costly to fund, this year? Why  
3 do you have to go outside to that for additional planning to plan  
4 and -- therefore, you know, I object to this particular project.

5 MR. PHILLIPS: Donna.

6 MS. FISCHER: I have a question for Dr. Spies. In your  
7 report in here, Dr. Spies, you stated that you felt that in your  
8 opinion, like killer whales were not affected by the spill,  
9 although something abnormal did happen. Do you still feel that?

10 MR. PHILLIPS: That's on '042.

11 MS. FISCHER: What one are we on? Oh I'm sorry, I want  
12 it ....

13 DR. SPIES: I'll answer your question on the next one.

14 MR. PHILLIPS: You did say in your report that the effort  
15 needs focus, would you elaborate on that a little bit. I hate to  
16 be out of focus on, on half a million dollars, or \$237,000.

17 DR. SPIES: Well, when this was originally put into the  
18 work plan for '93, we realized that we needed a monitoring plan  
19 that was proposed by the Restoration Team to do it in this manner  
20 and -- we've refined ideas and worked with the people responsible  
21 in choosing the contractor and what that contractor would do, how  
22 they would interact with the staff and that was, essentially my  
23 comments were based on early in the year consideration of where  
24 this was and it is developing so ....

25 MR. PHILLIPS: Are you satisfied now that we've got it in  
26 focus more. Is there any, yes -- Jim?

1 MR. CLOUD: Why isn't this part of the Restoration Plan,  
2 being developed?

3 MR. MORRIS: It will be part, rather than go, this  
4 project will establish the design of the monitoring component of  
5 the Restoration Plan.

6 MR. CLOUD: But the Restoration Plan, first draft is  
7 suppose to be out in March, that's only two months from now, three  
8 months from now. It should be already there, shouldn't. Why do we  
9 need to spend more money on ....

10 MR. MORRIS: Well the Restoration Panel will, will  
11 identify a need for long-term monitoring of that recovery, that is  
12 one of the options that we have to include. This, this would be a  
13 specific project that carries out that option identified in the  
14 Restoration Plan.

15 MR. CLOUD: So the Restoration Plan is, you're  
16 developing, is this going to be a series of multiple question --  
17 multiple answer questions?

18 MR. MORRIS: In the first draft it will be a number of  
19 alternatives, ways to approach restoration, a number of options  
20 that could be included in the alternatives. When it's finally  
21 adopted toward the end of the year by the Trustee Council, they'll  
22 land on which alternative that they prefer to go with and what  
23 options that would include.

24 MR. CLOUD: What would happen if they didn't approve this  
25 project?

26 MR. MORRIS: All options do -- all alternatives at this

1 point do include -- re -- natural recovery monitoring is one  
2 component so it would be, it should be there regardless, should be  
3 I say, not would be. But nevertheless, you need a specific project  
4 design on how to implement that option. The -- there is a  
5 difference between the Restoration Plan and the annual work plans  
6 which implement what the Restoration Plan identifies it will be  
7 done and this is essentially to (inaudible) implementation.

8 MR. PHILLIPS: Lew?

9 MR. WILLIAMS: I just see in here I've -- the injured  
10 archaeological resources will be monitored. I presume there will  
11 be coordination with what we approve the numbers, what were they,  
12 '5, '6 and '7 or do we have different teams running out on the --

13 MR. MORRIS: No. At the point that this plans in place,  
14 this will be the umbrella program for all the individual projects  
15 that you've had to deal with now because this monitoring plan is  
16 not in place, so that would be included.

17 MR. WILLIAMS: That's a coordinating plan?

18 MR. MORRIS: It'll be a probably sizable program -- but  
19 at least it would have everything into this one coordinated plan,  
20 rather than individual projects.

21 MR. PHILLIPS: Any other questions, comments? John?

22 DR. FRENCH: I'm not quite sure where I stand on this  
23 project, but I think we do need to realize and perhaps discuss the  
24 fact that to meet the questions posed by several of these  
25 objectives, it does require a fairly thorough level of  
26 understanding of some of the aspects of the restoration recovery



1 and the food webs and ecological consequences that it says. I  
2 personally think this is important, but to do this is going to have  
3 to require some fairly thorough scientific studies which are going  
4 to have big price tags. I think this group needs to be aware of  
5 that. That to do studies in the field of the intensity that will  
6 help us answer these questions, doesn't come cheaply.

7 MR. PHILLIPS: Any further comments on '041? Before us  
8 is the motion to approve '041 to the Trustees. If there are no  
9 further comments, the Chair would ask for unanimous consent, and if  
10 there are? Yes, John.

11 MR. McMULLEN: I do not want to be included in a  
12 unanimous vote.

13 MR. PHILLIPS: There's one objection, so ....

14 DR. FRENCH: I'll abstain.

15 MS. FISCHER: Two.

16 MR. PHILLIPS: Okay, then the Chair will ask for those  
17 that approve, please raise your hand.

18 MR. MUTTER: Okay.

19 MR. PHILLIPS: Those opposed? Those, okay. Any  
20 abstentions? Are you an abstention, John? Mr. French is an  
21 abstention. Do you want to announce it.

22 UNIDENTIFIED: What was the vote?

23 MR. PHILLIPS: He's, she's, he's going to announce it.

24 MR. MUTTER: It's eight for, four against, one  
25 abstention.

26 MR. PHILLIPS: Okay, at this time ....

1 DR. FRENCH: Weren't there two abstentions?

2 MS. FISCHER: No, I was -- I didn't take my hand down.

3 MR. PHILLIPS: Yes, Dick.

4 SEN. ELIASON: Before we recess, could I have just a  
5 moment?

6 MR. PHILLIPS: Certainly.

7 SEN. ELIASON: To express, I imagine we do share this  
8 concern. It seems that -- that there is a lack of incentive to, to  
9 prioritize the projects because if there is enough money to fund  
10 them all and being a politician, it's very easy to say no, or -- or  
11 yes. But I was thinking last night how -- how, if I were a Trustee  
12 I would want some type of an indication from this group how they  
13 view each, even though they do pass these projects, a number of my  
14 votes quite frankly, are hum-ho's. I don't much care one way or  
15 the other. So what I have done myself, I've sort of categorized a,  
16 b, and c. And -- I have a number of c's, a number of b's, and the  
17 a's, which sort of set, indicates to myself how I feel about these  
18 projects -- whether its important, one, two or three. So maybe  
19 there's a method we could devise at this time to go back and sort  
20 of review these projects, how we vote and how we feel personally  
21 about them and say how important that is to our vote, it might be  
22 yes, might be a ho-hum yes, might be very important yes, or it  
23 might be just a yes-yes.

24 MR. PHILLIPS: May I, may I.

25 MR. MUTTER: How do you get that message across?

26 MR. PHILLIPS: May I suggest this possibility -- for

1 those who feel as you do, and have been keeping track, why can't we  
2 just transmit your feelings along with our report to them  
3 individually, so that they can look through it and will know its  
4 not watered down then by a consensus. I haven't done that with,  
5 with mine. Some of them I'd have a problem classifying because I'm  
6 not in the scientific field and so, I have to go on faith at what  
7 some other people say. But would you have a problem if we said  
8 have that prepared and we, when we finish sometime before this is  
9 transmitted and we'll put under your name as your concern and  
10 anybody else in the group. The other thing that I was thinking  
11 about over night -- the transmission of this report on these  
12 individual projects will, the part that will be written will be  
13 done by Doug and I would like to ask if there is any reason why  
14 when those are completed if they can't be sent to all members so  
15 that we all understand what's being transmitted in the way of the  
16 editorial comment -- as well as the vote count. And then if we  
17 have some, if we spot something we think wasn't accurate, that we  
18 could get ahold of him and get, be sure that the thing represents  
19 our thinking on the narration portion. Do you see any problem with  
20 that? What, what is our time frame is getting it to them?

21 UNIDENTIFIED: A-S-A-P.

22 MR. MUTTER: Well, it will be sometime next week. When  
23 we get the transcript back, and I get my notes together before we  
24 can get this information out -- certainly if you want to consider  
25 priorities, you may want to get through the projects, all the  
26 projects, before you do that.

1           SEN. ELIASON: That was my point, Mr. Chairman, is the  
2 fact that I, I have in doing it today and I could go back to my  
3 notes from yesterday and also make an indication, one, two or  
4 three. Now -- if in fact, I guess we're free to transmit our  
5 feelings to the Trustees.

6           MR. PHILLIPS: I think that's valuable.

7           SEN. ELIASON: Which I'll intend to do. I'm going to  
8 xerox and send it to them and they can refer to it if they chose to  
9 do so because I think there's too many projects here that I don't  
10 really have a lot of support for, but I do not want to say but,  
11 fall in the lowest category. And there's some I think are very  
12 important. I think the Trustees should know that, how we feel  
13 about these specifically.

14          MR. PHILLIPS: I don't see anything wrong with that at  
15 all -- Dick and I think it would be very appropriate to do and some  
16 people are better able to evaluate priorities on these than others  
17 because of their background and their expertise. Yes, Pam?

18          MS. BRODIE: I agree completely with what Sen. Eliason  
19 has said, and it particularly applies to the scientific studies  
20 where very few of us have much expertise in judging them and  
21 perhaps the agencies themselves could give more of a sense of their  
22 own priorities in when they make, when -- by the time this comes up  
23 before the Trustee Council, maybe we could give a recommendation  
24 that the agencies should be prioritizing their own scientific ....

25          MR. PHILLIPS: Does that run into a problem on the agency  
26 ...?

1 DR. GIBBONS: Yeah, yeah it does. The agencies really  
2 can't come in with a priority. I'll tell you what I've been  
3 requested to do and I will give to the Trustee Council by the end  
4 of the week is, I'm doing a spreadsheet for them. I'm doing a  
5 spreadsheet comparing Restoration Team recommendations, Bob Spies's  
6 recommendations and the PAG recommendations, so they can look  
7 across and look at support and I will provide a copy of that to the  
8 public -- if they wanted them to.

9 SEN. ELIASON: But that doesn't really tell the whole  
10 story.

11 DR. GIBBONS: No it doesn't, but that's what I've been  
12 ....

13 ~~SEN. ELIASON: .... my yes vote doesn't mean yes, it's~~  
14 because it's okay. It's not a yes because I think it's a great  
15 project. It's yes, because I'd rather say yes than no. I think  
16 there are projects that are much more important than others. How  
17 do we transmit that message.

18 MR. STURGEON: Yes, John. I'm just going to agree with  
19 the last two board members. I think that -- we should take some  
20 time at the end of the day and see if we can come up with a  
21 consensus to which projects that we feel are most important, even  
22 if its only four or five, just some census. We're a Public  
23 Advisory Group and I think that's one of things that we can do as,  
24 as -- a Public Advisory Group is come up with some priorities. It  
25 doesn't have to a one through 64. We can just say there's five of  
26 these, or six or two or one that are very important.

1           MR. PHILLIPS: I think that's a -- very good idea, if  
2 during the rest of the day, you could take a look at that  
3 individually. We are really going to be running out of time here,  
4 so that if we can make it in as little time as possible, but think  
5 about it individually, so we don't have to start going back and  
6 starting from scratch again by the time this is over. And then I  
7 don't see anything wrong with transmitting that information. Yes?

8           MR. KING: Well, I think it's a good idea we're  
9 discussing, and I had -- used a high, medium, low category rather  
10 than a, b, c. In the course of our discussions and talking with  
11 people yesterday and today, I'm changing the evaluation I had  
12 before and I wonder if it wouldn't be possible, say for us -- if we  
13 were to do that tonight or over the weekend and get that to Doug  
14 first part of next week. If that would be soon enough and he would  
15 have a collection of evaluations on that order and that would take  
16 the pressure off the rest of the day.

17          MR. PHILLIPS: I don't see any problem with that if  
18 that's the way you want to do. I think the sense over here was to  
19 be get a consensus on the imp -- on the most important ones, but,  
20 that would, you can do it either that way or on an individual  
21 basis, yes.

22          SEN. ELIASON: No, if we do have the time, if we have,  
23 collect the thoughts and have it ready at the end, it seems to me  
24 that we could go through a process, one, two, three on each  
25 project. You know, is it a one or two or three. And you could do  
26 that in a matter of 15 minutes.

1 DR. GIBBONS: That would be helpful for me. I would  
2 transmit that along with my spreadsheet, but if -- I'm sitting here  
3 thinking if you send it in independently, you know, you're diverse  
4 group and somebody's number one over here, may not be somebody's  
5 number one over here or whatever and that might give a real hodge-  
6 podge, I think the -- votes is probably the best where you go  
7 through and you just run through them all and say how much support  
8 do I have for this one and you just tally them up.

9 MR. PHILLIPS: Well let's try to do something that toward  
10 the end.

11 DR. GIBBONS: I'm going to save you some time in your  
12 afternoon schedule too, so.

13 MR. PHILLIPS: Yes, Pam.

14 MS. BRODIE: A message to the, these agencies. You could  
15 say well, we can't set priorities, but a year ago the Trustees, you  
16 folks came in with a budget and the Trustees said this is too much,  
17 go back and come back with a smaller budget and you did and I think  
18 that the message here is if you don't give us priorities, we will  
19 set some, the Trustees will set some. They may not be what you  
20 like. If you set the priorities on the ....

21 DR. GIBBONS: I think that's the rule of the Public  
22 Advisory Group is to set your priorities. The Restoration Team has  
23 set their priorities through the voting process. We have a voting  
24 record there and you can look at it, a lot -- some of these are  
25 five ones, you know where you get a vote of five members and not  
26 another member. I mean, that, that, that's down on record. So you

1 can go through and look at them.

2 MS. BRODIE: I do. I have them in front of me and I look  
3 at them every time, but it's -- it's exactly the same thing that  
4 Senator Eliason was saying that it is limited to what it tells you.

5 DR. MONTAGUE: I'd like to comment.

6 MR. PHILLIPS: Yes, then I'm going to call a recess for  
7 ten minutes.

8 DR. MONTAGUE: I liked to call for a comment on that --  
9 Pam. Certainly the agencies could set a priority, but we are a  
10 Restoration Team that serves the Trustee Council and the way we  
11 operate is that the Restoration Team makes recommendations, not  
12 Fish & Game, not so on and so forth, so if the Trustee Council said  
13 Restoration Team prioritize these, indeed we could, but it would be  
14 a Restoration Team priority and not each agency's priorities.

15 MR. PHILLIPS: I would like to call a ten minute recess.  
16 That means we will be back here at five minutes to eleven and  
17 proceed with '042.

18 (Off Record: 10:50 a.m.)

19 (On Record: 11:00 a.m..)

20 MR. PHILLIPS: One thing that we should accomplish here,  
21 they would like to know who all is at the meeting so -- we're going  
22 to pass this around. Like to have you all sign it. The members  
23 at the table first and then please, who is the last one that gets  
24 it, put, put it behind you so that members of the public are, staff  
25 members also sign it. Here you go.

26 Just before we get started, I'd -- like to point out that we



1 are one '42 now. We have a long ways to go this afternoon. One  
2 thing I've been asked to do is to have the schedule for the public  
3 comment on time because there is a teleconference involved in that  
4 and I intend to stop whatever we're doing at 3:40 for the public  
5 comment segment. So, if you know anybody that wants to be heard on  
6 that, please advise them -- that it'll be at 3:40 this afternoon.  
7 When we finish with the ones that are in the book, we have  
8 postponed about five to -- toward the end and then we have the ones  
9 that were presented to us at the regular meeting yesterday that we  
10 have to treat in some manner, so -- we have more to do than it  
11 appears on paper here, so I'd ask you when we come back this  
12 afternoon, please try to be on time so that we can get through all  
13 this. The one before us right now is '042 and the lead agency on  
14 this is NOAA, so if we could have a thumbnail on this and ....

15 MR. MORRIS: As a little bit of background, we learned in  
16 the '70's that killer whales could be individually identified by  
17 the shape of dorsal fin and that the color and shape of the saddle  
18 patch behind the dorsal fin and -- since 1984, I believe it was, or  
19 '85, we've been censusing killer whales in Prince William Sound  
20 through what we call, photograph, photo-identification purposes.  
21 We recognize that there were 11 pods which were resident in the  
22 Sound and eight which come and go as transient pods. We pretty  
23 much know all these whales as individuals. We've developed that  
24 expertise. One, one of the most common pods, or the most common  
25 pod in Prince William Sound is the AB pod. In 1988 it, there was  
26 36 individuals recognized when it was last encountered, after the

1 spill, when it was first encountered on the 31st of March of '89,  
2 seven individuals were missing from that pod, or a 19 percent  
3 mortality, normal mortality rate within pods is about 2 percent.  
4 In 1990, another six whales were missing from that pod, an  
5 additional, 20 percent mortality rate -- so between '89 and '90 the  
6 pod was reduced from 36 to 24 individuals, about 40 percent decline  
7 in that pod. A pod is in fact, essentially, a family structure.  
8 It's they tend to associate with the matrilineal monarch of the  
9 pod, I guess, for lack of better word.

10 In 1991, the pod was censused and one additional whale was,  
11 was missing and one new calf was identified. In '89 and '90, no  
12 new calves were found in the pod. There was no reproduction  
13 apparently. The study was, was stopped in '91, did not conduct a  
14 study in '92. Essentially the pod had decreased down to this  
15 level. We would like to go back out in '92 and survey it again and  
16 see if it's recovering or whether its further declined or just, bot  
17 - what remains at this bottom level. This is the purpose of this  
18 study.

19 MR. PHILLIPS: Okay. The chair would intro -- or  
20 entertain a motion on '042.

21 MS. FISCHER: So moved.

22 MR. PHILLIPS: Do I have a second?

23 MR. ANDREWS: Second.

24 MR. PHILLIPS: Second, over here, Rupert. Question, yeah  
25 -- Donna?

26 MS. FISCHER: Yes, do you want to follow up with my

1 earlier question, Mr. Spies? Or, Dr. Spies, that in your opinion  
2 the killer whales were not affected by the spill, do you still  
3 stand by that, do you still feel that's possible.

4 DR. SPIES: I personally feel that way. There are a  
5 variety of opinions among the reviewers. This is another case  
6 where there's a lot of uncertainty. There's a good circumstantial  
7 evidence, as Byron just outlined, that something major, unnatural  
8 happened to that AB pod at the time of the spill. However, if you  
9 could observe the way oil behaves, and how it could have affected  
10 the oil -- that particular pod, and one that's (inaudible --  
11 coughing) and when they were seen after the spill. It is -- it  
12 becomes difficult to build a scenario where they would receive  
13 enough of a dose, a toxic dose of petroleum, in my view, to result  
14 in anything significant, in mortality, and even if you do accept  
15 that that could have happened in '89, how do you explain in '90.  
16 Wasn't there any fresh oil around at all and there -- essentially  
17 very little in the fish that they eat, so where would they get it?  
18 There's been all kinds of speculations -- the bottom line is,  
19 there's a lot of uncertainty. This is also a pod that has had a  
20 lot of fishery interactions in the past and that's another factor  
21 that, it's the only one of the resident pods that interacted with  
22 the fisheries and there's -- there's questions there as exactly  
23 what happened. So that's kind of a basis of the -- of my comments.  
24 That, I think that the work's been done very well -- NOAA and Craig  
25 Matkin (ph) have done good jobs with the work, so I've got, I think  
26 its got good scientific value, but I personally don't think its

1 linked to the spill.

2 MR. PHILLIPS: Donna?

3 MS. FISCHER: Do you feel by continuing this study that  
4 it's going to show anything different. Do you think it's going to  
5 ....

6 DR. SPIES: All you essentially are going to be doing is  
7 -- the last time I talked to Craig he thinks, if things go well for  
8 that particular pod, it'll probably take up to about the year 2000  
9 for it to recover -- you know, there's some uncertainty, several  
10 years one way or the other and what this study would be doing is  
11 tracking the recovery of population. I don't think that there's  
12 nothing major you can do to make them come back any faster. You  
13 just have to monitor -- you can monitor the situation.

14 MR. PHILLIPS: Yes, John.

15 MR. STURGEON: Same question I had before. Is -- I'm  
16 having a hard time trying to -- or understanding what is the normal  
17 course of business for an agency like NOAA. I mean, I hear quite  
18 a bit about killer whale pod feeding track in Prince William Sound  
19 before the spill, and why isn't this part of the normal work that  
20 NOAA does or Fish & Wildlife Service does? what do they actually  
21 do. I guess I'm trying to -- why is this different? why should  
22 this be an added project and not just part of your every day  
23 duties?

24 MR. MORRIS: Well, I think the answer is very simple.  
25 This work is done through our National Marine Mammal Lab which is  
26 based in Seattle and they do not receive, have not received

1 Congressional appropriations to do this work in the past. It's  
2 never been funded out of a normal course of government  
3 appropriations.

4 MR. STURGEON: So these pods have never been inventories  
5 or monitored before?

6 MR. MORRIS: They were through a program that Sea World  
7 funded when they added proposals to cap -- capture some Alaska  
8 killer whales for -- just you know -- the sea aquariums, so that's,  
9 that who funded the work. We, we oversaw it, but we didn't have  
10 funding to do the work ourselves.

11 MR. PHILLIPS: Yes, John, and then Pam.

12 MR. McMULLEN: Mr. Chairman, I just have a question about  
13 numbers of killer whales. If pods in Prince William Sound and  
14 question about the base number of animals that are identifies is  
15 roaming, is being resident in this area. It lists here 11 resident  
16 pods and 245 animals are resident in Prince William Sound. Would  
17 that be a number that would be expected to be, be able to flourish  
18 and maintain themselves in, in a relatively small area of the coast  
19 and what I'm wondering about is a data base looking back over time.  
20 Is this, how far is this information go back. This seems like a  
21 really an excessive number of animals to say that, here's what,  
22 here's what we would expect to see in the Sound under the normal  
23 conditions, that, it would require a tremendous food supply and I'm  
24 just wondering if, you know, is that good comparative information?

25 MR. MORRIS: You are correct. That's the total number  
26 that has been identified as, as occurring in the Sound on some sort

1 of regular basis. Maybe, in some pods, it's not every year and --  
2 and in some pods, it's only for a very brief period of time. We  
3 expect, we suspect that their range is probably somewhere between  
4 the Prince William Sound throughout the Kodiak and the Shelikof  
5 Strait area. AB pod is one that is regularly encountered. It  
6 kinda -- its home range and it's the one that we know has been in  
7 involved in the interaction with the fisheries on a regularly  
8 basis. We believe that when they were (inaudible) out on passage  
9 on March 31st, they were expecting a halibut opening on April 1st  
10 and were heading in that direction.

11 MR. PHILLIPS: Pam?

12 MS. BRODIE: Occasionally I notice a discrepancy in the  
13 Restoration Team votes between these two different sheets. In this  
14 case, there are two different agencies that have different votes.  
15 The Department of Interior, the Department of Natural Resources  
16 have a no vote on this sheet and then, it unanimous, yes on this  
17 one.

18 MR. MORRIS: I don't know what sheet you've got in,  
19 you're writing.

20 MS. BRODIE: Well, they were both in packets that were  
21 distributed to us.

22 MR. MORRIS: There was the unanimous vote that was  
23 changed to a four to two vote on a final tally of this project,  
24 essentially based on, I certainly call on Dr. Spies'  
25 recommendations of linked to injury -- I'll just go on record, the  
26 agency disagrees. We respect Dr. Spies' opinion but the agency's

1 position is that it was caused by the oil spill. We've looked at  
2 all the other alternative hypotheses and find none of them that are  
3 -- nearly as plausible. Be that it as it may, we feel that this  
4 particular pod is, is of prime importance to the Sound, to the  
5 recreational and tourism activities and deserves in its own right,  
6 even as an enhancement project to be followed and the potential for  
7 increasing protection to this pod should it be needed, is there,  
8 either through public education and perhaps, stricter enforcement -  
9 - does exist if necessary.

10 MR. PHILLIPS: Any other questions, John?

11 DR. FRENCH: Yeah. Whether the AB pod was impacted or  
12 not, killer whales are a major high-end predator in the Sound and  
13 much in the spill area, and as I've taken many opportunities to  
14 say, I think the understanding of food webs is very important. We  
15 have said that pink salmon may have been impacted. We have said  
16 that sockeye salmon may have been impacted. Herring, a number of  
17 things that killer whales feed on and the -- creatures that killer  
18 whales feed on, feed on -- there's a lot of interconnection that  
19 may be of importance and we're not going to understand those if we  
20 don't do this type of study. This is not a complete all all-  
21 inclusive study of killer whales, but it's a start. I think it's  
22 a good project.

23 MR. PHILLIPS: Pam?

24 MS. BRODIE: Following up on that. Is this going to give  
25 us any information about affects on stellar sea lions which are  
26 declining, the effects of the killer whale -- stellar sea lions?

1 MR. MORRIS: No, it likely would not. Our understanding  
2 is that the primary difference between resident and transient pods,  
3 is that resident pods are fish eaters essentially. Transient pods  
4 tend to be more predators on marine mammals and we don't have a  
5 good handle on anyway to study transient pods.

6 MR. PHILLIPS: Before us is the motion on '042, on  
7 whether to recommend -- are there any other questions. If not,  
8 chair will ask for unanimous consent and if there is no objection,  
9 then it is so ordered and we will go on to '043. And the lead  
10 agency is Fish & Wildlife.

11 MS. BERGMANN: 93043 is the -- it's the sea otter  
12 population demographics and habitat use project. As I'm sure  
13 everyone is very well aware they were large numbers of sea otters,  
14 approximately three to five thou -- 3,500 to 5,000 sea otters that  
15 were killed during the initial stages, stages of the oil spill.  
16 Studies have been done on sea otters in 1989, 1990 and 1991. There  
17 was no funding to do any kind of work on sea otters last year. Was  
18 felt that we should skip a year and look at funding work again this  
19 year. This project -- has several main components. First of all,  
20 it looks at the recovery of sea otters in oil areas. There is  
21 evidence to date that sea otters have not yet recovered to pre-  
22 spill conditions -- one, there's still finding prime-age animals on  
23 the beaches which you would not expect. Normally you would be  
24 finding old animals and very young animals on the beaches, but  
25 we're finding prime-age ones, which would indicate that the  
26 recovery has not occurred yet, that there is still something going



1 on. Second major component is constructing a population model to  
2 evaluate the potential recovery of the sea otter populations and  
3 the third and fourth objectives of the study are keying into  
4 identifying patterns of habitat use and evaluating areas that have  
5 high value for sea otters so that we can use that information in  
6 our habitat protection process.

7 MR. PHILLIPS: The chair would entertain a motion on  
8 '043.

9 MR. KNECHT: So moved.

10 MS. FISCHER: Second.

11 MR. PHILLIPS: -- Richard and Donna seconded. Are there  
12 any comments? I'd like to ask one question. Are sea otters  
13 territorial?

14 MS. BERGMANN: Yes.

15 MR. PHILLIPS: Is it a relatively confined area that they  
16 live in?

17 MS. BERGMANN: They're -- I'm not a sea otter biologist  
18 but my understanding is that the sea otters in Prince William Sound  
19 are pretty much, that is their range. They're not traveling  
20 between Prince William Sound and the Gulf of Alaska for example, if  
21 that answers your question.

22 MR. PHILLIPS: No. Not exactly, within Prince William  
23 Sound. This is a major feature in our tour -- into Prince William  
24 Sound -- to show sea otters and we see hundreds of them every day.  
25 My question is in the area that we find them, almost every day, is  
26 that their territory or maybe one day they may 100 miles away, or,

1 does anybody know? How about you Dr. Spies, do you know?

2 DR. SPIES: I am not a sea otter biologist. But my  
3 understanding that there are -- that the females at least, during  
4 part of the, the -- the sexually mature females during part of the  
5 year at least, have territories and that radio tracking has been  
6 done in the Sound by Chuck Monay (ph) and Lisa Roderman (ph) would  
7 indicate a fair field of movement over time.

8 MR. PHILLIPS: Probably for food? Is that a good guess?

9 DR. SPIES: I would think so -- that would be primary  
10 concern.

11 MS. BERGMANN: These studies are, are have been focusing  
12 on looking at the oiled and the unoiled areas and trying to compare  
13 what is happening with the sea otters in both of those areas and  
14 we're finding differences between the two areas.

15 MR. PHILLIPS: Any questions? Yes.

16 MR. ANDREWS: It's been my understanding in the past that  
17 the real problem with oiled sea otters is that if they get oil on  
18 their fur, even the size of a half dollar I've been told, it will  
19 allow enough cold to actually kill the animal, instead of  
20 ingesting. Can you fill me in on that?

21 MS. BERGMANN: During the spill, if you have  
22 contamination of sea otters by oil, you do -- hypothermia is a real  
23 problem because, just because the otters depend on their fur for  
24 insulation and, yes, that is a problem and they can't really get  
25 rid of that oil naturally by, by trying to groom their fur. In  
26 addition, during this oil spill, the clea (sic) otter -- sea otter

1 rehabilitation centers are set up that that the results that are  
2 coming out of that were surprising in that there were many more  
3 internal injuries to the otters than one would expect. There were  
4 actually problems with just the inhalation of the vapors,  
5 especially during the early stages of the spill when there was a  
6 lot of toxicity associated with the vapors and just a lot of  
7 different damage to the internal organs of the sea otters as well.

8 MR. ANDREWS: Well, I'm suggesting that hydro ....

9 MS. BERGMANN: .... from either breathing the fumes or  
10 actually when they're, when they're grooming and trying to get rid  
11 -- just like the birds, when they're preening and trying to get the  
12 oil off their feathers or their fur, they're ingesting oil as well  
13 and then there's this additional problem that we may in ingesting  
14 oiled food sources like mussels.

15 MR. PHILLIPS: Yes Pam?

16 MS. BRODIE: There's been a big dispute between Chuck  
17 Matt (ph) and Lisa Roderman (ph) that (inaudible -- coughing)  
18 who've done contract work and the Wildlife Service, and I notice  
19 that here the money is for in-house, it's not for contracting,  
20 which is something they'd objected to, can you explain to us why  
21 there has been that decision to do it in-house?

22 MS. BERGMANN: The Fish & Wildlife Service feels that  
23 they have the expertise in-house to do the components of this study  
24 that are being proposed. It's also been their experience that  
25 contracting out has not been very successful. They've not gotten  
26 reports ever promised to them. There have been a lot of

1 difficulties with contracting and that's been a very bad experience  
2 for them.

3 MR. PHILLIPS: Yes, John?

4 MR. McMULLEN: Mr. Chairman, I have a question about just  
5 what the Habitat Protection Program is. We've been, I -- I've been  
6 threatened with that by the researchers themselves. Saying you  
7 commercial fisherman dare to develop a fishery in the location  
8 where sea otters might be located in the summertime in numbers that  
9 they would try to get some intervention from the endangered species  
10 or threatened species people in federal governments, can you help  
11 me with that?

12 MS. BERGMANN: Well the point that I was making here is  
13 that -- a lot of these studies for particular species are trying to  
14 move away continued documentation of injury and looking at the  
15 habitats that those injured species are using so that if you feel  
16 it's important to protect those habitats, you will understand where  
17 in Prince William Sound or the Gulf of Alaska those habitats occur  
18 that those particular species are using. That doesn't guarantee  
19 that that next step will occur, but it provides the information  
20 upon which to make that decision if the Trustee Council feels  
21 that's important.

22 MR. PHILLIPS: Donna?

23 MS. FISCHER: So in other words you're saying that if the  
24 Trustee Council's, council believes that that is important, than  
25 those areas would be off limits to boaters, commercial fishermen or  
26 anyone else.

1 MS. BERGMANN: No one has any idea what specific action  
2 could be taken. I think the, Restoration Planning Working Group  
3 has identified marine sanctuaries as one option out there for  
4 protection, but certainly no decisions have been made. I mean, you  
5 would have to look at the trade-offs of what the establishment of  
6 a marine sanctuary would mean to other users of that area. We're  
7 simply trying to .....

8 MS. FISCHER: But that is a possibility?

9 MS. BERGMANN: That is a possibility. We're simply  
10 trying to say, if we have an injured population, these are the  
11 important habitat areas for those species and presenting that  
12 information objectively to the Council so that could be used if  
13 they chose for acquisition of habitat or other protective measures.

14 MR. PHILLIPS: Yes, John.

15 MR. STURGEON: I still have the question I had before.  
16 I'm still trying to understand the relationship between the  
17 agencies as they exist now and (inaudible -- cough) and oil spill  
18 money. Roughly, \$155,000 in -- for personnel services. Are those  
19 existing people that are within, you said you had the expertise  
20 within the Fish & Wildlife Service. Are these existing people that  
21 are within your agency now, or are you going to hire people? And  
22 if there, within your budget right now, what about the normal  
23 budget you would have, your, your annual fiscal year budget.

24 MS. BERGMANN: The Fish & Wildlife Service does maintain  
25 because of their responsibilities for sea otters a number of sea  
26 otter specialists on staff, some of whom would be used for this

1 program. I don't know if they would be hiring one or two people in  
2 addition. Excuse me, I just don't have that level of detail for  
3 you right now -- but as, and they certainly have been doing, sea  
4 otter work has been done largely, historically in Prince William  
5 Sound. There was some other, other folks that were doing sea otter  
6 research there. This is the same kind of thing with, situation as  
7 with murre where, that they wouldn't, Fish & Wildlife Service  
8 would not normally be spending this amount of money to be paying  
9 attention to this particular species.

10 MR. STURGEON: I understand that, but what I don't  
11 understand is if you've gotta \$155,000, multiply that times all the  
12 projects we've approved and these are existing people and you have  
13 annual budgets that come in every year where I would assume these  
14 people would be funded -- these aren't new people -- I guess, I  
15 don't understand, I can understand the contractual services money,  
16 the commodities (inaudible) here, we have a hard time understanding  
17 the personnel service, if these are people that are within the  
18 agencies now and we're providing funding from the Exxon Valdez  
19 money and that Congress, when it does the Fish & Wildlife Service  
20 budget, I would assume would also provide funding for these people  
21 too, unless they're new people --

22 MS. BERGMANN: In some of cases, in some of the projects  
23 I know for the boat survey which the Trustee Council approved they  
24 were hiring people to do, to do that work and that was one of the  
25 reasons it was time-critical. Because they wanted to do the survey  
26 in March and they had to go through a hiring process -- it may be

1 that for some of these projects that they're not approved. That  
2 people will be laid off, existing staff. But I -- for the sea  
3 otters I at least know that the primary technical experts because  
4 of Fish & Wildlife Service believes they currently have experts in-  
5 house that will be qualified to do this work, I would guess they  
6 are probably going to supplement some of those staff with some  
7 additional hires particularly for this project and if the project  
8 doesn't go forward, then those new hires would go away. The Fish  
9 & Wildlife Service representative, I called at the break and it's  
10 coming up here and can answer these questions specifically for the  
11 entire group if you chose, she's planning on coming down here after  
12 lunch.

13 MR. STURGEON: I think this is pretty important, this is  
14 kind of a double-dipping, if we're funding, I mean this is money  
15 that people already working for Fish & Wildlife Service and we're  
16 providing additional funding -- to me it's kinda a form of double-  
17 dipping and ....

18 MR. PHILLIPS: Would you like to delay this until after  
19 that person ....

20 MR. STURGEON: Well it's a question I have with all of  
21 these, whether they're existing personnel that we're double-  
22 dipping, we're double funding.

23 MR. PHILLIPS: But the question could be asked -- see  
24 we're facing a motion on '043. Would you like to suggest that we  
25 postpone it until that person arrives?

26 MR. STURGEON: Because I think it applies Mr. Chair to a

1 lot of these programs and I would suggest when we get the answer  
2 back, I know other people have that same question -- then we can  
3 maybe look back on some of these if that's the case. I tell you,  
4 I wouldn't want to delay it, but go ahead.

5 MR. PHILLIPS: I don't see it as a delay, if you want to  
6 just suspend this one or table it until the person comes, then you  
7 can direct -- your question to them and then we can act on it.  
8 That's just a suggestion, yes?

9 MR. WILLIAMS: I -- I suggest that we go ahead with this  
10 and afterwards, when we start prioritizing, setting a priority, I  
11 think we ought to have a general discussion and probably caution  
12 the Trustee Council if we don't envision, well maybe we do, I  
13 don't, envision that this money from the settlement be used to fix  
14 budgets that have been cut by the federal government and the state  
15 and other purposes. In other words, Eliason sat on the legislature  
16 and chopped fish, Department of Fish & Game's budget, and we don't  
17 want them taking this money to make up for that.

18 MR. PHILLIPS: Donna?

19 MR. FISCHER: Yeah I agree with what John is stating  
20 there and also, Dr. Spiez -- Dr. Spies address that, you know, that  
21 their budget was overpacked and overloaded and I think it's  
22 something that we need to take a look at, probably vote against it.

23 MR. PHILLIPS: We have a motion before us that we have to  
24 act upon. -- there are two more, John and then Pam.

25 MR. McMULLEN: Mr. Chairman, the number of otters over-  
26 wintering in the Cordova area has decreased dramatically in the



1 last couple of years. Well, this is -- and fisherman are  
2 continually reporting seeing otters on beaches which are apparently  
3 dead and died.

4 MR. PHILLIPS: Any of them have bullet holes?

5 MR. WILLIAMS: What we're saying here and what we hear  
6 talk about all the time is that -- that the food supply of the  
7 otters in the sound has diminished over time as the number of  
8 otters have (inaudible -- static throughout whole discussion)  
9 might indicate that and it maybe that the population is in need of  
10 reduction survive and to develop a program that surveys say  
11 maintain rather than looking at food supplies and actually what's  
12 happening in the dynamics of these otters, -- populations up there,  
13 I think the wrong issue is being addressed here. If, if  
14 preservationist, it says we want to exclude other activities for  
15 the benefit of otters that might not even -- you know be, be  
16 surviving over the year because of the need to reduce numbers to  
17 balance our food supply again and that, for that reason, the  
18 exclusion of other uses of areas including the entire area around  
19 the Cordova area, Nelson Bay and Orca Inlet, is proposed for their  
20 kind of exclusion, you know, puts me dead, dead set against it, the  
21 sea otter work and its eventual outcome.

22 MR. PHILLIPS: Pam?

23 MS. BRODIE: I would like to suggest an amendment to the  
24 motion that requests the Trustees take a look, consider putting  
25 this out to contract, that is if they listen to this, list of them  
26 items and decide (inaudible -- static interference)

1 MR. PHILLIPS: You've heard the motion, is there a  
2 second? The question is whether the original motion be amended by  
3 asking the Trustees to seriously consider the -- rather than  
4 (inaudible -- static) if there isn't the chair will ask for  
5 unanimous consent. I guess we've got an objection, so --  
6 (inaudible). Okay, you're going to object, then we'll call for a  
7 vote on the amendment. Now we're voting on the amendment, it shall  
8 be adopted. Those in favor, please raise your hands. Those  
9 opposed? Any abstentions. Vote was.

10 MR. MUTTER: Ten yes, three no.

11 MR. PHILLIPS: So the amendment has been adopted. Now,  
12 before we vote on the main motion, I apologize for not doing this  
13 sooner, but Jerry McCune, who is not with us, but there is somebody  
14 representing him, Mary McBurney, and would you introduce yourself  
15 and kind of tell us what your position is. -- you can certainly  
16 get involved in the discussion here that the legal opinion we have  
17 is that the because you are an appointee that you can't vote, or  
18 that sort of thing and so, would you tell us a little bit about you  
19 --

20 MS. MARY MCBURNEY: I'm Mary McBurney, and I'm the  
21 executive director of Cordova District Fishermen United, and the  
22 organization that I represent has been involved in this process  
23 since the Exxon Valdez went on the rocks, and (inaudible -- static  
24 inference) our activities over the years since, and I am very  
25 pleased to have the opportunity to participate at the table.

26 MR. PHILLIPS: And we encourage you to do so, don't be

1 bashful.

2 MS. MCBURNEY: I won't.

3 MR. PHILLIPS: Okay. The question before the group is  
4 whether '043 will be recommended for approval to the Trustees. If  
5 there is no further discussion. Yes?

6 MS. BERGMANN: I would like to a point of clarification,  
7 I may have misunderstood Mr. McMullen, but there, there is nothing  
8 in this project that is, is -- working toward the exclusion of  
9 particular areas, we're talking about the area around Cordova. I  
10 wasn't quite sure what you were talking about, but ....

11 MR. PHILLIPS: Inventory?

12 MS. BERGMANN: Yeah.

13 MR. McMULLEN: Mr. Chairman, concerns (inaudible --  
14 static) concerns habitat protection and protection program -- what  
15 that was.

16 MS. BERGMANN: The habitat protection program, is --  
17 you'll be talking about it more on some of the projects that are  
18 coming up, but it's looking at various methods and techniques to  
19 set aside land to protect them from activities that might continue  
20 to, might result in continued problems in the oil spill area, but  
21 there's nothing and, and, and I think it's an important point again  
22 that everybody has been encouraging these studies to move away from  
23 continuing to determine damages and start looking -- or injuries to  
24 resources and start looking at habitat areas, important areas where  
25 these species are, habitat areas used by those species so that that  
26 could be incorporated in that process if necessary.

1 MR. PHILLIPS: Are there any further comment on '043?  
2 I suspect there is, this is an unanimous one, so I'm going to call  
3 for the votes for those -- in favor of the motion on '043, please  
4 raise your hand. Yes. Those opposed. (inaudible -- static) Are  
5 there any abstentions?

6 MR. MUTTER: I have eight yes; five no.

7 MR. PHILLIPS: So the motion passes -- with the  
8 amendment.

9 We have fifteen minutes left before the noon break and we will  
10 go '045 -- it's been, that one has been approved, so we won't pause  
11 there. We'll go on to '046 and I don't mean to be odious but we've  
12 got a lot to cover before this day is over, so, this one is a Fish  
13 & Game Department, so if we can have a thumbnail on this one.

14 DR. MONTAGUE: Mr. Chairman, if I may, I'd like to step  
15 back very briefly because there's a question that Mr. Eliason had  
16 relative to why fertilization wasn't used in the Red Lake  
17 restoration project, as opposed to the hatchery. My answer was  
18 inadequate and I'd like to correct that. The reason the  
19 productivity of the lake and the amount of food available is  
20 sufficient so that, that's not a problem in Red Lake like in Kenai.  
21 All this would do would to increase, the natural survival and  
22 growth in Red Lake, as good as it was before the spill, but it's  
23 still high (inaudible -- static) hatcheries -- and so in further --  
24 and does Prince William Sound and does several hundred harbor seals  
25 -- first year so that after the spill there was -- and changes in  
26 behaviors that we feel resulted in those --. In 1991, there was

1 some improvement. At least the rate of decline was not as bad and  
2 this was one of those cases where we decided that, you know, it was  
3 looking like it's getting better in '92, let's not do anything in  
4 '92, go back in '93. So we didn't do this project in '92. We  
5 proposed to go back in '93 to verify that, that some recovery is  
6 occurring and we did under our own funding do some small regular  
7 work that we usually do on harbor seals and the, some (inaudible --  
8 static) declined slightly which sort of countered balances the  
9 positive effects we saw in '91 -- we really don't know whether the  
10 population is better or not. In short that's what this project  
11 covers. One other sideline to it, fishing industry and perhaps  
12 tour industry as well, it's already declining population, what our  
13 concern was that further decline could result in further decline in  
14 the population of harbor seals (inaudible -- static interference)

15 MR. PHILLIPS: The chair would entertain a motion on  
16 '046.

17 MS. FISCHER: So moved.

18 MR. KNECHT: Second.

19 MR. PHILLIPS: Okay. The matter before us, are there any  
20 other -- comments, yes.

21 MR. KNECHT: (inaudible -- static interference)

22 DR. MONTAGUE: (inaudible -- static interference)

23 MR. TOTEMOFF: Again, is the same argument as before, I  
24 think there needs to be more involvement in these type of projects.

25 MR. PHILLIPS: Involvement of the people in the  
26 community?

1 MR. TOTEMOFF: Yes.

2 MR. PHILLIPS: Would you -- would you like to put that in  
3 the form of an amendment to the motion?

4 MR. TOTEMOFF: So moved.

5 MR. PHILLIPS: Alright there's an amendment, is there a  
6 second to that.

7 MR. KNECHT: Second.

8 MR. PHILLIPS: All right, there's a second. The  
9 amendment is that this group recommend to the Trustees that more  
10 emphasis be put on interaction with the people who live in the  
11 areas, in these studies. Is there any discussion on the amendment.  
12 Yes, Richard?

13 MR. KNECHT: I would like to support both the amendment  
14 and the, the larger project under consideration on behalf of the  
15 subsistence users declining seal population that are major concern  
16 and it's getting pretty critical in the Kodiak area as well, and we  
17 badly need data as well as involvement. I think that involvement  
18 leads to better data on that question.

19 MR. PHILLIPS: Are there any other, further comments on  
20 the amendment?

21 DR. MONTAGUE: Mr. Chairman, so that I better understand  
22 it, is the point you really making that, that the investigator  
23 should work more with local people during the design stage and the  
24 description of the findings or actually be employed on the project,  
25 which is it?

26 MR. TOTEMOFF: I would say in both arenas.

1 MR. PHILLIPS: Any further discussion on the amendment.  
2 Yes?

3 MR. KING: I just noted that in the letters we got, this  
4 project -- is a matter of major concern from the villages of Prince  
5 William Sound.

6 MR. PHILLIPS: Including the school kids. I didn't know  
7 there was that many Totemoffs in the whole world. (Laughter)  
8 Okay, I'll ask -- did we pass the amendment?

9 UNIDENTIFIED: No.

10 MR. PHILLIPS: Okay, the amendment, the chair will ask  
11 for a unanimous consent on the amendment and if there is no  
12 objection then it is so ordered and before us now is the main ....

13 MR. TOTEMOFF: Mr. Chairman?

14 MR. PHILLIPS: ... motion on the '046. Yes.

15 MR. TOTEMOFF: I'm going to abstain on this, I believe it  
16 is one of those gray areas I think, I'm not sure.

17 MR. PHILLIPS: Okay, then indicate that -- unless, are  
18 you going to apply for one of those jobs?

19 MR. TOTEMOFF: Not personally.

20 MR. PHILLIPS: Yes, Dick.

21 SEN. ELIASON: May I ask one question, Mr. Chairman. I  
22 notice you are using polar-orbiting satellites and new technology,  
23 is this something that has been doing on, or is this a new  
24 experiment for the department?

25 DR. MONTAGUE: Well the technology of applying satellite  
26 linked tags to seals is proven technology.

1 SEN. ELIASON: Have we used it before is the question.

2 DR. MONTAGUE: We used it in '91.

3 MR. PHILLIPS: Alright, the question before the group is  
4 the approval of the main motion, amended, of '046. If, is there  
5 any further discussion on it. Yes, John.

6 DR. FRENCH: Yeah, will we picked on Fish & Wildlife  
7 Service last one for the large personnel budget. I think just to  
8 be fair, we should pick on Fish & Game on this one. This is, is a  
9 very heavy personnel budget in my mind and I'd like the record to  
10 reflect that.

11 MR. PHILLIPS: Yeah, yes. Rupert?

12 MR. ANDREWS: A question for clarification, on page 184  
13 I see that if the decline continues or up-to-date population is not  
14 available, we're looking at more restrictive legal classification  
15 ....

16 MR. PHILLIPS: What else could you do.

17 MR. ANDREWS: Nobody can hunt them now, except for  
18 subsistence. What, what more restrictive legal classification are  
19 we looking at?

20 MR. PHILLIPS: Death penalty.

21 (Laughter)

22 MR. ANDREWS: And if we're looking at a rare and  
23 endangered species list, what, what does that really mean on the  
24 use of the Sound?

25 MR. PHILLIPS: Good question.

26 DR. MONTAGUE: Mr. Chairman, in the worse case, where an



1 endangered classification conceivably, tour boats and commercial  
2 fisheries could be excluded.

3 MR. ANDREWS: Oh, oh, -- I thought I'd bring that up for  
4 Brad.

5 MR. PHILLIPS: Any other comments? Thank you very much.  
6 Any other comments, yes.

7 MS. MCBURNEY: Since NIMPS is the cooperating,  
8 cooperating agency here, I was just curious whether this  
9 information that's going to come from this study is also going to  
10 be shared and become part of, say the proposed regime for governing  
11 that (static begins -- inaudible)

12 DR. MONTAGUE: (inaudible -- static)

13 MR. PHILLIPS: Other comments on the motion? If there is  
14 none, the chair will ask for unanimous consent and if there are no  
15 objections -- it is so ordered and we (inaudible -- static).

16 I think we have time for one more before the lunch break,  
17 so if you want to turn to '047, and NOAA, again, will be the lead  
18 agency on this.

19 MR. MORRIS: Yes. This is a subtitle monitoring program.  
20 It's not apparent -- description. This is a combination in  
21 coordination of five different projects. To be conducted by three  
22 different Trustee Councils, Trustee agencies. This is, this  
23 proposed project would be the resumption of work that was conducted  
24 in, which was postponed in 1991 to be resumed as (inaudible --  
25 coughing/static) recovery monitoring. In other words, (inaudible).  
26 As a reminder, -- to put this into perspective, the bulk of the oil

1 of the spill in Valdez ended up somewhere in Prince William waters.  
2 We don't (inaudible) to some extent -- contaminated (inaudible --  
3 static) One part of this project which would, would (inaudible --  
4 static) concentrated oil (end of static) sea floor sediments and  
5 determine whether they have been decreasing with time. Up to '91,  
6 the phenomena was that they were to some extent decreasing, but  
7 they were spreading as well, that oil was going deeper into the  
8 marine environment. It was tending to be settling further and  
9 further down. We'd go out and determine that. Another part of it  
10 would measure the exposure of some of the organisms, in this case  
11 benzic (ph) fish through measurements of hydrocarbon metabolized in  
12 the biles of flat fish, flounders. One part of it would measure  
13 the microbial activity of the hydrocarbon-degrading bacteria. This  
14 is an indicator of the fact that, yes oil is present, in fact, it  
15 has affected the micro-community with a preference to those  
16 organisms that can degrade hydrocarbons for a source of energy. A  
17 fourth part would be to study, resume study of the shallow eelgrass  
18 comm -- eelgrass beds in selective several locations in the Sound.  
19 It has been identified that there have been effects on the eelgrass  
20 itself and on the -- eelgrass animal communities associated with  
21 the eelgrass and one part is to continue look at the exposure to  
22 rockfish in the Sound where it, initially after the spill was over  
23 there was a number of dead rockfish were recovered, indications  
24 that yes they were exposed to oil and in fact, had ingested oil and  
25 further studies indicated that there was continuing exposure to  
26 rockfish. So these five parts all combine to a million dollars.

1 A heavy cost of it is the amnio-chemistry (ph) part of the program,  
2 the measuring the concentrations of oil in the sediments and in the  
3 bile.

4 MR. PHILLIPS: This is a contractual service, as we can  
5 see ....

6 MR. MORRIS: No it's not, it's mainly the NOAA personnel  
7 costs. We, we've been established as the end and the laboratory at  
8 present for these hydrocarbon samples. The contractual is mainly  
9 for the field vessels and logistics, what have you.

10 MR. PHILLIPS: The Chair would entertain a motion on this  
11 item.

12 MS. FISCHER: So moved.

13 MR. PHILLIPS: There's a move here.

14 MR. ANDREWS: Seconded.

15 MR. PHILLIPS: Second -- Rupert. All right the question  
16 -- Donna?

17 MS. FISCHER: When NOAA's boat is up here doing the  
18 monitoring or doing the readings for the new maps and that, is this  
19 when they are going to be doing this, project? Are they doing to  
20 be doing it on that same boat? That's the only one they have coming  
21 up, isn't it?

22 MR. MORRIS: No, this would be a contract vessel probably  
23 to some, some fish that we have used, so probably fishing vessels  
24 or -- three fishing vessels that we've used in the past.

25 MS. FISCHER: Because I thought their ability, they were  
26 able to do that on that same boat, where they do the geographical

1 surveys?

2 MR. MORRIS: We've used, no. No, I think that, no, are  
3 fully scheduled years ahead of time to conduct specific work and do  
4 other things. We have used NOAA vessels in the first couple years  
5 of the spill and I'll tell you, they're very expensive.

6 MS. FISCHER: And one more question, Mr. Chairman?

7 MR. PHILLIPS: Certainly.

8 MS. FISCHER: What ten areas are included in this?

9 MR. MORRIS: What -- could you tell, the ten sites?

10 MS. FISCHER: Uh-huh.

11 MR. MORRIS: The oiled areas include the Herring Bay,  
12 Northwest Bay, Sleepy Bay, Snug Harbor, Bay of Isles. And the  
13 control areas are Drier Bay, Lower Herring Bay, Moose Lips Bay,  
14 Olsen Bay and Zaikof Bay.

15 MR. PHILLIPS: Further comments, questions. John and  
16 then John.

17 DR. FRENCH: Again, I just have to remove myself due to  
18 the fact that UAF is a subcontractor.

19 MR. PHILLIPS: Alright. John?

20 MR. STURGEON: Third agency I've asked this question and  
21 maybe you could answer it. The \$231,000 you have for personnel  
22 service, those existing personnel that work for NOAA right now and  
23 if so, has that been funded by the federal government in your  
24 normal budget?

25 MR. MORRIS: Unh-unh (no).

26 MR. STURGEON: Are these new people you're going to hire.

1 MR. MORRIS: Yes, yes it's existing personnel to a large  
2 part, there's a few, there'll be a few field personnel and  
3 temporary hires. They are all temporary employees who posi --  
4 whose job would go away if the funding would go away.

5 MR. McMULLEN. Well this, none of these people are funded  
6 permanently by ....

7 MR. MORRIS: .... as full time permanent employees, no.

8 MR. PHILLIPS: Yes, John.

9 MR. McMULLEN: Mr. Chairman --

10 MR. MORRIS: For NOAA, I'm only speaking for NOAA, I  
11 can't address the other agencies ....

12 MR. McMULLEN: As with some other projects, I think the  
13 costs of this project are excessive, both through personnel and  
14 contract work. For the program to be carried out and that, that is  
15 my only comment.

16 MR. PHILLIPS: Further comments, questions. The question  
17 before the group is whether or not '047 will be approved and sent  
18 to the Trustees. If there are no further comments, the chair will  
19 ask for unanimous consent with the observation that John French has  
20 excused himself because of a possible conflict of interest for the  
21 University of Alaska. If there are no objections, then it is so  
22 ordered and it'll be transmitted.

23 I would like to call a recess now, until one o'clock, an hour  
24 lunch break and we're going to really have to push to get through  
25 this thing this afternoon, so I'd appreciate if you'd come back  
26 right at one.

1 DR. MONTAGUE: Mr. Chairman?  
2 MR. PHILLIPS: Yes?  
3 DR. MONTAGUE: Can I make one statement.  
4 MR. PHILLIPS: Sure.  
5 DR. MONTAGUE: Relative to the Cold Creek fish ladder  
6 project, we have contacted the Afognak Native Corporation, a Mr.  
7 Pete Olson and they were in favor of the project.  
8 MR. PHILLIPS: Thank you.  
9 (Off Record: 11:55a.m.)  
10 (On Record: 1:00 p.m.)  
11 MR. PHILLIPS: Okay. If we'd come back to order please.  
12 I would like to get through what, are we on '047?  
13 UNIDENTIFIED: '051.  
14 MR. PHILLIPS: Okay. Gentleman you can have this file.  
15 Okay. Before us is '051, does any one -- any one in the group here  
16 have any travel questions at all, about their trip over here? We  
17 have a specialist, an expert, the girl with all the money, is  
18 sitting here and if you've got some questions about your travel,  
19 she can solve all those problems I'm told, so if you have any, are  
20 there any questions -- are you leaving here when this is, when we  
21 have finished, are you leaving --?  
22 MS. MARTINEZ: (inaudible)  
23 MR. PHILLIPS: Some people will talk to you about it, not  
24 necessarily here. Is everybody satisfied? See how easy your job  
25 is? So everybody understands what they're supposed to do and okay,  
26 well I can't argue with that.

1 MR. MUTTER: I think Rup has a ....

2 MR. PHILLIPS: Rupe, you have a question on travel, we  
3 have a young lady here that can solve all of our problems, right  
4 next to you.

5 MR. ANDREWS: Yeah. I guess I'm doing something wrong  
6 because I missed the first meeting. So I understand from reading  
7 the instructions, you can fill out your travel itinerary, sign the  
8 other forms and send them up.

9 MS. MARTINEZ: Send them to Kathy at 1011 East Tudor.

10 MR. ANDREWS: Well I did that and they filled them all  
11 out and then they sent them back to me and, and that's bad enough,  
12 but then they didn't tell me where else to send them.

13 MS. MARTINEZ: Did you have all of your -- like a  
14 receipt, your lodging receipt?

15 MR. ANDREWS: Everything, yeah. The only thing I -- I  
16 didn't do is put a date on them I guess.

17 MS. MARTINEZ: A date, when you signed it, oh, well  
18 that's not a big deal.

19 MR. ANDREWS: I didn't think so, so we'll just have to go  
20 on and I, I'd just like to find out what I should do.

21 MS. MARTINEZ: The procedure should be that you fill out  
22 the travel itinerary form and sign a blank travel voucher form  
23 which is a white form that has your name and address, travel date,  
24 things like that and then on the back is what actually you did,  
25 your itinerary that we transfer from the yellow itinerary sheet to  
26 the back of that form. It is very complicated. You sign that

1 blank.

2 MR. ANDREWS: I signed everything in sight. [Laughter]

3 MS. MARTINEZ: And sent it in, then we would Kurt, or  
4 whoever is designated to sign that and it would go to finance  
5 center and then you would get a copy back after it was signed.

6 MR. ANDREWS: I haven't heard, it's been a several weeks  
7 now, and --

8 MS. MARTINEZ: Well around the Christmas holidays it was  
9 taking like 28 working days because they were half-staff there,  
10 because of the holidays.

11 MR. ANDREWS: But you don't cut the per diem checks here  
12 ....

13 MS. MARTINEZ: No, no that goes to the finance center in  
14 Denver, and so they will come directly from Denver. -- I don't  
15 know, I'll have to check on that.

16 MR. ANDREWS: So I'll just continue to do that, hope ....

17 MS. MARTINEZ: Fill out the yellow form, attach your  
18 receipts to it, and send it to Kathy Miller at 1011 East Tudor,  
19 she'll do the voucher. If you haven't signed the blank voucher,  
20 then she'll send it to you for signature. If you have signed it,  
21 you'll get a copy back in the mail after it has been approved.

22 MR. ANDREWS: Thank you.

23 MR. PHILLIPS: You have to send original receipts, or can  
24 you send pictures?

25 MS. MARTINEZ: Yes, originals.

26 MR. PHILLIPS: Donna?



1 MS. FISCHER: Yeah, do you know when you send it, I know  
2 in our travel allocation for -- that we have a per diem and  
3 everything that's allowed and I realize that -- that the travel is  
4 already taken care of, or as far as our plane, and we call the  
5 airlines so that's deducted. Do we get that money that's allowed  
6 on there, or what? Because I did receive a check, and it was only  
7 for \$100.00.

8 MS. MARTINEZ: That, it's based on quarters. There's  
9 four quarters in a day. So if you started travel sometime between  
10 midnight and six in the morning and then completed travel after six  
11 at night. You'll get that complete day. And there was a break out  
12 of -- of how, what the quarters are in the per diem for that, in  
13 that orange packet that I handed out at the first meeting that  
14 explained more in detail about that.

15 MS. FISCHER: You mean so for the one trip there's going  
16 to be like three or four different checks?

17 MS. MARTINEZ: No, unh-unh, no it will be all one check,  
18 but it will be different per diem rates. If you were there for a  
19 complete day, you'll get the whole day and that per diem. If you  
20 were only there for three-quarters of a day when you traveled back  
21 to Valdez?

22 MS. FISCHER: um hum.

23 MS. MARTINEZ: Or, on your way to Anchorage, it'll only  
24 be half or three-quarters of the day, depending on your departure  
25 and arrival time in Anchorage.

26 MS. FISCHER: Oh, so we don't get the per diem that you

1 allow for each one of us that's in the travel ....

2 MS. MARTINEZ: No, no that's just an amount that we've  
3 obligated for that. That's just a dummy amount that we can put  
4 into the computer to give an estimate of what the travel costs.  
5 That's the maximum of what it will be.

6 MR. PHILLIPS: Are there any further questions on this  
7 subject. Thank you very much.

8 MS. MARTINEZ: I have something to bring up. Kathy asked  
9 me to emphasize that the vouchers that you filed do get sent  
10 directly to her. You can send them to me if you would like, but  
11 all I'm going to do is forward them to her. I'm not going to do  
12 the vouchers until, like if she's out sick or something and is  
13 going to be gone for an extended period of time. Kathy's address  
14 is the 1011 East Tudor which I believe was in the beginning packet  
15 that -- you all should have. My address is at 3301 C Street, so if  
16 you've been sending them to me -- that's fine. I'm going to do  
17 absolutely nothing, but send them forward to Kathy, so it's just a  
18 delay process. If that doesn't bother you, then you can keep doing  
19 what you want. -- a reminder, Kathy is doing the vouchers, I will  
20 only do them in her absence, so if you have any questions, you can  
21 ask either of us. If you have to, if you feel you need to further  
22 explain what you did or how you filed your travel itinerary, you  
23 didn't feel that it was clear enough or that she may get confused  
24 on doing that, then you can call her directly because she will be  
25 doing the voucher. She will probably ask you more questions than  
26 what you thought to write down. And also, times are very

1 important. When you file your voucher, you can't just say I left,  
2 I left Seattle at -- on -- let's say, I left Seattle on January 6th  
3 and returned home on January 10th. You can't say that. We have to  
4 have times. You per diem rates for those days are based on the  
5 time that you completed travel and commenced travel, so that may be  
6 the case when you would get a voucher returned to you, or you'll  
7 get a phone call from Kathy saying I need more information on this.  
8 Also, on the out -- on the authorization itself, it states your  
9 estimated per diem rate and it also states your travel date and  
10 what I've been doing on the travel date is putting the day before  
11 the meeting as your travel date into town and the day after the  
12 meeting for you to return home -- with the exception of the people  
13 from Fairbanks. I know there's several flights daily, and so you  
14 are required, or you've been put down to go the morning of, and the  
15 night after, or the night that the meeting ends. I would just  
16 emphasize that those dates on the authorization date do say on or  
17 about and that's why I'm giving you that one-day window. There  
18 have been a couple of people who filed vouchers and they came into  
19 town two days before and stayed two days after, -- and we're kinda  
20 doing that on a case-by-case basis. If you see that those travel  
21 dates are not realistically possible for you to complete the  
22 business, then you need to let me or Kathy know so that we can  
23 amend your travel authorization before it goes any further. It's  
24 a heck of a lot easier to amend it before travel has commenced than  
25 it is to correct it after you are done traveling and have to go  
26 through and explain it and give a memo and all this other stuff.

1 So, we would appreciate that you look at your authorization -- if  
2 for some reason the mailing address is incorrect -- that mailing  
3 address is where that check is going. That travel check, so you  
4 need to make sure that that is correct and then that the dates are  
5 also correct for a realistic time frame for you to complete your  
6 travel.

7 MR. ANDREWS: I live in Juneau and I depart from  
8 Anchorage, and Juneau socks in, and I wind up in Sitka and I've got  
9 an extra day travel, is that covered?

10 MS. MARTINEZ: Yes. Because that's beyond, I mean that's  
11 an act of God, you can't foresee that.

12 DR. GIBBONS: We know about that.

13 MR. PHILLIPS: Are there any other questions on the  
14 travel. Yes

15 MS. MCBURNEY: I know that my situation is a special one,  
16 but I, I just found out yesterday that the fisheries representative  
17 was not able to make it and as an emergency measure, I'm here as an  
18 alternative, but -- and paid for travel out-of-pocket. Will it be  
19 possible to submit for reimbursement?

20 MS. MARTINEZ: We can try that after the fact. What  
21 should happen in that instance is the minute that someone finds out  
22 that they cannot attend and have to send an alternate -- they need  
23 to contact Doug because I don't have a list of alternate, so I  
24 can't just do an authorization for just anybody and I don't know  
25 what the procedure is for designating alternates in that matter.

26 MR. PHILLIPS: We don't know it yet either, but we'll do

1 that later today.

2 MS. BRODIE: More questions, first do you have any idea  
3 what this meeting costs? This two-day meeting, just -- for  
4 ballpark.

5 MR. MUTTER: Approximately \$7,000 in travel.

6 MS. BRODIE: -- the other thing is --

7 MS. MARTINEZ: Now that's an estimate on per diem -- or  
8 you know, you can give or take.

9 MS. BRODIE: I was pretty shocked. I went to the, the  
10 Kenai working group meeting and found out I could get \$310 to go to  
11 that meeting and I was really shocked because I don't think that,  
12 I think that's too much for the Trustee Council to be spending on,  
13 on us going to these meetings. It cost me \$5 for lunch, as well as  
14 my gas and ....

15 MR. PHILLIPS: There have been no budgets at all for this  
16 group on those, meeting on those submeetings, that has not been  
17 authorized yet, so there should be, there should be no  
18 reimbursement for those meetings and I believe every chairman was  
19 told that.

20 MR. CLOUD: Well we had, that was after the Kenai  
21 meeting, so that that was the only one that ....

22 MR. PHILLIPS: I read in the Kodiak meeting, I bitched  
23 about that for quite a while. Yeah. I didn't realize it because  
24 we were told that they hadn't taken action yet. There was no  
25 authorization on budget or settlement.

26 MS. BRODIE: I would be happy to voluntarily not collect

1 that because I, I really do want to keep the costs down as much as  
2 we can.

3 MR. CLOUD: We don't, I thought that we just got  
4 reimbursed for our actual expenditures up to that per diem amount,  
5 is that right?

6 MS. MARTINEZ: If you are in Anchorage like this complete  
7 day, if you do not leave and return to -- as long as you're in  
8 travel status and don't live here in Anchorage, like say if you're  
9 from Juneau. If you're here in Anchorage, the entire day, you will  
10 get \$62.00 a day whether it costs you \$20.00 to eat or whether it  
11 costs \$79.00 to eat.

12 MR. CLOUD: And so when Pam drove down to Kenai, she gets  
13 \$310.00 if she wants?

14 MS. BRODIE: It was accommodation and travel and ...

15 MR. ANDREWS: And she was getting so much per mile.

16 MS. BRODIE: But it was more than a hundred for the per  
17 diem.

18 MS. MARTINEZ: I don't know what the Kenai rate is off  
19 the top of my head. I know a round trip ticket was \$128.00, but I  
20 don't know what the, the lodging and M and IE rate was off the top  
21 of my head.

22 MR. PHILLIPS: Okay. Are there any other questions  
23 regarding travel?

24 DR. FRENCH: Are there any other ways of effectively  
25 utilizing lower air fares. I mean I could have bought ERA two-  
26 round trip commuter coupon booklet for \$4.00 more than I did the

1 one trip. But going through Lifeco, the approved, travel agency  
2 and all, I'm stuck with whatever they book. Also, if I bought a  
3 commuter booklet, I'd sort of be committing to the government to  
4 the two trips as opposed to the one and maybe the government likes  
5 to believe it's going to turn into a pumpkin, after the, the day  
6 after the meeting, I'm not sure, but, you know, if there was a way  
7 to do that, we really could save quite a bit of money, especially  
8 on travel to communities, where there are commuter booklets.

9 MS. MARTINEZ: We are bound by contracting regulations  
10 with the Lifeco, and they are to provide us with the lowest cost  
11 fare. If you, if there's not, if it's not what's called a city  
12 pair, which is Anchorage to San Francisco, or Anchorage to Juneau,  
13 Anchorage to Fairbanks, then you are authorized to pay for a ticket  
14 up to \$99.99 and reclaim that on a travel voucher. Some people  
15 don't like, you know, put up, put forth their own money in order to  
16 do that because it takes so long to get their reimbursable checks.  
17 The other thing that's a problem with the coupon booklet is -- if  
18 you don't use all those coupon books, you know, coupons within that  
19 book, then that becomes a tracking problem. I don't know that, you  
20 know, you wouldn't give one to two other people in this building,  
21 or two other people in this meeting and then you run into a problem  
22 that way. So it's just easier tracking from that standpoint.

23 DR. FRENCH: Yeah. I realize it's a tracking problem.  
24 We have a tracking problem in the University -- to well, we -- find  
25 out ways to --, but that's okay.

26 MS. MARTINEZ: That that goes the same way with frequent

1 flyer miles. I mean there's all kinds of loop holes, its just a  
2 hassle.

3 MR. PHILLIPS: If there are no other questions on the  
4 travel, then, I think we'll proceed. I notice Commander McGuire is  
5 here. I -- the item at 1:15. Before that happens, I would to  
6 please ask that I have a sheet of paper here for anybody that wants  
7 to be heard under the public comment section at 3:40. I would like  
8 to have write your name, print your name on here so that I could  
9 read it, what your organization, or who you represent and so that  
10 we'll have, we'll know how many people we have to call on.

11 Could you, do you have a clipboard or something you can  
12 put that up, a pen, and I'll announce it a couple times before 3:30  
13 -- 3:40.

14 STAFF: Could you also mention that they still need to  
15 sign in.

16 MR. PHILLIPS: Yeah this is a separate thing from the  
17 roll that is being passed around that we want everybody to sign.  
18 This is merely a tool for me to work from when the public comment  
19 time comes.

20 Why don't we suspend then our, our consideration of projects  
21 right now and we would ask Commander McGuire and any of your party  
22 whoever you have. What, why don't you come up here and sit, then  
23 everybody can get a shot at you. Good God, more paper.

24 CMDR. MCGUIRE: Good afternoon, I'm Commander McGuire  
25 with the Coast Guard's On-Scene Coordinator Office here in  
26 Anchorage and I've just came to give an explanation and a summary



1 of some of our recent activities in the course of the last year in  
2 particular, dealing with our financial management and oversight and  
3 recent financial review of Exxon. The Coast Guard has been  
4 intricately involved with the financial management since the  
5 settlement agreement. What I've got is a handout and this process  
6 that we've done is a complex process. First thing that we've done  
7 prior to the settlement agreement, the Coast Guard's role was that  
8 of oversight. We monitored the Exxon. Whatever Exxon spent, Exxon  
9 spent. We had very little to say or do with that. But with the  
10 settlement agreement, the role shifted substantially. In essence,  
11 although some of the folk from Exxon don't like the  
12 characterization, they in essence became our prime contractor.  
13 Where if everything was to be, the work was preapproved by the  
14 Coast Guard, expenses were pre-approved and then we would monitor  
15 it all and so what I'm focusing on in this presentation is that  
16 financial management plan and how we can up with essentially that  
17 \$40 million deduction that Exxon took for work performed in the  
18 1992 payment. The integral part of this is that the complexity of  
19 our approval of what work was to be done. And that's the first  
20 element, what has to be done, what should be done, was the work  
21 environmentally beneficial. And to do that, and I've done on the -  
22 - did you get these things distributed? In the first picture it  
23 shows you the process, the decision-making process that we went  
24 through in determining what work should be done, or should not be  
25 done for that matter. It goes through the field, people in the  
26 field doing the assessment and during the assessments, all of our

1 assessment we had representative from ADEC, NOAA, Exxon and the  
2 Land Manager, plus we had oil geomorphologists (ph), biologists, so  
3 we've solid, multi-party information coming into the system. The  
4 system would take the information and breathe into the technical  
5 advisory group, the Technical Advisory Group consisted of Coast  
6 Guard, NOAA, State of Alaska and Exxon and these were the experts  
7 that would say. Here's the information, what's the right course of  
8 action, what should we be doing with them. What's the optimal,  
9 within the constraints of that's environmental beneficial to the  
10 shoreline. That decision would be made. It would go back to the  
11 federal on-scene coordinator, we would send it to an upper level  
12 land manager and say, look at this, this is what we plan on doing  
13 on your shoreline, do you have any additional input? After we got  
14 that, a final decision was made and then it was given to Exxon to  
15 execute. That's how we operated until the settlement agreement.  
16 With the settlement agreement, after the settlement agreement, we  
17 had the same process to determine whether or not the work was  
18 environmentally needed. We then added the aspect to it to say, it  
19 is fiscally sound. And we do a process of going to Exxon and  
20 saying, okay, we have from the technical advisory group and the  
21 land manager, this is the work we want to do, how much is going to  
22 cost to have this work done. Exxon would price this work out,  
23 submit it to the Coast Guard, the Coast Guard, we had our own  
24 settlement branch. We would do an analysis, a financial analysis  
25 of the work and of the pricing. We had a review of Exxon's  
26 contracts, Exxon's manning and we would take a look at the price

1 and we would then have an analysis made on the financial basis and  
2 if it passed both those tests, is it environmentally beneficial, is  
3 it financially beneficial, then Exxon was told to go ahead with the  
4 work.

5 Now when we pre-approved some of these large projects,  
6 like the near shoreline assessment program, that was approximately  
7 a \$20 million project. It was, how do we monitor the expenses  
8 while it's ongoing to assure ourselves that when it's all over, we  
9 haven't spent substantially more. Exxon's accounting system did  
10 not accommodate this. They would when the contract was found to  
11 provide a service or a good, their accounting system when the  
12 invoice came in, it was paid, it would be credited to the account.  
13 Well when you had a project like MAYSAP which was essentially over  
14 in about seven weeks, invoicing actually took several months, so we  
15 came up with a more complex, but better way of doing it and that  
16 was I see, in the hand outs it has the May Shoreline Assessment  
17 Program. It looks a little bit like this. This is a form we came  
18 up with. Every week we met with Exxon, the state on-scene  
19 coordinator and the federal on-scene coordinator, and what Exxon  
20 had to be provide was a listing of where were we at any given time  
21 or at that period. We would actually have planned out. We said,  
22 we've got \$20 million for this project, we have in this case, I  
23 think we did just under 600 shorelines, we knew how we were going  
24 to spend the money, how the money was going to be expended and this  
25 was one of the more central cost-sensitive indicators that we came  
26 up with. Translated, if we were a well-aligned, in other words, we

1 had planned on having 300 shorelines done at a given point, if we  
2 only had 200 done, we were either going to take longer or have to  
3 commit additional resources to get it done, i.e., we were going to  
4 spend more money. So we tracked indicators that would tell us how  
5 we were doing. And this worked extremely well. It was a very  
6 sensitive indicator. And what we did with all major projects was  
7 to identify cost-sensitive indicators that would give us a sense of  
8 how we were doing at any given time with any give project. This  
9 also went with studies. We implemented similar types of systems,  
10 like the eagle nest survey that Fish & Wildlife did, that was a  
11 requirement. By Fish & Wildlife, before we went on the beaches,  
12 you know, were we going to disturb the eagles, was there going to  
13 be an impact and before we could do this, there had to be a  
14 baseline survey. We even went to Fish & Wildlife and said what do  
15 you estimate it will take in time and resources. We would get an  
16 estimate, we would review it, analyze it and then go back to the  
17 agency and say, yes, you are pre-approved for ten hours of  
18 helicopter time and so many man hours of effort. And then we went  
19 to Exxon and said okay. That helicopter for this project has ten  
20 hours, thirty hours, and when that helicopter gets to that amount  
21 of time in that project, it stops running so we were able to  
22 implement cost controls on all aspects of the project. Be it other  
23 government agencies doing work for the FOOSC, or Exxon. After we  
24 completed the project, we had the cost-sensitive indicators done.  
25 We had simultaneously identified independent of Exxon cost  
26 indicators. In other words, we said if we were going to do a

1 financial review or audit of Exxon, we wanted to know for our own  
2 records to have an independent review capability. So we monitored.  
3 We had our own people again, -- the things, helicopters were a big  
4 expense item. We kept logs of who was on any helicopter at any  
5 give time. What was the flight, what was the flight for, was it an  
6 approved project so that we have a body of data, so we had these  
7 types of independent systems in place and when we finished the  
8 MAYSAP May Shoreline Assessment Program which was essentially the  
9 '91 project in the Spring, we started a financial review of Exxon.  
10 We called in a financial review and not an audit because the  
11 settlement agreement insisted, specifically gives the authority to  
12 do an audit for the governments, not to the Coast Guard. But our,  
13 based on good business practices, we pre-approved the work, we pre-  
14 approved the expenses, we monitored the expenses that we wanted to  
15 verify for our own purposes that the estimates and the actuals were  
16 in-line. So we put together a comprehensive, essentially audit  
17 plan. We sent copies of what we planned to do to each of the  
18 trustees, as well as dealing with a number of levels within the  
19 Coast Guard. We, we consulted with the IRS on stamping (ph)  
20 techniques. Then we brought together a Coast Guard team that  
21 consisted of our National Pollution Fund Center. Our regional  
22 area, the Pacific area, financial team and our own import and this  
23 team brought together and did a comprehensive review of the  
24 invoices and expenses by Exxon and I know you're a little bit  
25 pressed for time and have a full, full schedule so I'll just kinda  
26 like cut to the proverbial bottom line and we did the financial

1 review, we did it in few stages and literally the very last page is  
2 a summary of what we came up with. And in terms of what did we  
3 find, we reduced Exxon's, Exxon's X which is, you figure that  
4 they're allowed to deduct it by, we reduced what Exxon was going to  
5 request by \$1.1 million dollars and the only area that we -- the  
6 only substantive area that we left in disagreement with Exxon,  
7 Exxon felt that they should be allowed a deduction of \$225,000 for  
8 insurance charges. Essentially Exxon self-insures and they went  
9 out and set the insurance for this project. They went to a broker  
10 and said if we were to buy this on the open market, how much would  
11 it cost, and they said \$225,000. They took it as a deduction, as  
12 an expense. Our financial review team came to the conclusion that  
13 that did not meet our interpretation of what an expense was and we  
14 disallowed it. And apparently Exxon has begrudgingly, or with  
15 exception, has accepted it, and so the total deduction, you know,  
16 that they were allowed came in right at \$39 million and change and  
17 they were looking at something in the vicinity of almost \$41  
18 million, initially. So the financial review found some differences  
19 and a lot of the differences, if you read the settlement agreement,  
20 it is very complex. Different amounts of money can be spent during  
21 different phases. You had pre-January first of '90 was one  
22 category of money. You had from January first of '90 to March 12th  
23 of '90, they were allowed a certain number of expenses up to \$4  
24 million and then for a period after, and a lot of what we found,  
25 was monies the invoicing system was such that it was being credited  
26 to the wrong period and we put it into the right period and quite

1 often these periods, what are they January first to March 12th had  
2 a cap, so we found ourselves putting money into that which Exxon  
3 was not allowed to deduct, so it was a comprehensive management  
4 system and I really hope that, you know, I was able to succinctly  
5 give you a sense of what we did, the FOSC, my staff tell us, he's  
6 not just the Coast Guard, Federal On-Scene Coordinator's Office,  
7 but this was comprehensive program that included four or five  
8 different entities within the Coast Guard to plan, put together  
9 this financial management system and to conduct the financial  
10 review. The, just in summary, we finished the clean up in July of  
11 this year and what we're working on right now, is like anything  
12 else, it's not done until the paper work is over and, by God, we  
13 did accumulate some paper on this operation. We're working pretty  
14 much right now exclusively on our FOSC report which will be  
15 hopefully be ready for distribution on the 30th of June which is  
16 also the last day of our planned existence. Any questions.

17 MR. PHILLIPS: Yes, Jim?

18 MR. CLOUD: I presume the Coast Guard got reimbursed for  
19 all the work that its doing?

20 Cmdr McGUIRE: Absolutely.

21 MR. CLOUD: What was the bill on that for this 19 -- this  
22 one, the 1991 program.

23 Cmdr McGUIRE: The majority of the Coast Guard's  
24 expenses, I think we came in at \$1.1 million for our expenses out  
25 of the 92 payment which included Coast Guard expenses from the  
26 beginning of the settlement agreement with --, was 2.8?

1 UNIDENTIFIED VOICE FROM AUDIENCE: 2.3  
2 Cmdr. MCGUIRE: \$2.3 million for total Coast Guard  
3 expenses?  
4 MR. CLOUD: That's about a year and a half worth of work?  
5 Cmdr. MCGUIRE: -- Close to two.  
6 MR. PHILLIPS: Donna?  
7 MS. FISCHER: Is most of this work being done out of the  
8 Coast Guard monitoring in what you've done in the past, did that  
9 come out of the (indiscernible)?  
10 Cmdr. MCGUIRE: No. We -- but that's actually pretty  
11 interesting. We are a unique organization in the Coast Guard.  
12 This is the first and only time the Coast Guard has ever  
13 established an organization solely to respond to a single oil spill  
14 and so, the FOSC office and I'm not a Federal On-Scene Coordinator,  
15 I answer directly to headquarters, and the work that we do, we do  
16 independent of the other Coast Guard units.  
17 MS. FISCHER: What do you work then, where do you come  
18 from, I mean say ....  
19 Cmdr. MCGUIRE: Our office is over in the Key Bank  
20 building,  
21 MS. FISCHER: Okay. But then you're not the on-site  
22 coordinator, would you still continue this if there was to be ....  
23 Cmdr. MCGUIRE: I am the Federal On-Scene Coordinator for  
24 the Exxon Valdez Oil Spill. What we'll do is, we finished the  
25 clean-up last year. We have a monitoring system in place. We  
26 recognize that there is pot -- potential of reports of additional



1 oiling and we have a working relationship with ADEC and the other  
2 Coast Guard units in Valdez and here in Anchorage. If there's a  
3 report of oil, basically what we do, we do analysis, is this  
4 potentially Exxon Valdez Oil and if it is, essentially, that it'll  
5 become to the Trustees, if there's additional work to be done on  
6 it.

7 But we work, even if it isn't Exxon Valdez Oil, we treat  
8 it as either an oil spill of imported oil, under OPA -- the Oil  
9 Pollution Act.

10 MR. PHILLIPS: Any other questions, yes, Chuck.

11 MR. TOTEMOFF: What will be the FOSC, and I think Exxon  
12 is out of the picture now, next year -- there is plans to do  
13 another assessment.

14 Cmdr. McGUIRE: The assessment is to be done by the  
15 Trustee Council who is authorizing that and its the Coast Guard, at  
16 least on the planning end of it Chuck, we've said that we will help  
17 plan. We've got a restoration is one thing and response is  
18 another. We're, we're wrapping up and getting out of the response  
19 end. We've finished the clean up. We recognized that we want to  
20 work with the Trustees because this is a, its the same problem it's  
21 just different sizes of them, so we will work with the Trustees in  
22 laying out the planning end of it and we're working on some of the  
23 details. You know, to what extent we would participate in an  
24 assessment next year, but the assessment that's being considered by  
25 the Trustees is a restoration activity. It is not a response  
26 activity and our only role in it would at best, be in a

1 consultative role.

2 MR. WILLIAMS: Didn't you say you'd go out of business,  
3 as of June 30th?

4 Cmdr. McGUIRE: That's correct.

5 MR. WILLIAMS: So then that's how, so there would be  
6 other, another part of the Coast Guard will work with the Trustees,  
7 is that it?

8 Cmdr. McGUIRE: There would be -- you're asking a tough  
9 question. In essence, the request in Headquarters and, it's  
10 something we should participate -- period, the answer has not been  
11 decided, and so I'm at a loss to answer your question.

12 MR. WILLIAMS: Well the Coast Guard knows it's committed  
13 to keep working a little bit with monitoring, but it might be done  
14 out of another branch for the Coast Guard, other than your office.

15 Cmdr. McGUIRE: We're not really monitoring the  
16 conditions. We, the FOSC and the Coast Guard is set to clean up is  
17 complete. We have finished our part of the job. You know, we're  
18 now, the phase that we're in now, is that we're finished with the  
19 response stage and we're not in the restoration phase. But what  
20 we're starting to recognize is that this is the first oil spill  
21 where there's been a real restoration phase. You know, under the  
22 Clean Water Act, the only money that existed was for response, so  
23 when the Coast Guard said the response was over, the resource  
24 agencies were told you could use your budget to do something, but  
25 we all know, unless there's specific money for it, it wasn't going  
26 to happen. So with clean-up, when the Coast Guard said the clean-

1 up it's over, by God, it was over. There wasn't no more money. So  
2 now, just instead of, this really is the model that the Oil  
3 Pollution Act is based on. I mean, you people here in conjunction  
4 with the Trustees are the future. This is what's to happen, where  
5 restoration can happen. There is now money available for that. So  
6 it's now this continual and -- we the Coast Guard trying to find  
7 out, you know, how do we do this best. Initially we saw that  
8 response is one thing and we, we do respond to and only response  
9 and restoration is something else. We're -- well, there is a  
10 continuum, there's a bridge. You know, we've been working with the  
11 Trustees to provide information, you know, things that we learn  
12 that can benefit in the restoration process, but we're still trying  
13 to figure out what the role is. We don't monitor, we're out of the  
14 response end of it.

15 MR. CLOUD: Just one last question, in the executive  
16 summary, what are CWRs and Finsaps?

17 Cmdr. McGUIRE: Okay. CWRs are Clean-up Work Requests.  
18 That was the document that Exxon would send to us. We'd tell  
19 Exxon, we want you to do thus and so. We want you to do a --

20 MR. CLOUD: So they were requests from you to Exxon?

21 Cmdr. McGUIRE: Yeah. We would tell Exxon, it's kinda  
22 like CWRs, or like MAYSAP was May Shoreline Assessment Program. We  
23 would tell Exxon, look at, plan for us, within these criteria to do  
24 an assessment of the shorelines and we would study the criteria to  
25 include. We want to visit 586 sites, we want to do it within this  
26 timeframe, you know, we start on this date, we want to be done by

1 this date and then Exxon would come back with a document bigger  
2 than this book saying. Okay here it is, then we would get a piece  
3 of paper called a clean up work request saying, do that would cost  
4 \$22 million, and then we would do a review and if we approve it,  
5 sometimes we would modify it, but let's say we weren't, at that  
6 point it was Admiral Changalini (ph), was the FOSC. You would have  
7 Otto Harrison's signature on it, from Exxon. The FOSC would sign  
8 it and it would go back to Exxon and that was the document that  
9 told Exxon that the FOSC has pre-approved the work and preapproved  
10 the estimated expenses.

11 MR. CLOUD: Finsap?

12 Cmdr. McGUIRE: And Finsap was the -- basically Final  
13 Shoreline Assessment Program.

14 MR. PHILLIPS: Further questions. If not, we sure  
15 appreciate you're coming over.

16 Cmdr. McGUIRE: -- we're going to be here at least till  
17 June and if there's any questions or anything that anybody has,  
18 we're a pretty responsive group, we'll be there.

19 MR. PHILLIPS: Thank you very much. Sure hoping this  
20 meeting won't last that long. Gotta get out of here today. Okay,  
21 thank you very much for being here.

22 The next item I've been assured, if I played my cards right,  
23 that the next three items could be taken care of in five minutes by  
24 Dave, and I thought, what an opportunity for us, today. So I would  
25 ask him to cover the next three items and so we can get back to  
26 our, our little -- go ahead Dave.

1 DR. GIBBONS: I have a hand out here from Carl Roger,  
2 Fish & Game concerning the herring project and I'll just pass that  
3 out for your information. I'm going to play Sandy, Marty and  
4 Jerome in five minutes here and I figure this is probably lower  
5 priority than getting a '93 package done, so that's what I plan to  
6 do. The handout I'm passing out now is the revised schedule for  
7 the restoration plan and environmental impact statement. Just for  
8 your information. It gives you the dates of when, for proposing  
9 they have the drafts out, the finals out and the whole thing, so I  
10 won't even go into this, this is just, status item, status of the  
11 Restoration plan. So you know what's going on in habitat  
12 protection. We're presently there's a habitat protection working  
13 group, presently working on the analysis of 22 imminently-  
14 threatened land parcels that were submitted under the project  
15 ideas. We're not finished yet. We plan to present this to the  
16 Trustee Council on February 16th and have it to them by the 6th of  
17 February, so we'll probably try to get it to you sometime, you  
18 know, the same schedule so you have a chance to look at it. That's  
19 what we are. We're analyzing the area submitted for imminently-  
20 threatened lands and preparing the existing information that we  
21 have on those. The last one, of the status of the '94 work plan  
22 for meeting next week, the Restoration Team with the chief  
23 scientist and several key peer reviewers the lay out, -- lay out a  
24 framework for '94. Once we get out thoughts on this, we'll run it  
25 through the Public Advisory Group and the Trustee Council to get  
26 your thoughts and the '94, we get, we plan to involve you from day

1 one in the process, so you're aware, we don't dump on this stuff on  
2 ya and say here, here you go. We plan to involve you in the  
3 process and bringing you along as we go. So looking at the  
4 assumptions we're using for the -- '94 plan and so forth so, and  
5 that's basically, I'll answer any questions on those three items,  
6 but basically that sizes it up.

7 MR. PHILLIPS: One question on these revised schedule,  
8 maybe this isn't the place for it, but I don't see any proposed  
9 meetings for the PAG.

10 DR. GIBBONS: We, we, the Restoration Team cannot call  
11 your meetings, you, you, we're trying to, we'll involve you in it  
12 and tell you when we're going to get things to the Trustee Council.  
13 We've got a letter that I have drafted and we hope to finalize  
14 tomorrow at a Restoration meeting where the thoughts of the  
15 Restoration Team on your meeting schedule should be, we're going to  
16 try to recommend that perhaps you need two to three days before the  
17 Trustee Council meeting and so you can get your thoughts together  
18 before the meeting and so you also have time to review the  
19 material, like the December 2nd meeting wasn't fair. And, and you  
20 -- through the four inches of material and say, read it and do it,  
21 you know, we plan to say, for example, on the February 16th Trustee  
22 Council meeting. We plan to get the material out February 6th,  
23 that's when you will receive it and the Trustee Council will  
24 receive it. Give you time to look at it and then perhaps you  
25 should meet on the 13th, whatever I don't know, which days those  
26 are, the 12th or 13th or something like that, to talk about the

1 material and then have a recommendation to the Trustee Council.  
2 See that's that -- a

3 MR. PHILLIPS: The only problem I see with that is if  
4 we're required to give 30-day notice on meetings, we may have to be  
5 advised sooner than that.

6 MR. MUTTER: I think Dave's working up -- a year long  
7 schedule for the Trustees Council so we could do a year long  
8 schedule to -- the problem we have between now and probably March  
9 is that there is no more money available for us because that's part  
10 of the blue book that hasn't been approved.

11 MR. PHILLIPS: Like every other committee I'm on, don't  
12 have any money for us.

13 Sen. ELIASON: Let's take care of that first.

14 UNIDENTIFIED: Put doughnuts in it too.

15 MR. PHILLIPS: I'll bring the doughnuts, yeah. Pam?

16 MS. BRODIE: I see one really big problem with this  
17 schedule and that is that the public comment period occurs during  
18 the summer, during fishing seasons, during the time when all people  
19 who are most affected by this are going to be least able to comply  
20 and I know why you have this problem and I know you started out  
21 with a longer planning process and the Trustees told you, this is  
22 too long, go back and make it shorter. I'm afraid that although  
23 the intent of the Trustees, I applaud their intent to try to move  
24 it faster. I think that they're bringing on a worse problem this  
25 way.

26 DR. GIBBONS: Yeah. Like you're aware. We had a longer

1 period in there and at the last Trustee Council meeting, we were  
2 told to shorten it.

3 MS. BRODIE: Yeah. If, if the Trustees will allow you to  
4 go back to the original plan, what would be the public comment  
5 period?

6 DR. GIBBONS: I think it was at least a 90-day public  
7 comment period.

8 MS. BRODIE: Was it still during the summer?

9 DR. GIBBONS: I think it -- no, it was split, I think.

10 MS. BRODIE: Okay. If, if you went back to that longer  
11 time, what would be the downsides, would we have, would it mean  
12 that there would be another year work plan that existed without a  
13 restoration plan, or would we still have the Restoration Plan when  
14 ....

15 DR. GIBBONS: Well, I think the original schedule was to  
16 have the final and I don't remember exactly, but a final  
17 restoration plan out of February of '94 or March of '94. So it set  
18 it back two, two months I think, two or three months back.

19 MS. BRODIE: I guess what I'm asking is, is it just two  
20 or three months, or did that make some difference in the whole --  
21 did that make a difference in the -- the work plan that it would  
22 have to be approved without a Restoration Plan.

23 DR. GIBBONS: There, there's, there's a couple of things  
24 working here. One is, we'd at least like to have the draft  
25 Restoration Plan out when people are looking at the '94 work plan.  
26 At least some idea of that. You know, it won't, when the '94 is



1 approved, the final Restoration Plan will not have been approved.

2 MS. BRODIE: Even, even with this schedule?

3 DR. GIBBONS: Even with that schedule. The '94 work plan  
4 has to be completed and budgets done by the end of August. That's  
5 the latest date, so --

6 MS. BRODIE: Well I guess I would like to move that we  
7 ask the Trustees to go back to the earlier schedule so that we can  
8 have more adequate public comment time.

9 MR. PHILLIPS: You've heard the motion, is there a  
10 second? The motion will die for lack of a second. What there a  
11 comment? Go ahead Pam.

12 MS. BERGMANN: Just a point of clarification, the Trustee  
13 Council hasn't adopted this schedule yet. This was what had been  
14 proposed after the last meeting and the Trustees had asked for  
15 comments to be submitted on this, on this outline and individual  
16 agencies have done that.

17 DR. GIBBONS: Yeah. The caveat was that the individual  
18 Trustee Council members comment on that, but not lengthen the time  
19 frame.

20 MR. PHILLIPS: Yes.

21 MR. RICE: I would like to respond to Pam's concern. The  
22 schedule that was revised. It did two things. One, it shortened  
23 up the completion date for the final Restoration Plan and the other  
24 thing that it did was to bring the draft plan and the draft EIS  
25 which will accompany that plan into the same time periods. What  
26 was originally proposed would have had a draft plan coming out in

1 March and then a draft EIS, which would analyze the effects of that  
2 plan, not coming out until June because by the time we get the  
3 alternatives developed and then start the analysis of what the  
4 effects of those are, the Restoration Plan would essentially be  
5 somewhat ahead of that and so you would be having multiple  
6 documents going out to the public for reviews, basically starting  
7 in March and then June and then, you know, coming out with a final  
8 later on, and one of the affects of shortening that time period up  
9 would be to put the both documents out to the public at the same  
10 time, what we did try to do on that schedule, would be able to at  
11 least provide the public with an awareness of what those  
12 alternatives are in March which is before the height of the field  
13 season so that you could see at least the meat of the Restoration  
14 Plan. And, have something out there to be able to take a look at.

15 MS. BRODIE: Thank you for the clarification.

16 MR. PHILLIPS: Okay. Now that we have -- are there any  
17 other comments on that presentation. If not I would like to  
18 proceed with our calendar and we have, we still have about 40  
19 minutes before break time and if we could if there isn't any thing  
20 else pressing right this moment I'd like to revert to '051, and the  
21 lead agency on this is Forest Service.

22 MR. RICE: 93051 is a habitat protection information for  
23 anadromous streams and marbled murrelets. It's basically two major  
24 subdivisions in it with one of those subdivisions having a further  
25 break down, so we can look at it as basically three parts.

26 The first part is a marbled murrelet nesting habitat

1 assessment. Marbled murrelet's were injured by the oil spill.  
2 They utilize upland habitats for nesting. This project would  
3 continue some of the prior years work on marbled murrelets to try  
4 and identify what those characteristics are on marbled murrelet  
5 nesting habitat. Where they ne -- not just where they nest, where  
6 we know they could nest, but what is the characteristics. So that  
7 if we look at other areas, we have a good indication of what kind  
8 of habitats they're using. Be able to use that for identifying any  
9 protection mechanisms. Whether its looking at private land or  
10 providing additional protection on public lands for marbled  
11 murrelets. The second part of that is the stream habitat  
12 assessment Fish & Game would be identify anadromous fish streams  
13 in, in certain selected, when I say selected, identified lands that  
14 where, there were willing landowners willing to let Fish & Game on  
15 to the lands to identify those anadromous streams. To, to provide  
16 us some information as to the value of that land for anadromous  
17 streams. And the third part of the stream information would be to  
18 use a remote sensing technique and look at channel typing which is  
19 basically a process, an already developed process, a utilized  
20 process, in fact, 90 percent of the Chugach National Forest has  
21 already been channel-typed on public lands, but it would be looking  
22 at channel-typing the whole spill ar -- affected area basically to  
23 provide a level playing field on which information could be used to  
24 evaluate at least stream values and fishery values across the spill  
25 affected area for any habitat protection. And I'll leave at that,  
26 if there are any questions, Pamela or myself could try to answer.

1 MR. PHILLIPS: The chair would recognize a motion on  
2 '051.

3 MS. FISHER: So moved.

4 MR. PHILLIPS: Been moved. Is there a second.

5 MR. ANDREWS: Second.

6 MR. PHILLIPS: Second by Rupert. Now are there any  
7 questions. Yes, Jim.

8 MR. CLOUD: In this write-up, it talks about the study  
9 area being of -- says group conduct this study in Kachemak Bay, is  
10 that going to the focal part of most of this study, the whole  
11 million two.

12 MR. RICE: I didn't think that Kachemak Bay would be the  
13 focal point for the study. Last year we did some work -- on the  
14 spill, there was marbled murrelet stuff --

15 MS. BERGMANN: Right. Part of the marbled murrelet  
16 studies to look at the feasibility analysis for using radio  
17 telemetry to help determine nesting habitat of marbled murrelets  
18 and just -- it was determined that Kachemak Bay would be the most  
19 reasonable place to try to conduct that feasibility study because  
20 you would have reasonable access to areas where potentially marbled  
21 murrelets would be flying back into. But that's the only piece of  
22 this that would be done in Kachemak Bay.

23 MR. PHILLIPS: Yes Dick.

24 SEN. ELIASON: Have they classified the marbled murrelet  
25 as a -- an endangered species or what is the category, are they  
26 sort of like the spotted owl?

1 MS. BERGMANN: The marbled murrelet in the Lower 48 has  
2 recently been categorized as threatened. That they are not  
3 considered threatened or endangered here in Alaska, but the  
4 populations of marbled murrelets are declining here.

5 MR. ANDREWS: So we could possibly lead to the conclusion  
6 that they are endangered species and they'll be protected like --  
7 like the owls.

8 MS. BERGMANN: That's not the purpose of this study --  
9 it's not an overall population study to determine whether or not  
10 the populations are continuing to decline so you wouldn't get that  
11 information. What this study is focused on, is trying to determine  
12 where, where they are actually nesting and the habitat  
13 characteristics of those areas. They're -- its pretty amazing  
14 there are only I think six, Bob, are you going to help me out here  
15 ....

16 DR. SPIES: small number, yeah ....

17 MS. BERGMANN: .... six nests that have been found in  
18 Alaska of marbled murrelet or maybe that's in Alaska and the Lower  
19 48. It's less than like a dozen in the Lower 48 and Alaska. It's  
20 just incredibly difficult to find out where, where these particular  
21 birds nest.

22 MR. PHILLIPS: Has anybody every looked in the -- Port  
23 Wells, College Fjords, Salmon Fjord area?

24 MS. BERGMANN: The studies that have occurred to date  
25 have primarily focused on Naked Island in Prince William Sound.

26 MR. PHILLIPS: I can tell you they're as thick as flies

1 up in that area.

2 MS. BERGMANN: The problem is trying to find out where  
3 they're actually nesting. That's the tricky part of studying  
4 marbled murrelets.

5 MR. PHILLIPS: You got to follow them huh?

6 MS. BERGMANN: Well to date, the technique that's been  
7 used here is dawn watches. Where you actually go out before dawn  
8 which is tough to do in Alaska in the summer time and try and  
9 actually, you know, look for the birds and see where they're flying  
10 early in the morning, when they're out. When they're going to and  
11 from their nests. That's been the most successful technique to  
12 date. Although this study is looking at the feasibility of  
13 actually putting little radios on, on the birds and try to track  
14 them that way.

15 MR. PHILLIPS: Wow. That's a very tiny radio isn't it?  
16 Yes, Jim.

17 MR. CLOUD: It that why its so expensive. You plan to do  
18 this -- in the winter time when there's dawn?

19 [Laughter]

20 MS. BERGMANN: That's a good idea. It is very labor-  
21 intensive.

22 MR. CLOUD: I guess I just have a real problem a million  
23 two.

24 MS. BERGMANN: The, I think if you look in the more  
25 detailed budget, the breakdown for the marbled murrelet piece is  
26 \$301,000 -- I'm sorry, okay. Okay. Go back to the form 2A and

1 2B. The total for the entire project is 1.2 million for the three  
2 separate, but there are three separate components. Part A, I'm  
3 sorry, which is a stream habitat assessment, the ADF&G component is  
4 \$335,000.

5 MR. PHILLIPS: What's the bird one?

6 MR. RICE: \$523,000 for two agencies --

7 MS. BERGMANN: \$300 -- right I was looking at only  
8 Department of Interior. The Forest Service has a piece of that  
9 that's \$222,000, so the combined total is \$522,000 and part C is  
10 the channel typing and that's \$363,000.

11 MR. PHILLIPS: Would you explain that channel typing?

12 MR. RICE: The channel typing, I'm not an expert on  
13 channel type, basically -- it's using a standardized methodology  
14 for cataloging or categorizing streams and you can go in and figure  
15 out how wide they are, what kind of stream banks they have, what --  
16 what the water-shed characteristics are with the stream flows are  
17 and came up with a rating system for that that can help you  
18 determine its value for fisheries. If you have done this, if  
19 experienced people have done this , they can get a pretty good idea  
20 off of air photos for this, so that you don't have to go out and  
21 walk every single strait. The Forest Service has done, the  
22 National Marine Fisheries Service has done it, -- if you have, you  
23 know, very technical questions, there's a gentleman in the back  
24 that could probably answer them for you.

25 MR. PHILLIPS: Yes, John?

26 MR. McMULLEN: Mr. Chairman, the Department of Fish &

1 Game over the years has developed stream catalogs on all the  
2 anadromous, I think most of the anadromous streams in the state,  
3 way of Prince William Sound, use, use the stream catalog for that  
4 area. Quite frequently, in the fisheries planning. These catalogs  
5 list species, by streams, species of fish which spawn in those  
6 streams and annually, number or indices of total numbers of fish  
7 spawning in those streams so you can look at, you know, performance  
8 of salmon stocks and stream production over, over a series of  
9 years. What I'm wondering is, with the budget here of almost 1.2  
10 million for this combined study, half of which that that funding  
11 goes for personnel services, I'm wondering if the data already  
12 collected and available and the knowledge of streams that has been  
13 collected since statehood. It, it comes into play here or is this  
14 just starting from ground zero again?

15 MR. RICE: It's definitely not starting from ground zero.  
16 It's looking at Fish & Game, I can't speak for them, but I've been  
17 told that they don't have every stream identified. They have the  
18 major ones done. Certainly for most of Prince William Sound. A  
19 lot of it is cataloged. Start looking at -- Kodiak, they spent  
20 last year and there was a project in here for last year for looking  
21 at specific streams -- in the Afognak area. They maybe identify  
22 quite a few. The outer Kenai Peninsula Coast has not been, by what  
23 they told me, adequately identified.

24 MR. CLOUD: One -- question for Dr. Spies. He rated this  
25 a three in his categories of prioritization. Which is a lower  
26 priority for this restoration. Why, why has it carried that sort



1 of a rating?

2 DR. SPIES: -- The arguments for doing this channel  
3 typing to me were not that compelling. I think the marbled  
4 murrelet part of it is -- probably of great value if the objective  
5 is to tie other species to habitat preservation. The marbled  
6 murrelets, the harlequin ducks provide that upland habitat link to  
7 an injured species, so I think overall, the first and several part,  
8 the first two parts of this project have pretty good -- based on  
9 the conclusion of the channel typing, I didn't think it was that  
10 compelling, although the Forest Service does quite good work. I  
11 wasn't convinced it really needed to be done.

12 MR. PHILLIPS: Yes, John.

13 MR. STURGEON: I have two questions. One, what kind of  
14 channel typing are, the Forest Service has a system and it is the  
15 State's Forest Practices Act has another one they use for  
16 determining stream projection. Which one are you going to use,  
17 both or?

18 MR. RICE: I'm not sure that I can answer your question  
19 because I'm not that familiar with -- the one that I understand  
20 that their using for the State Forest Practices Act is whether it  
21 is an anadromous fish stream or not.

22 MR. STURGEON: No, things like A, B, and C category  
23 choice. It's based off of the Forest Service with a much  
24 condensed, much simplified --.

25 UNIDENTIFIED: Ken, can you answer that question?

26 MR. KEN HOLBROOK (from audience): If I'm not mistaken,

1     there's --

2                 MR. STURGEON: The State, the Forest Service is much more  
3 complicated. The State's is pretty much a reduced version of it.  
4 That's, to just, I would just make suggestions then, to try to do  
5 it. If it's going to be on private land, you should use what's  
6 within the Forest Practices Act. That was for sale for private  
7 landowners.

8                 I guess my second question is that there has been some studies  
9 already done on marbled murrelets with oil spill money. Any idea  
10 how much has been spent to date on the marbled murrelet studies or,  
11 this, this project a continuation project or?

12                MR. RICE: It is the continuation project. It was done  
13 in '91 and '92. I would say roughly 400,000 over the two years,  
14 but it might be, you know, plus or minus some, I don't have the  
15 figures in front of me.

16                MR. STURGEON: Just for future, I think it would be  
17 helpful to the group here, if sometimes, if projects are  
18 accumulative and we have an idea of how much had been spent in the  
19 past, would probably be helpful.

20                MR. PHILLIPS: I for one, am fascinated by the idea of  
21 hooking a radio to one of those birds for several reasons -- I  
22 don't know how you catch them, they swim better than they fly and  
23 if any radio you put on them would have to withstand an awful lot  
24 of depth and saltwater and if, doesn't this corrupt their  
25 aerodynamics. I mean, how the hell would this work. We're  
26 spending a half a million dollars on sticking radios on a bird.

1 MR. RICE: Most of the money will not be going into the  
2 radio collar. That's a fairly small component of this project.

3 MS. BERGMANN: The idea for that came from the peer  
4 reviewers on, during our peer review of all the studies. It  
5 wasn't, it was felt that if the idea had some merit and it might  
6 provide another option and there was concern on the part of Fish &  
7 Wildlife Service that you may experience mortalities of birds by  
8 doing that but the peer reviewers were assuring us that there were  
9 techniques that were available, that it could be done safely.

10 MR. PHILLIPS: If they got tuned in on a rock and roll  
11 station, -- Donna?

12 MS. FISCHER: Okay, I have a couple of namely a statement  
13 or a couple of questions here, but I understand that there is  
14 absolutely no oil in Kachemak Bay. That none went in there, is  
15 that correct? Then why is Kachemak Bay area being appointed to do  
16 this, to be the testing point. I think there's a lot of questions  
17 in Kachemak Bay which goes back to House Bill 411 that there is a  
18 lot of questions as to why it keeps creeping up in this plan.

19 MS. BERGMANN: Thinking back on my oil spill response  
20 days. I know there was some oiling like on the spit, outside of  
21 Homer, there was some actually, beyond the spit, I don't think any  
22 oiling occurred. The reason that Kachemak Bay is included here is  
23 because when you're doing the radio telemetry work, you need to be  
24 following and tracking where the birds are. And because there's  
25 road access and part of that area along the bay and it just is more  
26 accessible for purely logistical reasons. They felt it was easier

1 to do that. They're not looking at any oiling there. They're  
2 simply trying to test the feasibility of -- does this radio  
3 telemetry work on, on marbled murrelets and this is the most cost-  
4 effective place to do it in terms of the logistics.

5 DR. SPIES: Pam, I would like to make one comment in  
6 relation to that. It was felt, my recollection of the  
7 justification for the continuance of the marbled murrelet work and  
8 this expansion outside of Prince William Sound, is that there is  
9 going to be a heavy reliance on the linkage of this species to  
10 habitat and habitat changes as you move out of the Sound and inside  
11 the Sound, the murrelets have been linked to old growth forest on  
12 certain slopes with limbs larger than such and such diameter with  
13 moss, that sort of specific information and it's not known that  
14 that information can be generalized to the area outside the spill,  
15 I mean outside of Prince William Sound. So that's, that's one of  
16 the reasons why it's been suggested to be continued and expanded  
17 into those areas and work in the Kachemak Bay -- although it's  
18 outside the spill area would characterize another, be another  
19 geographically distinct area that we could, we could some --

20 MR. PHILLIPS: Okay. Why don't you continue and then  
21 Pam?

22 MS. FISCHER: Now is this going to be surveyed on the  
23 other side of the mountain from Kachemak Bay Park? Is that where  
24 most of the work is going to -- some of the spill funds have gone  
25 to buy that property?

26 MS. BERGMANN: My understanding Bob, was that the radio

1 telemetry work was the only thing that was actually occurring in  
2 Kachemak Bay, although other work in terms of characterizing the  
3 habitat would be occurring, like along the Kenai Peninsula.

4 DR. SPIES: Yeah. You got the radios, so you find out  
5 where the end up,

6 MS. BERGMANN: So, you do find out, that's true. Right,  
7 but the reason for doing that was a logistical reason, not, not in  
8 terms of trying to look at that particular habitat and the other  
9 comment that I think that's important for people to remember,  
10 especially people who are Gulf, representing the Gulf of Alaska  
11 areas that there are, there haven't been and continues to be not  
12 very many studies that look at what's happening outside of Prince  
13 William Sound and we all know that the oil effects weren't just  
14 inside Prince William Sound and oftentimes, in the past, it costs  
15 more money to do work out there because of the logistical costs are  
16 higher, so there's always a trade-off and for the marbled  
17 murrelets, we are spending a little more money to take, to try to  
18 broaden our information base and go outside of Prince William Sound  
19 on the Kenai Peninsula.

20 MR. PHILLIPS: Pam.

21 MS. BRODIE: Two things. One there was oil in parts of  
22 Kachemak Bay and the other is, that even though we can look very  
23 discreetly where oil went on the beach, the birds, and the fish and  
24 the people that use the area, move between places that were oiled  
25 and places that weren't. So you can have marbled murrelets that  
26 nest in a place that wasn't oiled, but that were a part of

1 population to the oil, a lot of birds where killed. To fly --

2 MR. PHILLIPS: Are there any other questions or comments  
3 on '051.

4 DR. FRENCH: Is there a motion the floor?

5 MR. PHILLIPS: Yes.

6 DR. FRENCH: Okay. For at least for discussion purposes,  
7 I'd like to propose an amendment to delete the channel typing in  
8 the aspect of this project.

9 UNIDENTIFIED: Second.

10 MR. PHILLIPS: There's a motion with a second to delete  
11 the channel typing. -- any discussion on the amendment? If not,  
12 I'd ask for unanimous consent.

13 UNIDENTIFIED: Object.

14 MR. PHILLIPS: There is an objection so we'll call for  
15 the vote. Those in favor, raise your hand please. Those opposed?  
16 And then any abstentions. The count is:

17 MR. MUTTER: The vote's for is ten; against, two;  
18 abstain, one.

19 MR. PHILLIPS: So the amendment passes. Now you have the  
20 amended motion of '051 in front of you. Is there any more  
21 discussion.

22 DR. GIBBONS: Mr. Chair, I have a -- clarification, I  
23 didn't quite understand it. Are you removing the entire stream  
24 habitat assessment or are you removing just part B of 2B? And then  
25 meaning, in keeping stream habitat assessment by Fish & Game?

26 MR. PHILLIPS: John?

1 DR. FRENCH: I thought we were going to have a little  
2 more discussion, but my intent was to -- the subprojects,  
3 specifically entitled channel typing which is part C.

4 MR. PHILLIPS: Where is the C.

5 DR. FRENCH: I believe that's also the part that the  
6 chief scientist is concerned about. If not, why make modification.

7 MR. PHILLIPS: I don't see a C.

8 MR. RICE: It's in the detailed project as C.

9 MR. PHILLIPS: Oh, okay, so where are we?

10 MR. McMULLEN: Mr. Chairman?

11 MR. PHILLIPS: Yes.

12 MR. McMULLEN: If that is the case then I can vote for,  
13 I mean, I can vote for that amendment.

14 MR. PHILLIPS: Okay, instead of an abstention.

15 MR. McMULLEN: I thought, I just thought it was omitting  
16 everything and I didn't feel comfortable with that.

17 MR. PHILLIPS: Okay. Is everybody satisfied. Is there  
18 any discussion?

19 MR. CLOUD: I just have one, one more question -- just to  
20 clarify this. That part of the project was then was \$363,000?

21 UNIDENTIFIED: That's correct.

22 MR. PHILLIPS: Any other further discussion. If not, I  
23 would like to call a vote on 93051. Those in favor, please raise  
24 your hands. It's on the whole project. Those opposed, raise your  
25 hand. And any abstentions? And the score is:

26 MR. MUTTER: For, eight; against -- I mean eight for;

1 four against.

2 MR. PHILLIPS: So the motion passes. If we could --

3 MS. FISCHER: So you would be postponing discussion on  
4 '52. That's correct. It was not -- be recommended by the  
5 Restoration Group.

6 MR. PHILLIPS: Okay. '53. This one is NOAA.

7 MR. MORRIS: We classify this as a technical services  
8 support project for all the projects that will be taking samples  
9 for hydrocarbon chemical analysis. This would be to maintain in  
10 one place, all of that data annually and through time. During the  
11 damage assessment program. We had a very large chemistry program,  
12 a very expensive and the large, large data base which is  
13 essentially been archived and will be available during the two  
14 months on CD-ROM discs to people. That will be retained as part of  
15 this program. But the additional samples that will analyzed in the  
16 future will be added to this. In addition, it provides an  
17 interpretive service from the chemists that are from this program  
18 to work with the other projects, to tell them what, what the data  
19 means. Is it oil, is it Exxon Valdez Oil, is it some other source  
20 of oil? And it will provide the interpretation of the chemical  
21 results. And it's very heavily just -- staff time of like four or  
22 five personnel, each part, part-time people involved in this  
23 project.

24 MR. PHILLIPS: The chair will entertain a motion a '053.  
25 It was moved here and John French seconded. Okay. Before us is  
26 the motion to approve '053. I recommend to the -- did you have



1 discussion, Donna?

2 MS. FISCHER: Not too long ago, or back in the summer  
3 months, it was exposed more or less that there was some other oil  
4 around the beaches in Prince William Sound that was discovered. It  
5 was from California or from a California spill. Is the group that  
6 did it, is this how it came about or is this a new group or what?

7 MR. MORRIS: That was, this is not a new group. It is  
8 not the group that found the information on the asphalt plant in --

9 MS. FISCHER: You know what I'm talking about.

10 MR. MORRIS: I know what you're talking about. But  
11 that's a recognized problem. There is other sources of oil out  
12 there and there are. We're finding samples that are, diesel fuel  
13 that -- asphalt that we can tell are not Exxon Valdez Oil, so we,  
14 we need to --

15 MS. FISCHER: Well I think what was interesting about  
16 this that that oil that they detected from California was like  
17 eight or nine years ago it happened, but yet, it's just getting  
18 into this area, or six years ago, something like that. It had been  
19 quite a few years.

20 MR. MORRIS: Was it not the '64 earthquake.

21 (Simultaneous talking)

22 MS. FISCHER: But it wasn't from here though, California.

23 MR. MORRIS: As I recall, it was on the bay of the east  
24 end of Montague Island, I can't think of the name. But we've had  
25 some problems. We've used that as a control site and we've --  
26 there, to be.

1 MR. PHILLIPS: (Inaudible) Okay. Is there any ....

2 MR. MORRIS: It's asphalt, it was asphalt, and it's very  
3 persistent.

4 MR. PHILLIPS: John, do you have a question?

5 MR. FRENCH: Yes, this database does include the rest the  
6 NRDA data and not generated at our pay right?

7 MR. MORRIS: Yes. The entire database.

8 MR. PHILLIPS: Jim?

9 MR. CLOUD: What's NRDA?

10 MR. MORRIS: Natural Resource Data Assessment, was the  
11 pre-settlement part of the program.

12 MR. PHILLIPS: Any other questions or comments on this.  
13 If not, the motion is to approve '053, recommend to the Trustees.  
14 The chair will ask for unanimous consent and if there is no  
15 objection, it is so ordered.

16 If there's anybody in the audience that wants to speak on, in  
17 the time for public comment and have not signed this sheet, would  
18 you please identify yourself so we could have it on here.

19 Okay. The next one is '057. This, agency here is Department  
20 of Natural Resources. Who do we have that's going to do the deed  
21 on this one. Why don't you come up here Marty.

22 MS. RUTHERFORD: Mr. Chair, -- 93057 is titled Damage  
23 Assessment, Geographic information system. Ever since the natural  
24 resource damage assessment studies were started the Department of  
25 Natural Resources GIS, it's called LRIS and for the life of me, I  
26 can't remember what it stands for, has handled -- doing the

1 statistical analysis and the geographic information system mapping  
2 support for those damage assessment studies. The Restoration Team  
3 has chose to recommend that they continue, because they have the  
4 history and capability to provide this analysis and mapping support  
5 for completing the damage assessment studies and in -- shortly will  
6 be getting to another project that talks about restoration projects  
7 as well.

8 MR. PHILLIPS: Alright. The chair will entertain a  
9 motion for '057.

10 MS. FISCHER: So moved.

11 MR. PHILLIPS: Do I have second?

12 MR. KNECHT: Second.

13 MR. PHILLIPS: (Inaudible) Okay the question before you  
14 is whether or not '057 will be recommended to the Trustees. Is  
15 there any discussion? any comments? If not, the chair will ask for  
16 unanimous consent. If there is no objection, then it is so  
17 ordered, and we will proceed to '059.

18 DR. GIBBONS: That, that project was previously approved  
19 by the Trustee Council and has already been approved.

20 MR. PHILLIPS: Okay. '59 has already been approved by  
21 the Trustee Council, so '060.

22 DR. GIBBONS: That again.

23 MR. PHILLIPS: Another one? How about '61?

24 Then if you turn to '061 and this one is, the lead agency  
25 is the Forest Service, so, you guys really get the exercise today,  
26 don't you.

1 DR. GIBBONS: I'll mention that '59 and '60. That was  
2 approved by the Trustee Council in October to accelerate the  
3 acquisition of data. '59 was awarded to the Nature Conservancy and  
4 that project is almost completed. '60 was also awarded to the  
5 Nature Conservancy, and they're working on that data -- now.

6 MR. RICE: This is one of the projects that the  
7 Restoration Team basically assigned the Forest Service to lead one  
8 this one. As, if we understand what information is available for  
9 primarily habitat protection and acquisition, then we come up with  
10 data gaps. We come up with areas where we don't have very good  
11 information. Whether its satellite imagery to be able to classify  
12 the land base and understand what its value is or whether its  
13 additional survey work that maybe could go on in an area. This  
14 project basically would on a case-by-case basis, we would be going  
15 back to the Trustee Council and saying, we need money to gather  
16 information in this area. And be able to provide the Trustee  
17 Council with information as to the relative value of that land for  
18 any protection.

19 MR. PHILLIPS: The chair would entertain a motion for  
20 approval on '061.

21 MS. FISCHER: So moved.

22 MR. PHILLIPS: Moved here, do I have a second.

23 MR. TOTEMOFF: Second.

24 MR. PHILLIPS: Second by Chuck. May I ask the -- I note  
25 that this is all contractual, will you explain that because I don't  
26 have the detailed budget.

1           MR. RICE: Yeah, we put it into to contractual, I suspect  
2 quite a lot of it would be. We don't know exactly where we, what  
3 areas we need to go into. Some of it, quite a lot of it could be  
4 for example, satellite imagery. Land set imagery -- or spot  
5 imagery of a for example, the outer Kenai Peninsula coast, if we,  
6 if we identified some areas in there. -- That imagery would need to  
7 be analyzed and interpreted and instead of spending huge amounts of  
8 money being able to go out to every piece of land, we would be able  
9 to use that information and interpret from that information, the  
10 value of that for restoration purposes.

11           MR. PHILLIPS: Is that million dollars, max?

12           MR. RICE: Yeah. I mean we would -- oh it certainly  
13 could be less because once we know where we have those data gaps  
14 and there is a project in here that could identify all the  
15 information we have available to us and where those gaps are going  
16 to be, at that point, we start going to the Trustee Council and  
17 here's where we need some additional information. So this is the  
18 maximum and it doesn't mean -- if the Trustee Council approves it,  
19 that we have a free pot to go into. We're going to have to back to  
20 them with specific proposal.

21           MR. PHILLIPS: Yes John?

22           MR. McMULLEN: I think you answered the question I'm  
23 going to ask, but I didn't understand it, so I'm going to ask you  
24 two questions again. One is, this, this money and contractual  
25 services is that to identify data needs or is that to meet those  
26 fields, gather that information, the data needed; and number two,

1 what this project brings to mind is, once this money is allocated  
2 to these different agencies, is it, is it theirs to spend or is  
3 this the contingency that might actually come back into the fund.

4 MR. RICE: The first, the first question, the answer is,  
5 it would be the doing part. It would be data collection part. The  
6 second is No. Even though the money would be in the, in the pot,  
7 you might say for the agency, it would not be able to spend it  
8 until they go back to the Trustee Council and if they didn't spend  
9 it, then it would, could be available for other things. It would  
10 be available for other things.

11 MR. PHILLIPS: Rick?

12 MR. KNECHT: Are cultural resources included in this  
13 database?

14 MR. RICE: I suspect it would be included in there, yes.

15 MR. PHILLIPS: Are there, yes, Jim?

16 MR. CLOUD: Well I guess I have kinda a hard time voting  
17 for a project that is yet undefined. It seems to me, if you have  
18 to go back to the Trustees Council to get the particular data  
19 acquisition approved, that then, that's when you should ask for  
20 money.

21 DR. GIBBONS: Maybe, maybe I can make a -- this really  
22 goes with project '60. If you look at page 211. That gives you  
23 some of the data base layers that we know we're going to have on  
24 there. The reason this project is set the way it is, the Trustee  
25 Council has told us that they don't want to go back to court  
26 continually through a year. They like to go in, get the money out

1 of the court, put it in an interesting bearing accounting. There's  
2 two interest bearing accounts, one on the state-side and one on the  
3 federal-side. But get the money out of the court. What this  
4 project does is gets the money out of the court, puts it in to the  
5 -- account on the federal side and on, in the state account on the  
6 state side and sets it there. Doesn't give it to the agencies.  
7 Puts it there, then when, if we find a need to database analysis or  
8 initial data, we go to the Trustee Council, we'd like to award a  
9 contract to X, somebody to gather this data. The money is then  
10 allocated out of that state or federal account appropriately there.  
11 So we don't have to go to the Court again. In a timely manner, if  
12 you go to the Court, you gotta go to the Court, it sets there, then  
13 it's gotta come out of the Court, go to the other accounts and go  
14 by Congressional committees, I mean, it's a long process. If you  
15 wanted to add another data layer, it would take you a minimum of 90  
16 days, if you had to go through Court.

17 MR. RICE: Which means you couldn't go out for  
18 contracting until you had that money released from the court.

19 DR. GIBBONS: So all this does is sets it up in the  
20 state, and ADNR and Forest Service, there's just a federal and  
21 state agency. It just goes to those two different accounts.

22 MR. PHILLIPS: Any further discussion on '061? If not

23 MS. FISCHER: [Whispering.]

24 MR. PHILLIPS: The question before the group is on the  
25 motion for '061 to approve and recommend to the Trustees. If there  
26 is no more discussion, the chair will ask for unanimous consent and

1 if there is no objection -- there is an objection. Then, those who  
2 are in favor, please signify by raising your hand. If you'd leave  
3 it up there long enough for him to record, please. Those opposed?  
4 Any abstentions? And the score is?

5 MR. MUTTER: eleven, for; two against.

6 MR. PHILLIPS: So it has passed and will be sent to the  
7 Trustees.

8 Let's see, how many more do we've got here. Do you want to  
9 take a break now or would you like to just finish this last, we've  
10 got three more. And if we can get those out of the way, then we  
11 have to go back for those other seven that we postponed, plus the  
12 ones that were presented to us yesterday.

13 So then, let's go on to '062 and this is Fish and  
14 Wildlife Service, no, Department of Natural Resources.

15 MS. RUTHERFORD: Mr. Chair, 93062 is a restoration  
16 geographic information system. It's, it's very similar to the  
17 project that I talked about just a few minutes ago, except for that  
18 this is focused on supporting the projects that are restoration in  
19 nature, not naturally -- damage assessment and again the --  
20 Department of Natural Resources has historically been doing this  
21 work and the Restoration Team feels that the most cost-effective --  
22 fashion to continue on.

23 MR. PHILLIPS: The chair will entertain a motion of '062.

24 MS. FISCHER: So moved.

25 MR. PHILLIPS: Do I have a second?

26 DR. FRENCH: Second.



1 MR. PHILLIPS: Who was that? Oh, John French. The  
2 question before the group is whether '062 will be recommended to  
3 the Trustees, is there any discussion on this one. If there isn't  
4 the chair would ask for unanimous consent and if there's no  
5 objection, it is so ordered. And we will pass on, oh I hate that  
6 word. We will continue with '063. This is Fish & Game.

7 MR. MONTAGUE: This was a project that I had referred to  
8 earlier that had, had identified a large number of streams that  
9 might be suitable for fish ladders or other kind of improvements  
10 and what's being asked for here is simply to remove the field  
11 equipment, temperature level recorders, and standpipes in another  
12 streams and reanalyze the data that's currently being reported on  
13 those instruments.

14 MR. PHILLIPS: Okay, the chair will entertain a motion.

15 MR. KNECHT: I move.

16 MR. PHILLIPS: Rick, do I have a second.

17 MR. KING: Second.

18 MR. PHILLIPS: All right. The question before you is  
19 whether or not '063 will be recommended to the Trustees. Is there  
20 any discussion on this one, yes Pam?

21 MS. BRODIE: Wouldn't this be part of the regular agency  
22 management?

23 MR. MONTAGUE: No, not at all, this was a project that is  
24 funded fully in 1992. It was not funded for close out in 1992  
25 because it was anticipated -- that it would continue, so the  
26 equipment was placed in the field in anticipated use for this year

1 and, didn't get approval this year, so we're just asking to remove  
2 the equipment and analyze what the --.

3 MR. PHILLIPS: Any further discussion. If not the chair  
4 will ask for unanimous consent on '063 and if there is no  
5 objection, it is so ordered. And proceed to '064 which is the last  
6 one in the book. And this one is Natural Resources again.

7 MS. RUTHERFORD: I wrote this big ticket item.

8 MR. PHILLIPS: Yeah, let's look at that.

9 UNIDENTIFIED: Maybe we should do this one after the  
10 break. Is this the big ticket?

11 MS. RUTHERFORD: It's going to take a while, yeah.

12 UNIDENTIFIED: You mean you're not going to float right  
13 through with it?

14 UNIDENTIFIED: I was thinking of the same thing.

15 MR. PHILLIPS: Do you want to take a break?

16 MR. WILLIAMS: I think this might be a lengthy  
17 discussion, I don't know.

18 MR. PHILLIPS: Is there a road to Whittier in this one?

19 UNIDENTIFIED: I don't think so.

20 MR. PHILLIPS: -- problem. Okay. If we will take a  
21 break for ten minutes, please be back here at a quarter to three.

22 [Off Record: 2:40 p.m.]

23 [On Record: 2:55 p.m.]

24 MR. PHILLIPS: We came back here at quarter to and we had  
25 a vote on '064 and it's five against, and none for it -- you turned  
26 me off -- she must be for it. [Laughter] Okay, anyway, Okay,

1 before us is '064, which is the biggy. Could you give us a  
2 thumbnail on this one, Marty.

3 MS. RUTHERFORD: 93064 which is titled Habitat Protection  
4 Fund. Is a, basically a project that is designed to take advantage  
5 of the opportunity to provide protection on some lands that are  
6 currently imminently threatened. And the idea is to identify  
7 within some of those lands, areas that contain habitat critical to  
8 some of those damaged resources and services resulting from the  
9 spill. And the, the intent of the project is simply to set aside  
10 \$20 million. \$10 million into the Department of Natural Resources  
11 funds and \$10 million into a federal agency, yet to be identified -  
12 - so that the Trustees are able, should they desire, to move  
13 quickly to negotiate purchases of some type of protection on  
14 certain parcels and it's pretty straightforward. It's a fund, it's  
15 an available fund, it would have to be extensive public discussions  
16 and presentations on it before they took such action -- as you  
17 probably are aware, there was some discussion at the last Trustee  
18 Council meeting in using some of these funds for a Kachemak pur --  
19 purchase, to match -- the 7.5 that was set aside for Kachemak in  
20 the Alyeska settlement and potentially to match some state general  
21 fund and perhaps criminal, \$50 million criminal fund.

22 MR. PHILLIPS: Were there any other areas beside  
23 Kachemak?

24 MS. RUTHERFORD: Yes. Actually when this project, 93064  
25 was designed, Kachemak was not an area of specific discussion. The  
26 fund is designed to, to address any lands that are imminently

1 threatened are currently being considered. In February, on the  
2 16th, when the Trustees have their first, this next meeting is a  
3 continuation meeting on the 19th of January, but their next meeting  
4 on the 16th of February, they will be receiving a presentation on  
5 23 parcels of imminently threatened land that will have been  
6 evaluated and ranked with available data and presented to them for  
7 decision as to whether or not they want to open discussions with  
8 land owners for purposes of protection.

9 MR. PHILLIPS: Would you define threatened. What do you  
10 mean by threatened.

11 MS. RUTHERFORD: Right now, the term imminently  
12 threatened is being used somewhat loosely. It could be, habitat  
13 where logging is occurring or mining is occurring. Where there is  
14 some development that could potentially disturb the habitat of some  
15 of the damaged resources or services.

16 MR. PHILLIPS: The Chair will entertain a motion on '064.

17 MR. ANDREWS: Move to adopt.

18 MS. FISCHER: Second.

19 MR. PHILLIPS: Moved and seconded. -- discussion. Is  
20 there anybody. Yes Pam.

21 MS. BRODIE: At the last meeting, the Trustees said that  
22 they would -- they intended to spend seven and a half million of  
23 this money I believe, on Kachemak Bay, so then there would be seven  
24 and a half million for Kachemak Bay, we presume, and twelve and a  
25 half million left for everything else that you're considering that  
26 you're going to be telling them about the imminent-threat. Can you

1 give us a sense of -- of -- the meaning of that twelve and a half  
2 million compared with the lands that that they are going to be  
3 considering? The ball park of what that, those lands and timber  
4 rights down in Seward are worth?

5 MS. RUTHERFORD: Let, let me back up for a moment and  
6 just talk about that figure, 20 million. The Trustees were very  
7 hesitant to name a figure and -- primarily I believe, the reason  
8 they were uneasy about that is that they didn't want to necessarily  
9 indicate that that was a limitation by any sense of the  
10 imagination. They, they, they -- finally chose that figure because  
11 it was as good as any other. That, it is only a fund that is  
12 quickly available should they need it to move, you know, within a  
13 short period of time. That, it doesn't indicate that that's, that  
14 they aren't willing to go back for me and it certainly doesn't  
15 indicate that they are necessary going to expend it all in the near  
16 future. It is simply an amount where the funds would be quickly  
17 available should they need them. I'm not willing at this point and  
18 time as to guess as to how far \$20 million will go in terms of  
19 acreages. I think that that's -- going to take people far more  
20 knowledgeable than I am about that.

21 MR. PHILLIPS: Lew?

22 MR. WILLIAMS: I have a couple questions. One question,  
23 I think you stated there will be public hearings before the  
24 property is acquired or purchased, is that what you said. Does  
25 that mean that it will come before this group too, before there's  
26 an actual purchase.

1 MS. RUTHERFORD: We certainly are going to make  
2 presentations to you to the public advisory, the same presentations  
3 we'll be making to the Trustee Councils on the parcels as we do our  
4 analysis and rating of them.

5 MR. WILLIAMS: Just one other question on -- I suppose it  
6 will be on a bas -- case-by-case basis. But who ends up getting  
7 titles to these lands. Is this something the state will get them?  
8 or will federal government get them, will they stay, say with the  
9 private owner, indicate not to harvest, or how are they going to do  
10 that?

11 MS. RUTHERFORD: That's been, that has been yet to be  
12 determined. That is, those are some of the policy considerations  
13 that are going to be discussed with the Trustees. The discussions  
14 will start in February and they'll probably continue for some time.  
15 The whole menu is available. I mean the Trustees could chose to  
16 work with the landowners and if they just, you know, would agree to  
17 set, you know, habitat aside than that's a potential. They could  
18 chose to put this in state or federal ownership, or I suppose it's  
19 even possible that they could set up another entity to hold title.

20 MR. WILLIAMS: -- University of Alaska again.

21 MS. RUTHERFORD: I suppose it could be.

22 MR. WILLIAMS: Mental health land.

23 MS. RUTHERFORD: More mental health lands.

24 MR. PHILLIPS: Jim?

25 MR. CLOUD: What's the rationale under the settlement  
26 agreement for acquiring habitat. -- and the legal basis.

1 MS. RUTHERFORD: Um -- the legal basis. I don't want to  
2 speak on the legal basis. I'm not sure, either Dave, do you want  
3 to come in on that, but the whole idea being that if there are  
4 habitats that are critical to some of the damaged resources and  
5 services, that if there were ways to protect them, that might  
6 facilitate the recovery on the long-term life span of some of those  
7 resources and services. I mean, like, for instance. If you  
8 believe that recreational services were damaged, then it might  
9 behoove you to protect some of the more critical areas that serve  
10 recreationalist -- in terms of the legalities of --

11 DR. GIBBONS: Another example of the marbled murrelet.  
12 You know, are the harlequin duck, or, you know, salmon streams. If  
13 they have been shown to be injured by the spill. You know if they  
14 need a planned habitats for a part of their life cycle that, that  
15 may be critical, nesting habitat, or large limbs and if you can  
16 prevent further degradation to that, that resource by that, then  
17 that's, that's a link to the injured resource.

18 MS. RUTHERFORD: That's one of the reasons we needed to  
19 know, sometimes data acquisition. We need to have a firm  
20 understanding of what some of the species need in their life cycle.

21 MR. PHILLIPS: Yes, --

22 MR. CLOUD: I represent the public-at-large and the  
23 public at large uses their natural resources from private lands and  
24 those that are made available on public lands. They use products  
25 that are made within those resources. Certainly my group would  
26 have a loss of service if you withdrew from its population of

1 resources, resources that it would no longer have access to without  
2 replacing. So, in that event, the way you're talking about, you'd  
3 be, you know, restoring a loss of a service from one group, or  
4 class of people at the expense of another. Shouldn't you then be  
5 replacing the services that the public-at-large loses when you  
6 withdraw land and resources.

7 DR. GIBBONS: Well, -- the -- the thing that we're, this  
8 is aimed at the acquisition, the acquisition of private lands --  
9 and it wouldn't change, so, you would actually gain access I would  
10 think if you're inquiring private land and looking at the -- you  
11 would be gaining access to the land and not --.

12 MR. CLOUD: Well the public-at-large used the timber  
13 that's cut off of private lands and public lands. It uses the  
14 minerals that are developed off of private lands. When you  
15 withdraw -- or public lands -- When you withdraw those access  
16 forever by the public-at-large, -- they're losing a service.  
17 They're being damaged by your action. But beyond, I mean,  
18 obviously, the landowner would be compensated for his immediate  
19 loss of use of the property, but the end-user, the consumer, the  
20 public-at-large is the one that is losing out, particularly in  
21 Alaska, where the preponderance of all of the property is owned  
22 already by the public domain, either the federal government or the  
23 state government.

24 MR. PHILLIPS: Rick first, then Pam and then Dick.

25 MR. KNECHT: In the case of cultural resources, we were  
26 reminded yesterday that unlike bird nests and streams,



1 archaeological sites have no protection under this plan if they're  
2 on private land. No protection at all. And the only protection,  
3 the only means to protect those that I can see is by placing them  
4 under public ownership where they'll have that legal protection.  
5 So in that case -- an acquisition makes a lot of sense.

6 MR. PHILLIPS: Pam?

7 MS. BRODIE: Several things in response to Mr. McCloud.

8 MR. CLOUD: Just plain Cloud.

9 MS. BRODIE: I'm sorry, Mr. Cloud. For one thing, with  
10 mining, in a practical fact, where there are high mineral values.  
11 I don't expect that we will be, I mean that the Trustees will be  
12 buying those mineral rights up because they're going to want the  
13 biggest bang for the buck and if there are -- minerals that are  
14 valuable, then the price is going to be high and they're going to  
15 go elsewhere. You know, I can't say that's true in every case, but  
16 it would certainly seem to be -- we are more talking about timber.  
17 Now in that case, when you talk about public-at-large, there has  
18 been a, Attorney General Charlie Cole has said that there's been  
19 overwhelming public support for habitat acquisition, very broad  
20 based, not just environmentalist, but the people in these  
21 communities, very largely, and commercial fishing interest, sport  
22 fishing interest, tourist interest, have all been supporting this.  
23 The loss or hypothetical loss of the fiber is something that is  
24 mostly an export market -- entirely in export market, but it's not  
25 something where Americans would be having less wood fiber from  
26 these trees, but rather it's the idea is to replace services and

1 natural resources, it would damage the oil spill, such as  
2 recreational values, aesthetic values, archaeological values, as  
3 well as salmon, marbled murrelets, harlequin ducks, other species.

4 MR. PHILLIPS: Yes. Senator Eliason.

5 SEN. ELIASON: I think the export is probably what we  
6 should be doing is exporting more of our fish and maybe our timber  
7 and other things. I think that's part of -- we should be keeping  
8 at home. But the question I have is how much, do we have any idea  
9 what percentage of this land, within this area is owned by the  
10 federal government. How many national parks do we have there, or  
11 what -- how much have we set aside already in these areas for  
12 protection?

13 MS. RUTHERFORD: We do have an idea, we know almost  
14 specifically what the acreages are --

15 SEN. ELIASON: Percentage-wise.

16 MS. RUTHERFORD: But I can't tell you off hand, Senator.  
17 I, we can get you that information, but one of the other things is,  
18 when you talk about affected area, we still haven't quite defined  
19 what the Trustees haven't yet defined what the affected area is, so  
20 I'm a little, I'm willing to say what percentages are, we could  
21 get, certainly give you total acreages and all the different areas  
22 up in Kodiak and the Lower Cook Inlet and Prince William Sound.

23 MR. PHILLIPS: We know that Prince William Sound is  
24 entirely within the Chugach National Forest.

25 SEN. ELIASON: What I want to assume is that, is that any  
26 of the places that have been oiled is within that area. I don't

1 know how far you're going to go outside of that, but just the areas  
2 that have been oiled, how much timber, how much land is owned by  
3 the federal government. How much is already in preserves.

4 MS. RUTHERFORD: We could certainly give you, we could  
5 give you something and we can tell you what the parameters of the -  
6 - large portions.

7 SEN. ELIASON: Second question is, that is already  
8 protected habitat, how much are you going to need and how do, how  
9 do you judge the values of homo sapiens versus a murrelet?

10 MS. RUTHERFORD: One of the things that we, we're finding  
11 in our initial analysis is that the landowners, which are primarily  
12 the native corporations, you know they did an excellent job of  
13 selecting their lands and their acreage. They oftentimes, they  
14 choose, by far and away, the best habitat and the best areas and  
15 so, sometimes for certain species, it may be necessary to acquire  
16 portions of those into the public holding again. I mean, should  
17 the landowner wish to part with it.

18 MR. PHILLIPS: -- and then John.

19 MR. KING: I have kinda an academic question to -- just  
20 what are we doing for the Trustee Council taking a vote on  
21 something that we really haven't seen. Are we approving this in  
22 concept or -- are they going to say, how would they use us. Would  
23 they say, well the PAG has approved the Trustee Council for a shot  
24 in the dark or something. I just wonder if we're ready to take any  
25 action on this and if the motion, which is simply to approve is in  
26 order, or perhaps it should be modified somewhat.

1 MS. RUTHERFORD: Mr. Chair. This is, again this is a  
2 fund. It is simply -- making monies available for easy access for  
3 the Trustees should they choose to decide on specific parcels to  
4 proceed with discussions and negotiations with landowners. There  
5 would be much specific discussion and I'm sure that the Trustees  
6 will look to the Public Advisory Group for input on particular  
7 parcels before they take any action. But again, it is just simply  
8 to make them money, more easily and quickly available to them,  
9 should they decide to proceed on any protection.

10 MR. KING: So we could really, forego the philosophical  
11 aspects of this thing at this point and, under the premise that we  
12 will have another crack at it before this money is spent.

13 MS. RUTHERFORD: Yes in a way, except that you are  
14 approving the development of a fund with you know, you are telling  
15 the Trustees you have no problem with setting a -- 20 million into  
16 a fund so that you can then make specific recommendations later.

17 MR. KING: We may have no problem with them not spending  
18 this either.

19 MS. RUTHERFORD: That's absolutely correct.

20 MR. PHILLIPS: In direct answer, I think we could if we  
21 do approve this. We could ask to be consulted on the specifics  
22 when they select the land before it's, that can be part of our  
23 recommendation if we want to. Donna was next and then ....

24 MS. FISCHER: Okay. I have a couple of questions here.  
25 One of them, I was noticing here in the book that on number three  
26 and number four that the Trustee Council approves the results of

1 the negotiations on specific parcels. Has that been decided yet.  
2 I know as of December 1 that ....

3 MS. RUTHERFORD: The -- Mr. Chair, the December 1 date  
4 that this is listed part of number one, -- number three, has  
5 slipped till the February 16th date. So that is when that actual  
6 presentation will be made.

7 MS. FISCHER: Okay. Now for the second part of my  
8 question. I understand that there was some discussion as to  
9 Kachemak Bay and if -- if according to Ms. Brodie that 7.5 million  
10 was set aside for that. I thought I read where that went down,  
11 where they didn't get a full consensus or did it come back and they  
12 do, did get a consensus?

13 MS. RUTHERFORD: Mr. Chair? They, -- let me back up a  
14 little bit. The Kachemak -- proposal that Attorney General Cole  
15 made was in advance of, of the presentation on all the imminent-  
16 threatened parcels that will be made in February, so it was not  
17 something that was planned and it is not reflected in the  
18 particular timeline. The -- the Trustees actually moved and I have  
19 the motion in front of me, thanks to Dave, the motion was that they  
20 moved that the Trustee Council agree that the acquisition of  
21 approximately 7,500 imminently-threatened lands in Kachemak Bay  
22 State Park meets their restoration criteria. The Trustee Council  
23 approves the expenditure of up to \$75,000 for the completion of  
24 NEPA, which is the National Environmental Protection Act --  
25 documentation for spending the 7.5 million to acquire approximately  
26 7,500 imminently-threatened lands in Kachemak Bay State Park.

1 Basically what they did is they said that they turned it over to  
2 the Department of Agriculture, U.S. Forest Service saying, please  
3 look to your NEPA regulations and determine whether or not this  
4 action -- requires a environmental impact statement or  
5 environmental analysis -- and they wanted that -- that done as  
6 quickly as possible. The, they are hoping that they will get some  
7 response from the Department of Agriculture, Forest Service by this  
8 meeting, this continuation meeting on the 19th of January and  
9 should the Forest Service tell them at that time that the NEPA  
10 requirements have been met, than they may very well act on the 7.5  
11 million and they were not specific as to whether that 7.5 million  
12 would come out of that, this \$20 million project, but that was our  
13 supposition.

14 MS. FISCHER: Yeah. One more question. I just, I was  
15 going to ask, where are they going to get the rest of the money.  
16 I know that \$7.5 million came out of the Alyeska settlement and  
17 that's a total of \$18 million for that property.

18 MS. RUTHERFORD: Mr. Chair, actually the figure is --  
19 that was used -- by Seldovia Native Association last summer was \$22  
20 million for surface, subsurface and timber. If that is, you know,  
21 that is -- some of the trustee members are still assuming is the  
22 total amount, although I don't believe they have had any recent  
23 discussions with SNA. So with the 7.5 from the Alyeska, and if the  
24 Trustees agree to the 7.5 as part of the civil settlement, then  
25 they would look to prob -- accommodation of the \$50 million  
26 criminal money that the -- that the Alaska State Legislature and

1 the Governor's office controls and the general funds for the other,  
2 \$7 million.

3 MR. PHILLIPS: Yes, Lew?

4 MR. WILLIAMS: Yeah. I have one observation, question.  
5 I think that the discussion we're having here will probably be  
6 beneficial to, I think, -- of the Trustees. When they get the  
7 overview, they'll hear the questions that were raised, maybe  
8 they've already considered it. In that line, I would like to know  
9 have they considered land trades, instead of land purchases, as a  
10 way to save more of the money here, so you can use it on some other  
11 projects. The other thing, there was move in Congress last time to  
12 appropriate by Congress, \$800 million out of this Exxon Valdez.  
13 Can they do it? Has Charlie Cole figured out whether Congress can  
14 override a court settlement?

15 MR. RUTHERFORD: Mr. Chair? I, I do not believe that the  
16 Attorney General's Office has -- at least I am not aware that they  
17 have analyzed whether or not that, the congress could easily do  
18 that. You know, they certainly are aware that Miller attempted to  
19 do that and I think that they're, since they didn't seem to be  
20 going anywhere, I don't think anyone got too excited about it.  
21 Maybe, maybe the federal Trustees might have some comment on that.  
22 It's true -- in terms of land trades, there have been some  
23 discussions. Commission Sandor, Department of Environmental  
24 Conservation, I know has mentioned that -- I think that those  
25 issues will probably be not, not be considered until you got closer  
26 to discussion of particular parcels.

1 MR. PHILLIPS: Yes, John.

2 MR. McMULLEN: Mr. Chairman. The conversation that I  
3 most become involved with when talking, when people come to me and  
4 talk about habitat acquisition, is not whether it should be done or  
5 not, but what habitat to acquire. And that is, whether to buy  
6 wholesale tracts of land, preserve the timber on them, or to buy  
7 critical habitats and that, that's always the questions that's  
8 debated and the people most, far most closely lined with favor  
9 acquisition of critical habitats that through which they're  
10 protection will, will maintain and preserve resources, fishery,  
11 fish and wildlife resources which were damaged during the oil  
12 spill, rather than. So this -- this limits, you know, then if you  
13 looked at imminent threat of critical habitat, rather than just  
14 habitat in general. You know, that being every acre of land that  
15 might be possibly purchased to preserve the timber on that land.  
16 But I think that's the question that is most important to us. It's  
17 not whether, you know \$20 million should be endorsed or not. I  
18 think it certainly should be, but that the habitat be purchased  
19 very carefully and -- does think it's critical when it is  
20 purchased, before it is purchased.

21 MR. PHILLIPS: Further discussion, Jim.

22 MR. CLOUD: Insofar as habitat is acquired for instance,  
23 habitat across from Homer, if that habitat is removed from the tax  
24 base of the Borough, do you intend on reimbursing the tax, the  
25 Borough for lost tax base in future years.

26 MS. RUTHERFORD: Mr. Chair. I believe that those, those



1 are ANCSA. Those are controlled by the Seldovia Native Association  
2 Those are ANCSA lands. And until ANCSA lands are developed, which  
3 they are not currently on the Kachemak, they are not part of the  
4 tax base, so there's no net loss to the Borough.

5 MR. CLOUD: So have you identified imminently-threatened  
6 land somewhere else, you would reimburse the Borough for loss of  
7 taxes?

8 MS. RUTHERFORD: In, in the Prince William Sound, there  
9 is no existing Borough and in the Kenai Peninsula Borough, there,  
10 of course there is, and Kodiak Island Borough there is, but --  
11 probably and the majority of the lands are owned by ANCSA  
12 corporations and again, unless they're developed lands, they are  
13 tax-exempt lands.

14 MR. CLOUD: -- I would just like to make one more  
15 observation. The loss of use in the future of these lands is what  
16 troubles me the most about acquiring habitat particularly in this  
17 state, where, as I've pointed out before, so much of the habitat  
18 already owned by the federal and state governments and under  
19 control and under very restrictive control in most cases.  
20 Certainly the Trustees would get the biggest bang for their buck --  
21 for their dollar -- or not their dollar -- by requiring that there  
22 be a no-net loss of these resources, that private resources, that  
23 resources that are available to the public-at-large, like timber  
24 resources that are available on national forest lands that are  
25 approved for timber and private lands be substituted through  
26 trades. They use, they require the agencies to trade some of their

1 other land for the, these lands that are so important that need to  
2 be protected, or through a lease of those lands just for the  
3 recoverable period. I mean, as I, as I've read all the documents  
4 and everything, acquiring habitat should be the last resort.  
5 Spending money from this settlement on purchasing habitat should be  
6 the action -- the absolute last resort of the restoration method.

7 MS. RUTHERFORD: Mr. Chair. Just a couple quick comments  
8 -- told Mr. Williams. The -- I think that the Trustees will look  
9 at land trades when they get to the point of dealing with  
10 particular parcels. I think the other thing that just might be  
11 useful and I'd be very glad to provide you a copy of it, is when  
12 the restoration framework went out, it was followed shortly  
13 thereafter by what was called a framework supplement that dealt  
14 with habitat protection and acquisition process and in it, it  
15 talked about some -- restoration approaches, alternative  
16 approaches, and one was a concurrent and one was a hierarchial  
17 approach and the hierarchical approach required that all  
18 restoration alternatives be exhausted before you got to habitat  
19 protection and the concurrent approach allowed for habitat  
20 protection to occur at the same time that you did the management --  
21 manipulation, you know, of resources, management uses and anything  
22 like that, then the public responded overwhelmingly. In fact,  
23 there was not one positive comment for the hierarchical approach.  
24 They -- why don't I just review -- it must come in afterwards.  
25 Okay, out of all of them, there was one, but the public was just  
26 overwhelming in its comments supporting a concurrent approach that

1 allowed for immediate habitat protection and not be as a last  
2 resort and I'll be glad to provide you with that table if you're  
3 interested.

4 MR. PHILLIPS: Just as a reminder, we have a definite  
5 date, in 25 minutes for the public segment. So if we could, kinda  
6 speed up a little bit. John?

7 DR. FRENCH: First of all, like, there was a lot of  
8 Senator Eliason's reservations -- there's not a whole lot of really  
9 private land in the spill area. Specifically with Kodiak Island  
10 Borough. I know we have one percent of the Borough in private  
11 lands, not counting the ANCSA corporation lands. So mostly what we  
12 are talking about is ANCSA corporation lands. However, also, the  
13 discussions we've had have been very similar to those John related.  
14 Not whether or not we should do habitat acquisition but how, what  
15 the most effective way of doing it is. Whether we should acquire  
16 weir sites, archaeological those sites, other specific critical  
17 habitat or critical-threat areas -- imminent-threat areas. And I  
18 guess, what I'd really like to see is, is reservations put into the  
19 message to the Trustees that we do feel that it's important that  
20 alternatives be looked at, that alternative strategies, such as  
21 land trade, such as other management alternatives be given serious  
22 consideration. I think that's actually required by the NEPA  
23 process, so it's redundant to do so, but I'd like to see that  
24 message go forward. But failing all that, I do think there's some,  
25 some habitat that needs to be acquired and at least for the '93  
26 work plan, I'm comfortable with 20 million target.

1 MR. PHILLIPS: Pam?

2 MS. BRODIE: Just because trees aren't cut, doesn't mean  
3 the land isn't being used. Now the owners, the only way they can  
4 get an income is cutting the trees or selling. But there are other  
5 peoples in the area that are getting economic benefits for a forest  
6 being impacted -- cut. Certainly commercial fisherman, tourism,  
7 their economic benefits to protect their forest. So I think that  
8 that's dichotomy of use versus not is the case. In fact that it  
9 may be that the overall economy is better off by keeping the  
10 forests the way they are, with the habitat the way it is.

11 MR. PHILLIPS: Before, the question has been called. Is  
12 it the desire of the group to attach to this vote any kind of a  
13 message?

14 MR. WILLIAMS: All the comments that have gone around the  
15 table.

16 MR. PHILLIPS: Would you see that this is, well they may  
17 not listen to all of this either. I know, but they don't have to  
18 listen to it. I'm just wondering if there is something solid that  
19 Donna's offered and over here that we would like to have feedback  
20 on it before final decisions, specific acquisitions. I don't know.  
21 It's up to you to do what, Senator Eliason?

22 SEN. ELIASON: I think everybody more or less agrees that  
23 the critical habitat should be protected. I think that's not the  
24 issue. How far are we going to go, is what concerns me and I do  
25 know that there are people who would, wouldn't be comfortable until  
26 all land was locked up. There are people who want to strip all the

1 land. So, somewhere in between, we're going to have to be  
2 reasonable. But in either case, I would urge that as a part of  
3 this, I think the message to send to the Trustees, that if in fact  
4 they do purchase timber rights, that they also purchase mineral  
5 rights.

6 MR. PHILLIPS: Yes. That's true. Take the gravel from  
7 underneath the trees.

8 SEN. ELIASON: Don't want to get in that box. But I, I'm  
9 real hesitant about just saying, go ahead, spend \$20 million and  
10 find out later that we've actually locked some land which we could  
11 use, multiple use, not just, you know there's many uses besides the  
12 ones you've mentioned.

13 MR. PHILLIPS: Is it appropriate to ask the Trustees to  
14 let us consider the specifics when they, when they decide to  
15 acquire a piece or pieces. It would seem to me that that would be  
16 very appropriate and on that condition, we will approve the pot of  
17 \$20 million, but we want to be consulted when they come to  
18 specifics. Is, does that make any sense?

19 MR. WILLIAMS: I'll make that as a motion to amend the  
20 motion to approve.

21 MR. PHILLIPS: Do we have a second.

22 MS. FISCHER: Aye.

23 MR. PHILLIPS: Okay. Let's vote on the amendment. Does  
24 everybody understand the amendment. Is there any questions. All  
25 right the question is whether the amendment passes, the chair will  
26 ask for unanimous consent unless there is some objection. There is

1 an objection, so we'll call for a vote. Those who approve the  
2 amendment, please raise your hands.

3 MR. MUTTER: Keep your hands up.

4 MR. TOTEMOFF: Mr. Chairman. I'm going to abstain from  
5 these votes. They have

6 MR. PHILLIPS: Alright. I'll call for abstention in a  
7 minute. Did you get all the -- those opposed? How about the  
8 abstentions? One, two, somebody didn't vote. Okay. If you didn't  
9 vote one way or another, you've got to abstain, so, you're not  
10 going to get out of this completely. Abstentions, please raise  
11 your hands. I see three, four. And the winner is:

12 MR. MUTTER: Yeses, nine; abstentions, four.

13 MR. PHILLIPS: Nine to four, the motion passes with the  
14 amendment. We have completed that.

15 There's one, two items I'd like to once again, say that  
16 if there is anybody here that ....

17 MR. MUTTER: Mr. Chairman. I believe you were voting on  
18 the amendment.

19 MR. PHILLIPS: Oh was that just the amendment. Okay, I'm  
20 sorry. You're right. All right, we have the amendment attached to  
21 the main motion. The main motion is that '064 be recommended to  
22 the trustees with the amendment attached. I'll just ask for a  
23 raise of hands for those who approve. Those opposed? One. Now  
24 abstentions. One, two.

25 MR. TOTEMOFF: Mr. Chairman, I would like to make a  
26 clarification on my abstention.

1 MR. PHILLIPS: Thank you.

2 MR. TOTEMOFF: This project could potentially impact  
3 Chenega Corporation lands, but that I would only abstain to that  
4 point. Concerning corporate lands, I think I should be eligible to  
5 vote.

6 MR. PHILLIPS: Did you get that? Okay. And the winner  
7 is.

8 MR. MUTTER: Yeses, ten; noes, one; abstains, two.

9 MR. PHILLIPS: Now we have completed this. Yes?

10 UNIDENTIFIED: Mr. Chair, you have requested if anybody  
11 abstained, they give their reason.

12 MR. PHILLIPS: Yeah, I would appreciate it.

13 MR. STURGEON: I work for Koncor Forest Products and we  
14 own the timber out in Montague Island and -- Kachemak, Afognak --

15 MR. PHILLIPS: That's a pretty good reason. Okay,  
16 anybody else, or where these just two abstentions. Alright.

17 MS. RUTHERFORD: Mr. Chairman. Before I -- one of the  
18 things, we -- I know David mentioned to you earlier that the tried  
19 to set up a date for the Public Advisory Group to meet before the  
20 February 16th Trustees Council meeting and that, one of the major  
21 purposes of that would be the opportunity to provide you with the  
22 analysis of the imminently threatened parcels that will be  
23 presented to them.

24 MR. PHILLIPS: Okay. Well we'll take that matter up  
25 before we leave here today.

26 MS. RUTHERFORD: Thank you very much.

1 MR. PHILLIPS: Have a thirty day notice. Two things.  
2 Anybody that wants to be heard under the public forum at 3:40 and  
3 have not signed this paper, I would ask you to do so now. Put your  
4 name and the organization you represent so that we could be sure  
5 and call on you because we have to have this lined up and if there  
6 is anybody, just sing out and we'll get the paper to you. I don't  
7 here any singing.

8 Okay. We have one other item that we passed by that at 1:45  
9 and I've been assured that that can be taken care of in one minute.  
10 So Dave, if you'd talk to us about the -- what was that one we were  
11 talking about?

12 DR. GIBBONS: About the oil spill symposium.

13 MR. PHILLIPS: Yeah, yeah.

14 DR. GIBBONS: I am the expediter of the -- I think at the  
15 last meeting we agreed that anybody who wanted to attend the  
16 meeting, you know we would pick up the cost, the registration and  
17 the travel. And so I just got registration forms here and I think  
18 probably the easiest way to do it would be to get travel and per  
19 diem approved through -- like you normally do for a meeting and  
20 then just put the registration costs for the meeting on your per  
21 diem claim and handle it that way.

22 MR. PHILLIPS: Isn't it here?

23 DR. GIBBONS: It's, its in Anchorage.

24 MR. PHILLIPS: All right, so thus of us who don't have  
25 travel. I -- paid for mine, do I, can I submit that?

26 DR. GIBBONS: Yeah. I would submit a documentation on



1 that, yes.

2 MR. PHILLIPS: Who do I give it to, John? or you?

3 DR. GIBBONS: Well, we don't have any money until the  
4 February, January 19th meeting, so ....

5 MR. PHILLIPS: Doesn't matter, you know, I want to give  
6 it to somebody and forget about it. Okay. Any questions on that,  
7 where, what's the date on that?

8 DR. GIBBONS: February 2nd through the 5th.

9 MR. PHILLIPS: Okay. Let's see, where we are. Okay.  
10 Let's talk now, we got a little time. We've got fifteen minutes  
11 before the public segment. We do have seven of these programs that  
12 were postponed. We don't have time for them right now. I'd like  
13 to do it right after the public segment. In addition to that, we  
14 have the ones presented by the three different groups yesterday  
15 that we have to go through, so I'd like to lump all those in one  
16 and as soon as the public segment is over, that we race through  
17 those and get them taken care of and those -- would you just review  
18 the ones that we -- the numbers on the ones that we are going to  
19 take up at that time. For those of you who are here in the room  
20 that have an interest and are going to talking about them and are  
21 concerned about them, you'll know what, which ones they are. Doug?

22 MR. MUTTER: The projects we'll take up will be 93010,

23 MR. PHILLIPS: 93 -- can we get some power on him?

24 MR. MUTTER: Projects we'll be taking up is 93010, 93014,  
25 93019, 93020, 93026, 93050 and 93052.

26 MR. PHILLIPS: Okay. Let's talk then, if it's okay about

1 our next meeting. Because we do have to have 30 days' notice and  
2 the symposium is on the fourth, he said, second through the fifth.  
3 And the maybe you could give us a recommendation on a date that  
4 might.

5 DR. GIBBONS: To give you run down. We're on February  
6 6th, we will be distributing the package for the February 6th  
7 Trustee Council meeting. Our guidelines state that we have to have  
8 that ten days prior to the Trustee Council meeting. At that same  
9 time, the material will be distributed to the Public Advisory  
10 Group. My recommendation is that you meet somewhere -- 13th is on  
11 a Saturday. Like the 12th ....

12 MS. FISCHER: That's a Friday.

13 DR. GIBBONS: Which would be a Friday and because the  
14 13th is a Saturday, the 14th is Sunday, 15th is a holiday, you may  
15 meet on the 15th if you'd like to, but then the Trustee Council  
16 Meeting is on the 16th.

17 MR. PHILLIPS: How much material do you anticipate by  
18 doing that?

19 DR. GIBBONS: Well there, the February 16th meeting is  
20 going to deal with two major topics. One is the Restoration Plan  
21 alternative and the second one is habitat acquisition.

22 MR. PHILLIPS: Well, do you see anything beside habitat  
23 acquisition.

24 DR. GIBBONS: Habitat acquisition.

25 MR. PHILLIPS: Well, however you say it. Do you think  
26 there is any other subject that we would involve ourselves in at

1 that time?

2 DR. GIBBONS: I think those are two real weighty subjects  
3 in itself. There may be some other items that may be fairly small.  
4 The '94 work plan framework will be one of them.

5 MR. PHILLIPS: Well, do you think one day we'll handle  
6 this. Being as efficient as we are.

7 DR. GIBBONS: There's 23 parcels.

8 MR. PHILLIPS: Do you know something we don't. Yes?

9 DR. GIBBONS: I know it all the time.

10 MS. FISCHER: Wouldn't it be better if we met, just out  
11 of curiosity, after they meet because we want to have input put in  
12 on, some of the parcels, if we spoke on '64, we wouldn't be able to  
13 do that.

14 MR. PHILLIPS: He will get that information to us.

15 DR. GIBBONS: You will have information on all the  
16 parcels.

17 MR. PHILLIPS: Good.

18 MS. FISCHER: But they don't meet till the 16th, though.

19 MR. PHILLIPS: They make the decision, but don't we want  
20 to give them the feed-in before they make the decision. We will  
21 have the same thing they have.

22 UNIDENTIFIED: By the tenth you say?

23 DR. GIBBONS: By the sixth.

24 MR. PHILLIPS: The sixth. So we could study it and talk  
25 about it and give our recommendations on it. If we wait until  
26 after the 16th, Sayonara.

1 DR. GIBBONS: I don't think the impression should be here  
2 that the Trustee Council is going to say by x-parcel on the 16th.  
3 I don't think that's going to happen. What the, What the  
4 recommendation of the Restoration Team to the Trustee Council will  
5 be, allow us to begin discussions with, concerning these parcels.  
6 Because the -- different in Kachemak is that there's, the costs are  
7 not established. You know, the areas, there's a whole range of  
8 things that we don't know anything about. But we're going to ask,  
9 the Trustee Council to begin discussions with the respective  
10 landowners, and if the respective landowners say, we don't want to  
11 talk about it, it's done.

12 MR. PHILLIPS: Okay.

13 DR. GIBBONS: This is not a condemnation process. It's  
14 willing seller.

15 MR. PHILLIPS: Then we, we would have more information  
16 after the 16th on which to dwell. It would be more accurate  
17 because we would know then what the Trustee Council is focusing on,  
18 rather than having the whole gamut and worrying about that, when  
19 they might not even take them up ....

20 DR. GIBBONS: Sure, some of our analysis of these --  
21 parcels show that some of the habitat value can go low and --

22 MR. PHILLIPS: Well, what would the group like to do. Do  
23 you want to meet before or after their meeting?

24 MR. ANDREWS: After.

25 MR. PHILLIPS: After? Anybody disagree with that. It  
26 seems two or three say after, yes?

1 MR. MORRIS: I'm just concerned that the Council will  
2 have trouble making decisions on anything if they don't have PAG  
3 discussion and recommendation. I don't particularly have -- but on  
4 the other elements that we're going to be discussing, the  
5 Restoration Plan and the '94 work plan, -- , that you review the  
6 same materials before they ....

7 MR. PHILLIPS: Well on that case, if we can be of  
8 assistance, I suppose we ought to. Yes John?

9 DR. FRENCH: If we're meeting in February, how are we  
10 going to pay for the meeting, if we don't have any remaining  
11 budget.

12 MR. MUTTER: Well actually, we may have the money by  
13 then.

14 MR. PHILLIPS: I don't think ....

15 DR. FRENCH: In that case, I'd like to move that we have  
16 a one-day meeting scheduled on February 10th.

17 MR. PHILLIPS: February 10th. What day of the week is  
18 that?

19 DR. FRENCH: It's a Wednesday.

20 MR. PHILLIPS: A Wednesday. Is there any objection to  
21 that. February 10th. Anybody got a birthday or anything like ....

22 MS. FISCHER: Yeah we have. If we're coming over for  
23 that oil symposium. Wouldn't it be wiser to tie it in with -- that  
24 at that time, because instead of traveling back and forth?

25 DR. FRENCH: I thought of that myself, but we don't have  
26 thirty days.

1 MS. FISCHER: But today's the seventh.

2 DR. GIBBONS: We also won't have the material.

3 MR. PHILLIPS: You won't have the material until the  
4 sixth. That's a Saturday, or a Sunday ....

5 MR. PHILLIPS: So the tenth, is a suggestion. Does  
6 anybody have a problem with that? If not, then why don't we set  
7 the meeting for the tenth at a, again, some of you don't get in  
8 here before 9:00 or 9:30 do you on the aircraft, if you're flying?  
9 That's why we had that 9:30 this time. Yes.

10 UNIDENTIFIED: Excuse me sir. Can I comment, somewhere  
11 in there is Fur Rendezvous. If somebody can check the dates, it'll  
12 certainly affect travel and -- lodging.

13 MR. PHILLIPS: Okay. If there isn't any blockage, we  
14 could, sled it from the airport to the meeting. How about 9:30 on  
15 that date, on the tenth. On Wednesday the tenth. That'll, I  
16 believe give everybody a chance to get from the airport in that  
17 will be coming in on that morning. And then if we finish some of  
18 them, of course, we'll be going, be leaving that evening, I  
19 suspect. If there are no objections, then let's set the meeting  
20 for that and the proper notices be sent out.

21 We have now about seven minutes before we have a -- have you  
22 arranged the teleconference?

23 STAFF: He's called the office -- (inaudible -- out of  
24 range of microphone)

25 MR. PHILLIPS: Could they call us when they're ready. In  
26 the mean time we can hear from the others. Okay, then, in that

1 case why don't we just proceed with the public comments and I have  
2 two persons and then we'll wait for the teleconference call. Do  
3 you have any idea how long that teleconference call would be from  
4 Cordova?

5 MS. MCBURNEY: Probably no more than five minutes.

6 MR. PHILLIPS: Okay. I'd like to call Jerry Rusher and -  
7 - if you could, why don't you come right up here and everybody get  
8 a shot at you.

9 MR. JERRY RUSHER: Jerry Rusher of Rusher Services.  
10 First of all ....

11 MR. PHILLIPS: That's our -- She'll pick up. You just  
12 clip it and she'll pick up the power.

13 MR. RUSHER: First of all, I'd like -- Mr. Chairman.  
14 Thank you and the organization for letting me have this  
15 opportunity. Earlier in '92, I presented a project -- that was to  
16 be incorporated in the 1993 work plan. Draft plan. And this  
17 proposal was under the -- one of the largest land owners, corporate  
18 land owners in the Prince William Sound is backing this project and  
19 one of the private, largest private land owners in the Prince  
20 William Sound is sponsoring this project. I feel that those two  
21 people are very important and the project has to deal with two  
22 years of scientific data that was collected on tests on LaTouche  
23 Island in a state marine park. And I have letters that, first of  
24 all, I was premature with my proposal. Then I have a letter that  
25 my proposal was incorporated in with this year's proposals. And I  
26 don't see the proposal in this draft plan and I don't see it in any

1 of the proposals that were rejected. So I'm just interested in if,  
2 the organization needs more information on the project or where the  
3 project is.

4 DR. GIBBONS: Mr. Chairman? The project was considered  
5 as a restoration idea. I just looked, went upstairs at lunch and  
6 looked at the Rusher Services, idea is in there. I don't know, I  
7 don't have the information in front of me of what happened to it,  
8 but I know it did not make the final cut for the '93 package or it  
9 would be in here. So -- I'm not sure what, you know, what criteria  
10 didn't make it, have to go look at that.

11 MR. PHILLIPS: If you would just briefly describe the  
12 project, what it would be.

13 MR. RUSHER: Through two years of testing that I had done  
14 on the LaTouche Island, it has to do with the beach worms that are  
15 on the -- the, there's two different types of -- well, there's  
16 probably more than two different types. One is on the shoreline,  
17 but I definitely found two different types of worms that are  
18 important to the food chain of migrating birds. And I have, over  
19 a two-year period developed a way to make these worms move back and  
20 forth on the shoreline to degrade and aerate the shoreline, and to  
21 do naturally with something that's in place already. It's a  
22 baiting process is what it is, baiting the worms, and moving them  
23 back and forth.

24 UNIDENTIFIED VOICE: ... in the oiled area?

25 MR. RUSHER: Yes. I was in the Horseshoe Bay area.

26 MR. PHILLIPS: Do don't know why it didn't make it?



1 DR. GIBBONS: I'd have to pull up the sheet on why it  
2 didn't make it.

3 MR. PHILLIPS: Possibly it could have been a (inaudible)

4 MR. RUSHER: I just think it's an important project to  
5 get something done to -- to physically help both the food chain and  
6 the shoreline itself.

7 MR. PHILLIPS: We don't know what to do without the  
8 information in front of us. Could we have a rundown on why and the  
9 wherefores, and so on at our next meeting in February? Do you live  
10 in Anchorage?

11 MR. RUSHER: No, I live in Wasilla.

12 MR. PHILLIPS: Oh, I see, but you can get here. We'll  
13 take a look at it. I -- I -- beyond that I don't know what can be  
14 done, but we'll get a report on it for our next meeting.

15 MR. RUSHER: If it's a matter of information, I have  
16 ....

17 MR. PHILLIPS: We need to know whether (inaudible) --  
18 it's status, whatever that status is. We'll have that at our next  
19 meeting. The next person I have on here is Chris Moss of Cook  
20 Inlet Services (sic) Association.

21 CHRIS MOSS: My name is Chris Moss. M-O-S-S. I'm  
22 actually representing Cook Inlet Seiners Association of Lower Cook  
23 Inlet. I think you've all seen the letter we've sent you, and I  
24 just want to take a few minutes to kind of explain a little bit  
25 more of some of our concerns. We are a group that represents a  
26 salmon seine fishermen in Lower Cook Inlet. That area encompasses

1 all the oiled areas that are south of Anchor Point, basically west  
2 of Prince William Sound, all the way to Cape Douglas. There's a  
3 lot of area there where we fish that was impacted by the oil spill.  
4 In Lower Cook Inlet there's no drifting, the set-netting is limited  
5 to areas --specific areas -- Kachemak Bay is one of them -- and  
6 some sites in Port Graham. We appreciate the time you put on --  
7 put in here. It seems like the more money you have, the more you  
8 spend, and certainly after watching for two days, you certainly  
9 spend a lot of time at it. Just got a map here, you can pass it  
10 around. It shows basically the area. I think our group has just  
11 gotten involved in this process. Some of it we just kind of  
12 figured that there was going to be a master plan and how to  
13 rehabilitate these areas. Now we're pretty concerned that -- that  
14 there's research that's needed, and lack of studies in Lower Cook  
15 Inlet has us concerned that we'll be in the catch-22 position.  
16 That means that because there's not been any research done on the  
17 salmon areas affected, therefore no projects for rehabilitation  
18 will be done. We're not asking for any projects at this time.  
19 Areas similar to Prince William Sound -- we have a lot of  
20 intertidal spawners and pink and chum salmon. There are  
21 approximately 65 streams in this area from, not in all Lower Cook  
22 Inlet, just the outer peninsula, across there. We have also had a  
23 precipitous decline in our chum and pink salmon, and basically  
24 what we are requesting is a clarification that studies and research  
25 that's done in Prince William Sound and Kodiak on pink and chum and  
26 salmon be applicable also to Lower Cook Inlet. After seeing the

1 general direction which we need to go, which is more to  
2 rehabilitation, it seems incongruous to redo all these things that  
3 are being done in the Sound in the outer coast. I think that --  
4 that the areas are similar enough that we can apply the same  
5 criteria to that area. If not, then we're gonna have to go through  
6 the same process, and we're already lost a lot of time and data in  
7 this area. So far, for the salmon rehabilitation in Lower Cook  
8 Inlet, I just added it up, there's been \$247,000 worth of  
9 information done, and just essentially approved another \$12,000,  
10 which was to close out one study. You know, we're not concerned  
11 with the amount of money that's being spent there, we just want to  
12 make sure that the data that can be used for future rehabilitation  
13 is in the loop already. That's all.

14 MR. PHILLIPS: Is there anyone, any staff person, who  
15 could make comments on this for the committee?

16 DR. MONTAGUE: Very briefly, the point that he was making  
17 is that area wasn't studied very heavily will be proved correct.  
18 As you know, most of the injury assessment work that was conducted  
19 through last December, before the settlement, was litigation  
20 driven, and that the data on injury is best when the oil is thick  
21 and (indiscernible), so we -- we went for most of our injury  
22 efforts in Prince William Sound, and that's the reason why a lot of  
23 further (indiscernible) studies -- heaven's knows we've spent  
24 enough there -- \$120 million and so on on research --applying the  
25 findings from there to other areas of similar habitats, I think,  
26 would be helpful. It would be wasteful to go back and redo them --

1 the same types of studies in new areas that were more than likely  
2 similarly affected.

3 MR. PHILLIPS: What action is recommended by this  
4 committee? What can we do, if anything, to -- to help?

5 DR. MONTAGUE: Referring to me?

6 MR. PHILLIPS: Anybody. I just need some answers, and I  
7 can't answer it myself.

8 DR. MONTAGUE: If I understand that what you're  
9 requesting, broadly, you're saying that just because you don't have  
10 absolute proof that the injury was in this Lower Cook Inlet area,  
11 apply the injuries you know from elsewhere and assume that you need  
12 to restore them the same. Is that correct?

13 MR. MOSS: That's correct. I think the main concern is we  
14 come up with a project and suddenly, you know, five years down the  
15 road, they say we don't -- you don't have the data to prove that  
16 this, you know, that this actually occurred, and then it's too late  
17 for us. And right now, we are already behind the fact, and we need  
18 to have it pretty much verified by this group and, indeed, the  
19 Trustees, this has got to be done. So that if that isn't going to  
20 be the case, then we get those studies going.

21 MR. PHILLIPS: May I suggest that this concern be  
22 transmitted to the Trustees at their next meeting by somebody on  
23 the Restoration Team. I mean, you heard the plea, and I think you  
24 can probably, because of your scientific background, articulate  
25 that better to them than, say, I could. Yes, John?

26 MR. MCMULLEN: Mr. Chairman, Chris fishes in an area, I

1 guess, called Area H, Lower Cook Inlet, but we've already said here  
2 there might not have been too much oiling in Kachemak Bay, but if  
3 you'd look at this map that's been passed around, you can see the  
4 whole lower outer coast of the Kenai Peninsula is included in that  
5 Lower Cook Inlet category and contains many important pink and chum  
6 salmon streams out there that certainly need attention as well, and  
7 I can certainly understand your concern for this. Thank you.

8 MR. PHILLIPS: And I think that the Trustees, when they  
9 act on one of these studies, can certainly direct the department,  
10 whatever it is, to be sure that that information is made available,  
11 or at least encompasses your area. I would think that would be the  
12 proper way to go about it.

13 DR. MONTAGUE: Mr. ....

14 MR. PHILLIPS: Yes.

15 DR. MONTAGUE: Mr. Chairman, I think probably what --  
16 probably isn't appropriate for a member of the Restoration Team to  
17 make this type of recommendation. I think the Public Advisory  
18 Group would need to say whether they do or do not support  
19 extrapolating injury findings from one area to other areas that  
20 haven't been studied or so on.

21 MR. PHILLIPS: There isn't any way I could even make an  
22 intelligent statement like that because I don't know. I mean, if  
23 it's going to help somebody, I'd be glad to help, but I -- that's  
24 a scientific decision, I think. Yes -- John.

25 DR. FRENCH: Yeah. This general concern is certainly  
26 true of the Kodiak archipelago area too, and I imagine it's true in

1 the Cook Inlet. I don't know if the Cook Inlet group could address  
2 that a little better, but, yeah, there's the general perception  
3 ....

4 MR. PHILLIPS: ... ask you to hold it a minute. I'm  
5 sorry.

6 DR. FRENCH: ... there's the general perception that --  
7 that they altered the effort -- restor -- certainly the damage  
8 assessment effort, but also the restoration effort is being focused  
9 in the Sound. Many of us are acutely aware there's a lot of oil  
10 other places than the Sound. Dissolved hydrocarbons in the water  
11 column, went on down, hit the rest of us after it got out of the  
12 Sound. I would like to put forward a motion after we get the rest  
13 of the public comment period that the PAG encourage the Trustee  
14 Council to utilize damage assessment data that was established in  
15 the Sound to estimate the probable outside, in areas outside the  
16 Sound, and encourage them to put forward restoration projects  
17 consistent with that -- with that approach.

18 MR. PHILLIPS: We could vote on it right now, if you want  
19 to. If you want to make a motion -- does somebody want to second  
20 that?

21 MS. FISCHER: Second that.

22 MR. PHILLIPS: You've heard the motion. Any further  
23 discussion on the motion?

24 MR. WILLIAMS: Question.

25 MR. PHILLIPS: If there isn't, then the Chair would ask  
26 for unanimous consent ....

1 MR. WILLIAMS: Call for the question.

2 MR. PHILLIPS: Ask for unanimous consent. If there isn't  
3 any objection (pause), it is so ordered. Would you see that that  
4 message is transmitted, please Doug. Could we have -- now we have  
5 a teleconference on the telephone from Cordova. Would you please  
6 ask whoever's on the other end to identify themselves first, spell  
7 the name, the association, and you they represent.

8 STAFF: (Pause -- Instructions to caller on  
9 teleconference line)

10 MR. PHILLIPS: Okay. Are we connected yet?

11 TELECONFERENCE CALLER: (Indiscernible)

12 MR. PHILLIPS: Could I interrupt. We didn't get any of  
13 this. If you would start out by identifying who you are, who you  
14 represent, and spell your last name for the recorder here, and  
15 start over again because we didn't get your transmission.

16 TELECONFERENCE CALLER: If that was addressed to us here  
17 in Cordova, we can't hardly hear you.

18 MR. PHILLIPS: Okay. I'll try to speak a little louder  
19 with the electronic help here. Can you hear me now?

20 TELECONFERENCE CALLER: That's a little bit better. Are  
21 we on speaker to the Public Advisory Group now?

22 MR. PHILLIPS: That is correct. This is Brad Phillips,  
23 the chairman. The entire group is sitting here with baited breath,  
24 waiting for your words of wisdom. If you could just start off by  
25 identifying yourself, spell your last name for the recorder, and  
26 who you represent, and then give your presentation, we'd appreciate

1 it.

2 MR. GUARD: My name is Jeff Guard. I'm with Cordova  
3 District Fishermen's United. You spell my last name G-U-A-R-D.  
4 We'll just go around the room here and let folks introduce  
5 themselves.

6 MS. BIGGS: Evelyn Biggs, (indiscernible) investigator  
7 for injury herr -- complaints on herring studies of the oil spill.

8 MR. PHILLIPS: Would you spell your last name, please.

9 MS. BIGGS: Yes. B-I-G-G-S.

10 MR. PHILLIPS: Okay. Thank you.

11 MR. WILLETTE: Mark (ph) Willette, representing Fish &  
12 Game. That's W-I-L-L-E-T-T-E.

13 MR. SHARR: Sam Sharr, representing Commercial  
14 Fisheries Division of Fish & Game. That's -- last name is S-H-A-R-  
15 R.

16 MR. GUARD: Yes. I guess what we were wanting to  
17 address were the -- this is Jeff Guard, again -- were the projects  
18 that we put in for that hadn't made it into the draft '93 work plan  
19 that were brought up at the last PAG group meeting. The coded-wire  
20 tag studies for salmon, and the spawn depositions studies for herr  
21 -- for the herring. We'd like of like to know what the status of  
22 those are as far as your discussions go so far.

23 MR. PHILLIPS: Okay. I'll ask Dave -- if he has the  
24 knowledge on that, if somebody would identify themselves.

25 DR. GIBBONS: This is Dave Gibbons. The proposals were  
26 submitted by John McMullen. They have not been acted upon at -- at



1 this point in time. Let's see, it's on the agenda after the public  
2 session, but I have been informed that to request that the Fish &  
3 Game people on site there not present testimony. It's a conflict  
4 of interest.

5 MR. GUARD: Okay. You bet. They're just hear to  
6 listen anyway. I guess we'd just like to reiterate what we brought  
7 up before you last time that -- that for mitigation and species  
8 protection through management purposes, we believe that it's  
9 imperative for these studies to be put in place. Without knowing  
10 what the damages are, it's going to be awful hard to manage the  
11 herring and the salmon appropriately. I believe it's real  
12 important that we get these back in here, and it's getting to be a  
13 real time critical out there. If we don't get an approval from the  
14 Council by this next Council meeting, we've missed -- we're gonna  
15 miss this year's data. And if you read back through the -- injury  
16 documentation documents that are -- you guys have got there, it's  
17 documented that both -- that injuries to both of these are --  
18 species here, and we've got to be able to know what it is to manage  
19 appropriately for it.

20 MR. PHILLIPS: We are trying to complete our discussions  
21 on the proposed work plan for '93 as presented to us. We have not  
22 been asked or given the latitude to -- to necessarily talk about  
23 things that are not in the plan. We haven't completed this one  
24 yet, and I'm just wondering out loud what's the best way to  
25 transmit this information because the Trustees are the ones to --  
26 that will make the final decision, and I will ask the group if

1 there is anything that -- any procedure we should take to listen to  
2 or transmit information to the Trustees on these. Are some of  
3 these the ones that are coming up later today that we haven't  
4 touched on yet.

5 DR. GIBBONS: That's correct.

6 MR. PHILLIPS: Yeah. We have a copy of these, and we  
7 just haven't gotten to them yet. They're on the -- three of them,  
8 and they're on -- they're on the last part of the agenda, and  
9 we've got to wrestle with them yet, so we would like to have you  
10 know that we're not ignoring them at all, but they have been  
11 presented to us, and we did say we'd listen to them at the end of  
12 the meeting, and then the group will make their decision on how  
13 they want to handle transmittal of information to the Trustees.  
14 And we -- we understand your -- your desire on all three of them,  
15 and we've got some people here on the committee that aren't going  
16 to let us forget that, so if you can let us ....

17 MR. GUARD: Thank you very much for time and trouble.  
18 We appreciate the chance to speak to this issue.

19 MR. PHILLIPS: There's one other thing Dave would like to  
20 say, I believe.

21 DR. GIBBONS: Yes, Jeff, this is Dave Gibbons. I -- I  
22 did pass out the January 7th meeting -- the January 7th letter from  
23 Carl Rosier to the Trustee Council concerning the herring project.  
24 So that's been passed out also.

25 MR. GUARD: I -- I couldn't hear you very well, Dave.  
26 Come back to me on that?

1 DR. GIBBONS: Yes. I passed out today a letter dated  
2 January 7th from Carl Rosier to the other five Trustee Council  
3 members in stop of the herring work.

4 MR. GUARD: Okay. Maybe we could get a copy of it  
5 here in town?

6 DR. GIBBONS: Sure. What's the fax number there?

7 MR. GUARD: 424-3430.

8 DR. GIBBONS: We'll send it.

9 MR. GUARD: Okay. Thank you very much.

10 MR. PHILLIPS: Thank you very much for your concern, and  
11 we will take those matters up.

12 MR. GUARD: Thank you.

13 MR. PHILLIPS: Yes, Pam.

14 MS. BRODIE: It's just been brought to my attention  
15 that an action we took could have a significant effect on the  
16 Kachemak Bay buy-back, even though we weren't discussing it. It  
17 was brought to my attention by Ann Wieland, who's got to leave in  
18 about five minutes, so I wonder if she could testify ....

19 MR. PHILLIPS: Well, if we did something wrong, we sure  
20 wanna know about it. (Simultaneous laughter) Would you come up  
21 and tell us what we did or didn't do.

22 MS. WIELAND: Thank you, Mr. Chairman, for the  
23 opportunity to address the group. My name is Ann Wieland, and  
24 that's W-I-E-L-A-N-D.

25 MR. PHILLIPS: You've been sending me letters, haven't  
26 you?

1 (Laughter)

2 MS. WIELAND: I'm with the Kachemak Bay Citizens  
3 Coalition, and after considering the amendment that was attached to  
4 the PAG's action on 93064, it appears to have the following effect  
5 on the proposal made at the December 11th Trustee Council meeting.  
6 That action proposed there was to (interruption to adjust  
7 microphone) -- the action there was to allocate \$7.5 million from  
8 that fund -- the \$20 million fund, or from another fund, it wasn't  
9 specified -- toward the purchase of in-holdings within Kachemak Bay  
10 State Park, and under the amendment that was adopted here today,  
11 that proposal would be -- need to come back to you after it had  
12 been reviewed by the Trustee Council on the January 19th meeting,  
13 and so presumably you're going to meet in February, and then it  
14 would have to go back to them again sometime in March or early  
15 April and -- so it would have the effect of, in this time-critical  
16 matter, delaying the Trustee Council's action in this particular  
17 instance up until perhaps March or April, which is pretty late  
18 considering what was mentioned by staff regarding the funding  
19 source for the rest of the buy-back, which is thought to possibly  
20 come from legislative action or the general fund. So I just wanted  
21 to call that to your attention because it has an immediate effect  
22 on this one particular issue that was mentioned last time at the  
23 Trustee Council meeting.

24 MR. PHILLIPS: May I just comment that this group in an  
25 advisory thing, and whatever we ask the Trustees to do, they are  
26 not required. And as in the last meeting we had on the 11th, we

1 asked them to postpone action on the '93 draft, with the  
2 understanding that there would be certain actions because of the  
3 time-critical that they would go ahead and do, and I would suspect  
4 that this would be the -- in the same category. They're certainly  
5 not going to jeopardize anything to delay up there. If that's  
6 necessary to suggest that, I guess we could do it. First of all,  
7 John, then ....

8 DR. FRENCH: Yeah. Well, we have a February 10th  
9 meeting followed up by a February 16th Trustee meeting -- Council  
10 meeting, so that's not very much of a delay. But also, the  
11 Trustees can't expend those dollars in actual fact until after the  
12 NEPA study is complete, and to try to identify the rest of the  
13 dollars through legislative action pending the -- the PAG action is  
14 any worse really than pending the NEPA study. I mean, I think  
15 they're both going to be favorable, but I don't think the  
16 legislature's really going to care about the hold-up on either one.

17 MR. PHILLIPS: Yes, Jim.

18 MR. CLOUD: Well, just as a point of fact. The only  
19 that was approved at the last Trustees meeting was the \$75,000 to  
20 spend on NEPA, that the Trustees haven't acted at all on -- on Cole  
21 -- Charlie Cole -- Attorney General Charlie Cole's proposal for the  
22 \$7.5 million. The \$7.5 million that has been talked in the papers  
23 from the state side was recommended as part of the settlement with  
24 Alyeska. So I don't think we're holding up anything at all.

25 MS. WIELAND: Thank you.

26 MR. PHILLIPS: We certainly don't want to hold up

1 anything if -- we -- okay, the next one I have on here is Ralph  
2 Elusha (ph)(sic), is it? Would you come up, Ralph, and -- or  
3 anywhere where you can get a microphone. And please spell your  
4 name and tell us who you represent.

5 MR. ELUSKA: Yes, Mr. Chairman, my name's Ralph Eluska.  
6 That's spelled E-L-U-S-K-A, and I represent Akhiok-Kaguyah, AKI for  
7 short. It's a corporation on the south of Kodiak Island, and very  
8 briefly I want to speak in favor and ask your support -- that the  
9 archeological building for Kodiak that's been requested be part of  
10 '93 plan. I think we're all aware of the -- the transfer of some  
11 of the archeological artifacts out and away of some of our areas,  
12 and we would like to have a building where we -- could, you know,  
13 house those locally, so we speak very highly in support in that  
14 respect -- your favorable vote for that building.

15 MR. PHILLIPS: Mr. Knecht duly impressed us yesterday  
16 about the -- this, and way it's coming up a little later -- the  
17 subject will be up -- when we finish this portion, we're going to  
18 talk about it. We do appreciate your comments, but it's not going  
19 to go beyond our thoughts, we're going to do something.

20 MR. ELUSKA: Thank you.

21 MR. PHILLIPS: The next one is Charles McKee. Would you  
22 please spell your name and identify who you represent.

23 MR. McKEE: Yes. My name's Charles McKee. My last  
24 name's spelled M-C-K-E-E. I have a certificate of registration  
25 from the (indiscernible) office, which gives me the authority to  
26 amplify the original treasury seal. So, I'm representing as a

1 citizen -- I'm representing the United States Treasury. I have the  
2 certificate, and I will leave you copies of -- I have three copies.  
3 You got a better budget than I do at this point. I have three  
4 copies. There's 15 pages in all. And I'll run through what I have  
5 before me -- part of the certificate of registration -- are titled  
6 the words millennium, and when you pay in any -- see -- turn to  
7 page 10, it is physics math applied to it, and the bottom portion  
8 where it's ITL represents quantum mechanics, and then you got the  
9 math for infinity when light emerges universe, and below that is a  
10 treasury seal, and while I'm a ....

11 MR. PHILLIPS: Mr. McKee, I don't want to interrupt you  
12 ....

13 MR. MCKEE: No, no, no. Just let me -- I'm almost  
14 finished -- just -- I wanna talk to you about more money for  
15 restoration projects, and I have to lay this as a foundation. I  
16 have the right to impress upon the United States President to  
17 reenact the Legal Tender Issue Act, signed in as President, 19 --  
18 1863. That's the United States note, and it's not private  
19 currency, it's not the gold certificate or the silver certificate  
20 ....

21 MR. PHILLIPS: Mr. McKee, we're here to consider the oil  
22 spill legislation and expenditures, and I would ask you to please  
23 confine your remarks to that subjects.

24 MR. MCKEE: Okay, well, now ....

25 MR. PHILLIPS: That's the only thing we're here to  
26 consider.

1           MR. McKEE:       That is also what I want to address, which  
2 is why I've brought in this aspect. You're considering money for  
3 restoration. Now, I'm going to see to it that more than what has  
4 been delegated by the court for the restoration project. I  
5 indicated at -- to the Trustee Council that it should have been  
6 3.5. The scientific community indicated it should have been at  
7 least three billion, 3.5 billion, \$3 billion.

8           MR. PHILLIPS: Well, that isn't anything that we have  
9 anything to do with.

10          MR. McKEE:       I understand that. So, first I come to  
11 the advisory board, I submit my authority, then I go to the Trustee  
12 Council. This case has been lodged in -- in front of the same  
13 judge that decided the Exxon oil spill, and he dismissed it when it  
14 was a lodged case. So, all I'm saying is I'm working to the  
15 advantage of your concerns, and that's to see that we have  
16 sufficient currency. This will be public currency to pay for that.  
17 The projects pay back -- pay for the timber buy-back -- everything  
18 that you people have a concern for, I want to see to it that you  
19 have sufficient money aside from what has been delegated by the  
20 court.

21          MR. PHILLIPS: That's not within our preview. We would  
22 appreciate it if you'd leave with us what you have. We have a  
23 specific job to accomplish, we have a long ways to go here, and we  
24 have to concentrate our efforts on these projects that are before  
25 us and make some determinations, and I would ask you to leave your  
26 stuff with us, and please let us get on so we are out of here



1 before the weekend.

2 MR. McKEE: Yes, I will. So, my concern is the Prince  
3 William Sound restoration, Cook Inlet, Kodiak, Afognak area, and  
4 all the way down to the Aleutian Chain, thank you.

5 MR. PHILLIPS: Alright. If there isn't anybody else that  
6 has to be heard from the public sector, we will close that section  
7 officially, now, and proceed with the things that have to be  
8 completed. Do we want to take up the PAG procedures to get that  
9 out of the way, or do you want to do the budget.

10 MR. MUTTER: The PAG procedures could be taken up at  
11 the next meeting.

12 MR. PHILLIPS: We can? Okay. We'll delay that there.  
13 There were two procedures we talked about last time, if it's  
14 alright with everybody we will delay that until our next meeting,  
15 the things we discussed briefly last time, and they've been checked  
16 off by the legal beagles, and recommendations made to us. So, if  
17 we can put that off 'til our next meeting, it will save us some  
18 time. Doug, you want to talk a little bit about the budget? You  
19 know, you all have these forms, and on the beginning of them are  
20 some items here, and I will ask Doug to make comments on them,  
21 please.

22 MR. MUTTER: Well, Mr. Chairman, basically you've got  
23 two elements of the '93 work plan you have to deal with. The seven  
24 projects that were postponed -- at the start of the list was a lot  
25 of administrative activities and the work groups, and those are the  
26 only two items you haven't covered, and if you want a summary of

1 the administrative things, I think Dave Gibbons would be better  
2 able to do that.

3 MR. PHILLIPS: Could you do that, Dave, and then we'll  
4 take up the last group of projects?

5 DR. GIBBONS: Well, what's presented in the first page  
6 and a half is -- well, maybe I should -- I'll go down through them.  
7 There's -- there's probably three major groups. The first one's  
8 the office of the administrative director. You're sitting in a  
9 building that's part of that budget. We have the first floor and  
10 the fourth floor, and we have staff to support -- the Restoration  
11 Planning Group, myself -- in the process. That's what's included  
12 in the office of the administrative director -- contract for the  
13 space, the support staff here, which is -- and that's it.

14 MR. PHILLIPS: Do you have doughnuts in here?

15 DR. GIBBONS: No, we don't. (Laughter) Okay. The  
16 finance committee reports directly to the Trustee Council. It's  
17 separate. It's a committee of -- well, I call them bean counters,  
18 but, you know, they're keeping us straight, you know, -- are we  
19 doing things right? Do we have financial operating procedures?  
20 Are we legal under state law? -- those kinds of things, and that's  
21 the finance committee. Okay. And they're a separate -- yeah?  
22 Shoot.

23 MR. CLOUD: How many are on that?

24 DR. GIBBONS: How many are on that?

25 MR. CLOUD: Yeah.

26 DR. GIBBONS: There's six members.

1 MR. CLOUD: It's just paid by the -- per meeting type?

2 DR. GIBBONS: Per meeting.

3 MR. CLOUD: Can I ask you as you run through this to  
4 tell us what the budget is.

5 DR. GIBBONS: It's on page 24 in your blue book. That  
6 gives you a summary. You can follow down through it.

7 UNIDENTIFIED VOICE: Why, you're expensive.

8 DR. GIBBONS: Yup. The Restoration Team, I think you're  
9 all aware of who that is and who they are, it's a six-member group  
10 of representatives from the Trustee agencies. So, do I need to  
11 elaborate more on that? The Public Advisory Group, do I need to  
12 ...?

13 MR. PHILLIPS: No, that's a good expenditure. (Laughter)

14 DR. GIBBONS: Plus doughnuts? (Laughter)

15 MR. PHILLIPS: Never mind, (laughter) -- will pay for  
16 those.

17 DR. GIBBONS: Okay, and then the rest of the one, two,  
18 three, four, five -- nine items on work groups. These are groups  
19 formed as needed and disbanded as needed. If a group is no longer  
20 needed, we disband it, and then it goes away, and they're made up  
21 of agency people with expertise in the area that each one of these  
22 areas needs. The Public Participation Work Group is chaired by  
23 Marty Rutherford from the Department of Natural Resources, and it's  
24 scheduled to terminate in March. It will be done with this  
25 process, and -- you know. The Management Work Group, I chair that.  
26 There used be a Process Group, we set up the administrative record

1 procedures and stuff for -- in case we end up in court. There's  
2 some work to be done there on some process-type work, but that's --  
3 that group is -- not too expensive, \$33,000. The chief scientist  
4 and peer review -- you've met Bob Spies, and we have -- he has a  
5 list of peer reviewers associated with that, and this is to provide  
6 independent, scientific review of the proposals.

7 MR. PHILLIPS: How many are there?

8 DR. GIBBONS: How many peer reviewers?

9 MR. PHILLIPS: Yeah.

10 DR. GIBBONS: Is Bob in here? There used to be 40, but  
11 I'm -- (unidentified inaudible interruption) -- about three pages  
12 worth. It's -- we have one like -- on archeology, DuMond is a peer  
13 reviewer there, and I think there's two or three fisheries ones, I  
14 mean, they cover the various resources and services.

15 MR. PHILLIPS: The only reason I ask is it's over a half  
16 million dollars, and I wondered how many you had dividing that.

17 MR. CLOUD: How many of those are within the state of  
18 Alaska?

19 DR. GIBBONS: I'd have to go look. I don't know. I --  
20 I didn't, you know, we meet recommendations of the chief scientist,  
21 and he's the one who we work through on ....

22 MR. PHILLIPS: Dr. Spies, correct?

23 MR. KNECHT: You know when it comes to the peer review,  
24 other federal groups the National Science Foundation and so on get  
25 their peer reviews for free by sending them out to -- from a list -  
26 - you know, and there are a lot of people around the country who

1 would gladly review some of these projects on a voluntary basis.  
2 You'd save half a million bucks. Like, a lot of this -- as a  
3 matter of fact, all the agencies I am aware of do that.

4 DR. GIBBONS: You could make that recommendation to the  
5 Trustee Council.

6 MR. PHILLIPS: By all means, if that's the case. Yes,  
7 Pam?

8 MS. BRODIE: I have asked about that and was told that  
9 the reason we were paying for peer review was because it needed to  
10 be done very quickly, a quick turnaround time, and I don't think  
11 that will be necessary any more, now. We should be in having ....

12 DR. GIBBONS: Yeah. All you -- we look at every year,  
13 and if we don't need it, we're certainly not just going to put  
14 money out so we do. So ....

15 MR. CLOUD: Well, we could probably recommend cutting  
16 the budgets here, couldn't we?

17 MR. PHILLIPS: Sure. Absolutely.

18 MR. CLOUD: Now that Senator Eliason ....

19 DR. GIBBONS: ... the peer reviewers are in short  
20 turnaround on the final reports. I know that. There's -- got to  
21 have the final reports and turn them around.

22 MR. CLOUD: Could I make a motion?

23 MR. PHILLIPS: Yes -- why -- why don't we do this, could  
24 we go through all of them, and then you can come back and pick up  
25 the ones you want to hatchet, I mean, modify.

26 DR. GIBBONS: Okay. The '94 work plan is chaired by

1 Jerome, and it's just starting -- to develop the '94 work plan.  
2 It's got -- Jerome, maybe could speak to how many members on it.

3 DR. MONTAGUE: It has nine members.

4 DR. GIBBONS: The Coastal Resource Work Group is chaired  
5 by Pamela Bergmann -- very low cost. What it does is provides  
6 archeological -- there's an archeological steering group comprised  
7 of state and federal archaeologists, and they look at the proposals  
8 coming in. The GIS work group is chaired by Mark Broderson,  
9 Department of Environmental Conservation. The -- providing  
10 oversight to the GIS requests. What we found out early in the  
11 process, we had a lot of principal investigators just contacting  
12 them directly and saying give me a map on oiled coastlines, and  
13 maps were pretty expensive to provide, so we provided this group to  
14 funnel those requests through so we can reduce the costs of GIS  
15 books and limit to the work that's actually needed. Environmental  
16 Compliance Work Group is chaired by Ken Rice of the Forest Service,  
17 and they're working with the development of the draft and final  
18 environmental impact statements, and also the environmental  
19 requirements needed with core projects. That's a real small group.  
20 I think that's a three-member group. And they're looking at,  
21 perhaps, which projects of the '93 here -- they went through and  
22 recommended which ones, you know, categorical exclusions, EAs,  
23 those types of requirements that would be needed.

24 MR. CLOUD: Are these full-time people?

25 DR. GIBBONS: No. These are all people pulled out of  
26 the agencies that they have -- if they have a meeting next week,

1 they come for the meeting, they go back.

2 MR. CLOUD: Do we pay for any of their salaries?

3 DR. GIBBONS: We pay for the estimated time of the  
4 meetings, yes, and if they have to do a little bit of work --  
5 somebody's assigned to writing, yeah ....

6 MR. CLOUD: So that money just goes to their agency to  
7 reimburse them for the hours that they were here?

8 DR. GIBBONS: Correct.

9 MR. CLOUD: You don't reimburse my employer because I  
10 already ....

11 MS. FISCHER: Yes, it would be nice.

12 DR. GIBBONS: The Restoration Planning Work Group is a  
13 full-time group housed in the building upstairs on the fourth  
14 floor. They're developing the restoration plan. The sunset on  
15 that group is when the plan's done, that group is sunsetted, gone.  
16 The last group, the Habitat Protection Work Group, is co-chaired by  
17 Marty Rutherford and myself, and that's a large group, very active  
18 group. We've been meeting quite a lot to develop this imminent-  
19 threat process, the supplement that you received earlier to the  
20 framework, and moving the process along due to the public interest  
21 in the arena. Get moving is what we were told, so that's -- that's  
22 the administrative portion of it.

23 MR. PHILLIPS: What is this bulletin we got recently  
24 about looking for another administrator. Does that take your place  
25 or ...?

26 DR. GIBBONS: Yes. Right now on the streets there's an

1 advertisement for a permanent administrative director. I've been  
2 interim since last January, and we'll see. It closes in mid-  
3 January.

4 MR. PHILLIPS: Are you applying for it?

5 DR. GIBBONS: I haven't decided yet.

6 (Laughter)

7 MR. PHILLIPS: Okay. You've been through the items. I  
8 think it's appropriate now if you have any comments on any of these  
9 individual items that we do it now. Rick?

10 MR. KNECHT: Yeah. You know, looking at this in excess  
11 of half a million dollars for peer review on some of this, you  
12 know, that's not only -- is a waste of money, but I think it calls  
13 into question potentially the independence of the peer reviewers.  
14 No one wants to bite the hand that feeds them. And I would like to  
15 make a motion that we recommend this budget line item be stricken  
16 altogether.

17 MR. PHILLIPS: You want to add to that where they can go  
18 and get them for free?

19 MR. KNECHT: Right. And I would -- you know recommend  
20 they send them out to independent, albeit professionals in  
21 universities, etc., that are -- exist out there -- that would be  
22 glad to review these projects.

23 MR. PHILLIPS: You heard the motion, is there a second?

24 MS. FISCHER: Second.

25 MR. PHILLIPS: Second here. Any comments on the motion?  
26 Right, John, then Lew.



1 DR. FRENCH: Yeah, in general, I agree that you can get  
2 good quality peer reviews inexpensively. Sea grant (ph) -- various  
3 sea grant (ph) programs ask me to review stuff. It costs them  
4 postage both ways, and they get a three week time line on me. I  
5 don't think -- think -- chief scientists getting much better  
6 turnaround than that. But I don't think we can totally zero the  
7 line. I think somebody, or at least one of these groups, whether  
8 it's the admin -- administrative director or who, but somebody is  
9 going to take responsibility for coordinating this, and there's  
10 going to be, at least periodically when that part of a work plan is  
11 being developed, there's going to be a lot of work. It's going to  
12 represent a significant portion of somebody's time over that  
13 intensive period because you've got to find the appropriate people  
14 to send them to and take care of them when they come back in. So,  
15 whether it's in this line or it's added to some other line, there  
16 is going to have to be some money, probably on the order of a tenth  
17 of what is actually budgeted here, but there's going to have to be  
18 some money spent on peer review.

19 MR. WILLIAMS: Yeah, I agree. As new as we are working  
20 with the budget on this, and the other people, the administrators,  
21 have been here awhile, I just hate in a kind of a knee-jerk  
22 reaction to pull a half million bucks out of something where they  
23 might need some money to do something that they haven't even  
24 thought of yet, or we haven't, I think is a big mistake to do that.  
25 I think we'd be better off to approve this budget with the caution  
26 to them to try to find volunteers, and then have them see how that

1 worked out this year, and then in the next year's we could have  
2 more discussion on it and be able to make, I'd say, a more learned  
3 decision.

4 MR. PHILLIPS: Any further comment? Yes, Rupert.

5 MR. ANDREWS: In all due respect, I think you only get  
6 what you pay for, and the only time I see volunteers work is in the  
7 Red Cross. I really think we ought to put some money out there for  
8 a good peer review, and you can always fire people you pay for.

9 MR. PHILLIPS: Any further comment? Pam.

10 MS. BRODIE: I agree with John French that -- that this  
11 can be cut. A lot of it can be done for free, but that we can't  
12 cut it completely.

13 MR. PHILLIPS: Only whacking a half a million dollars off  
14 it. They've still got \$76,000 left.

15 DR. GIBBONS: You know, this is the -- I guess, the  
16 chief scientist and peer review, so are you ....

17 MS. BRODIE: We -- we probably ....

18 DR. GIBBONS ... whacking the chief scientist out also?

19 MR. PHILLIPS: Well, we daren't get the whole thing. I  
20 don't know how we're paying him, and there's this job done. He  
21 wrote all this stuff.

22 MR. WILLIAMS: I move to table the motion.

23 MR. PHILLIPS: The motion to table is not debatable.  
24 Those in favor of tabling the motion, signify by raising your hand.  
25 (Intermittent pause -- hands raised) Seven. Those opposed?  
26 (Intermittent pause -- hands raised) Six. The motion carries, so

1 the motion has been tabled. Is that correct? Wasn't it seven,  
2 six?

3 MR. MUTTER: By my count. Are we missing some people?

4 MR. CLOUD: Does that mean we can't meet in February?

5 (Laughter)

6 MR. PHILLIPS: This is (indiscernible -- laughter) -- yes  
7 ...?

8 MR. McMULLEN: I wanted to go onto another question.

9 MR. PHILLIPS: Okay, fine, because ....

10 MR. McMULLEN: Mr. Chairman, this is for -- this is for  
11 Dave. What is the relationship between the Restoration Team and  
12 the Restoration Plan Work Group. The problem I have with this  
13 whole administrative budget layout here is that it seems like all  
14 the jobs have been farmed out over a, you know, a wide range of  
15 people instead of being, you know, brought together in more, you  
16 know, condensed -- it seems to me if you have a restoration team,  
17 and that's really the lead group, that -- that they would be the  
18 people that are working at looking at the restoration plan. What  
19 is -- what is the relationship there? Are these different people  
20 or the same people?

21 DR. GIBBONS: Different people. The Restoration Team is  
22 -- well, we used to call the management. They provide the  
23 management direction from the Trustee Council, and all the work  
24 groups are run -- any information up through the Restoration Team  
25 before it goes out, so the Restoration Team is -- is the control.

1 The Restoration Planning Work Group, normally it takes two years to  
2 develop -- two and a half years to develop a draft environmental  
3 impact statement or plan, and they're cranking that thing out by a  
4 year and fourteen months or something like that. So, it's a full-  
5 time job to write that plan, to get the public input, you know, to  
6 do all the work that needs to be done to develop a plan. Any time  
7 you look at an agency that develops a plan, they have a special  
8 planning group, and that's what they do, and that's what this  
9 group is doing up here. It's -- it's full-time, writing the  
10 restoration plan, and working with the environmental impact  
11 statement, and they are different people from the Restoration Team.

12 MR. PHILLIPS: Are there any other comments on the  
13 budget. We should take an action, and that requires a motion, so  
14 ....

15 DR. FRENCH: Clearly the PAG budget was written  
16 according to the narrative for four meetings a year, four one-day  
17 meetings a year. It looks like we may be meeting more than that.  
18 It -- would be my understanding that there's not an obligation to  
19 spend it all if it's in there, I suggest that -- well, I move that  
20 we recommend the PAG budget be adjusted so it was to represent six  
21 one-day meetings a day. Maybe they won't all be one-day meetings,  
22 but any that -- that would raise it to about \$225,000 and should  
23 give us a little more leeway in terms of planning our schedules.

24 MR. PHILLIPS: Is there a second to the motion?

25 MR. McMULLEN: Second.

26 MR. PHILLIPS: Second -- any discussion.

1 MR. TOTEMOFF: Mr. Chairman?

2 MR. PHILLIPS: Yes.

3 MR. TOTEMOFF: I have some comment on that, on the Public  
4 Advisory Group budget total there. A couple of meetings ago we  
5 discussed a budget or some method for the individual Public  
6 Advisory Group members to go visit their constituency groups, and  
7 that was to be coordinated and funded by the Trustee Council. Was  
8 there any consideration for 1993 to carry that out?

9 MR. MUTTER: There's nothing in the budget to cover  
10 extra travel other than for PAG meetings.

11 MR. TOTEMOFF: Well, I'm not in any position to even  
12 suggest a figure on that, but I do know that there was a  
13 considerable amount of interest by PAG members to have ....

14 MR. PHILLIPS: Is this the only time we get to deal with  
15 the budget.

16 MR. MUTTER: I guess you can raise the issue any time,  
17 but ....

18 DR. GIBBONS: That -- that gets at Charlie Cole's  
19 comment -- you know, when we prepared this, I kind of -- the group  
20 wasn't formed yet. We didn't really know how you guys would  
21 operate, and this was a guess, is all it was, and Charlie Cole made  
22 the statement for meeting this said, if you need more money come  
23 back to the Trustee Council. If you can provide a better estimate  
24 now, now would be the time to do that, personally my thought would  
25 be. Now would be the time to do it rather than come back to the  
26 Trustee Council and say in April, we're running out of money,

1 they've got to petition the court, and the money's got to go that  
2 whole cycle of the state and federal and back around, and so if you  
3 can give a better estimate now, I would certainly do it now.

4 MR. PHILLIPS: What about three hundred.

5 MS. BRODIE: I'm going to vote in opposition to this  
6 motion. I think that we should be able to do it in four meetings.  
7 We all can comment outside of these meetings. We can all make  
8 comments to the Trustee Council. There are opportunities to do  
9 that. You don't have to have meetings about everything. It soaks  
10 up a lot of money that isn't going to restoration.

11 UNIDENTIFIED VOICE: Mr. Chairman.

12 MR. PHILLIPS: I'm just reminded that there's four one-  
13 day meetings a year, and we've already used two of them, half of  
14 them on this one-day meeting.

15 MS. BRODIE: Well, a two-day meeting doesn't cost as  
16 much as two one-day meetings.

17 MR. PHILLIPS: That's true. Yes.

18 MR. MUTTER: Mr. Chairman, after the first meeting I --  
19 I took a quick look. We don't have all the costs in the from the  
20 meeting, but I did take a quick look and try to see how our budget  
21 looked, and I think that the current budget has adequate money to  
22 cover six meetings for the year, but it doesn't for extraneous  
23 travel.

24 MR. PHILLIPS: What -- what -- go ahead.

25 MS. FISCHER: I was going to ask if there was some way  
26 possible -- it has been suggested to me that maybe the PAG would be

1 interested, and some of the members have never been to Prince  
2 William Sound, that we hold a meeting a possibly get, like you, to  
3 donate a boat to take us out or something .... (simultaneous  
4 laughter) and maybe ....

5 MR. PHILLIPS: ... if you're satisfied with doughnuts,  
6 so, we have coffee ....

7 MS. FISCHER: Well, we can pack lunches. But it might  
8 be well to have some of the members in Juneau informed or to see  
9 the Sound, the areas that we're talking about.

10 MR. PHILLIPS: I have no problem with that if we can  
11 either pick a time when I'm not busy.

12 MS. FISCHER: Like before Memorial Day?

13 MR. PHILLIPS: Well, no, that's the wrong end of the  
14 season.

15 MS. FISCHER: Um.

16 MR. PHILLIPS: The earlier the better because it ...

17 MS. FISCHER: That's what I say, before....

18 MR. PHILLIPS: Oh, before Memorial Day.

19 MS. FISCHER: ... before.

20 MR. PHILLIPS: Before, yes.

21 MR. CLOUD: I suggest that we go ahead and vote the  
22 amendment suggested by John and -- and that's probably enough to  
23 take in this special trip somewhere, if we're going to do it, and  
24 if it isn't, then we'll worry about that later. Let's go ahead and  
25 get on with things.

26 MR. PHILLIPS: You're correct, we should be speaking to

1 the motion -- made and seconded. Ready for the discussion on the  
2 motion.

3 MS. FISCHER: Could you restate the motion.

4 MR. PHILLIPS: The motion is to add to the budget which  
5 is now 155 (thousand dollars) and make it two and a quarter  
6 (thousand dollars) to cover six meetings, the possibility of six  
7 meetings.

8 DR. FRENCH: I just wanted to clarify that, indeed, I  
9 hope we don't need to spend that all, but as Dave said, it's easier  
10 to have it authorized ahead of time than it is to try to go back  
11 for it.

12 MR. TOTEMOFF: Mr. Chairman.

13 MR. PHILLIPS: Yes.

14 MR. TOTEMOFF: One last comment on that. The reason why  
15 I bring this up is the last Trustee Council meeting the Trustees  
16 envisioned that the Public Advisory Group be the focal point for  
17 our diverse interest groups, and I can't find any way to be that  
18 focal point if I'm not talking to my interest group, and I don't  
19 have a budget to go to Kodiak or Cordova or wherever, you know.

20 MR. PHILLIPS: Is there any question about authority? To  
21 do things like that. Is that a question that are -- what we're  
22 supposed to do. Do we have the authority to that? Do we have the  
23 authority to do anything but have the meetings as outlined? If we  
24 want to go somewhere other than that meeting, can we do it?

25 MR. MUTTER: Well, you can request it, but whether or  
26 not the Trustee Council authorizes that as a legitimate expenditure



1 is up to them.

2 MR. PHILLIPS: The point is then on this motion -- it's  
3 in front of us now, we're talking about a budgetary things, and in  
4 order to do what Chuck is suggesting here, then we should  
5 communicate with them and ask them if we can be authorized to do  
6 that? Is that correct?

7 MR. MUTTER: That is correct.

8 MR. PHILLIPS: Alright, then. I would call for -- for a  
9 vote on the motion at this time, and I know this is not going to be  
10 unanimous, so I would ask those of you who support the motion,  
11 please raise your hand. (Eleven hands raised) You have a plane to  
12 catch. What time?

13 SEN. ELIASON: 5:30.

14 MR. PHILLIPS: Okay.

15 MR. MUTTER: Keep your hands up.

16 MR. PHILLIPS: Those opposed? (Hands raised) Two.  
17 You're not just scratching your ear, are you? Okay.

18 (Laughter)

19 MR. PHILLIPS: Let me just ask, outside of what we're  
20 doing here, how many have airplanes to catch today. One, two,  
21 three. Because we still have a long ways to go, and his is -- he  
22 has to catch the bus at 5:30. What are your other time frames?

23 MS. MCBURNEY: Tomorrow morning.

24 MR. PHILLIPS: Oh, you've got all night then?

25 (Laughter)

26 MS. MCBURNEY: No -- no. That's my other option.

1 MR. PHILLIPS: I see, okay.  
2 MS. MCBURNEY: My flight's at 5:30.  
3 MR. PHILLIPS: Okay.  
4 MR. KNECHT: (Indiscernible) ... postpone it.  
5 MR. PHILLIPS: Okay.  
6 MR. MUTTER: Mr. Chairman.  
7 MR. PHILLIPS: Yes.  
8 MR. MUTTER: Let me just read the vote into the record.  
9 MR. PHILLIPS: Sure.  
10 MR. MUTTER: To increase the PAG budget, was for,  
11 eleven; against, two.  
12 MR. PHILLIPS: Eleven for and two against. Okay.  
13 Alright, is there anything else. Now we have to deal with the  
14 entire budget.  
15 MR. CLOUD: I'd just like to make an observation on  
16 the entire budget. Of \$4.6 million, to be higher now, if you take  
17 out the \$20 million for the land habitat acquisition fund to get to  
18 real expenditures on projects, you've got a ratio of expenditure to  
19 overhead -- to expenditures for this year of 30 -- over 30 percent,  
20 and I -- we're not going to change their budget this year,  
21 obviously, none of us has the wherewithal or the ability to  
22 evaluate doing that, but I certainly would want to go on the record  
23 of urging the Trustees Council to set a limit that is much more  
24 reasonable, something perhaps around 10 percent or 15 percent, and  
25 force everybody to live within those means.  
26 MR. PHILLIPS: The Chair is not -- supposed to make a

1 motion, but I would like to see somebody on the subject we talked  
2 about earlier, ask the Trustee Council to examine very closely the  
3 possibility of double-dipping on the personnel line on every one of  
4 these projects. It seems like that's the heavyweight, and we may  
5 be paying two and three and five and ten times for the same people,  
6 and it would certainly be nice if we could do that. Yes, Pam.

7 MS. BRODIE: Why's the -- the Department of Law is not  
8 here. The Department of Law does do -- they do put in some time,  
9 but they don't get reimbursed for it. A lot of ....

10 MR. PHILLIPS: First time a lawyer's never got paid.

11 (Laughter)

12 MS. BRODIE: This was Charlie Cole's choice, and a lot  
13 of these -- some of these people worked full time on Exxon-related  
14 things, and I think it's appropriate they get paid. And the people  
15 who come to some of these group meetings sometimes, I think that  
16 should be absorbed by the agency budgets, for their time.

17 DR. GIBBONS: The Department of Law does get funded.  
18 From Fish & Game, from the various state agencies, and ....

19 (Laughter)

20 MS. BRODIE: For these things?

21 DR. GIBBONS: Yes, for these things ....

22 (Laughter)

23 DR. GIBBONS: And the DNR part -- DNR is representing  
24 the Department of Law. The Department of Law is Charlie Cole.  
25 Marty is the Department of Law's representative on the Restoration  
26 Team, and that's their choice. That's -- that's the route down.

1 So....

2 MS. BRODIE: Because ....

3 DR. GIBBONS: Because you ....

4 MS. BRODIE: ... made that statement early on ....

5 DR. GIBBONS: Charlie made that statement at the last  
6 Trustee Council meeting, and Carl Rosier and John Sandor about fell  
7 out of their chairs.

8 (Laughter)

9 DR. GIBBONS: Just to set the record....

10 MR. PHILLIPS: Do we want to ask anything at all about  
11 the examination of that? Yes, Rick?

12 MR. KNECHT: I'd like to make a motion to that effect,  
13 and may I ask that it be someone that's not a member. Everybody  
14 who -- the Restoration Team and the Trustees -- it is a number of  
15 these agencies which are benefitting from these projects -- if I  
16 understand this right, and it would be nice if it were somebody  
17 from non-member point of view of the agencies that could review, or  
18 somebody intend to take a look at that. At least ask -- I guess  
19 I'm not phrasing this right, but -- that they seriously take a look  
20 at that because -- to make sure that there's no double-dipping,  
21 that if it's a line item that is supported by this that, of the  
22 surplus created in their budgets, this be used for something else.

23 MS. FISCHER: I second that.

24 MR. PHILLIPS: Can you -- can you create a statement that  
25 encompasses that, Doug? Unless you don't want to.

26 MR. MUTTER: Well, I'm not sure -- I'm not sure what

1 the motion is. Let's see if I can capture that here. We've got  
2 three ideas that have come out. One, we need to set a more  
3 reasonable percentage for overhead and administrative costs; should  
4 examine the possibility of double-dipping by agencies; and have an  
5 independent reviewer to carry out that examination.

6 MR. CLOUD: I think his motion is the second two. I  
7 was just going on the record. I just wanted to be on the record on  
8 my statement.

9 MR. PHILLIPS: Administrative costs are kind of like  
10 charitable organizations, right? Thirty, 40 percent of 50  
11 million.? I think you captured it pretty well, Doug. Now, are you  
12 satisfied, the maker of the motion?

13 MR. KNECHT: Yeah, yeah, sounds good.

14 MR. PHILLIPS: Okay, is there a second?

15 MS. FISCHER: I seconded.

16 MR. PHILLIPS: Alright. Seconded by -- alright. Is  
17 there any discussion on the motion? If not, I would ask for a  
18 unanimous consent, and if there is no objection (intermittent  
19 pause), it is so ordered, and now a final -- do we need a final  
20 motion to approve the budget or not?

21 MR. MUTTER: If you desire to do so.

22 MR. PHILLIPS: Well, I don't care -- for me -- I didn't  
23 know if it was required.

24 MR. MUTTER: No.

25 MR. PHILLIPS: Okay, then let's not do it, and we won't  
26 be to blame.

1 (Laughter)

2 Okay, now we have seven items that we put off to the end. The  
3 are on one page.

4 (Simultaneous talking)

5 MS. FISCHER: They're on page eight.

6 MR. PHILLIPS: Page eight of this form, and they are --  
7 we'll start off with ninety-three ten (93010), so if ....

8 DR. GIBBONS: Yeah, there was some discussion of that  
9 earlier. That's the murre decoy. The disturbance to the murre  
10 colonies by recreational users, those type of things.

11 MR. PHILLIPS: Was this the one that was supported  
12 heavily by a group in Valdez? (Indiscernible) group.

13 MS. FISCHER: Oh, probably.

14 MR. PHILLIPS: This is Fish & Wildlife. Can you speak to  
15 this.

16 MS. BERGMANN: Yes. We talked about this this morning.  
17 This is the one where there is a concern about charter vessels,  
18 other boats being in areas around murre colonies during the  
19 breeding season when they are particularly susceptible to being  
20 frightened by loud noises, in particular. So, this is basically an  
21 educational and law enforcement program to try to reduce the  
22 disturbance to murre.

23 MR. PHILLIPS: How do you do that? Do you put out a  
24 regulation or something?

25 MS. BERGMANN: It's not going to be a regulation but  
26 there -- we're actually talking about targeting particular groups

1 that may potentially cause problems, that going and talking to  
2 them, maybe developing some brochures to let them know that this is  
3 a problem. A lot of the idea behind public education is that if  
4 you let people know that there is a problem out there and that they  
5 may be exacerbating that problem, then they'll change their  
6 behavior.

7 MR. PHILLIPS: Targeting doesn't mean shooting, does it?

8 MS. BERGMANN: No, not targeting the human population,  
9 no. That is correct. Also, on this, the chief scientist -- there  
10 was division among the Restoration Team about whether this was a  
11 real problem or -- or not, and the group didn't know, the chief  
12 scientist didn't know, and so he went and contacted some of the --  
13 the people that he felt has expertise in the area, and ended up  
14 giving this a two, which was his highest recommendation, because he  
15 felt, based on their information, that this is a real problem that  
16 could be addressed.

17 MR. PHILLIPS: Right, the Chair would entertain a motion  
18 on '010.

19 MS. FISCHER: Moved.

20 MR. PHILLIPS: Been moved, do I have a second?

21 MR. KNECHT: Second.

22 MR. PHILLIPS: Seconded by Rick. Any discussion on this  
23 one? Yes, Lew.

24 MR. WILLIAMS: Is this something that could be put off  
25 'til '94 until we get to the restoration plan? Is this urgent?  
26 The '93 stuff we're looking at that's, you know, it's time

1 critical. Is this?

2 MS. BERGMANN: The point we made before about the murre  
3 is that it's the most, probably the most, injured resource that we  
4 have as a result of the spill. The breeding synchrony is not back  
5 to normal, there's still failure with breeding at these colonies,  
6 so from the perspective we feel it is time critical to see if there  
7 is anything that we can could, and there aren't many options out  
8 there, if there's anything like this that can be done to help get  
9 the breeding back in synchrony and get the breeding back to normal.

10 MR. PHILLIPS: What time is it during the year that this  
11 is critical? You say ....

12 MS. BERGMANN: When they're on their eggs.

13 MR. PHILLIPS: I know, but when is that?

14 MS. BERGMANN: It's either April or May, I -- I'm not  
15 positive. We did -- there was a question whether or not -- we  
16 checked to see whether or not the people who that would actually be  
17 out there conducting the kinds of activities we were concerned  
18 about at the time when the murre were breeding, and the answer to  
19 that question was, yes. And I can't tell you now exactly what week  
20 of which month that will be or which weeks.

21 MR. PHILLIPS: Jim, first, then Pam.

22 MR. CLOUD: We defeated the other related project,  
23 93022. I can't remember if we left any in for monitoring. You  
24 know, I say this one should go the same route. Get covered by the  
25 restoration plan.

26 MS. BRODIE: I think for the people who live in the oil



1 spill communities, it's very easy to communicate and to get a Fish  
2 & Wildlife person on the public radio, say, hold a round-table  
3 discussions, you put a column in the local newspaper and people see  
4 it, maybe make some phone calls. You know, these people, as part  
5 of their work can make some phone calls to the relatively few  
6 people who would make a difference. I don't think producing a  
7 brochure, hiring a special person to do this, is necessary or a  
8 fair exchange of ....

9 MR. PHILLIPS: Any further discussion on the motion to  
10 approve? If not, I would ask for hands for those that vote yes to  
11 approve this project? (Intermittent pause -- no hands raised)  
12 Then I'll ask for unanimous consent.

13 (Laughter)

14 I think it was unanimous, unanimous no.

15 Okay, '014. '014 is the Department of Fish & Game.

16 DR. MONTAGUE: For those of you that aren't familiar with  
17 the coded-wire tagging programs, what they do is insert a very  
18 small tag in the salmon fry, and they're released, and then during  
19 the -- either by walking the streams to find the dead bodies, or in  
20 the fisheries harvest, the heads are scanned to see if they had  
21 tags in them and then you can find out where they came and how long  
22 it took them to get there. So that's what coded-wire tagging is.  
23 And this project was initially was introduced along with several  
24 other ones. Actually, we're doing coded-wire tagging and reading  
25 and recovering coded-wire tags, but this particular project is one  
26 to improve the technology of how coded-wire tagging is conducted

1 and how the data are analyzed, and one of the worries of coded-wire  
2 tagging is that, you know, the insertion of this tiny tag in the  
3 head maybe affecting their ability to return to streams, and stuff  
4 like that, and there's some small worry there. A part of this  
5 project will address that, and but generally would make coded-wire  
6 tagging operations more efficient and -- and probably cheaper.  
7 But, at the moment, there are any coded-wire tagging or recovery  
8 projects in the blue book, so probably won't be necessarily  
9 appropriate to fund it, yet, but the consideration is that I know,  
10 one of these proposals that was passed out was to recover -- read,  
11 tag, and recover coded-wire tags. So, perhaps this one should be  
12 sort of combined with those.

13 MR. PHILLIPS: You said there is not another program in  
14 the....

15 DR. MONTAGUE: In the blue book.

16 MR. PHILLIPS: Is this the blue book?

17 DR. MONTAGUE: Right. They got in the blue book but they  
18 were introduced by one of the Public Advisory Group members.

19 MR. PHILLIPS: Pardon me if I -- I have a (indiscernible)

20 DR. MONTAGUE: No. This is just a quality assurance  
21 project. It's not actually applying tags or recovering tags. So,  
22 there aren't any projects in here that are applying tags and  
23 recovering tags. What this project would do would be to improve  
24 that methodology of applying and recovering tags.

25 MR. PHILLIPS: So this isn't necessary unless you've got  
26 a project, right?

1 DR. MONTAGUE: Right.

2 MR. PHILLIPS: Approving -- that doesn't happen. Yes?

3 MS. FISCHER: (Inaudible)

4 MR. PHILLIPS: Yes. I've asked for a motion on this.

5 MR. CLOUD: I'd like to make a motion to defeat this.

6 (Laughter)

7 MR. PHILLIPS: Okay. The process, of course, is not to -

8 - that's a negative motion.

9 (Laughter -- simultaneous talking)

10 UNIDENTIFIED VOICE: You've got to have a positive

11 motion.

12 MR. CLOUD: You have to be for something to do a

13 motion, don't you?

14 MR. PHILLIPS: But, you (laughter)

15 MR. CLOUD: Okay, I'll go ahead and move then. Move

16 it.

17 MS. FISCHER: Second.

18 MR. PHILLIPS: Yeah, it's been moved and it's been

19 second. Now your process is to vote against it? Okay. Yes.

20 MS. FISCHER: I just want to ask, with some of the new

21 tagging that hatcheries are starting to put in place with the water

22 spots, it seems to me that like this would be almost useless

23 because I think that within the next year or a few years, you're

24 going to be using more and more and more of that, and you aren't

25 going to have to worry about wire-tagging anyway.

26 DR. MONTAGUE: Umm.

1 MS. FISCHER: So, I think it's a budget that is highly  
2 inflated and doesn't need to be there.

3 MR. PHILLIPS: Yes. Sure.

4 DR. MONTAGUE: The primary interest is not in hatchery  
5 fish, but in wild fish. It wasn't the hatchery fish that was of  
6 interest, it was wild fish, and -- and we cannot (indiscernible)  
7 wild fish, those below the hatchery.

8 MS. FISCHER: Were those wild fish tagged?

9 DR. MONTAGUE: Yes, that's -- that's what we -- those  
10 were the proposals that were in there that I believe were in this  
11 pile here somewhere.

12 MR. PHILLIPS: We were talking about -- John?

13 MR. McMULLEN: Mr. Chairman, I don't like to talk against  
14 this, this particular project, but I think it is considerably more  
15 important to win support for the tagging and tag-recovery projects,  
16 more important -- more support for that than this project you're  
17 looking at right now for quality assurance program. Certainly,  
18 this is a very valid project in that these are little metal strips  
19 of wire that are -- they are shot in the heads of young fish when  
20 they're hardly big enough to -- to absorb a piece of wire that  
21 size, between their eyes, and maybe affect their brain, and I -- I  
22 ....

23 (Laughter)

24 ... their behavior or whatever. My understanding of this  
25 project was that you were going to assess how well, how long these  
26 fish did that were properly tagged as opposed to those who were

1 improperly tagged, and the tag went places they didn't want it to  
2 go, so it's a very -- very technical project. Certainly, if you're  
3 going to make decisions (inaudible -- coughing) and have quality  
4 assured, I -- I would put this slightly behind the other projects.

5 MR. PHILLIPS: Yes. The question has been called. Those  
6 in favor of the motion to approve '014, raise your hand, please.  
7 (Intermittent pause -- no hands raised)

8 DR. FRENCH: Was it a motion to approve or a motion to  
9 defeat?

10 MR. PHILLIPS: Well -- motion to defeat -- motion to  
11 approve. To approve, please raise your hand. (Intermittent pause  
12 -- no hands raised). Those opposed? (Hands raised) That's pretty  
13 unanimous. See what happens when your project get set at the end  
14 of the day.

15 '019 is next.

16 DR. GIBBONS: This is one of the projects that's  
17 questionable under a legal sense. I'll just read one sentence  
18 here. Sorry I can't give this to you -- you know, confidential,  
19 attorney-client from the federal attorneys, but it says, injuries  
20 to Native economic well-being and self-sufficiency are not injuries  
21 for which natural resources and Trustees can seek damages. It is  
22 a private cause of action for which Native interests are seeking  
23 damages from Exxon. And what the thought is -- is if the project  
24 is to restore the injured resources, then it is a valid project.  
25 If you're going to collect clams, go out and seed young clams over  
26 the beaches, that's a valid project, program. But, if it is for

1 mussels -- I mean for oysters or something that were not -- that  
2 were not injured in the spill, then that -- that is not a valid --  
3 that is basically the distinction. Is that pretty close, Keith?

4 MR. GOLTZ: That's pretty close. Actually, I think  
5 you could pass that around and could read the entire paragraph into  
6 the record.

7 DR. GIBBONS: I'll read the entire paragraph then if  
8 that's -- I'll read quickly. All of all these studies -- they  
9 refer to studies '019, Chugach Region Village Mariculture Project,  
10 and project '020, Bivalve Shellfish Hatchery Research Center --  
11 (reading) The goal of these studies is to strengthen Native village  
12 economic well-being and self-sufficiency throughout the --  
13 disrupted by the spill from the culture of shellfish stocks for  
14 subsistence and commercial harvest. Injuries to Native economic  
15 well-being and self-sufficiency are not injuries for which the  
16 Native -- natural resources trustees could seek damages. It is a  
17 primary cause of action for which Native interests are seeking  
18 damages from Exxon. Use of joint trust fund monies to restore such  
19 injuries does not appear appropriate. However, if shellfish  
20 populations are injured as a result of the spill, a feasibility  
21 study to determine whether aqua -- aquatic farming methods can be  
22 used to restore these resources by the appropriate use of trust  
23 fund money. The project goal in such an instance would not be to  
24 the restoration of subsistence lifestyle but to increase the  
25 economic well-being of Native communities, but to test the  
26 feasibility of using shellfish produced on aquatic farms to replace

1 resources injured by the spill.

2 MR. GOLTZ: Dave, why don't you also read who it's  
3 from and who it's not from.

4 DR. GIBBONS: Okay. This is -- this is from -- it's to  
5 me from the Office of the Regional Solicitor, U.S. Department of  
6 the Interior, Senior Counsel, National Oceanic and Atmospheric  
7 Administration, and Office of General Counsel, U.S. Department of  
8 Agriculture -- which means the whole trustee agencies.

9 MR. BRODERSON: To clear that up, one more point.  
10 The state has neither agreed nor disagreed with the statement. The  
11 state is working on their own statement.

12 MR. PHILLIPS: The Chair would entertain a motion on  
13 '019.

14 MS. FISCHER: So moved.

15 MR. PHILLIPS: It's been moved. Is there a second?

16 MR. ANDREWS: Second.

17 MR. PHILLIPS: Second is here. Now, is there any  
18 discussion of it. Yes, Chuck.

19 MR. TOTEMOFF: Can I speak to the project. I would  
20 remind the PAG that I think our purpose here is to determine if a  
21 project is sound, not necessarily legal, and I do understand --  
22 concur with Mark -- Mr. Broderon over here -- that the state AG is  
23 apparently working on a legal opinion on this project, and I think  
24 for the PAG to have handle this at this time without a legal basis,  
25 I think is premature.

26 MR. PHILLIPS: Would -- would you like to make a motion

1 to table it? to postpone?

2 MR. WILLIAMS: I'll move to table the motion.

3 MR. CLOUD: Second -- can I make a friendly amendment  
4 to yours?

5 MR. PHILLIPS: No. There's no -- no -- amendment to a  
6 motion to table. You can't even discuss it.

7 MR. CLOUD: So we can't table the next one at the same  
8 time?

9 MR. PHILLIPS: The motion was on this one.

10 MR. CLOUD: Okay.

11 MR. PHILLIPS: Alright .... Yes?

12 MR. MUTTER: If it's tabled, then it can't be discussed  
13 further?

14 MR. PHILLIPS: After you take it off the table. It's  
15 there indefinitely, and the group can take it off the table any  
16 time it wants to, but there's no discussion on the motion to table.

17 MS. FISCHER: Does there have to be a time frame set on  
18 the table?

19 MR. PHILLIPS: No. For a motion -- to indefinitely  
20 postpone. To postpone to a time certain, you can do that. But a  
21 motion to table is forever or in twenty minutes, if you want to  
22 bring it up you can, but you can't discuss the motion. It's not  
23 debatable. I have my book here if you want to read. (Laughter)  
24 The question is shall we -- the motion to approve '019 be tabled?  
25 Those in favor, raise your hand, please. (Intermittent pause --  
26 hands raised) So the motion has been tabled.



1           Shall we go on to '020, please.

2           DR. MONTAGUE: Mr. Chairman, can I make one comment on  
3 '19 before you leave it?

4           MR. PHILLIPS: You can at the risk of your life.

5           (Laughter)

6           DR. MONTAGUE: The primary offending portion of this kind  
7 of doing two -- two things. One aspect of it is replacing the  
8 subsistence service which we've already approved, you know, the  
9 coho -- the coho and chum salmon runs, we've approved carrying  
10 people to other areas to conduct their subsistence activities and  
11 (indiscernible), and it's the subsistence -- it's developing the  
12 economic industries that doesn't fit, but restoring the service  
13 does fit. And there, you know, may be some -- some component of  
14 this project that we can do.

15           MR. PHILLIPS: That's a good point because about  
16 services, and I think the key thing is what Chuck brought up is  
17 that the Department of Law has not yet come out with the -- an  
18 opinion on these two items, and it may have been more appropriate  
19 to have postponed it until our next meeting, hoping that we would  
20 have a reply from the Department of Law, instead of just dropping  
21 it that way, but that's up to the group. Yes, John.

22           DR. FRENCH: Is it unreasonable to recommend that they  
23 be pursued contingent on approval by the Department of Law? or by  
24 the legal staff? I guess we need to pay attention to the federal  
25 side too.

26           MR. PHILLIPS: I think it would probably be more

1 appropriate to ask them to advise us of their opinion when they  
2 have it available -- that we will take the matter up at that time  
3 because we have to have full debate on it, and I don't know whether  
4 you want to do that -- well, you can do anything you want to.

5 DR. FRENCH: Well, in essence, it means it's not going  
6 to be in the '93 work plan, so we might as well vote it down, but  
7 ....

8 MR. PHILLIPS: It couldn't -- Chugiak's ....

9 MR. CLOUD: In the interests of time, I -- I recommend  
10 -- I make a motion that we pass on 93020 also.

11 MR. PHILLIPS: Alright. The motion -- there's been a  
12 motion to approve '020, is there a second?

13 MS. FISCHER: Second.

14 MR. PHILLIPS: There is a second. Now, the question  
15 before us is whether we approve '020. Any discussion?

16 MR. CLOUD: I'd like to make a motion that we table  
17 the motion to approve '020.

18 MS. FISCHER: Second.

19 MR. PHILLIPS: There has been a motion to table. There  
20 is a second. There's no debate on it. Those in favor of tabling,  
21 please raise your right hand -- or your left hand, I don't care.  
22 (Intermittent pause -- hands raised). Ten to table. Those  
23 opposed? (Intermittent pause - three hands raised). Ten to three.

24 DR. MONTAGUE: Mr. Chairman, I guess there's no point in  
25 describing this project?

26 (Laughter)

1 MR. PHILLIPS: This one -- this project was ....

2 (Laughter)

3 MR. CLOUD: Just to clarify, this project was tied up  
4 in the same legal question as the other project, wasn't it?

5 MR. PHILLIPS: Yeah. They -- they both have the same  
6 thing (inaudible -- coughing). Yes, John.

7 MR. STURGEON: Mr. Chairman, I think in reality, if the  
8 federal government is insisting it's not legal -- I think the  
9 Trustees have to have unanimous approval, so if you have three that  
10 aren't going to vote for, I'm not sure it's the time to do it.

11 MR. PHILLIPS: That a pretty good reason, yes.

12 MR. GOLTZ: Let me just add, without getting into the  
13 full debate here, I might point out all of the Trustees have  
14 developed the technique for ignoring legal advice. (Laughter) I  
15 wouldn't count on that. When -- when that paragraph does is try to  
16 find the line between resources, natural resources, and  
17 rehabilitation, and when we have stepped over that line in some  
18 kind of commercial activity. That's -- that's the federal effort.  
19 The state has indicated verbally that they might draw that line in  
20 a different way, but they haven't done it yet. It -- it is  
21 possible though that the project could be reformed in some way to  
22 come inside the area where we've drawn that line, but it -- it is  
23 simply our best effort, nothing more, to try to define the  
24 parameters.

25 MR. PHILLIPS: Okay. Yes?

26 MR. TOTEMOFF: Mr. Chairman, one last comment on that.

1 The next Trustee Council meeting is January 19th, and our next  
2 meeting is when, February?

3 MR. PHILLIPS: February 10th.

4 MR. TOTEMOFF: Well, by the time we come back, it will be  
5 too late for '93 work plans. I would like to consider taking up  
6 John's motion there that we approve this project contingent upon  
7 legal opinion.

8 MR. PHILLIPS: It's already been tabled. The proper  
9 procedure would be to take it off the table. If you want to  
10 discuss -- you're talking about '020?

11 MR. TOTEMOFF: '019 and '020.

12 MR. PHILLIPS: Okay. The only way you can get to it is -  
13 - are you going to have to leave?

14 SEN. ELIASON: Yes. Mr. Chairman, could I -- could you  
15 give me courtesy of registering a vote in favor of the hatchery  
16 pipeline before I leave.

17 MR. PHILLIPS: As far as I'm concerned.

18 SEN. ELIASON: Because I have to go.

19 MR. PHILLIPS: Yeah, I know you do. You have to catch an  
20 airplane.

21 The only way you can get to those two now is to move  
22 individually to take '019 off the table and get a concurrence from  
23 the group. If you want to make that motion, that's the proper way  
24 to get to it. Otherwise, we can't discuss it. Yes? John?

25 MR. STURGEON: Seconded.

26 MR. PHILLIPS: Did you move?

1 MR. TOTEMOFF: Yes.

2 MR. PHILLIPS: I can't hear you. Us old guys don't hear  
3 so well.

4 MR. TOTEMOFF: Alright. I'll make a motion to --

5 MR. PHILLIPS: To take '019 off the table.

6 MR. TOTEMOFF: Yes.

7 MR. PHILLIPS: And it's seconded. There's no discussion  
8 on it. Those in favor of taking '019 off the table, please raise  
9 your hand. (Intermittent pause -- six hands raised) Those  
10 opposed? (Intermittent pause -- six hands raised) That puts me in  
11 an ugly position. I'm going to go with taking it off the table.  
12 So the motion passes. It's seven to five (sic). Yes, do you have  
13 a comment?

14 MR. ROLLAND: If I may, sir. My name's Richard Rolland.  
15 R-O-L-L-A-N-D. I'm executive director of Chugach Muit, the tribal  
16 organization serving Prince William Sound and Lower Kenai Peninsula  
17 villages. This project -- both of these projects '019 and '20 are  
18 much broader than I think is brought forth in the Solicitor's  
19 opinion, and I would -- would just ask that you move positively on  
20 both of these projects so that after the Attorney General, you  
21 know, gets through debating the issues that they are in a position  
22 to -- to have the Trustees act on them. I believe they -- the  
23 projects can both be defined and brought within the parameters of  
24 the settlement agreement so that they're legal in every respect,  
25 and would urge your positive action on both those projects. Thank  
26 you.

1 MR. PHILLIPS: The motion is before us on approval of  
2 '019. Is there any further comment, questions?

3 MR. KING: My feeling on this was that there were  
4 enough elements and that -- were not clear -- that it was a good  
5 subject for a restoration plan, rather than starting it this year -  
6 - and -- and in looking at the letters that we've reviewed on this,  
7 there was enormous support for these from the area, and the -- but  
8 there was some other questions raised about competition with --  
9 other -- people attempting to develop businesses related to oysters  
10 and, I think, I would feel better if I had more information of the  
11 type that should be in the restoration plan.

12 MR. PHILLIPS: Any more comments?

13 DR. FRENCH: I wasn't sure what the motion was that was  
14 on the floor, but if the motion is ....

15 MR. PHILLIPS: To approve '019

16 DR. FRENCH: Contingent on legal opinion?

17 MR. PHILLIPS: No. No, it's just to approve '019.

18 DR. FRENCH: In that case, I would still like to -- to  
19 propose an amendment to make it contingent upon approval of legal  
20 opinion.

21 MR. PHILLIPS: You've heard the motion for the amendment.  
22 Is there a second?

23 MR. TOTEMOFF: Second.

24 MR. PHILLIPS: There's the second over here. The motion  
25 is on the amendment that any approval would be based on legal  
26 opinion, contingent on legal opinion. Is there any discussion on

1 the amendment? (No audible response) Then I would ask for  
2 unanimous consent unless there is an objection. (Intermittent  
3 pause) And it is so ordered.

4 Now, before us is the main motion of approval of '019 with the  
5 amendment attached. Is there any discussion.

6 MR. ANDREWS: I just have one comment. We passed a  
7 project earlier to monitor shellfish populations, mussel beds and  
8 what have you, within the affected area, and I understand that this  
9 is a repeat of several other types of sampling, because if people  
10 don't have confidence down there to eat the shellfish -- if they're  
11 going to be growing oysters and using them for subsistence, are  
12 they going to have confidence in -- in eating them? I just wonder  
13 if there's going to be that kind of an assurance. This is a very  
14 expensive project.

15 MR. PHILLIPS: Any other -- anybody want to comment on  
16 that? Yes, sir.

17 MR. ROLLAND: I can tell you with confidence that  
18 they're eating oysters right now, and we're selling them here in  
19 the restaurants in Anchorage as well as trying to develop markets  
20 Outside. The oysters and the other shellfish that we hope to be  
21 able to develop, butter clams and mussels and possibly other  
22 shellfish that were affected as well, such as shrimp and  
23 crustaceans, these are not being grown on oiled beaches, and the  
24 lack of confidence in -- in being able to eat the shellfish in the  
25 villages is because those shellfish are on beaches where the oil  
26 came in -- you know, affected them directly -- and we have not been

1 able to get the scientific community to give us any assurance, you  
2 know, of the potential of eating those affected shellfish. They  
3 will not say that those shellfish -- they won't put their finger on  
4 the map and say you can eat shellfish from that beach.

5 MR. ANDREWS: Mr. Chairman, the discussion earlier was  
6 that there are hydrocarbons from oil that has been deposited in  
7 these intertidal areas that are floating around in the waters, and  
8 that was the concern, and I just don't want to see us approve a lot  
9 of money for a project that has this kind of a hatchet hanging over  
10 it. That maybe the product is not going to be used. That was the  
11 question I was raising.

12 DR. FRENCH: (Inaudible comment -- simultaneous  
13 talking)

14 MR. ANDREWS: I'm glad to hear they're raising these and  
15 that -- and that they're edible.

16 MR. PHILLIPS: Yes, Doug?

17 DR. FRENCH: I'd like to call the question.

18 MR. PHILLIPS: Alright. The question has been called.  
19 Those in favor of approval of '019 with the attached amendment,  
20 please raise your hands. (Intermittent pause -- hands raised).  
21 Okay. What is it? Eight?

22 MR. MUTTER: Eight, and the opposed?

23 MR. PHILLIPS: Yeah, and the opposed, please, sorry.  
24 (Intermittent pause -- hands raised) One, two, three. Eight to  
25 three. You got that?

26 MR. MUTTER: Four.



1 MR. PHILLIPS: Four. What's the matter with me. Could  
2 I see the opposed again, I only counted three. (Intermittent pause  
3 -- hands raised) Now I see four, okay.

4 Okay. I guess I should remind you that if you want to take  
5 '20 off the table, you'll have to do the same thing.

6 DR. FRENCH: I'd like to move we take '20 off the  
7 table.

8 MS. FISCHER: Second.

9 MR. PHILLIPS: Is the -- alright. The motion is not  
10 debatable. The question is shall '020 be taken off the table?  
11 Those in favor say aye.

12 COLLECTIVE VOICES: Aye.

13 MR. PHILLIPS: I guess -- those are awfully -- raise your  
14 hands, please. (Intermittent pause -- eleven hands raised) Those  
15 opposed? Those opposed, one, I guess.

16 It is now before us, '020, be recommended to the Trustees, as  
17 is. Does anybody want to amend it. Yes?

18 MR. CLOUD: Yes. We need a description.

19 MR. CLOUD: That's right. We need -- now you can do  
20 it.

21 DR. MONTAGUE: Okay. This is a -- this is a -- first of  
22 all, I should probably go to the budget and show that this \$56,000  
23 is basically to do the environmental compliance work and to do the  
24 site selection and to begin the process of developing a blueprint  
25 ....

26 MR. PHILLIPS: For '19?

1 DR. MONTAGUE: No. For '20. For '20. The cost of  
2 conduct -- building the shellfish hatchery research center is \$1.8  
3 million, and that would come off the 1994 work plan, if, presumably  
4 if this approved for this work plan, and what the goal of this  
5 facility would be, one, if -- if it was chosen that the specific  
6 species that were injured, clams, blue(ph) mussels, and so on and  
7 so forth, needed artificial aid in recovery, we don't have the  
8 technology or the facility to do that at this time, and this would  
9 -- would do that. A second aspect of it is it would develop the  
10 technology for mariculture on other species that aren't currently  
11 known. The state law currently is that only oysters can be brought  
12 in from the Outside, so any mariculture effort to deal with any a  
13 species other than oysters could not take place unless there's an  
14 in-state facility to produce the seed, and so, this -- this project  
15 would support actual restoration of shellfish beds, and would  
16 support restoration of services of, you know, new shellfish  
17 harvesting is perhaps a replacement for subsistence hunting and  
18 gathering or shellfish farming as a replacement for some other  
19 injured commercial service.

20 MR. PHILLIPS: The motion is before you on '020 to  
21 approve. Does anyone want to perhaps amend it like '19 regarding  
22 the -- does this have the same consequence on it, legally? Does  
23 anybody want to make the caveat on it?

24 MR. WILLIAMS: Well, I'll move that it be subject to  
25 legal approval.

26 MR. PHILLIPS: Second?

1 MS. FISCHER: Second.

2 MR. PHILLIPS: Okay. The amendment is to make it subject  
3 to legal approval. Those in favor of the amendment, please raise  
4 your hand. (Intermittent pause, hands raised) Those against? Oh,  
5 it's unanimous, okay. Thank you.

6 Now, the motion is before you with the amendment -- to  
7 approve, subject to legal opinion. I will ask for unanimous  
8 consent, and if there is no objection -- (intermittent pause), it  
9 is so ordered.

10 Ladies and gentlemen, '026 is our last one in this group.  
11 This is the most non-controversial, probably -- '026 -- I believe  
12 this is Fish & Game again.

13 DR. MONTAGUE: As you probably gathered from yesterday's  
14 and today's meeting what the injury is for the sockeye salmon on  
15 the Kenai River. We are anticipating that in 1994, especially in  
16 1995 and they don't know beyond that, but presumably sport and  
17 subsistence fishery in the Kenai River will probably be closed, and  
18 on the average the Upper Cook Inlet, but primarily the Kenai River,  
19 supports approximately 10,000 subsistence fishing permits and  
20 provides approximately 100,000 with sport fishing opportunities  
21 along the Kenai River. And, obviously, the very best thing we  
22 could do would be to prevent that from happening and somehow get  
23 the Kenai River to produce those fish in 1994 and 1995, but we  
24 cannot do that. What this project would do would be to provide an  
25 alternative sport fishing opportunity for approximately 140,000 --  
26 call them "angler days" -- for roughly 80 (thousand) to 100,000

1 people and would also provide for a similar replacement for the  
2 subsistence fishermen. And in the way that this would do this  
3 would that there is currently a hatchery at Fort Richardson. The  
4 facility itself has already been built and the expense of the  
5 construction of that facility has already been paid, but the volume  
6 of water required to run the facility is only sufficient at the  
7 current time to produce half as many fish as we can produce at full  
8 capacity. So, what this project would do would be to take excess  
9 water from ML&P and build an approximately -- well less than a mile  
10 long -- pipeline that would carry this water to the hatchery, and  
11 would double the production of the hatchery. It -- it was begun  
12 last year, we'd certainly be better off, but if it begins in '93,  
13 at least the trout portion -- stocking the young trout in lakes of  
14 catchable size -- would be available in '94 to provide some  
15 alleviation to the lack of fishing opportunity on the Kenai, and in  
16 '95 and future years, with the addition of salmon as well, would  
17 provide people somewhat -- obviously not the same thing as fishing  
18 for reds on the Kenai to fish to rainbows and land-locked salmon,  
19 but a small component of this will develop new anadromous  
20 fisheries. And the cost-benefit ratio was estimated at three to  
21 one -- I guess, benefit-cost ratio of three to one. And,  
22 obviously, there will be recovery, and the Trustee Council will  
23 have paid for a big project that is no longer needed for  
24 restoration. Recognizing this \$300,000 a year or so that would be  
25 required to run it, in addition to what we're currently paying to  
26 run the facility at full capacity, would be borne by the

1 department, even during the restoration years. It would not be  
2 charged to the Trustee Council. That's it in a nutshell.

3 MR. PHILLIPS: The Chair would entertain a motion.

4 MS. FISCHER: So moved.

5 MR. PHILLIPS: It has been moved. Is there a second?

6 MR. ANDREWS: Second.

7 MR. PHILLIPS: Second, Rupert. Discussion first? Go  
8 ahead.

9 MS. FISCHER: I have a lot of mixed feelings about this  
10 project. Not so much because it's in Fort Richardson, but it does,  
11 I think -- some of the questions such as the two previous ones that  
12 we had quite a detailed discussion on -- that this really is not a  
13 direct link in any way, shape or form to the oil spill, even though  
14 it's being justified. Over the years, from all the information  
15 I've been able to gather that this plan -- it's been in operation  
16 for a lot of years, but yet it hasn't done anything. I understand  
17 that it's been broke down, I know they've got new computers,  
18 they've got the most updated computers in the state, but it's out  
19 of operation more than in operation; it's had a lot of problems  
20 there. In this statement here, there's quite a few things that it  
21 has to come in line with, so apparently it hasn't come in line with  
22 the Clean Waters Act, yet, and I have a lot of questions about  
23 that.

24 DR. MONTAGUE: Yes. As far as the -- while the  
25 hatchery's been shut down a number of times -- I think that's not  
26 the case, but I believe that we have a gentleman here who can

1 answer all of it.

2 MR. PHILLIPS: Why don't you identify yourself and  
3 address the two questions in particular here. We may have to --  
4 why don't you -- right there in front of that microphone, and if  
5 you'd spell your last name for the young lady over, she'd  
6 appreciate it.

7 DR. SULLIVAN: Hi. I'm Dr. Joe Sullivan. I worked for  
8 the Alaska Department of Fish & Game. S-U-L-L-I-V-A-N. And I'm  
9 the resource program manager for the Fish & Game for the  
10 restoration section. Fort Richardson was shut down in the early  
11 '80s in order to renovate it, and we spent, I think, in the few  
12 years from about 1981 through 1983, about \$8 million to make sure  
13 that we were controlling disease on Fort Rich. We had some  
14 (indiscernible) problems before then when we were using Ship Creek,  
15 and it was a water source, and because Fort Richardson supplied  
16 sport fish for most of the state, from Fairbanks to Kodiak, we  
17 really felt it was quite important to get rid of the disease  
18 problem. We renovated the hatchery, we went to well water, based  
19 on the tests that we had made for the available well water, we --  
20 the scope and size of the hatchery to a level that really turned  
21 out to be twice the size of the available water. So, basically,  
22 we've had dry raceways since then, however we've had full raceways  
23 as well, and we have had quite a number of successful programs at  
24 Fort Richardson hatchery. It is a very complex hatchery because it  
25 does require pumping rather than -- it does not, as we would wish,  
26 it does not use natural gravity flow to feed it. So that is

1 required. It does have a complex system -- however, I have been  
2 associated with that hatchery for a long time as an inspecting fish  
3 pathologist, and in my opinion it is -- it has done what it was  
4 intended to do, produce clean fish that could be distributed over  
5 a wide area without a great deal of disease risk. Hatchery  
6 manager's sitting over here in the blue coat, that's Gary Wohl  
7 (ph), and I know that the physical plant has been a headache for  
8 him, but he's been up to the task over the years as well and, you  
9 know, we've had occasions when we have lost a few raceways of fish  
10 once in a while, but never the majority of the production, and with  
11 each year we have had quite a few fish produced by the facility.  
12 The difference though is that without water we are limited to what  
13 we can produce. So, if we were able to get Eklutna water through  
14 city pipeline, that would double the ability of the hatchery to  
15 produce fish. But right now, all of the catchable rainbow trout  
16 that you get in the Anchorage area and the Kenai Peninsula comes  
17 from Fort Richardson. We've increased the run of king salmon in  
18 Ninilchik. We have increased the runs of coho in, I believe, king  
19 salmon as well in the Little Su', is that right, Gary?

20 MR. WOHL (ph): Willow Creek, Little Su' -- Little Su, I  
21 think, coho.

22 DR. SULLIVAN: Right. Basically what this project would  
23 be -- the fish that this project would produce would be additional,  
24 catchable rainbow trout and catchable kings and fish that we would  
25 stock in areas that we believe are not -- either may not --  
26 sensitive to genetic or disease perturbations (ph), or some -- in

1 some manner where we could control them. For example, we have  
2 general harvest fisheries in Homer, where fish would come back to  
3 that -- we've created a lagoon in Homer that we plant fish in that  
4 was never a place to spawn there, there was never a native stock on  
5 the spit lagoon -- on the spit in Homer prior to the hatchery --  
6 stocking hatchery fish there. I don't believe -- I'm not sure if  
7 any of those are from Fort Richardson, they are from other  
8 hatcheries. But the point is, is that we would basically stock  
9 areas like that that couldn't really screw up wild stocks. I  
10 brought with me copies of Alaska's disease control policies and  
11 regulations and the genetics policies and regulations, which I  
12 believe are the tightest in the country. They're vastly more  
13 substantial than anywhere else in the U.S., and primarily because  
14 we've observed what has happened elsewhere. So, as far as those  
15 risks are concerned, I think we've got it covered. We'll never  
16 eliminate all risk. That's true. But as far as the ability to do  
17 that, I think we have greater ability, greater will to do that than  
18 any other place in the United States.

19 MR. PHILLIPS: Rupert?

20 MR. ANDREWS: Mr. Chairman, I'd like to talk to the  
21 economics of the situation briefly. A lot of it is already  
22 presented in this project. The Kenai River is the largest sport  
23 fishing river on the West Coast for salmon, and according to what  
24 I read here, it produces an annual harvest of about 107,500  
25 sockeye, worth approximately \$10 million. The point is that  
26 there's an infrastructure in place on the Kenai Peninsula that is



1 centered around an economic infra -- infrastructure that's centered  
2 around this sport fishing activity. We all know that half the  
3 people in the state live in Anchorage, but about 69 percent, I  
4 believe, of all the sport fishing in Alaska takes place in the Cook  
5 Inlet basin. It's an extremely economic, important asset to those  
6 people within the Kenai Peninsula and between Kenai and Anchorage,  
7 because the Anchorage people are travelling back and forth.  
8 There's no way you can catch a fish in Alaska without turning a  
9 dollar in the economy. A lot of fish are caught down there, and a  
10 lot of dollars are turned in the economy. On top of that,  
11 economists tell us that the best money, and when people from  
12 Outside bring their dollars and spend them in Alaska, they do it on  
13 the Kenai River, and they bring a lot of those dollars. That's the  
14 best dollar. It's a clean industry, and it doesn't cost us extra  
15 money for social things like police and fire and schools and this  
16 type of thing. I think it's extremely important we recognize that,  
17 and that this service as we heard from Jerry Montague yesterday,  
18 this whole production is down by 90 percent. We're looking at a  
19 closure of all fishing activity on the Kenai. This is really a  
20 critical thing. Somewhere, somehow, the people -- half the people  
21 in the state that live here that have had this opportunity for so  
22 many years, they're gonna have to go fish some place. And besides  
23 social, we're got an economic situation here. Thank you, Mr.  
24 Chairman.

25 MR. PHILLIPS: Yes, Jim and then ....

26 MR. CLOUD: I'd like to speak in favor of this

1 project. However, I do have to say that -- that it's almost  
2 begrudgingly. This project and the other expensive projects that  
3 we've found ourselves funding today and yesterday because of the  
4 Kenai River situation, although related to the Exxon oil spill,  
5 they are more related to bad management decisions made by our own  
6 Alaska Department of Fish & Game in the face of that oil spill, and  
7 it was -- it really irks me to have to spend all this money on  
8 something that probably could have been alleviated by going ahead  
9 with fishing that summer and dealing with contamination in a  
10 different way.

11 MR. PHILLIPS: Lew?

12 MR. WILLIAMS: Yeah, I'm from Southeast, and our  
13 experience down there is that Fish & Game was trying to get out of  
14 the hatchery business. At least, that's what they're telling us.  
15 We have to come up with our own local money. And then, I think  
16 that -- knowing you've got 69 or what -- you've got over 50 percent  
17 of the people up here -- you've got more than half the legislators  
18 -- I think this would be a more appropriate project for the  
19 legislature to fund through whoever wants to use part of the --  
20 what capital they get. I don't think this is something that --  
21 it's indirectly maybe oil spill-related, but this was more like a  
22 project that -- that the legislature ought to fund direct, and we  
23 should conserve the oil spill money for something that's more  
24 directly affected by the oil spill.

25 MR. PHILLIPS: Do you think the closure directly affected  
26 that? Would you comment on that? (Montague and Phillips

1 simultaneous talking). Yes.

2 DR. MONTAGUE: First of all, obviously, we wish things  
3 had been different, and in retrospect we're still not entirely sure  
4 of what we would have done in '89, because we by no means had  
5 incontrovertible proof that overescapement occurred and is the  
6 cause of this kind of a damage. So, as far as the state changing  
7 its management policy is that the -- so that this won't happen, and  
8 we've got to prevent it at all cost, we only have one leg we've  
9 proved on, and it wouldn't have made -- changes in management  
10 policy come after, one, public processes, and overwhelming  
11 evidence. Second, Alaska salmon and quality of Alaska salmon, at  
12 least in reality and appearance of it being wild, clean, and  
13 essentially flawless, the department felt would have been severely  
14 impacted by catching fish in Cook Inlet, although the fish were  
15 fine, but hauling them up through rainbow sheen and thus  
16 contaminating them. And in addition, it has been suggested why  
17 didn't we block the Kenai River. Yes, we could have done that. We  
18 also have a king salmon fishery coming in at the same time, which  
19 would have been destroyed, and politically, ecologically, it would  
20 not have been the thing to do. So, I guess that knowing what we  
21 know now, what we could have done is the department or the state  
22 could have paid fishermen to catch the fish.

23 MR. PHILLIPS: I know, right. John then Rupert.

24 MR. STURGEON: I think I'm going to grudgingly support  
25 this project too, but I guess I think the -- I'm not -- Jerome's  
26 answer is a good one, I guess, but there's also a lot of sport

1 fishermen in the state too who could have done a whopping job on  
2 that river if you'd turned them loose with nets and stuff that --  
3 that was identified as a problem. One question I have, I guess, is  
4 that reading this over it talks strictly about recreational  
5 fisheries. When the fish are going through Cook Inlet, how do you  
6 tell the difference between what's the commercial fish -- fishermen  
7 are going to catch and the ones that are going to be caught by the  
8 sport fishermen. It doesn't mention commercial fishing unless I've  
9 missed it here somewhere.

10 DR. MONTAGUE: Um ....

11 MR. STURGEON: One -- one last question. What about the  
12 science of mixing hatchery fish with -- so many hatchery fish --  
13 with wild stock? I've read a lot of articles -- maybe Mr. Andrews  
14 can help too -- saying that when you -- done this in the Lower  
15 Forty-eight -- it diluted the wild stock that didn't survive as  
16 well on the sea over the years, and that a lot of these hatchery  
17 runs in the Columbia River and stuff were actually declining, even  
18 though we're stuffing more fish in the system, and they think it  
19 may be due to the genetics of putting these hatchery fish so  
20 heavily. We don't want to do that in the Kenai.

21 DR. MONTAGUE: I think three points to address. One was  
22 could we have helped things by opening it up for, I guess,  
23 unlimited dip-net fisheries on the -- in reality that was done, and  
24 the increase in take amounted to less than one percent of the  
25 commercial catch. So, it would have to be a hundred-fold increase  
26 in dip-netting to have taken care of that. Under the second point,

1 about the -- you know, about the mixing of wild and fresh -- I  
2 think you're question was mainly to the anadromous and not to  
3 deposits in the lakes. Most of this land-locked and in lakes.  
4 Joe, could you tell me what percentage of this is the creation of  
5 anadromous stocks.

6 DR. SULLIVAN: No, I really can't. I guess Gary would be  
7 a better -- a better ....

8 MR. WOHL (ph.): ... close to a 250,000 catch of  
9 rainbow trout, which would be land-locked, as well as 50,000 land-  
10 locked king salmon for a catchable program, the addition of the  
11 800,000 anadromous kings and 600,000 coho.

12 DR. SULLIVAN: Those are releases, not second return?

13 MR. WOHL (ph): That's correct.

14 UNIDENTIFIED VOICE: In the Kenai?

15 DR. SULLIVAN: No, no, no, no.

16 DR. MONTAGUE: That's another point I wanted to make.  
17 Absolutely nothing is going into the Kenai River by this project.  
18 Relative to the anadromous runs, indeed they would supplement  
19 commercial fisheries on the ocean. We don't know where they're  
20 going. They know, but we don't always know. Is that all three of  
21 the questions?

22 MR. PHILLIPS: Did you want to make a comment about the  
23 mixing?

24 DR. SULLIVAN: Yes. Basically reiterate that -- I don't  
25 know if we didn't say this in the three-page proposal or not, but  
26 the Kenai River and replacing stock fish, that's almost impossible.

1    Granted there is -- there have been some there in the past --  
2    because that is not what is under consideration at all. This is --  
3    we're trying to address the users here. We're not trying to  
4    restore the sockeye run through this method. We're trying to do  
5    that through numbers 3, 12, and 15. But, the Kenai itself is such  
6    a complicated system that adding hatchery fish to that really  
7    wouldn't be a good idea. We are trying to target the same user  
8    groups though and restore service there, but the places we are  
9    trying to stock them are those that our friends want them at, at  
10   least as far as genetic mixing is concerned, are those which our  
11   friends from -- geneticists would feel that, yes, this is an  
12   acceptable thing to do, and either the -- the genetic pools have  
13   already been screwed up in this area, for example Ship Creek, but -  
14   - I'm not -- it would be a really excellent example, that, although  
15   I don't know that these fish would go there because it has got  
16   Lower Forty-eight fish, wild fish, and (inaudible), and what we  
17   have now is a mixture of -- huge gene pool anyway. But, it's that  
18   sort of thing, terminal harvest fisheries and things like that  
19   where we believe that it wouldn't hurt the native wild runs which,  
20   by the way, last year our legislature noted as highest priority.  
21   You know, we must protect the wild stock first. I think -- if  
22   you're interested, as I said, if you're interested in genetics  
23   policy or the disease policy, those ones, I have copies of all that  
24   and we can talk about it some time ....

25               MR. PHILLIPS: I think it was John McMullen and then John  
26   French, quickly.

1           MR. McMULLEN: Mr. Chairman, when I first viewed this  
2 series of projects in here, of course I immediately noted that  
3 there was more -- quite a bit of attention directed towards the  
4 Kenai River and the Cook Inlet fisheries situation, and I -- you  
5 know, feeling at the time that -- that other regions didn't enjoy  
6 the same type of consideration. However, I happen to support this  
7 hatchery pipeline and one -- and the users in the Cook Inlet area,  
8 including those up in the Mat-Su valley as well as the Kenai  
9 Peninsula and the Anchorage bowl, this is a growing fishing effort  
10 and a growing number of people in the region. It's true the Kenai  
11 River has a problem, and I think there's going to be some real  
12 severe fisheries implications in there in the very near future, and  
13 I think that alternative resources in fishing locations have to be  
14 identified and put in place to accommodate the recreational  
15 fishermen in -- in this -- in this region. And it's true, but I  
16 think it's probably already been said, this hatchery addresses  
17 sport fishing, but fish are also caught intermittently by the  
18 commercial fishery as they enter -- enter and pass through the  
19 Sound.

20           MR. PHILLIPS: John.

21           DR. FRENCH: Yeah, with respect to the management of  
22 the Kenai, I don't think -- there's no assurance that this is going  
23 to answer the -- dismiss all the problem. There's no assurance  
24 that, as Jerome said yesterday, that overescapement is indeed the  
25 problem for the Kenai. That was part of the reason I pushed for  
26 funding of that project, because we're not absolutely certain

1 overescapement is the problem. There's clearly a problem on the  
2 Kenai, I'm not questioning that. I do question whether this  
3 project is the best way to address that question. I do question  
4 whether this hatchery is the best hatchery to be enhancing  
5 production at when the department's doing things like closing like  
6 the closing -- shutting down the funding for the Filler (ph) Creek  
7 hatchery, and other hatcheries around the spill areas. There's a  
8 number of hatcheries around the area that could pick up some of the  
9 slack. The department chose not to connect this hatchery into the  
10 Eklutna water line when the water line was first put through --  
11 would have been less expensive seven years ago. This hatchery does  
12 have a checkered history, as was partially admitted by our  
13 presentations here -- I personally do not think this is a good  
14 project, the Kodiak group is strongly against it, and I intend to  
15 vote in that direction.

16 MR. PHILLIPS: Do you want to comment on this before ....

17 DR. MONTAGUE: Yes. First of all on -- I don't recall  
18 ever saying that overescapement wasn't the problem on the Kenai.  
19 What I did say was that in '89 our knowledge of overescapement was  
20 not sufficient to say, yes, this is what's going to happen on the  
21 Kenai in 1989 because of overescapement.

22 DR. FRENCH: I think you also said that you weren't  
23 certain that overescapement wasn't the problem -- if there was high  
24 escapement -- if it's classified as overescapement -- but you  
25 weren't sure that was solely for the decrease in small numbers.

26 DR. MONTAGUE: I -- if I said that, I didn't mean to.



1 DR. FRENCH: Part of your justification in the  
2 periwinkle book is, indeed, to verify that the impacts of  
3 overescapement on the system.

4 DR. MONTAGUE: In the periwinkle book that was the case,  
5 but it's not the case in the blue book.

6 MR. TOTEMOFF: Mr. Chairman, I can see ....

7 DR. FRENCH: I mean, are you telling me we don't need  
8 to fund the project?

9 DR. MONTAGUE: In this periwinkle book, I think  
10 (indiscernible) now -- are we talking about project number 2.

11 DR. FRENCH: I think so.

12 DR. MONTAGUE: Well, project number 2 was what's the  
13 makeup, what does the overescapement do to the system that's  
14 preventing it from recovering?

15 DR. FRENCH: Right. That's basically saying, yeah, the  
16 causative connection between the decreased small and the  
17 overescapement is what I'm saying is uncertain. I think you said  
18 the same thing, but you need to show that -- that's -- that indeed  
19 is the causative connection.

20 MR. PHILLIPS: Yes, it's Chuck's turn.

21 MR. TOTEMOFF: I've got a couple of comments on the first  
22 -- I see clearly two potential problems with this. The first one  
23 being the connection to the Exxon Valdez oil spill, and the second  
24 one being the emphasis put on the economic loss as far as the Kenai  
25 River system being depleted as a result of the closure. There --  
26 there's a potential problem with that.

1 MR. PHILLIPS: I know it's unusual for the Chair to make  
2 any remarks on these things, but this is probably one of the most  
3 important things. I represent commercial tourism. The state gets  
4 over \$10 million a year on commercial -- on tourism licenses for  
5 people to go fishing. It's one of the biggest attractions to bring  
6 people to Alaska in tourism that there is. In the very beginning,  
7 I asked the question of what services were, and it was defined to  
8 me that a service is -- has a -- one of the examples they used was  
9 that if we lose a fishery that it is -- under the laws that we're  
10 operating under -- you could replace it with a different one for a  
11 certain group of people. This seems right on point to me because  
12 that is what it is for the sports fishermen and the -- the people  
13 that fish the Kenai. This is to assure that that is replaced. It  
14 -- it seems incredible -- we just voted on two for starting  
15 businesses out in Prince William Sound that don't exist right now  
16 because of the economic circumstances, so I wouldn't run down the  
17 economic benefit. There are an awful lot of people in Alaska if  
18 this thing goes down the toilet on the Kenai Peninsula for fishing,  
19 and I think this is a -- you won't know how much damage there is  
20 for a couple of years, but you'll hear the screaming and hollering  
21 and the lynching coming up in two years, and I just say, don't pass  
22 this by easily.

23 DR. FRENCH: Mr. Chairman, I'm not questioning the need  
24 to replace the service. The service is damaged. The service needs  
25 replacement. What I am questioning is whether this is a cost-  
26 effective way to do it or whether there's not much better ways we

1 could replace that service with \$3.6 million.

2 MR. PHILLIPS: Yes.

3 MS. FISCHER: I -- I think that Mr. French made a real  
4 good point that there are hatcheries in the Sound that are no  
5 longer being able to get funded. They gonna wind up having to  
6 close, and yet they are already in operation, already good  
7 hatcheries, already established, and have -- are more than willing  
8 to take a smelt, you know, around to the different areas or the  
9 lakes, the streams, or what have you, and I think this is where a  
10 lot of the question is. I agree with Mr. French there because I  
11 ....

12 MR. ANDREWS: Mr. Chairman, I'll address that.

13 MR. PHILLIPS: Just a moment, if you would ....

14 DR. MONTAGUE: The hatcheries that are sport fish,  
15 primarily sport fish production, are not the ones that are being  
16 targeted. It's the ones that have been designed to develop  
17 commercial fisheries that are primarily the ones that are being  
18 asked under the administration's user-pay philosophy, and -- and  
19 certainly, we have been directed for non-sport fish hatcheries to  
20 call themselves sufficient -- it is the intention to make them  
21 self-sufficient, but I maybe wrong but I'm quite certain that the  
22 sport fish hatchery is not really being affected by this.

23 MR. PHILLIPS: Rupert, and then Chuck.

24 MR. ANDREWS: Mr. Chairman, I'd just like to point out  
25 that the Fort Richardson-Elmendorf complex is a complex that's  
26 quite a bit different from what you see in Prince William Sound.

1 You have access to warm water. Warm water allows you year-round  
2 operation on a varying species of fish. This complex also holds  
3 the rainbow group stock, which is about, what, 10,000 pounds?  
4 They've got five tons of rainbow of here that are like eight to ten  
5 pounds -- the big gruders (ph), and you can't do that unless you  
6 have warm water. That's -- that's the big difference between your  
7 Prince William Sound facilities, which are different than this set  
8 up. You don't easily go out, John, and find free warm water, and  
9 this is free. You gotta do the best you can with what you got, and  
10 that's what we did, and we started in 1960 putting fish out there,  
11 by the way.

12 MR. PHILLIPS: Yes, Chuck, who's next, and then ....

13 MR. TOTEMOFF: Mr. Chairman, I was going to follow up my  
14 earlier statement that I'm not opposed to this project, but there  
15 are some real problems facing it, and they should be addressed.  
16 And every time the Trustee Council meets -- the Council has met on  
17 this, it's been -- it's met with opposition. I think those items  
18 I mentioned are the biggest problems with it.

19 MR. PHILLIPS: Lew.

20 MR. WILLIAMS: I -- I still think it would be better  
21 funded generally by the legislature. I think they could get it.  
22 But in response to your argument, I'm glad you're real interested  
23 in helping hatcheries for the tourism value, and that's because  
24 your boats come into Ketchikan, and I'm sure you're tourists walk  
25 up to the Deer Mountain hatchery, and this would run that hatchery  
26 for ten years, and they're asking our borough to take it over. It

1 strikes me as a little inconsistent.

2 MR. PHILLIPS: Well, let me help you on that one -- kill  
3 this one -- because the legislature hasn't taken care of that one.  
4 There were some comments Dave, I think.

5 DR. GIBBONS: Yeah. Again, in the letter that was  
6 referenced by legal counsel, I should read this, so I -- I'm clear  
7 here. (Reading aloud) Project 93026 Fort Richardson hatchery water  
8 pipeline. This project appears to have a greater likelihood of  
9 significantly protecting the environment of the remaining proposed  
10 projects. Approval by the council of complete funding for this  
11 project prior to the completion of the effects analysis of a NEPA,  
12 may be viewed as an irretrievable commitment of funds. The project  
13 should be postponed -- should be proposed to first fund the  
14 necessary NEPA work that will be required if this -- if this  
15 analysis determines that the project will have no significant  
16 effect, then funding for the complete project may go -- may go  
17 forward. This concept is true for all the proposed projects that  
18 NEPA analysis must be performed prior to the complete commitment of  
19 funds. We raise this issue with this project because, one, it  
20 isn't likely to be categorically excluded under NEPA; two, unlikely  
21 that an environment assessment will be sufficient; three, it  
22 appears to be -- require a significant amount of underground  
23 activity; and four, seems most likely to be controversial to the  
24 public.

25 MR. PHILLIPS: I think -- John.

26 MR. STURGEON: Just a quick statement in support, I

1 guess, if it isn't an oversimplification. But, we just met  
2 yesterday and today (inaudible -- coughing) going to spend millions  
3 and millions and millions of dollars for studies that when you're  
4 done will be sitting on a shelf, and maybe they'll be used and  
5 maybe they won't, a lot of them will collect dust. From the public  
6 standpoint, this is something that's going to be around for one  
7 heck of a long time, and when the public looks back and what were  
8 the funds spent for, they can look at this, this is going to be  
9 something tangible that's doing something for the economy of Alaska  
10 -- and -- from my perspective, it's worth funding just for that  
11 reason. Dr. Sullivan can ...?

12 DR. SULLIVAN: Reference the NEPA documents -- a lot of  
13 that has been done in years past. In 19 -- I believe it was 1980,  
14 there was an original environment assessment of Fort Richardson.  
15 In 1985, there was another environmental assessment of the  
16 statewide stocking plan, which included all of Fort Richardson for  
17 stocking plans as well as the other statewide stocking plans. The  
18 U.S. Fish & Wildlife Service several years after that gave us a  
19 categorical exclusion for our stocking -- statewide stocking plan  
20 based on update of the earlier EA. We have determined that -- an  
21 EA -- what sort of an environment analysis is necessary, what is  
22 going to be the effects of laying a pipe from the ....

23 UNIDENTIFIED VOICE: (Inaudible interruption)

24 DR. SULLIVAN: ... water supply to the hatchery. That is  
25 in gear now, and finally this would -- expect that to be completed  
26 next week. There's a five year, statewide review of the statewide

1 -- statewide review of the statewide stocking plan, which includes  
2 the Fish & Wildlife Service, and that is scheduled for this spring,  
3 again. So that comes around every so often. I believe that  
4 probably is going to cover all the documents that we have ....

5 DR. GIBBONS: All I've seen is -- the pipeline and stuff  
6 has to be covered under the NEPA -- has not been done to date.

7 DR. SULLIVAN: Well, I can tell you what we've got.

8 DR. MONTAGUE: While that's true for a great number of  
9 projects, these are ....

10 MR. PHILLIPS: Any further discussion?

11 MR. CLOUD: Call for the question.

12 MR. PHILLIPS: The question has been called for. The  
13 question before us is whether '026 will be recommended to the  
14 Trustee Council. Those in favor, please raise your hands. (Hands  
15 raised) Those opposed? (Hands raised)

16 MR. CLOUD: Don't forget Sen. Eliason's vote.

17 MR. PHILLIPS: Anybody abstained. The least  
18 controversial one we've had all day today. What is the ...?

19 MR. MUTTER: The votes for, including Senator Eliason,  
20 was nine; opposed four.

21 MR. PHILLIPS: The motion passes. Let me ask the group.  
22 Do you want to continue right on? We've got two more on this page,  
23 '50 and '52, and then we have the ones that were presented  
24 yesterday by the groups -- if you want to push on, we can get all  
25 this behind us. So, if you'd turn to '50, please.

26 DR. GIBBONS: I can solve this one in a hurry.

1 MR. PHILLIPS: Alright. Here's a man that's going to  
2 talk to us.

3 DR. GIBBONS: The agency has been promised -- from the  
4 proposal, they will do the project in-house, without funds from the  
5 Exxon Valdez.

6 MR. PHILLIPS: Great. How about '052? Can we do the  
7 same thing with that?

8 MR. CLOUD: Let's give a round of applause. Spend  
9 \$10,000 of your own money. (Applause)

10 MR. PHILLIPS: 0 ....

11 UNIDENTIFIED VOICE: They withdrew it.

12 MR. PHILLIPS: '052 is the last one on this page, and  
13 it's Fish & Wildlife Service.

14 MS. BERGMANN: 93052 is a project that's dealing with  
15 bald eagles. There are approximately 800 to 900 bald eagles in  
16 Prince -- in the Prince William Sound area that were killed as a  
17 result of the spill in 1989. There was also reproductive  
18 (inaudible -- coughing) that year. However, recovery estimates to  
19 the population of bald eagle indicate that they are recovering in  
20 Prince William Sound. The purpose of this project is -- basically  
21 it's three-fold. First, it's an inventory and mark of bald eagle  
22 nest trees in the Sound, distribute maps of eagle nests to land  
23 managers and provide them guidelines for protection of those trees,  
24 and also to continue monitoring -- a sample of eagles that had been  
25 previously radio-tagged are in the damage assessment studies -- to  
26 help document shoreline use and identify important eagle



1 concentration areas.

2 MR. PHILLIPS: Okay. The Chair will entertain a motion  
3 ....

4 MS. FISCHER: So moved.

5 MR. PHILLIPS: ... on '052. It's been moved. Do I have  
6 a second.

7 MR. ANDREWS: Second.

8 MR. PHILLIPS: Do you have a number on the number bald  
9 eagles in the Prince William Sound area?

10 MS. BERGMANN: Not off the top of my head.

11 MR. PHILLIPS: I think it's ....

12 MS. BERGMANN: 7,000.

13 MR. PHILLIPS: 7,000, I believe.

14 MR. CLOUD: Since the population of bald eagles  
15 damaged by the spill is recovering, I don't see any reason to spend  
16 any money ....

17 MR. STURGEON: I'm going to vote against this project  
18 also because I know the Fish & Wildlife Service does monitor,  
19 enhance -- say, where the eagle trees are. We're private  
20 landowners, we have maps that have been provided by the Fish &  
21 Wildlife Service. Just last year they hinted about a two-year  
22 program developing guidelines for protection of eagle trees. On  
23 our lands that we have a logging operation and we find an eagle  
24 tree, it's protected by federal law. Within 66 feet of that area  
25 we can't do anything, and so, I don't see the purpose of this  
26 project. I think the agency fund should do exactly this, and they

1 are doing it.

2 MR. PHILLIPS: James?

3 MR. KING: I did a little looking this, and there are  
4 perhaps as many as 94 eagles flying around out there wearing radios  
5 now, and 72 that have been recorded in the fairly recent past. I  
6 got this last week from the eagle people. Eighteen of the radioed  
7 eagles were radioed in 1989, and there's no radios that are  
8 expected to fade out this winter. Thirty-five were radioed in  
9 1990, and they have another full year, plus or minus, to go, and 19  
10 were radioed in '91 and are expected to still be transmitting into  
11 '95. And, I'm a little appalled at the idea of -- of inflicting  
12 these eagles and then not following through. And we have been  
13 subjected to rather a lot of adverse publicity in the last year  
14 about the ethics of our dealing with wildlife, and I feel that this  
15 is a prime example of that sort of thing. And to me it's  
16 unthinkable that the portion of this study that deals with  
17 following through on the radios ought to be funded.

18 MR. PHILLIPS: Any further discussion on this? Yes,  
19 John.

20 MR. McMULLEN: I certainly agree with the later statement  
21 there, that once you start a project you should at least bring it  
22 to a reasonable end point. You know, if you've got monitoring  
23 equipment out there on the birds, you shouldn't just walk away from  
24 them. However, as far as just the survey goes, identification of  
25 eagle trees, it is true that Fish & Wildlife Service conducted  
26 numerous surveys in these areas, such as Prince William Sound, over

1 the years, identifying -- identifying these eagle trees, and has  
2 quite a record of that, bringing a boat up from Juneau to make  
3 those surveys, and so it seems like this is -- the work should be  
4 done -- some of the work should be done that's designated for doing  
5 in this project, and therefore, maybe it's -- I think the budget's  
6 probably excessive.

7 MR. PHILLIPS: Any further discussion? The -- '052 is  
8 before us. The question is approval or recommendation to the  
9 Trustees. Those in favor, please raise your hand. (Three hands  
10 raised.) I guess I don't have to call.

11 MS. FISCHER: Okay. Now, please leave your hand up ....

12 MR. PHILLIPS: Two, three -- John. Those opposed? (Nine  
13 hands raised)

14 MS. FISCHER: I didn't -- he got used to your names, I  
15 didn't ....

16 MR. CLOUD: Quicker to call a roll call.

17 MR. PHILLIPS: Should be nine to three, is that right?  
18 There were three of you that were for it -- yeah, it was James and  
19 ....

20 MS. FISCHER: ... and John French, yeah.

21 MR. PHILLIPS: Nine to three is the count. Motion fails.

22 Okay. That concludes the number here. What we have left are  
23 the -- are the ones that were presented to us that are not in the  
24 blue book, isn't that correct?

25 MR. MUTTER: That's correct.

26 MR. PHILLIPS: And those were passed out earlier. I

1 think you all among your papers have this stack.

2 DR. GIBBONS: Can I just explain what I passed out. I  
3 heard this morning that you wanted copies of what the Restoration  
4 Team did regarding these proposals, and that's what this is -- the  
5 package that was handed to you -- with the project form on the  
6 front, with a number on it, if you look up there you'll see I've  
7 given you the packages from Evelyn Biggs on the herring, there's  
8 the pink salmon projects in here, there's also the Kodiak -- the  
9 Fisheries Technology Center and -- and also the archeology ....

10 MR. TOTEMOFF: Mr. Chairman, I have an additional  
11 handout.

12 MR. PHILLIPS: Yes.

13 MR. TOTEMOFF: On my presentation.

14 MR. PHILLIPS: Yours is not in this packet?

15 MR. TOTEMOFF: I don't think so.

16 DR. GIBBONS: There would be a staff proposal -- it was  
17 not submitted as a part of the '93 ideas.

18 MR. PHILLIPS: Why don't we take those up first, and then  
19 go through these. You want a five minute break or not, and  
20 distribute these.

21 (Off record: 6:10 p.m.)

22 (On record: 6:15 p.m.)

23 MR. PHILLIPS: We're gonna vote on them whether  
24 everybody's in here or not, so let's go. We've got 40 minutes  
25 before Dave has to go, and he's got the checkbook, so .... Is this  
26 the one resolution -- is that what you have, Chuck?

1 MR. TOTEMOFF: Yes, Mr. Chairman. Yesterday -- following  
2 yesterday's presentation that I made, I was requested to come back  
3 today with some additional information for the Public Advisory  
4 Group to consider, and this is what we would -- we're asking for  
5 specifically -- guidance on our part and what the PAG could  
6 endorse. And, I've handed out copies that are pretty much self-  
7 explanatory. If -- do you want me to read it?

8 MR. PHILLIPS: Yes. I think it would save some time if  
9 you just run through for the record. It is in resolution form.  
10 So, would you go through it, please, and we can follow on and talk  
11 about what action we can take.

12 MR. TOTEMOFF: Okay, this is a resolution of the Public  
13 Advisory Group (reading from text), whereas the Public Advisory  
14 Group has been reviewing, commenting on and voting on various  
15 projects proposed for inclusion in the 1993 work plan; proposals  
16 not included in the 1993 draft work plan have been presented to the  
17 Public Advisory Group for consideration -- I will add this whereas,  
18 though, this was received timely on November 20th by the Trustee  
19 Council, this certain proposal -- CRMA is a new project proposed  
20 for 1993 which was not included in the 1993 draft work plan; the  
21 CRMA will identify available project-related resources in Prince  
22 William Sound area for all state and federal agencies involved in  
23 oil spill restoration; the CRMA will involve Prince William Sound  
24 area residents in the restoration effort; the CRMA will reduce the  
25 physical impact of the restoration effort by suing locally  
26 available resources, facilities and equipment, and it will

1 coordinate assignment of locally available resources to eliminate  
2 or reduce logistics and procurement redundancy; the CRMA will  
3 reduce restoration logistics and resource expenditures by using  
4 locally available resources to address spill impacts, creating  
5 financial efficiencies; the CRMA will in some instances submit  
6 competitive proposals to perform 1993 work plan products;  
7 therefore, be it resolved that the Exxon Valdez Oil Spill Trustees  
8 Public Advisory Group endorses the concept of the Chugach Resource  
9 Management Agency and encourages federal and state agencies which  
10 support the Trustee Council to fund its resource inventory and  
11 project work scope supported elements. Number two, the PAG  
12 recommends that federal and state agencies enlist the active  
13 participation of the CRMA in development of work scopes for  
14 approved projects in order to insure the creation of a relevant  
15 inventories.

16 MR. PHILLIPS: Now you've all heard it, do you want to  
17 move adoption of the resolution? Somebody ask ....

18 MR. STURGEON: I will.

19 MS. FISCHER: Second.

20 MR. PHILLIPS: Alright. It's been moved and seconded on  
21 adoption of the resolution. Now, discussion?

22 UNIDENTIFIED VOICE: How much money are we talking  
23 about?

24 MR. PHILLIPS: It seems to me there isn't any money set  
25 there -- they're asking them to utilize the resources and the  
26 support of these people in any projects that are available, isn't

1 that correct.

2 MR. TOTEMOFF: Mr. Chairman, there's a correction. The  
3 proposal that came into the Trustee Council November 20th did have  
4 a work scope identified methodology and a budget total of \$514,000  
5 attached to it.

6 MR. PHILLIPS: Attached to this?

7 MR. TOTEMOFF: Yes. It was part of the proposal that  
8 came ....

9 MR. PHILLIPS: Yes -- Mr. --- I have a little problem  
10 ....

11 DR. FRENCH: Yes. Although I applaud Mr. Totemoff's  
12 efforts in the formation of CRMA, I would encourage them to  
13 actively compete for all available contracts with the work plan, I  
14 don't think that we, as a public advisory group, can go much  
15 further than we did with our resolution at the last meeting, simply  
16 encouraging the use of public -- of local work forces. The state  
17 and federal procurement guidelines really don't allow this to  
18 happen, I don't think.

19 MR. PHILLIPS: Someone want to help me on that?

20 MR. GOLTZ: There are very limited ways in which the  
21 federal government can have a local preference. One, is what's  
22 called a 638 contracting mechanism. That relates in the  
23 relationship with between federal agencies and Native entities, and  
24 it is, in fact, a delegation of some of authority to the Native  
25 entity, but it's very specific in that regard. There is a  
26 provision of ANILCA which provides for local preference provision

1 to visitor services, and there's a provision in the SBA statutes  
2 which allow for preferences to small businesses. There may be  
3 others -- I'm no expert in this area, but those are the three that  
4 I have -- but there's no generalized preference for local services.  
5 Generally, that preference is a natural one because the local  
6 entity is closer to the work in most cases and costs less.

7 MR. PHILLIPS: It does occur to me, and I don't know how  
8 to answer it, is -- with a price tag -- whatever the price tag  
9 might be on something like this -- it's my understanding that this  
10 is not included in the work plan proposal, is that correct? Am I  
11 correct in assuming that?

12 MR. TOTEMOFF: ... not in there at all.

13 MR. PHILLIPS: If that's the case, then I have to ask the  
14 question about are there any legal ramifications that perhaps it  
15 has not been put out for public comment as all of the ones in here  
16 have been. Does that create a problem? Because I think everything  
17 in here was put out for public comment, and I would hate to do  
18 something that would be ....

19 MR. MUTTER: Mr. Chairman.

20 MR. PHILLIPS: Yes.

21 MR. MUTTER: The Trustee Council probably couldn't  
22 approve it until it's had public review.

23 MR. PHILLIPS: Then -- then probably the way we would  
24 have to handle this is to ask them to look at and then -- I just  
25 don't want to shoot it down because of ....

26 UNIDENTIFIED VOICE: That is correct.



1 MR. PHILLIPS: .... legal restrictions.

2 MR. TOTEMOFF: Mr. Chairman, if I may recognize Tyler  
3 Jones, who is ....

4 MR. PHILLIPS: Certainly. Mr. Jones.

5 MR. JONES: Mr. Chairman, members of the Public  
6 Advisory Group, I'm Tyler Jones. I'm a consultant to Chugach, and  
7 Chugach, Chenega and the other villages have created this proposal  
8 to get involved in the oil spill restoration effort. We were very  
9 pointed in our attempts to try to -- not to try to make a legal  
10 argument for the procurement argument, but rather to put the idea  
11 before the agencies on the theory that with appropriate public and  
12 additional support, the Trustees would find a way, and I believe  
13 some of the ways we considered were those that you mentioned in  
14 your legal discussion. We know that there is a history of the  
15 Trustees striving to find ways to -- to do the things we say we're  
16 gonna do here: identify the available project-related resources in  
17 the area, employ residents of the affected area, to reduce the  
18 physical impact of the actual restoration effort to cut costs by  
19 coordinating -- those are the things that we are proposing here,  
20 and we wrote the resolution mildly enough, we thought, so that by  
21 supporting it in concept you wouldn't be saying this can be done,  
22 this should be done, and it should be done in this dollar amount,  
23 but rather, conceptually it's consistent with what the public  
24 advisory group and other sub-sets of this oil spill restoration  
25 effort have spoken in favor of.

26 MR. PHILLIPS: I guess my problem -- I need some advice

1 on how to transmit this, because what we have to do, of course, is  
2 to send it to the Trustees, whatever we do -- because we don't make  
3 the final decision.

4 MR. JONES: Mr. Chairman, with all -- with all  
5 humility, the two points that we make here are only that there's a  
6 concept that we think deserves consideration, and that yesterday I  
7 heard a member of this body say you'd previously encouraged -- and  
8 second, to the extent that the inventory effort will be successful,  
9 the agencies have to participate, and that's all of the therefores  
10 here. It doesn't say, you know, doesn't say give 'em -- give them  
11 work. It says we support this idea -- and we fashioned it so it  
12 wasn't too directive or counter-competitive

13 MR. PHILLIPS: I think someone has to form by which we  
14 will act that would be acceptable and within the scope of what we  
15 have to do. So, if somebody could come up with that motion for us  
16 to consider. (Pause) Yes.

17 MR. KNECHT: I move that we just forward this document  
18 to the Trustees for them to look at.

19 MS. FISCHER: I'll second it.

20 MR. PHILLIPS: It's been moved that we forward this on to  
21 the Trustees -- and it has been seconded. We want to say that we  
22 approve of it? or do we want to make any editorial comment at all?  
23 Yes, John.

24 MR. McMULLEN: Mr. Chairman, I personally su -- feel --  
25 support the concepts of bringing efficiencies to logistics and --  
26 and costs of projects by trying to bring a coordinating effort into

1 the scene here. I -- my -- my hesitation in dealing with this -- as  
2 I -- as I told Mr. Totemoff earlier is that I didn't know if this  
3 was in sequence of a way to go or -- or if this was a little  
4 premature -- some aspects of it -- and that aspect being requesting  
5 funding for this -- for their program -- at -- at this time  
6 with.... It seems to me that -- there is some study of the matter  
7 needed and alternatives considered. However, this -- this  
8 resolution brings -- brings it -- alternate forward -- it's the  
9 only one we've seen so far, other than the process we -- we  
10 wouldn't see it, you know, through the restoration procurement in  
11 this group here. So, I would endorse the sending of this  
12 resolution forward with the support for the concept here and  
13 request that the Trustee Council give it serious consideration.

14 MR. PHILLIPS: Pam.

15 MS. BRODIE: I don't understand the motion when you say  
16 forwarding to -- to the Trustees. Does that mean that we are  
17 saying that we adopted this resolution? Or is it just -- I mean,  
18 after all the CRMA can -- can give them this piece of paper. So,  
19 does the motion mean that we are passing this resolution -- we're  
20 adopting it.

21 MR. PHILLIPS: I think the motion -- that's why I asked  
22 earlier -- the motion has to be formed that will say what we want  
23 to say, and if you want to say that we endorse the concept, then  
24 the motion should say that. The only thing that bothers me a  
25 little bit is that half million dollar tag, and do we endorse an  
26 expenditure of a half million dollars or do we not? Or do we just

1 endorse the concept of what you're saying here. I'm a little  
2 troubled by this, and the resolu -- the -- whatever we do, whatever  
3 kind of a motion, remember, the guys on the other side haven't  
4 heard, and it's gotta mean something to them when they get it.

5 MS. BRODIE: I am also troubled by this, although I  
6 certainly do endorse the concept, the creation of Chugach Resource  
7 Management Agency, but -- part of the reason I like it so much is  
8 because it's saying, I think, explicitly that CRMA can be a  
9 successful competitive bidder; CRMA can do things more cheaply.  
10 So, on the one hand I'm uncomfortable with endorsing one bidder  
11 over the other bidders that we don't know -- endorsing the only  
12 bidder who has spoken to us when other bidders have known about it  
13 -- and the other thing is subsidizing a bidder which is saying we  
14 can do things more cheaply than anybody else, so why are they  
15 asking for subsidy.

16 MR. ANDREWS: Mr. Chairman.

17 MR. PHILLIPS: Yes.

18 MR. ANDREWS: I think there may be an error here, just  
19 before the "therefore." It says the CRMA will at some instances  
20 submit competitive proposals. We were informed, I think at the  
21 last meeting by a solicitor, that every bid has to be competitive,  
22 that there's an established process.

23 MR. JONES: Mr. Chairman, I think I can clarify that,  
24 if I may. This proposal was one of several proposals which came in  
25 -- the November 20th deadline ....

26 MR. PHILLIPS: Could you speak into a mike?

1                   MR. JONES:       Oh, sure ....

2                   MR. PHILLIPS:   There's two of them right up here.

3                   MR. JONES:       This proposal is the result of two

4 proposals which were submitted in line the November 20th deadline.

5 One was from Chugach Alaska Corporation which was related more or

6 less explicitly toward the inventory. The second proposal was from

7 the village corporations within the region, proposing to do 23

8 specific projects, and what this proposal is now intended to do is

9 combine those two efforts and to have two parts. One is the

10 inventory, which is what this resolution largely speaks to. The

11 last "whereas" acknowledges only that the CRMA will in some

12 instances, i.e., down the road, submit competitive proposals to

13 perform 1993 work plan projects, and those would be competing with

14 other entities and agencies. However, the inventory process is

15 seen as something that would be performed for all of the projects,

16 all of the agencies in coordination, probably through one lead

17 agency, but be intended to make the resources within the region

18 available to all of the agencies, and there is, of course, there

19 are other entities that would -- would be interested in performing

20 that service, but there's no other organization that exists within

21 the region that could do the things the CRMA -- staff, and so on.

22 It was with that in mind that we suggested the budget for the

23 resource inventory process, working with the agencies to refine

24 project scopes so that our resources -- so our inventories spoke to

25 their specific scope requirements, and the \$514,000 budget was an

26 estimate based on what we saw in the individual working plan -- or

1 the project documents -- assuming certain things that was -- you  
2 know, taking some liberties, of course, but we figured it was  
3 important for us to be at least providing some baseline information  
4 in order to work on it.

5 MR. PHILLIPS: Okay. But the price tag which is attached  
6 to doing the inventory, aren't they required to go out to public --  
7 to the public on that? That was my original question. It just  
8 seems to me that because all the other projects that have money  
9 attached to them have to out for public comment and everything,  
10 over a period of time, and -- just don't want to get in trouble on  
11 this thing.

12 MR. JONES: Mr. Chairman, we don't want to get you in  
13 trouble, and we don't want to get in trouble either, and, believe  
14 me, we are not making a procurement or a legal claim to that being  
15 appropriate or not appropriate. The fashion in which some state or  
16 federal agencies may find it acceptable to propose CRMA as their  
17 project, and take it to the Trustees, and we have ideas we,  
18 frankly, have not boiled them down to the point or found the -- the  
19 sponsor to present -- that that's the direction it will take under  
20 the ninety ....

21 MR. PHILLIPS: Lew.

22 MR. WILLIAMS: Yeah, I have a -- a -- an amendment to the  
23 motion. I would amend it to say we approve the concept and suggest  
24 they proceed after a proper public comment period and when funding  
25 is available.

26 MR. PHILLIPS: You heard the motion, is there a second?

1 MS. FISCHER: Second.

2 MR. PHILLIPS: It's been seconded, here. So, the

3 question is whether the amendment is to be adopted. Is there any

4 discussion on the amendment? If not ....

5 MR. ANDREWS: Can I hear the amendment one more time?

6 MR. PHILLIPS: Would you, Lew?

7 MR. WILLIAMS: Sure. Approve the concept and suggest

8 they proceed after a proper public comment period and when funding

9 is available.

10 DR. FRENCH: By the concept, you mean this resolution

11 that is in front of us?

12 MR. WILLIAMS: Yes.

13 MR. PHILLIPS: Yes --

14 MR. CLOUD: Well, I'm a little confused on that, and

15 under therefore number one it says the Exxon Valdez Oil Spill

16 Trustees PAG endorses the concept of Chugach Resource Management

17 Agency. Is that a private, for-profit corporation?

18 MR. JONES: If the documents have been executed, it's

19 a private, joint venture of the regional corporation and the

20 village corporations of the region.

21 MR. CLOUD: Which intend to operate for profit?

22 MR. JONES: They do.

23 MR. CLOUD: And what they've asked is that they

24 perform a service that the Trustees haven't yet asked a service to

25 be performed?

26 MR. JONES: Correct.

1           MR. CLOUD:       And we don't have it spelled out just what  
2   that service is, so, I mean, the concept of a corporation, here, I  
3   mean, that's what we're -- what we just amended is we approved a  
4   resolution that endorses the concept of a corporation, period. Do  
5   I read it -- ? I think what we're all banting around here is that  
6   we can't approve or endorse any one contractor. We've already said  
7   to the Trustees before -- work with the locals -- and they should.  
8   I mean, we've said that to ourselves. Now, the locals should even  
9   have the advantage. It's why -- how would anyone be able to  
10  compete with this outfit by bringing everything from Outside, and  
11  all the people and everything, if they've got it all right there.  
12  So, I really don't see how we can endorse this resolution. And I  
13  don't know how we can do it legally, and I don't know how we can do  
14  it ethically.

15           DR. FINK:       May I offer something?

16           MR. PHILLIPS:   Mr. Fink. Would you come over here and  
17  use this? We've got another mike here.

18           DR. FINK:       I think that the unique (indiscernible)  
19  here is the idea of devising an inventory and directing these  
20  resources efficiently to the appropriate places to use them  
21  efficiently in time and space and financially. Nobody else's  
22  proposal does that.

23           MR. CLOUD:       And the Trustees haven't asked for it.

24           MR. PHILLIPS:   John.

25           DR. FRENCH:      With every for-profit corporation I'm  
26  aware of, that's part of the initial development of a business



1 plan, and it's expected to be supported out of the venture capital  
2 that's required to start up the business and expected to be  
3 reimbursed from the profits of the venture. I -- other -- as I  
4 said, other than -- other than the resolution we passed last  
5 meeting, I'm uncomfortable with -- with endorsing a specific  
6 contractor, and I read this resolution to say that.

7 DR. FINK: I understand what you're saying about  
8 endorsing a specific contractor, but has anybody proposed the  
9 unique idea of getting organized and to proceed this way so far as  
10 getting into the field? No.

11 DR. FRENCH: I think it's a great idea, I just don't  
12 think it's a good use for oil spill money. I hope you can do it,  
13 I hope it works, and I hope you get lots of business, but ....

14 MR. PHILLIPS: Any further discussion? Actually, we are  
15 supposed to be addressing our comments to the amendment offered by  
16 Lew Williams, and that is the idea -- I've got my mine -- I'm sure  
17 -- if anybody doesn't, I'll have him read it again. The question  
18 is, should the amendment pass? If there is -- I would ask for  
19 unanimous consent, if there's no objection ....

20 DR. FRENCH: Objection.

21 MR. PHILLIPS: There is an objection. Then I would ask  
22 for -- a raise of hands of those who vote for the amendment --  
23 please raise your hands. (Three hands raised) -- Three? Those  
24 opposed? (Seven hands raised) Seven. Seven to three, the  
25 amendment fails -- sorry to say. That's editorial comment.

26 (Laughter and simultaneous talking)

1 MR. STURGEON: Abstention.  
2 MR. PHILLIPS: One abstention, okay. One abstention and  
3 -- I -- I assume that's up to the ....  
4 MR. CLOUD: Call for the question on ....  
5 MR. PHILLIPS: The question is ....  
6 MR. CLOUD: ... on the resolution.  
7 MR. PHILLIPS: The question is called for on the original  
8 motion to send the resolution to the -- remember what it was?  
9 UNIDENTIFIED VOICE: Yeah.  
10 MR. MUTTER: To send the resolution to the Trustee  
11 Council with PAG support, as I understand the ....  
12 DR. FRENCH: Is it with PAG support or without  
13 recommendation? Which do you intend?  
14 MR. MUTTER: If you read the resolution, it says that  
15 the PAG endorses the -- the PAG recommends ....  
16 MR. KNECHT: I guess -- I guess it would be (inaudible  
17 -- coughing) recommends....  
18 MR. MUTTER: Well, it states that.  
19 MR. McMULLEN: I thought, Mr. Chairman, I thought the  
20 support was for the concept.  
21 MS. FISCHER: It was ....  
22 MR. PHILLIPS: I think that's how it was worded ....  
23 MS. FISCHER: The only -- the clarification I understood  
24 was -- was what Mr. Williams added was after public comment, but I  
25 -- I believe the first recommendation was approve a con -- the  
26 concept, and then he amended it say after public ....

1 MR. PHILLIPS: But we didn't amend it.  
2 MS. FISCHER: ... public comments.  
3 MR. PHILLIPS: It failed ....  
4 MS. FISCHER: Yeah.  
5 MR. PHILLIPS: It failed there.  
6 MS. FISCHER: So, we're just voting on the ....  
7 MR. PHILLIPS: Yes, Doug.  
8 MR. MUTTER: So you're not going to forward the  
9 resolution forward, you're just going to approve the concept of  
10 this resolution?  
11 MR. PHILLIPS: I think the motion said to forward it, did  
12 it not?  
13 MR. MUTTER: Because this -- this piece of paper says  
14 the PAG endorses and says supports. So, I think you need to deal  
15 with whether you endorse ....  
16 MR. KNECHT: Forwarding it probably implies that -- it  
17 probably implies that we support it.  
18 MR. PHILLIPS: So you do.  
19 MR. KNECHT: Yeah.  
20 MR. CLOUD: Either you support it or you don't.  
21 MR. KNECHT: Yeah. Shall I just withdraw that motion.  
22 MR. PHILLIPS: The maker of the motion -- how about the  
23 second?  
24 MS. FISCHER: No. I think we should vote on it.  
25 MR. PHILLIPS: The second refuses to -- (inaudible --  
26 coughing) withdraw.

1 MR. WILLIAMS: Question. Call for the question.

2 MR. PHILLIPS: Okay. The question on this -- the

3 question was called for. Those in favor of the motion, signify by

4 -- with -- with raising your hand. Yes?

5 MR. ANDREWS: Clarification is the motion is just the

6 forward?

7 MS. BRODIE: No.

8 MR. PHILLIPS: No.

9 (Simultaneous talking)

10 MS. BRODIE: ... motion is the resolution endorses --

11 in favor of the resolution.

12 MR. PHILLIPS: Yeah, it says that we endorse the

13 resolution.

14 UNIDENTIFIED VOICE: I think it ....

15 MR. PHILLIPS: All those in favor of the motion, raise

16 your hands, please? (Hands raised) Those opposed? (Hands raised)

17 I guess you all heard?

18 MR. CLOUD: Two abstentions?

19 MR. PHILLIPS: ... what this is for. (Intermittent

20 pause) This is all against. (Intermittent pause) Abstentions?

21 (Hands raised -- intermittent pause) So, the motion fails.

22 MR. TOTEMOFF: Mr. Chairman?

23 MR. PHILLIPS: Yes, Chuck.

24 MR. TOTEMOFF: Does this mean that the PAG does -- does

25 not approve of the concept or is it -- it spoke not to approve the

26 resolution?

1 MR. PHILLIPS: Well, what they opposed it for was not to  
2 approve the motion -- is what they ....

3 MR. CLOUD: Which was the resolution.

4 MR. PHILLIPS: That's why I indicated at the very  
5 beginning it would have to be -- have the motion say what you want  
6 to say, and in this case the group turned down the motion. That  
7 doesn't mean you can't make another motion. Perhaps somebody  
8 should -- if you're going to, somebody ought to -- really -- put it  
9 in a form that we can support.

10 MR. MUTTER: And the motion was to forward this  
11 resolution to the Trustee Council.

12 UNIDENTIFIED VOICE: ... for them to accept it.

13 MR. PHILLIPS: Okay. We don't have anything in front of  
14 us right now.

15 DR. FRENCH: The CRMA could directly address the  
16 Trustee Council.

17 MR. PHILLIPS: I beg your pardon?

18 DR. FRENCH: The CRMA can directly address the Trustee  
19 Council. I mean, there's no limitation on your ability to make the  
20 Council aware of what your abil -- what the corporation's abilities  
21 are.

22 MR. MUTTER: Mr. Chairman.

23 MR. PHILLIPS: Yes.

24 MR. MUTTER: I need to read the record. Donna Fischer  
25 changed her vote. There was one yes, nine no votes, and two  
26 abstentions.

1 MR. PHILLIPS: Did you get that? Okay. There isn't  
2 anything before us now. I mean -- you don't want to make any other  
3 motions, then we'll go to the next item.

4 MR. STURGEON: Mr. Chairman.

5 MR. PHILLIPS: Yes.

6 MR. STURGEON: It's a shame to leave this because I think  
7 there was some consensus for the concept that maybe I could make a  
8 -- while I'm going to abstain, I'd like to make a motion -- can I  
9 make a motion?

10 MR. PHILLIPS: You can make any motion you want to, yes.

11 MR. STURGEON: Make a motion to -- to approve the concept  
12 of local Native corporations becoming involved in the oil spill  
13 contractual work, and possibly to go as far as saying that they  
14 have preference. I think the law allows that they have preference  
15 ....

16 UNIDENTIFIED VOICE: Wherever ....

17 (Simultaneous talking)

18 MR. CLOUD: John, I don't know if you that you already  
19 voted on that on the first meeting.

20 MR. STURGEON: Is that right?

21 (Laughter)

22 MR. PHILLIPS: We -- we did send a resolution to that  
23 effect, and I presented it on the 11th of December, and they did  
24 accept the resolution, so it has been presented to them. This is  
25 more specific -- meaning a specific group, an entity, corporation,  
26 where the other was a generic -- about the locals, Native groups,

1 and people who live in the area. That's the difference. So,  
2 again, if there's anybody who wants to make a motion, this is the  
3 time to do it, otherwise we have other things to go to.

4 Okay, what order should these be in. There's -- mine's is  
5 kind of cut off on the back.

6 MR. MUTTER: Mr. Chairman, we have thirty minutes to  
7 finish and then I have to leave for another appointment.

8 MR. PHILLIPS: Right. Are all of these the ones  
9 presented by the Kodiak group? or Prince William Sound group and  
10 Kodiak too.

11 DR. FRENCH: Two are Kodiak and the remaining three, I  
12 think, three are Prince William Sound.

13 MR. PHILLIPS: Tell me which ones are Kodiak, please.  
14 They have numbers up at the top of them here.

15 DR. FRENCH: The Kodiak ones are numbered 2 -- 298-17  
16 and -- that's been -- numbered 9206116310.

17 MR. PHILLIPS: 310.

18 DR. FRENCH: That one is also supported by an  
19 additional submission that -- that Doug circulated this morning.

20 MR. PHILLIPS: Okay. Then are five left from the Prince  
21 William Sound group? Five?

22 MR. McMULLEN: Three.

23 MR. PHILLIPS: Off the top of my head, five. You said  
24 the one that has an id number of 310 on the top of it, the one that  
25 says 298-17, is that correct?

26 DR. FRENCH: That's correct.

1 MR. PHILLIPS: Alright, then I have five left here unless  
2 this is a short straw of some kind. I have 29702 ....

3 MR. McMULLEN: I think you may have been given documents  
4 from two different sources. I'm positive ....

5 MR. PHILLIPS: They were all given to me by Dave, and  
6 ....

7 MR. McMULLEN: Would you like me to id them, Mr.  
8 Chairman?

9 MR. PHILLIPS: Yeah, would you? I've got so bloody many  
10 of them here, I ....

11 MR. KNECHT: Dave actually passed out the wrong  
12 cultural center project earlier on, so ....

13 (Simultaneous talking)

14 MR. PHILLIPS: Okay. Let's take up the two Kodiak --  
15 without objection. Which one do you want to start with, 310 or  
16 298-17? You tell me. Or do you want to take them together?

17 DR. FRENCH: The 310 has the supporting documentation  
18 that came around this morning. I'm not going to make a resolution  
19 referring to it. If somebody else wants to, that's -- that's ....

20 MR. PHILLIPS: Well, somebody has to present these, so,  
21 whoever?

22 DR. FRENCH: Well, unlike your Prince William Sound --  
23 your -- your Fort Richardson hatchery people, why, I'm going to  
24 abide by legal counsel that says that I'm not supposed to present  
25 them -- unless there's specific questions addressed to me, which  
26 means it has to get on the floor first.



1 MR. PHILLIPS: Okay. Do these involve the university?

2 DR. FRENCH: Yes. The 310 one does, yes.

3 MR. PHILLIPS: The attorney told us yesterday the  
4 presentation can be made. You have to stay out of the discussion  
5 and the vote. The presentation -- there's nothing wrong with that.  
6 Otherwise, I don't know how it gets presented.

7 DR. FRENCH: Okay ....

8 MS. BRODIE: I'll move it for the sake of being able to  
9 hear the presentation, if that's the appropriate.

10 MR. PHILLIPS: We need the presentation, and then we make  
11 the motion to adopt or not. So, we won't tell 'em. Why don't you  
12 -- 310?

13 DR. FRENCH: Okay. 310 is also supported by the  
14 document that says Near Island Fisheries Research Center, which it  
15 is entitled. It's also, parens, expansion of Fishery Industrial  
16 Technology Center, because that's the name listed in the Kodiak  
17 Island Borough submission, and because the fact that it was a  
18 Kodiak Island Borough submission also, with a dollar value of a  
19 million dollars, that's the dollar value on the bottom line, here,  
20 much of the work proposed in here in terms of -- of feasibility and  
21 planning studies could be done for much less money than that. But,  
22 in essence, what we're talking about is a multi-agency effort  
23 indicated by the cooperating agency, there, the -- the lead agency  
24 I suggested -- to build research capabilities to enhance the  
25 availability, the understanding, of the economic development of  
26 fisheries resources throughout the state but also throughout the

1 spill area. And, as I indicated previously, Fishery Industrial  
2 Technology Center, Department of Fish & Game, and National Marine  
3 Fisheries Service are all interested in developing aspects with  
4 respect to rehabilitation, enhancement, and the ability to  
5 effectively and selectively harvest fish from the Gulf of Alaska  
6 waters, which includes a great deal of the spill area. Part of the  
7 justification for this is that there was -- you know -- the salmon  
8 closures affected the salmon populations. We've already talked  
9 about several projects affecting overescapement and mortality of  
10 things, mortality of herring -- we're going to be talking about  
11 herring a little more later in the future. We've talked about  
12 several things affecting food chains -- control of the commercial  
13 fisheries is a very important aspect of much of the rehabilitation  
14 and enhancement, whether it was those species directly -- which  
15 some of those species appear to have been affected -- but whether  
16 it's improving the ability to moderate and -- those effects on  
17 other species. Also, the type of work that's proposed for this  
18 center would allow selective harvesting of the species that are not  
19 currently being utilized, for example, arrowtooth flounder. What  
20 specifically is being proposed for the dollar value available is on  
21 the third page under how master plans required for development  
22 of the center -- that has a -- would probably have somewhere  
23 between ten and twenty -- thousand dollars of price tag of -- I  
24 should mention also that it does on the front page -- that there's  
25 a -- \$100,000 in federal planning money for this effort also, so we  
26 are talking about the ability to basically capture the opportunity

1 to effectively utilize that pool of money in addition to any other  
2 money we can bring to the project. In addition to the master  
3 planning and conceptual design, which would look at the  
4 programmatic overlaps and would look at where the money could be  
5 spent effectively and minimize the actual cost of the facility.  
6 When you do effective programmatic planning, you can really  
7 minimize the space required. You can frequently minimize the  
8 mechanical. You can decrease costs of the overall facility, so  
9 it's money well spent. In addition, monies are being requested for  
10 preparing project instruction projects, which could be phased over  
11 a reasonable period of time and anticipated costs for each phase of  
12 that project, and if monies up to the amount requested were  
13 provided, detailed engineering parts of the project could be  
14 completed. The gravity-fed seawater system is core to all the  
15 enhancement and rehabilitation efforts that have -- were discussed  
16 with respect to the capabilities of the center, and therefore those  
17 seem to be the appropriate ones to do detailed engineering and  
18 permitting. They are also the ones that require the most  
19 permittings since they take up and discharge seawater. In the  
20 interests of time, I'll stop there, and if there's questions, I  
21 will respond to those specifically, otherwise I won't be saying  
22 anything more during the debate.

23 MR. PHILLIPS: What is the price tag on this, 310?

24 DR. FRENCH: Okay. The overall, multi-agency center is  
25 anticipated to have a price tag not in excess of \$20 million,  
26 probably significantly less than that, but maybe not, depending on

1 the programmatic planning. There is a federal authorization to  
2 spend up to \$1 million a year in lease money on the NOAA side, and  
3 the City of Kodiak is committed to bonding the facility. The -- so  
4 that the -- that would probably provide revenues for roughly three  
5 -- \$13 million -- it's somewhere between ten and thirteen, maybe  
6 \$14 million at the bottom -- (indiscernible) good. So, what we're  
7 looking at is an additional -- a need to identify additional monies  
8 for the project of somewhere between \$6 (million) and \$8 million.  
9 In an addi -- an initial planning phase ....

10 MR. PHILLIPS: That's with ....?

11 DR. FRENCH: ... it would have the advantage -- that's  
12 with 310 -- it would have the advantage that it would focus the  
13 need of the facility and focus the justifications for oil spill  
14 money, so that if -- if it appeared in the future consideration  
15 that only a fifth of the structure was relevant to oil spill-  
16 related activity, then only that dollar value could be ...

17 MR. PHILLIPS: What's the cost of 310?

18 DR. FRENCH: 310 itself is put forward \$1 million  
19 because it's put forward by Kodiak Island Borough, and that's what  
20 their resolution requests. Much of it could be accomplished for  
21 much less money than that.

22 MR. MUTTER: The 310 I have says 7.5 ....

23 DR. FRENCH: Okay, what I'm talking about is the  
24 abridged submission here. 310 itself if a \$7.5 million proposal.  
25 The first -- the bottom line on that in terms of planning is also,  
26 I believe, \$1 million. I guess my recommendation to

1 (indiscernible) the whole of 310, which I think is realistic at  
2 this stage, is to request, as the borough did, planning money for  
3 this project.

4 MR. PHILLIPS: In the amount of \$1 million?

5 DR. FRENCH: The borough requested \$1 million. As I  
6 said, from the university perspective, much of this could be  
7 accomplished at significantly less than that. If we use -- if we  
8 were able to match the federal dollars, why, we could probably do  
9 all except the fourth item in the list of -- of objectives under  
10 ....

11 MR. PHILLIPS: We've got to ask for an amount of money,  
12 so gotta have a ....

13 DR. FRENCH: I know, we need a resol -- a ....

14 MR. CLOUD: I make a motion that we adopt this project  
15 at a level with -- equal to the federal -- matching funds to the  
16 federal dollars -- and that's, what, \$100,000?

17 DR. FRENCH: \$100,000.

18 MR. CLOUD: At \$100,000.

19 MR. KNECHT: Second.

20 MR. PHILLIPS: Is there a second? Second over here. The  
21 question is do we adopt -- recommend item 310 go to the Trustees in  
22 the amount of \$100,000. Any discussion?

23 MR. PHILLIPS: Yes, Lew.

24 MR. WILLIAMS: I just have one question. In reading it,  
25 it says subject to approval by the Governor or the Alaska  
26 Legislature has appropriated \$100,000. What happened there?

1 DR. FRENCH: That's the original submission. I would  
2 like you to focus on the one that was focused on planning. I don't  
3 see it here. House Bill 411 had -- had planning monies in it; they  
4 were vetoed by the Governor.

5 MS. MCBURNEY: Will you be seeking any more funding  
6 through Cliff Davidson's bill or revisitation of House Bill 411?

7 DR. FRENCH: At this stage, why, yeah, we are. I  
8 haven't seen the resubmission. I'm not sure what Cliff has us in  
9 at. Realistically, why, my feeling is that \$200,000 to quarter  
10 million dollar level is about what can effectively be spent in the  
11 time frame we're talking about. Whether Cliff leaves it in or not,  
12 I can't speak for Cliff.

13 MR. KNECHT: I'd like to state for the record, in case  
14 there's any question, that the community in the Kodiak area  
15 strongly supports the tech center, its activities and its  
16 expansion. It's critical to support fishing and commercial  
17 fishing, and to -- well, we also make a living off the sea over  
18 there, so it's central to our lives there.

19 MR. PHILLIPS: Right, the question before us is to  
20 support the project with id number 310 in the amount of \$100,000 be  
21 forwarded -- our approval in that amount to the Trustees. Any more  
22 discussion? If not, raise the question -- those in favor raise  
23 your hands. Okay. Raise your hands. (Hands raised) Those  
24 opposed? (Hands raised) Four opposed. How many -- well, we have  
25 ....

26 DR. FRENCH: Mr. Chairman, please indicate that I'm not

1 voting because of potential conflict.

2 MR. PHILLIPS: That's right. Conflicts with the  
3 university. That give us a total?

4 MR. MUTTER: Did you vote against, Mr. Phillips?

5 MR. PHILLIPS: Yes.

6 MR. MUTTER: Seven votes for, four votes against, and  
7 one abstention.

8 MR. PHILLIPS: Did you get that? Okay. The question --  
9 the next one is 29817. Could you just thumbnail that one to us.

10 MR. KNECHT: If you'd just turn this crudely  
11 typewritten page in here, I think I can get you through very  
12 quickly. There's some new tech stuff that's not related to our  
13 projects, they were the facts -- just turn to this typewritten page  
14 here. Does everybody have that.

15 MS. BRODIE: I don't know which document they are, I'm  
16 sorry. Can you show us the front of it?

17 MR. PHILLIPS: The one I have, it says 298-17. Is that  
18 the right one?

19 MR. KNECHT: Right.

20 MR. PHILLIPS: Tell me the page you're looking at. I  
21 mean, the page that you want us to look at.

22 MR. KNECHT: This typewritten --

23 MR. PHILLIPS: Oh, okay. It's the last -- next to the  
24 last page in here.

25 MR. KNECHT: Right.

26 MR. PHILLIPS: Okay.

1 MR. KNECHT: I was gonna update the figures as  
2 requested by the Kodiak Borough. The first one in the first  
3 paragraph, under collection -- number of collections -- that's  
4 since grown by 120,000, so it's a 155,000 pieces. Under square  
5 footage for the building, that's now 3,000 square feet.

6 MR. PHILLIPS: Instead of 6,500?

7 MR. KNECHT: Right. That 6,500. Cross out where it  
8 says operations endowment. That's no longer in there. And under  
9 estimated cost, cross out FY 94, and for FY 93 requesting \$800,000.

10 MR. PHILLIPS: Instead of \$4 million?

11 MR. KNECHT: Instead of \$4 million, right.

12 MS. FISCHER: Okay, now.

13 MR. KNECHT: There's -- there's reason for that. It's  
14 not a crazy as it sounds.

15 MR. PHILLIPS: Eight hundred thou --

16 MR. KNECHT: \$800,000 total.

17 MR. PHILLIPS: What does that do?

18 MR. KNECHT: That will build us the facility -- 3,000  
19 square feet. We've got a quarter million dollars of our own in  
20 hand for other costs, administrative and so on. This is all  
21 bricks.

22 MS. BRODIE: I'm sorry, Richard, we weren't keeping up  
23 with you. We didn't find the page until you finished.

24 MR. PHILLIPS: Okay. Second to the last page.

25 MS. BRODIE: Yeah, we finally found it.

26 MR. KNECHT: Okay, it's ....



1 MS. BRODIE: Go through the changes ....

2 MR. KNECHT: To recap quickly, instead of 35,000 pieces  
3 on hand under collections, it's now 155,000, and it just grew some  
4 this summer. Building of -- instead of 6,500 square feet, 3,000  
5 square feet, and cross out operations endowment, that's no longer  
6 included. And the bottom line, cross out FY 94 altogether, and  
7 it's \$800,000 we're looking for for FY 93.

8 MR. PHILLIPS: Instead of four million?

9 MR. KNECHT: Right. And the justification remains the  
10 same on the second page. And I guess you heard the remarks I made  
11 yesterday, so I won't repeat all of that, so I'm here to answer  
12 questions about the project you might have.

13 MR. PHILLIPS: We've heard the presentation. I'll  
14 entertain a motion.

15 MR. ANDREWS: Move to adopt.

16 MR. PHILLIPS: Moved to adopt. Is there a second?

17 UNIDENTIFIED VOICE: Second.

18 MR. PHILLIPS: Okay. There's -- is there discussion?

19 MR. ANDREWS: Call for the question.

20 MR. PHILLIPS: The question's been called for. I would  
21 ask unanimous consent unless there is an objection. (Intermittent  
22 pause -- no audible response) In that case, it is so ordered.

23 Okay, next, we have three left to go. These are the ones  
24 presented by Prince William Sound, the -- which one do you want to  
25 start? Injury to Prince William Sound herring? Does everybody have  
26 that. It's the first typed in line on the cover sheet. It says

1 injury to Prince William Sound herring. Who wants to make a brief  
2 presentation, thumbnail type? Who wants to make the presentation?

3 MR. McMULLEN: I'll do -- Mr. Jerome Montague said he  
4 would -- he would do the herring, and I will take the lead on the  
5 two tag recovery programs.

6 MR. PHILLIPS: You want to talk now because we're on the  
7 herring. That's the one we're addressing. Let's all talk fast  
8 because you gotta leave?

9 (Simultaneous whispering)

10 MR. PHILLIPS: You've got a cover sheet here in your  
11 right hand. Why don't you go ahead.

12 DR. MONTAGUE: Am I on? Earlier today, I believe we  
13 passed around a letter from Commissioner Rosier to the Trustee  
14 Council and to save you all from having to read that, I'll just hit  
15 the key points of it. Let he's saying is that we realize that the  
16 Restoration Team decided to not do any herring projects int he '93  
17 work plan because the idea was to wait and see what the findings  
18 were from '92, have time to digest them, and then re-look at it  
19 again in 1994. And at the time that the -- that certainly seemed  
20 to be the prudent approach. But the findings that we had from '92  
21 that just came in and were analyzed in the past few days were that  
22 the fish eggs that were laid in 1989 returned for the first time in  
23 1992, and that spawn year in '89 was the largest on record in 20  
24 years, and the return of three-year olds was the lowest ever  
25 recorded, and while herring returns are extremely variable, that  
26 much of a mismatch is alarming, and secondarily the -- the 1988

1 fish that made up most of the spawning population in 1992 was the  
2 hatching success was 20 percent worse in the oiled areas than it  
3 was in unoiled areas. Based upon that, he anticipates that a more  
4 restrictive -- without defining that this trend is not continuing  
5 in 1993 or is continuing in 1993, the assumption will be that it is  
6 continuing, and as a result the '94 herring fishery will be --  
7 likely to be restricted. So, in short, what he's asked for is the  
8 project for \$240,000 which will continue to monitor whether the  
9 breeding success continues to remain with that much reduced in the  
10 oiled areas over unoiled areas, and to see that the 1989 fish came  
11 back as three-year olds -- the four-year old class is by far the  
12 bigger class, and to see that the '89 fish return as four-year olds  
13 in similarly reduced numbers as they did in 1992.

14 MR. PHILLIPS: Do we have a motion on this item?

15 MR. WILLIAMS: I move for the approval.

16 MR. McMULLEN: Second.

17 MR. PHILLIPS: Okay. It's moved by Lew, seconded by  
18 John. The question is shall -- shall we forward this on with an  
19 approval -- I assume that the motion should include, based on the  
20 very recent finding, that the -- that this should be pursued based  
21 on the -- the very latest findings, that this is important. Any  
22 discussion on it? (Intermittent pause -- no audible response). If  
23 there isn't any discussion, I would ask unanimous consent, and if  
24 there is no objection, it's so ordered.

25 Which one are we on next?

26 MR. McMULLEN: Mr. Chairman, we're on coded-wire tag

1 recovery project. One for pink salmon, and a second for a combined  
2 project of chum, sockeye and chinook salmon in Prince William  
3 Sound.

4 MR. PHILLIPS: Which one -- I'm trying to get a ...

5 MR. McMULLEN: The first one's pink salmon.

6 MR. PHILLIPS: I have two of the same one then. Mine  
7 both say brood stocks -- oh, pink salmon, okay. This is the one  
8 where you hit the fish in the head.

9 MR. McMULLEN: That's correct.

10 MS. FISCHER: Mr. Chairman.

11 MR. PHILLIPS: Yes.

12 MR. CLOUD: You don't this one around mirrors though.

13 (Laughter)

14 MR. PHILLIPS: Would you -- yes -- we haven't had a  
15 presentation yet though.

16 MS. FISCHER: I know, but can we combine both of these  
17 to -- in the ....

18 MR. PHILLIPS: Does it make sense ....

19 MS. FISCHER: ... in the interests of time. They both  
20 say pretty much to be the same thing, except they're different  
21 types of fish.

22 MR. McMULLEN: They do -- they do address different  
23 fisheries.

24 MS. FISCHER: They do?

25 MR. McMULLEN: Therefore, I'd like to keep them separate.

26 MR. PHILLIPS: Why don't proceed and give us the

1 thumbnail on this project because we are going to lose are  
2 important man with the checkbook.

3 MR. McMULLEN: With the hatchery program in Prince  
4 William Sound, which began back in 19(inaudible -- coughing)4,  
5 we've over time developed a -- a large pink salmon program there,  
6 a hatchery pink salmon program that supplemented the wild stock  
7 fishery in the Sound. This was in place and was developed at the  
8 time of the Exxon Valdez oil spill, and during this time it was --  
9 carefully monitored the health and well-being of the pink stocks,  
10 and -- so as not to disrupt, you know, the reproductive viability,  
11 you know, of hatchery fish in the area. The Exxon Valdez oil spill  
12 oiled many of the intertidal areas utilized by pink salmon for  
13 spawning, and therefore damaged their reproductive viability, and  
14 through that damage changed the interrelationship to the  
15 interactions between hatchery and wild stocks in the Sound. This  
16 whole procedure caused Department of Fish & Game to manage the  
17 fisheries much more closely to -- to recognize the need to -- to  
18 evaluate these interactions between wild and hatchery stock,  
19 including at this time when the hatchery -- the wild stocks -- you  
20 know -- had taken this hit. The aquaculture association presently  
21 tags about a million fish a year, what it puts out, and the  
22 Department of Fish & Game monitors these fish through tag recovery  
23 programs in the fishery as they return to the hatchery and also  
24 through stream walking in search for tagged fish which are  
25 indicated by clipped fins on these fish, determining if hatchery  
26 fish are wandering into streams or if wild stocks are -- are

1 wandering to clean streams, because they did not a couple of years  
2 of wild stock tagging. There is some behavior noted following the  
3 oil spill that there were hatchery fish in streams; there were wild  
4 stock mixed in streams, and we didn't know if this was a normal  
5 behavior on the part of the fish in this stream, or if it was  
6 caused maybe somehow by chemicals that were placed in water during  
7 the oil spill which caused these fish to home differently than they  
8 might otherwise would. We requested these evaluation studies  
9 remain in progress, and the Department of Fish & Game believes that  
10 at this time when -- when the wild stocks have descended to some  
11 lower level than they enjoyed during the '80s, quite a bit smaller  
12 as a matter of fact, that the fisheries will have to be greatly  
13 restricted if they're not able to ascertain, you know, this  
14 interrelationship between wild and hatchery pink salmon in the  
15 Sound. That is the basis of the seine fishery there, you know,  
16 seiners that fish there.

17 MR. PHILLIPS: John, that has to be the longest thumbnail  
18 sketch I've ever heard.

19 MR. McMULLEN: I know.

20 MR. PHILLIPS: What's the price on this?

21 MR. McMULLEN: The Department of Fish & Game set a price  
22 tag on this, a one-year price tag, \$773,000 for the recovery.

23 MR. PHILLIPS: Is it a one-year program?

24 MR. McMULLEN: No. It's going to be an ongoing program.  
25 I overspoke myself yester -- the other day when I said, well,  
26 probably in the long run the hatcheries would have to pick up the,

1 you know, the cost of doing this. Of course, we hope not to do --  
2 to do that, and don't plan on doing that at -- at this time, but  
3 the Department of Fish & Game does say this has to be an ongoing  
4 program. For the fishery, you know, there's a lot to stay in  
5 place, one that's been created over the last 15, 17 years.

6 MR. PHILLIPS: Do I hear a motion?

7 MR. ANDREWS: Move to adopt.

8 MS. FISCHER: Second.

9 MR. PHILLIPS: It's been moved and seconded. Any  
10 discussion?

11 MR. ANDREWS: I have a quick question.

12 MR. PHILLIPS: Yes.

13 MR. ANDREWS: John, have they worked out the technology  
14 enough so that they can wire-code newly emerging fry? -- pink  
15 salmon fry without ....

16 MR. McMULLEN: Yes.

17 MR. ANDREWS: ... do -- okay.

18 MR. McMULLEN: Yes. We use ....

19 MR. ANDREWS: ... because that's what I hear.

20 MR. McMULLEN: We use -- we use half wire -- wire tags on  
21 those. The regular coded-wire tag is a millimeter long, and -- and  
22 for young pinks and sockeye, we use a tag that's a half a  
23 millimeter long. They're all coded, you know, with notches in the  
24 tag.

25 MR. PHILLIPS: Yes, John.

26 DR. FRENCH: Were there any prior agreements as to who

1 would pay for recovery of the tags -- the tags.

2 MR. McMULLEN: Prior agreements? Between Fish & Game and  
3 us?

4 DR. FRENCH: Yes.

5 MR. McMULLEN: We tagged at Fish & Game's request. It's  
6 one -- one of the conditions of the program that -- that fish were  
7 are released in the Sound carry coded-wire tags so that they can be  
8 evaluated in that -- we probably have the -- the largest coded-wire  
9 tag and recovery program in the state.

10 MR. WILLIAMS: Question.

11 MR. PHILLIPS: The question's been called -- whether we  
12 approve this and recommend it to the Trustees. All those in favor,  
13 raise your hands. (Intermittent pause -- hands raised) One, two,  
14 three, four. Please raise your hand if you're for this -- for the  
15 motion. One ....

16 MR. McMULLEN: I'm going to raise my hand. I don't  
17 believe I have a conflict of interest on this.

18 MR. PHILLIPS: Do you have any money involved?

19 MR. McMULLEN: No.

20 MR. PHILLIPS: One, two, three, four, five, six, seven,  
21 eight. Those against? One, two, three. Three against. Any  
22 abstentions? (Intermittent pause) Okay, we have one more to go,  
23 ladies and gentlemen, if we just endure here. This is -- yes?

24 MR. MUTTER: Mr. Chairman.

25 MR. PHILLIPS: Yes.

26 MR. MUTTER: The vote for was eight; against, three.



1 MR. PHILLIPS: Eight to three.

2 MR. McMULLEN: Mr. Chairman, the second coded-wire retag  
3 -- recovery program is for chum salmon, sockeyes, coho and chinook,  
4 which -- all of which are released by the hatchery and which return  
5 to the hatchery and which this year will begin returning to Coghill  
6 Lake which has been -- which has been depleted, nearly depleted of  
7 sockeye in the past several years, and which we're working to  
8 reestablish that run up there. As I said the other day, the  
9 sockeye run to Coghill Lake is the driving stock in the management  
10 of the -- of the July salmon fishery at Prince William Sound. We  
11 have chum salmon coming back to Normberg (ph) hatchery at Esther  
12 Island at the same time that these Coghill sockeyes are coming back  
13 to both Coghill Lake and Main Bay hatchery, and the Department of  
14 Fish & Game has instituted new programs such test fishing to -- to  
15 intensively manage this entire fishery, and they've been very  
16 restrictive in this entire fishery in an effort to get these  
17 Coghill fish back to the fishery up into Port Wells (ph).

18 MR. PHILLIPS: You've talked about the sockeye and chum,  
19 what about the coho and the chinook, or aren't they part of this?

20 MR. McMULLEN: They're, yeah, the -- they -- they are  
21 part of the fishery too. They come in at different times. This is  
22 the most intensively managed fishery during -- during late June and  
23 July.

24 MR. PHILLIPS: What's -- what's the price tag?

25 MR. McMULLEN: \$249,000.

26 MR. PHILLIPS: Do I hear a motion?

1 MR. ANDREWS: Move to adopt.  
2 MS. FISCHER: Second.  
3 MR. PHILLIPS: Second -- any discussion?  
4 MR. WILLIAMS: Question.  
5 MR. PHILLIPS: Sound like a railroad train? Yes. Those  
6 -- I will ask for unanimous consent. There is an objection, so  
7 please let's raise our hands, those who are for it. (Hands raised)  
8 And those against? (Hand raised) Any abstentions? (Intermittent  
9 pause) Okay.  
10 UNIDENTIFIED VOICE: (Inaudible -- simultaneous talking)  
11 MR. PHILLIPS: Yes, it is. Anybody have a match, so I  
12 can burn this stuff? (Laughter). Do we have anything on this ...  
13 MR. MUTTER: The vote was ten for; one against.  
14 MR. PHILLIPS: Ten for; one against. Thank you. Have we  
15 left anything undone?  
16 (Simultaneous talking)  
17 MR. PHILLIPS: Pam.  
18 MS. BRODIE: What we left undone was Senator Eliason's  
19 suggestion, which was to give the message to the Trustees that we  
20 don't really necessarily mean what we've just done.  
21 (Laughter)  
22 MR. PHILLIPS: Well, no ....  
23 (Laughter)  
24 MR. PHILLIPS: I think what he said was, what intensity  
25 on each one that was behind what we did. As I was going through  
26 that, I simple -- but he left to get on a airplane.

1 (Simultaneous talking)

2 MR. PHILLIPS: That's right, so I had to leave it die.

3 MR. STURGEON: Could we just send it in and -- and maybe  
4 Doug could combine them.

5 MR. PHILLIPS: I would say he had a certain ....

6 MR. STURGEON: A, B, and C rating. A being the highest.

7 MR. PHILLIPS: I was thinking of three. One of them,  
8 approve. Number two, good project. Number three, oh-my-God -- or  
9 you've gotta do this and you're crazy. Something like that,  
10 instead of trying to pick out the top five. We'd be here for a  
11 month.

12 MR. STURGEON: Probably rate all the projects ourselves,  
13 either A, B or C, send them to Doug, Doug could combine them, and  
14 if 90 percent found that numbered project 9305 was ....

15 MR. PHILLIPS: "A" meaning what. You gotta define what  
16 A, B and C means.

17 MR. MUTTER: We do have a ranking of sorts. You're  
18 either for it or against it, and I've got a record of how everybody  
19 voted. It's either unanimous consent, eight to four, or whatever.  
20 That gives the Trustees an indication how many was for it.

21 MR. PHILLIPS: You also have the comments in some of  
22 these averages.

23 MR. MUTTER: ... we'll attach to the transcript all the  
24 comments. Now, if you want to go to additional work, but I feel a  
25 little awkward taking everybody's written votes and trying to make  
26 some sort of itemization out of it.

1 MR. CLOUD: Well, if we all disagree on grading  
2 system, "A" being the top and "C" being the bottom, or 1 being top  
3 -- you already did this -- so, 1 being the top and 3 being the ....

4 MR. ANDREWS: You didn't hear what Dick was saying. You  
5 only do this when the -- when the -- when the money is really  
6 limited. This is -- they're all funded.

7 MR. CLOUD: No.

8 MR. ANDREWS: You don't have to do this.

9 MR. CLOUD: No, he -- he wanted ....

10 MR. ANDREWS: I mean, do a yes C, yes B, or a yes A.

11 MR. CLOUD: Tell me what all that means.

12 MR. CLOUD: "A" being a high priority, "B" being a  
13 medium priority, and "C" being a low priority....

14 (Simultaneous talking, laughter, and extraneous noises)

15 MS. FISCHER: Motion to adjoin -- adjourn.

16 (Laughter)

17 MR. PHILLIPS: If there is no objection, we're adjourned  
18 until the -- February 10th at 9:30 a.m.

19 (Off record: 7:20 p.m.)

20 / / /

21 / / /

22 / / /

23 / / /

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CERTIFICATE

STATE OF ALASKA                    )  
  ) ss.  
THIRD JUDICIAL DISTRICT        )

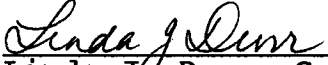
I, Linda J. Durr, a notary public in and for the State of Alaska and a Certified Professional Legal Secretary, do hereby certify:

That the foregoing pages numbered 03 through 505 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council Public Advisory Group meeting taken electronically by me on January 6 and 7, 1993, commencing at the hour of 9:30 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 me and Jolene Thornton to the best of our knowledge and ability from that electronic recording.

That I am not an employee, attorney or party interested in any way in the proceedings.

DATED at Anchorage, Alaska, this 18th day of January, 1993.

  
\_\_\_\_\_  
Linda J. Durr, Certified PLS  
Notary Public for Alaska  
My commission expires: 10/19/93