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PUBLIC ADVISORY GROUP
MEETING TRANSCRIPTS
MARCH 23-24, 1995
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EXXON VALDEZ OIL SPILL SETTLEMENT TRUSTEE COUNCIL

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

PUBLIC ADVISORY GROUP

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EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

VOLUME 1

March 23, 1995

PUBLIC ADVISORY GROUP MEMBERS in attendance:

DOUGLAS MUTTER
Designated Federal Officer

Department of the Interior

MR. CHRISTOPHER BECK
MR. KARL BECKER
MS. KIMBERLY BENTON
MS. PAMELA BRODIE
MR. DAVE COBB
MR. CHIP DENNERLEIN
MR. JAMES DIEHL
DR. JOHN FRENCH
MR. JAMES KING
MR. VERN McCORKLE
MS. BRENDA SCHWANTES
MS. THEA THOMAS
MR. CHARLES TOTEMOFF
MS. MARTHA VLASOFF
MR. GORDON ZERBETZ

Public-at-Large
Aquaculture
Forest Products
Environmental
Local Government
Conservation
Recreation Users
Science/Academic
Public-at-Large
Public-at-Large
Subsistence
Commercial Fishing
Native Landowners
Public-at-Large
Public-at-Large

TRUSTEES COUNCIL REPRESENTATIVES AND STAFF

MR. CRAIG TILLERY	Trustee Representative for BRUCE BOTELHO, Alaska Attorney General's Office, Department of Law
MS. MOLLY McCAMMON	Executive Director, EVOS Trustees Council
MS. TRACI CRAMER	Director of Administration, EVOS Trustees Council
MR. BOB LOEFFLER	Director of Planning, EVOS Trustees Council
DR. ROBERT SPIES	Chief Scientist, EVOS Trustees Council
MS. CHERI WOMAC	EVOS Trustees Council staff

OTHERS PARTICIPANTS:

MR. BILL WOOD	Presenter
MR. TOM LIVINGSTON	Livingston Slone Architects
MS. VERONICA GILBERT	Alaska Department of Natural Resources
MR. GLEN ELISON	U.S. Fish & Wildlife Service
DR. DAVE GIBBONS	U.S. Forest Service
MR. ALEX SWIDERSKI	Alaska Department of Law
MR. KIM SUNDBERG	Alaska Dept. of Fish & Game -- Project Coordinator, Alaska Sea Life Center
MR. HELMER OLSON	Chairman, Chugach Heritage Trustees; President, Valdez Native Tribe
MR. ROBERT HENRICHS	President, Native Village of Eyak Tribal Council
MR. KENNY BLATCHFORD	Chairman, Katousic Native Tribe
MR. JIM SINNETT	Project Planner, Chugach Heritage Foundation
DR. LORA JOHNSON	Archaeologist
MR. GARY KOMPKOFF	President, Tatitlek IRA Council

OTHERS IN ATTENDANCE

MS. MIRANDA BARRIER	
MS. MARIE LANG	
MS. PATTI BROWN	Director, Chugach Resource Commission
MR. DON KOMPKOFF	
MR. JOHN MOONIN	
MRS. DOROTHY MOONIN	
MS. VELMA KERSTOFFERSON	
MS. FIONA SODIN	
MR. RON TOTEMOFF	

P R O C E E D I N G S

(On Record 8:44 a.m.)

MR. MUTTER: Well, welcome to the first session of this group, of the Public Advisory Group for the Exxon Valdez Oil Spill Trustee Council. My name is Doug Mutter and I'm with the Department of the Interior, and I'm the designated federal officer for this -- federal advisory group, although your advising three federal agencies and three state agencies, not necessarily the Department of Interior. What I'd like to do is just do a roll call for attendance, and maybe we could go around. We have a lot of new people, maybe then we could just go around the room and everybody could introduce themselves, talk a little bit about them. But, let me go ahead and do the roll call. Rupert Andrews? (No response) Chris Beck?

MR. BECK: Here.

MR. MUTTER: Karl Becker?

MR. BECKER. Here.

MR. MUTTER: Kimberly Benton?

MS. BENTON: Here.

MR. MUTTER: Pamela Brodie?

MS. BRODIE: Here.

MR. MUTTER: Dave Cobb? (No response) Chip Dennerlein?

MR. DENNERLEIN: Here.

MR. MUTTER: Jim Diehl?

MR. DIEHL: Here.

1 MR. MUTTER: John French?
2 DR. FRENCH: Here.
3 MR. MUTTER: Jim King?
4 MR. KING: Here.
5 MR. MUTTER: Nancy Lethcoe? (No response) Vern
6 McCorkle?
7 MR. McCORKLE: Here.
8 MR. MUTTER: Brenda Schwantes?
9 MS. SCHWANTES: Here.
10 MR. MUTTER: Thea Thomas?
11 MS. THOMAS: Here.
12 MR. MUTTER: Chuck Totemoff?
13 MR. TOTEMOFF: Here.
14 MR. MUTTER: Martha Vlasoff? (No response) Gordon
15 Zerbetz?
16 MR. ZERBETZ: Here.
17 MR. MUTTER: Gordon, I bet you're always last, right?
18 (Laughter)
19 MR. ZERBETZ: Always in the clean up position.
20 MR. MUTTER: Always in the clean up position. Why
21 don't we just go around the room briefly and you can introduce
22 yourselves, and then we'll turn the meeting over to Executive
23 Director Molly McCammon. Chris?
24 MR. BECK: Okay.
25 MR. MUTTER: And, you'll need to speak into the
26 microphone here.

1 STAFF: And, if you'll attach to your tie before
2 you start speaking then I'll turn it on.

3 MR. BECK: Chris Beck is my name and I -- as the
4 first person in this list I have to decide what level of
5 introduction I should -- should go through. I am a land-use
6 planning consultant here in Anchorage, and have focused mostly on
7 tourism and recreation issues. I'm currently involved in a number
8 of projects, just finished a study of Hatcher Pass ski area
9 feasibility assessment; doing some work out in Southwest Alaska on
10 some tourism issues. My background is primarily in that same
11 field, I've been working in planning for about fifteen years. Grew
12 up in California, went to school in Colorado and came back. Came
13 up to Alaska in '79, spent seven years up here working for the
14 Department of Natural Resources, went back down to California, got
15 a couple of master degrees in Berkeley, work down there doing
16 consulting work with a private planning firm, came back up here and
17 started this small consulting business I'm now working on. And, I
18 think I'm technically public-at-large, I think my interests mostly
19 relate to recreation (indiscernible) and I guess constituency
20 groups that I might speak for probably tend towards that end of the
21 spectrum.

22 MR. BECKER: My name is Karl Becker. My name is Karl
23 Becker, I'm here representing the aquaculture interest on the PAG.
24 I've been a long time residence of Prince William Sound,
25 approximately sixteen years, and have been involved in various
26 activities there from commercial fishing to working at a warehouse.

1 Most recently I worked on the correction plan for the Prince
2 William Sound Aquaculture Corporation. I do herring research,
3 (indiscernible) in the spring with Department of Fish & Game. My
4 interests in this process stem mainly from my great love for the
5 Sound. I moved there in 1976, I believe it was, and decided this
6 was the place I wanted to spend the rest of my life. I've been a
7 commercial fisherman since that time, and glad to be on this body,
8 and think that we've got an important job to do.

9 MS. BENTON: My name is Kim Benton. I'm a private
10 public relations and communication consultant. I work mainly with
11 members of forest products industry. I've served as the forest
12 products industry alternate for the past two years in this
13 position.

14 MR. BRODIE: I'm Pam Brodie. I live in Anchorage. I
15 work for the Sierra Club as their forest habitat person, and I work
16 in conjunction with the Alaska Rain Forest campaign, which is a
17 coalition of seven environmental organizations. I'm here as the
18 environmental representative. I moved to Alaska on March 20, 1989,
19 four days before the Exxon Valdez hit the rocks, and it has
20 consumed my life ever since. I did serve on this group the
21 previous two years, and I'm happy to be back here again.

22 MR. DENNERLEIN: I'm Chip Dennerlein, and I represent
23 the conservation chair -- or conservation seat on the -- on the PAG
24 now, and I've -- I guess my association with Prince William Sound
25 began in the mid-70s, both in terms of my own recreation, and then
26 soon in terms of professional work, I was a special assistant in

1 the Department of Natural Resources under Governor Hammond, in
2 which I led the community involved in the program for the forest
3 land selection team. So, I conducted community meetings in all --
4 in many of the communities throughout Prince William Sound, and was
5 part of a four-person team that put together many of the state's
6 selections, which have become both land disposal for coastal
7 communities, municipal entitlements and -- and the marine parks
8 system. Over the years, I was State Park Director for Governor
9 Hammond, I served as an Executive Manager in Anchorage for two
10 terms with now-Governor Knowles and Mayor, and went -- left
11 government, went back into the private sector where I did most of
12 my work for the last six years with Native corporations, both in
13 south central and in western Alaska. A lot of (indiscernible) --
14 last year and a half or so, I have come back to parks, I'm now the
15 Alaska Regional Director for a group called National Parks and
16 Conservation Association, about 450,000 member organization, and we
17 do everything from concessions management to working out land
18 agreements, the business of the park system. So, if there's a
19 thread that runs through my experience, it is probably operations
20 and local and state government and the Native corporate side of the
21 table, largely in land management and land acquisition, from Eagle
22 River greenbelt acquisitions to state park acquisitions, and I
23 suppose that's my -- one of my keen interests here on the Council
24 will be the -- the acquisition and habitat programs.

25 MR. DIEHL: My name is Jim Diehl. I represent
26 recreational users. I'm on the Board of Directors for the Knik

1 Canoers and Kayakers, state park paddle club with 200 members.

2 DR. FRENCH: I'm John French. I'm a professor of
3 biochemistry at the University of Alaska, and also the director of
4 the Fisheries Industrial Technology Center, which is based in
5 Kodiak. During -- I've lived in Kodiak since 1985, and during the
6 oil spill I -- worked on a variety of activities with the Oil spill
7 Health Task Force, including serving on their toxicology panel,
8 which evaluated the effects of toxic -- potential toxicological
9 effects of the oil contamination of various seafood products. In
10 my professional capacity, why I just -- the best way to
11 characterize it is that I'm interesting in developing the wise
12 utilization of marine resources, particularly fisheries. That
13 includes the conservation of those resources and I do work fairly
14 closely with both the Kodiak marine conservation groups and also
15 the Kodiak members of the Prince William Sound RCAC. So, I'm the
16 science/academic representative, but I feel I have a fairly broad
17 base of interests in -- that basis of knowledge for the -- a good
18 part of -- of -- oil activities here with the -- the PAG. I did
19 serve as this science/academic representative for the first two
20 years of the PAG also.

21 MR. KING: I'm Jim King, and I live in Juneau. I
22 worked thirty-three years for the Fish and Wildlife Service at
23 Alaska, and retired from that in '83, and continued to work part
24 time. While I've worked -- as a private -- or nominated, I guess
25 for this committee by the Pacific Seabird Group, and in the last
26 session served in the conservation chair, and my interests have

1 been to conserve what's left, conservation of the money, and -- in
2 hopes that we could develop some sort of sustained yield on the
3 funding. Also, of course, in restoration of the resources, and the
4 science and the bird projects, developing something to help the
5 birds, which everybody agrees were seriously injured, but really
6 hasn't been much possible to do for them yet. I've been promoted
7 now to public-at-large, but I don't believe I've changed my spots
8 any. So, that will be more or less my theme I suspect in the
9 future. But, it's nice to be back with this group, and I look
10 forward to working with all of you.

11 MR. MUTTER: Is Nancy here, yet, today? (Aside - No)

12 MR. McCORKLE: My name is Vern McCorkle, I'm
13 returning to the Public Advisory Group for a second year. I'm
14 thrilled to be here and glad to welcome Jim to the public-at-large
15 sector, even though I see that his feathers are the same. We -- we
16 still do -- have a lot of things in common, they were
17 (indiscernible). My professional career, at least the most recent
18 one, has been in city management in many Alaska city and towns,
19 where I've had the occasion to work very closely with a number of
20 conservation and ecological groups in the interests of people who
21 are very concerned about Alaska's environment. It was important
22 that in the task of operating cities that you not wreck the reason
23 we've all come to Alaska, and try to do the best you can to make
24 sure that people have jobs that don't consume everything at once.
25 And, so that's been my -- my goal for the past several years. I'm
26 really thrilled to be back again to work with this group of people,

1 dedicated citizens. And the ones that are coming back for the
2 second time around, it's a thrill to see you all because there will
3 be some continuity. And all of the new faces, it's good to see you
4 too because you'll add fresh viewpoints of things for us, and I'm
5 very, very excited about being back at the harness again for
6 another term, because I do think we do have a lot of important work
7 to do, and we certainly are -- have the benefit of a good staff
8 working for us. I'd like to thank you for this wonderful book that
9 came. We're all -- tried to get through it and read it. I hope
10 that we all shall. So, it's good to see you, good morning, I'm
11 glad to be with you again.

12 MS. SCHWANTES: Good morning, my name is Brenda Schwantes
13 from Kodiak. I work at the Kodiak Area Native Association. It's
14 the local non-profit for the southwest Kodiak area and six villages
15 surrounding that island. I'm from Alaska, I was -- I'm born and
16 raised, lived all over the state, but my family comes from Kodiak,
17 from as far back as we can trace. So, I -- I love Alaska, and --
18 if I ever hear anyone saying anything negative about it, I get --
19 I get a little offended. My interest lies, I guess, in subsistence
20 -- I just found out this morning -- but I would probably say I'm a
21 public-at-large, but I -- I am interested in aquaculture and
22 economic development for the villages surrounding Kodiak -- and,
23 I'm excited to be a part of this group. I was able to -- to be
24 involved a few years ago during the oil spill with the health task
25 force, so I have a little bit of background information and --
26 throughout the years. That's about it. I work with tribal

1 governments, so I -- I feel like I have a pretty good connection
2 with the villages and with the leaders, and I feel like I know the
3 Kodiak area pretty well. Thank you.

4 MS. THOMAS: Hi, my name is -- is this on -- my name is
5 Thea Thomas. I'm here representing the commercial fishing
6 interests on the Public Advisory Group. I live in Cordova. I've
7 lived there since 1982, and have fished for salmon and herring in
8 the Sound since 1985, and since the failure of the herring runs
9 last spring I've also worked part time at the Prince William Sound
10 Science Center.

11 MR. TOTEMOFF: My name is Chuck Totemoff. I'm President-
12 CEO of Chenega Corporation from the village of Chenega Bay, which
13 was -- was heaviest impacted community in the spill area. My
14 interest is in seeing that we can do as much restoration as we can.
15 I have served as Native landowners representative for previous term
16 of the PAG.

17 MR. ZERBETZ: Mr. Mutter -- Gordon Zerbetz, public-at-
18 large, and in the clean-up position. I'm a life-long Alaskan, born
19 in Ketchikan, spent quite a bit of time in the Southeastern up
20 until 1970 when I located, or relocated up to the Anchorage area.
21 I have been in several positions in government. I was the Chairman
22 of the Public Utilities Commission for quite a few years; also, I
23 served as General Manager of Anchorage Telephone Utility and
24 Executive Manager of the Anchorage Utilities; also, have been an
25 executive with Alascom and a department head at Alascom. I'm also
26 a retired Coast Guard officer, and have been a soldier for a couple

1 of years too, and why am I here? I happen to like Alaska. I've
2 gotten used to it over a period of years and I've lived close to
3 the town along the coast of Alaska, and think I have a certain
4 amount of experience to bring to the organization.

5 MR. MUTTER: Okay, thank you very much. We've got an
6 interesting group and it should be an interesting two years. A
7 couple of administrative items. We've gotten, I believe, outside
8 here, and we've got some bagels up here. If you feel that gnawing
9 hunger in your stomach, well, help yourself. And those of you who
10 haven't hung around this room before, the restrooms are right back
11 here down the hall. And, let me ask, are there any additions to
12 the agenda or modifications? One thing I think we're going to put
13 off is the election of the temporary chair until after the
14 facilitative discussion session. Well, if there are no additions,
15 at this time I'd like to turn it over to the Executive Director,
16 Molly McCammon.

17 MS. McCAMMON: I'd like to welcome everyone here today.
18 It's really a pleasure to see the members of the Public Advisory
19 Group and the returning members, and as we were trying to count
20 yesterday how many new and old members there were, and it's about
21 eight new ones, eight old ones, and, Kim, we were trying to figure
22 if you were old or new. Kim served as an alternate last year, but
23 actually was here most of the time, so we consider her kind of old,
24 an alternate.

25 MS. BRODIE: Experienced.

26 MS. McCAMMON: Experienced. But, I really look forward

1 to working with all of you in the next two years. I think it's a
2 really good group of people here that has a lot of experience
3 statewide and within the spill area, and, we really look forward to
4 your contributions to the process. I was appointed Executive
5 Director in December of last year, upon the departure of Jim Ayers
6 to higher realms. Jim still keeps in frequent contact with the
7 process and is always very interested in everything the Council
8 does, so he hasn't lost his -- his interest in it by changing jobs.
9 For those of you who are new to the process and may not be quite
10 familiar with how this works, later in the afternoon, Craig Tillery
11 will be here and will be talking about how the settlement came
12 about and some of the history of how the Trustee Council got
13 organized. But, just to put -- give you a little perspective on
14 how the Public Advisory Group fits into the overall scheme of
15 things. The settlement is administered by six Trustees, three
16 state and three federal. The Trustees make all the funding
17 decisions. They have to do that on the basis of unanimity, which
18 means it takes six yes votes to do anything. It takes six votes to
19 adjourn, it takes six yes votes to start a meeting. I don't know
20 -- I'm not quite sure whose idea of a nightmare this was to require
21 this, but I think in hindsight it -- it actually has resulted in --
22 I think a real benefit to the process in requiring everyone to work
23 together. I think you could look at in a sense of it gives
24 everyone veto power, but also I think in order to get things done
25 and get -- moved forward, it requires everyone to sit down and work
26 together. In working together, the Council depends on a variety of

1 sources of information and input. The Council gets advice from the
2 Public Advisory Group, and under your charter, you are directed to
3 advise the Trustee Council on all decisions relating to injury
4 assessment, restoration activities, or other use of natural
5 resource damage recoveries, including planning, evaluation,
6 allocation of available funds. You are to advise on the planning,
7 evaluation and conduct of injury assessments; planning, evaluation
8 and conduct of restoration activities and all of the coordination
9 of the above. And, that sounds fairly daunting. And, a little bit
10 -- in a few minutes we'll have a -- a more lengthy discussion on
11 that role. The Council values the views of the PAG and -- per --
12 this is described in your guidelines, based on the individual and
13 collective experiences of PAG members as an informed source of
14 advice, and that PAG reports to the Trustee Council through the
15 chairperson or some designated person to report on the results of
16 the PAG meetings. So, the PAG is an important source of input to
17 the Trustee Council on what the public is thinking about things,
18 what the various constituency groups and interests groups think
19 about things. The PAG, however, is not the only source of public
20 input. The Council also relies on individual comments, we have an
21 extensive public involvement process. Everything the Council does
22 is done in public and is based on public comment. We receive a
23 tremendous amount of correspondence that goes to the individual
24 Trustees. They have public comment sessions during their public
25 meetings. So, there's also that source of public input in addition
26 to the Public Advisory Group. The Council also relies on staff for

1 advice. For scientific advice, the Council has an independent
2 Chief Scientist on contract, Dr. Robert Spies, who will be speaking
3 a little bit later in the morning on the role of the scientific
4 review in determining restoration activities. His goal -- the
5 purpose of the Chief Scientist is to provide unbiased scientific
6 input to the Council. The Council also relies on their attorneys
7 for legal advice on Council proposals and actions, and this is
8 probably where all the grey hair enters into. The settlement, and
9 Craig Tillery will describe this a little bit more, but the -- the
10 settlement was based on a settlement of damages claimed on the
11 basis of violations of certain federal and state laws, and so the
12 terms of the settlement are actually fairly narrow. Although when
13 you actually look at interpreting the settlement, there's usually
14 an area over here that you know is definite legal and an area over
15 here that's definitely not legal, and there's kind of this gray
16 squishy area in between and that's where everybody kind of argues
17 and has a lot of disagreement over. It's also very challenging in
18 the fact that on the state side, the state is represented by
19 basically one attorney, the State Attorney General, and they fairly
20 well speak with one voice. On the federal side, it's much more
21 complicated because each of the three federal agencies have their
22 own attorneys and then they are also represented by the Department
23 of Justice. So, in essence we have four attorneys on the federal
24 side and one on the state side, so a total of five attorneys are
25 playing on this. But, the main -- the main goal of the attorneys
26 is to make sure that the Council funds are being expended in a

1 proper fashion. And, as I said, the -- the big discussion has
2 always been on that kind of gray squishy, whether it's legal or
3 not, and as such, its various interpretations, and will continue to
4 be so. But, I think as we kind of go through this process, that
5 gray area is actually getting narrower and narrower as a lot of
6 these things get more and more defined. In addition to the
7 scientists and the attorneys, the Council also relies on the
8 Trustee Council staff. When the Council was first established in
9 '92, they established it on a basis of various committees to make
10 decisions -- to provide advice and make decisions from the agency
11 perspective, and each of those committees had one representative
12 from each of the six trustee agencies, and it was pretty much layer
13 upon layer of committees and work groups doing a lot of the work.
14 What they found over time was that that model was not working for
15 the Council, and they made a major change in direction about a year
16 and a half ago, and hired an Executive Director and gave the
17 Executive Director the charge to go forth and organize and
18 streamline and make the process more efficient and more accountable
19 to the public and to the Council. As a result of that, a lot of
20 the -- kind of those work groups were ungrouped, and, of course,
21 staff was established here, primarily in Anchorage, and that
22 support staff is the Executive Director, which is myself, the
23 Director of Operations, who is Eric Myers, sitting back -- in the
24 back of the room. We have a Director of Administration, Tracy
25 Kramer, who is arriving from Juneau this morning, and I'll
26 introduce her later. Sandra Shubert was the Project Coordinator,

1 and who oversees and tracks all the various projects. The support
2 staff, which includes Cherie Womac (ph), which I'm sure a lot of
3 you have had contact with already, and who is responsible, along
4 with Rebecca Williams, for putting this whole thing together, and
5 a number of other staff members that I'll introduce later. They
6 have a support staff of about twelve to fifteen people that provide
7 the basic support to the Council. We also rely tremendously on
8 what we call the Restoration Work Force, and these are the agency
9 staff that work directly for their Trustees. Joe Sullivan, back
10 there with Alaska Department of Fish & Game, is one of the work
11 force members. He provides the contact between us in this office
12 and the Department of Fish & Game, and they are a very important
13 link in this whole system because in order to get six votes you
14 have to have each of the Trustees comfortable with what everyone is
15 doing. So, those are kind of -- the kinds of advice that the
16 Council listens to when they make decisions. The Public Advisory
17 Group is a very -- plays a very important role, and I don't want to
18 diminish it by saying it's just one of the roles, or one of the
19 sources of advice, but it is a very important advice -- source of
20 advice in that the Council looks quite seriously to recommendations
21 from the Public Advisory Group. So, the PAG is assisted in its
22 work by the Designated Federal Officer, who is Doug Mutter. Under
23 the Federal Advisory Committee Act, Doug provides the following
24 duties: He calls the meeting, he notices them in the Federal
25 Register, he sets the agenda, he takes roll call, he keeps track of
26 all the votes, he chairs the meeting, if necessary, and he provides

1 a lot of those kind of functions.

2 MR. MUTTER: Fetch coffee. (Laughter)

3 MS. McCAMMON: Fetch coffee. The Public Advisory Group
4 has no assigned staff per se, but all of the Trustee Council staff
5 here, basically, work to support your efforts also. So, in -- in
6 a sense, the Council staff are also your staff, and we have
7 provided a lot of support in the past in various work groups, and
8 helping to develop resolutions and recommendations and things like
9 that. And, then you're also assisted in your work by the interest
10 groups and the public that you represent. According to the
11 Charter, members are appointed to represent designated interests,
12 and I think we'll get into a little bit more of that discussion and
13 -- and how to be an effective PAG, as to what that all entails.
14 But, I think this may give you a little bit of a better idea of how
15 the process works and where you fit into the overall scheme of
16 things and I'd be happy to answer any questions if anyone has any
17 at this time. Chip.

18 MR. DENNERLEIN: Will the facilitative discussion,
19 Molly, talk about the form or the forum in which we make our
20 recommendations. I mean ...

21 MS. McCAMMON: Yes.

22 MR. DENNERLEIN: ... that efficacy, I mean, you know,
23 vote, report, whisper in the ear, whatever it is, how we function
24 best.

25 MS. McCAMMON: Yes, absolutely. Well, to get into that,
26 I would actually -- I would like to introduce at this time Bill

1 Wood who is the facilitator for the next part of the agenda, which
2 is to discuss how to be an effective advisory group and group
3 member. Bill is long-time Alaskan and came to the state working
4 for Sheldon Jackson College. For the last several years he has
5 been using his skills as an educator in communication --
6 communication expert to assist organizations in being effective.
7 He was recommended to us highly by people who know his work and
8 have used him in his capacity, and with that I'd like to turn it
9 over to Bill.

10 MR. WOOD: Thank you, Molly. Morning, everyone.
11 First off, as you know, from all of the stuff around, there are a
12 couple people very important to work that we do this morning, and
13 so they may say, Bill, we need to have you hook up to all of this
14 technology. So, I may get started and have to kind of backtrack
15 for a second and you just let me know if we need to do that. How
16 many of you have attended any kind of a workshop or seminar in the
17 last six months or a year? Anyone? For those of you who have, how
18 many of you found it to be successful, that you walked away with
19 something that was positive or helpful for you? Any of you that --
20 what was some of the reasons that you walked away with some success
21 or something in your pocket to take home? Anyone?

22 MR. McCORKLE: Well, it was that the presenter knew what
23 he was talking about.

24 MR. WOOD: Some expertise in ...

25 MR. McCORKLE: Sometimes that doesn't happen at
26 workshops. (Laughter)

1 MR. WOOD: Yeah, exactly. Yes.

2 MR. BRODIE: I often find that the most useful time is

3 the break time, with a chance to talk to -- meet and talk to other

4 people, informally.

5 MR. WOOD: Yes, that ...

6 MS. BRODIE: In fact, one of the problems often with

7 conferences I go to is that the formal speakers run on too long,

8 and the break times are shortened, and those are really what people

9 care about the most.

10 MR. WOOD: Other positive experiences that you've had

11 with facilitators working on seminars? Is it made it successful?

12 Chip.

13 MR. DENNERLEIN: I've been to a few where we had some

14 time to visit people's assumptions, not just their conclusions that

15 they had, and so out of it people learn how other people thought,

16 and how people think, and how -- you know, how things were

17 accomplished, and I think time and size of the groups were both

18 important in that process.

19 MR. WOOD: Good, thank you. Anyone else? Last

20 comment? Yes.

21 MS. THOMAS: Some opportunity for open discussion and

22 exchange of ideas.

23 MR. WOOD: Good. And, yes, Pam.

24 MS. BRODIE: If the group is expected to come up with

25 a work product or conclusion, I think it's really important that

26 what that is is clear at the beginning, I mean what -- what problem

1 they are trying to solve is clear at the beginning, because very
2 often, most of the time will be taken up trying to figure that out.
3 This is something that is not successful.

4 MR. WOOD: Very good. There's another piece that I
5 believe is critical in the success of any type of a workshop or
6 seminar, and half of that your already, I think, know about, and
7 that is a commitment for people to be there. The other piece is
8 the commitment of the facilitator or the leader to do the best that
9 they can. And, to recognize this is not that leader's workshop, or
10 the facilitator's workshop, it's your's. And so, my commitment to
11 you for the next hour and a half or two hours is to do the best
12 that I can for all twenty-four or twenty-five of you, as well as
13 for all of you as a group. So, in essence my commitment is to do
14 the best I can to run twenty-six workshops, one for each of you and
15 one for all of you. And, what gives me the right to stand up here
16 and make that kind of commitment, or that kind of an assumption.
17 Well, you know an awful lot about each of you, let me tell you a
18 little bit about myself, just real quickly. In fact, most everyone
19 of you in the room represents some area of experience or expertise
20 that I have also. I've been in Alaska for twenty-five years,
21 almost all my life. I started out working in Southeast Alaska in
22 the field of education and traveled extensively throughout all of
23 Southeast Alaska, I think I hit every single one of the towns and
24 villages. I decided that -- about twenty years ago, I decided that
25 I was very frustrated by the way the education system was working
26 in the State of Alaska, because I had to work with the --

1 especially in secondary schools, high schools, and so on these
2 broad shoulders I took on the responsibility of changing the entire
3 education system in the state. How many of you think I was
4 successful at doing that? (Laughter)

5 MR. McCORKLE: I'm sure you were.

6 MR. WOOD: I tried. What I realize that I was --
7 what I call now off-purpose. What I was trying to do was not
8 really what I was meant to do, and I was really not really capable
9 of making the kinds of changes that were needed. And, so being
10 continually frustrated and frustrated, I decided to go back to
11 school and become a consultant to the education system in the
12 state, figuring maybe if I couldn't change it from the inside,
13 maybe I could change it from the outside. So, I went back to
14 (indiscernible) college and got an undergraduate degree in
15 education administration, came back and became even more frustrated
16 because not only had I worked inside, but now I could see from the
17 outside that I was again really off-purpose. I took a major step
18 forward and headed off in a different direction. Since then, I've
19 been doing an awful lot of consulting work with a variety of
20 organizations, Native corporations, profit, non-profit
21 organizations, and a Native corporation's health care
22 organizations, worked with KANA (ph) and a few others. I have over
23 the past four or five years worked extensively with organizations
24 in Prince William Sound. Prince William Sound Aquaculture was a
25 client of mine, the Science Center was a client of mine, the SEA of
26 Cordova. I've worked extensively with the City of Valdez and a

1 number of public interest groups in the Sound, including non-profit
2 organizations. I worked for about six or eight years doing
3 extensive consulting with the State of Alaska, almost every agency
4 has used me in some way, and all of that sort of takes me to where
5 I am today, which is doing less and less consulting and more and
6 more facilitating of the work of groups, because I realize, as I
7 said earlier, it's not about me and my expertise, it's about what
8 the groups or organizations have as expertise, and helping them
9 facilitate, meaning to make easier the work of organizations. So,
10 I own my own business and have been working with a variety of
11 organizations in my own business for about twelve years. When --
12 when this organization called me and said, Bill, we have a project
13 we'd like you to consider, and we really need you to do this next
14 week. I took a deep breath and said, well, let's see if this is
15 meant to be, as my schedule is, as all of yours is, very busy. And
16 so, I looked at my schedule and the day I was to come in and meet
17 with the staff there was nothing scheduled. It was going to be an
18 office day, and I thought well, maybe this is meant to be. And I
19 said when is the workshop planned for, and they gave me the date
20 and I opened the next page and it was empty. So, I believe that
21 we're all meant to be here today for one reason or another and I'm
22 happy to be here. In the blue folders in front of you, you'll find
23 the ten or twelve pages which we will be using this morning, and I
24 will guarantee you I'm not going to stand here and lecture you on
25 how to be effective group members, or how to be effective
26 communicators because all of you are here because of that

1 expertise, for one reason or another. So, my role is to facilitate
2 or to make easier the discussions about things around how to make
3 groups effective. This is not assuming that you are ineffective,
4 it's assuming that you have a certain level of effectiveness. How
5 what they at staff and organization have asked me to do is to help
6 bolster that, to make you more effective as working individuals
7 because some of you don't know each other, and some of you know
8 each other pretty well, because you've worked together before, or
9 you know me because you've worked with me before and want to pass
10 me a note. So, the idea of this morning for, again, the next hour
11 and a half or so, is to just have -- is to have some dialog about
12 the issues around effectiveness. Every organization that's
13 effective or every group of people that's effective, have two
14 components. Those components are context, or the form or structure
15 that you work within, and content, which is what the actual group
16 does. And, as a few of you know who have worked with me before, I
17 try to keep things very simple. It may be age or being a
18 grandfather, or something, but I don't -- I try not to get very
19 convoluted, and so the picture that I'll draw for you is what we
20 call the Bill Wood Fruit Bowl theory of -- of group effectiveness.
21 So, in a fruit bowl, if it's sitting in front of you, what are the
22 two components? The bowl and the fruit. Well, I'm not meaning
23 this derogatorily, but I'm going to help you set the context or the
24 -- kind of what the fruit bowl looks like. And, all of you kind of
25 are the rest of it. Various types of shapes and sizes, and
26 different types of taste and flavors and all of those things.

1 You're sort of the fruit in the bowl, I'm sorry to say. So,
2 there's -- well that fruit can get along, you can make a nice salad
3 and have some really fun, or you can isolate yourselves and kind of
4 get into sort of fruit that is in a structure that is maybe like a
5 honeycomb where it's all individual and you have your own way of
6 doing things, or you can have a fruit bowl that says we don't want
7 the bowl, we just want to kind of lay around on the table and do
8 things informally. What I'm going to suggest is maybe a kind of
9 mix between the two. Enough structure to help you get your job
10 done, but not so much that it restricts you or restricts your
11 individuality, or the opportunity that you have to share with each
12 other and have some dialog. So, that's sort of the picture. We're
13 going to be talking about -- fruit bowl stuff this morning.
14 Anybody allergic to fruit? Now, one other piece that I'll set for
15 you, which is again this context, is that within groups, I believe
16 that there are six major components to effectiveness. This is on
17 page one or two, first page, yes. One is I think that groups -- my
18 experience tells me that if groups aren't sure of why they're
19 there, why they exist, or they don't understand how to work with
20 each other, that's purpose and rolls, but they tend to be
21 ineffective. A lot of companies pay me a lot of money to help them
22 come in and define their reason for being and how they carry out
23 their rolls, what their rolls are and how they carry them out. The
24 other reason that organizations have me come in is because you hear
25 from staff, we have the responsibility, but not the authority to
26 carry out our jobs. How many of you ever heard something like that

1 from groups or individuals. Yeah, so what I try to do in these two
2 pieces is to help people understand their reason for being, which
3 is what purpose is defined as, as well as what authority and
4 responsibility they have to do their job. If these two are done,
5 you begin to create an extremely effective organization. If people
6 are clear about why they're there, they're committed to being
7 there, and they understand what authority and responsibility they
8 have. The bowl part is the structure of the group. How people
9 work generally is either individually or in meetings. How many of
10 you have a wealth of wonderful meetings that you love to attend and
11 that you go to every single day and you want to get up in the
12 morning, and your purpose is to attend meetings. No, well, we'll
13 talk a little bit about meetings too. In fact, we're going to
14 spend a little bit more time on this than the other components
15 because most of this stuff you already have. Those of you who are
16 new to this group will come to understand that by the time we're
17 finished this morning. And, the last two pieces are not damn
18 conflict management, but decision-making in conflict management.
19 The other piece I that I get called into do quite a bit, and my
20 associate does also, is helping people understand how to make --
21 make decisions in groups, and how to resolve conflict that occurs
22 because of this decision-making process. Chip, I think it was you
23 that alluded to a little earlier about this, you know, making sure
24 that this decision-making stuff is done fairly cleanly and easily
25 and that you understand how to do that, and I hope to give you some
26 ques and some ideas about how to do that, and solicit those from

1 you folks, and the last is to support each other. How many of you
2 get up in the morning and -- well, maybe I shouldn't ask this
3 publicly, this -- maybe answer this internally. How many of you
4 get up in the morning and go to a job that you don't like because
5 you don't feel like you're supported or cared about, or that your
6 job is worthwhile. You're probably off purpose or in transition if
7 that's happening. So, one of the things we'll also talk about is
8 how can you support each other and enjoy working with each other.
9 Have a -- you know, like each other and get along in the meetings.
10 So, those are the six components of effective groups. Now, let me
11 just ask, why don't we start the facilitation piece of this. So,
12 what we'll talk about this morning is going to be within this
13 context. Okay? Any questions about this or comments, or any other
14 experiences you've had that you would like to comment on the
15 components of effective groups? It is my turn to sort of stop
16 talking and hear what you folks have to say. Does this make sense?
17 Any comments? Yeah, John.

18 DR. FRENCH: I'd just like to add a couple of points
19 with respect to the last two year's experienced. In my mind a lot
20 of the problems we had related to the failure to really effectively
21 accomplish point one there, defining, not so much the purpose of
22 the PAG, but I think we generally had some broad conceptual views
23 of that, but in terms of our role with respect to the Trustee
24 Council. We had -- we went through endless discussions as to -- to
25 how -- if we could best accomplish what we felt we -- the feedback
26 we were getting from the Trustees was very, very nebulous and in

1 some cases contradictory. Perhaps the person that read the minutes
2 of our meetings most effectively and most thoroughly was Charlie
3 Cole. On the other hand, he would also come back and say, the PAG
4 is not doing it's job, but -- and so would some of the other
5 Trustees on occasion, and much as we tried, we had a hard time
6 getting feedback from the Trustees as to exactly what our role
7 should be. Now, I don't know that that's going to change, but I
8 think that we do need to work early on in this process to try to
9 define our role a little more tightly, and hopefully get feedback
10 from the Trustees to do so.

11 MR. WOOD: Okay, thank you. Could I get one of the
12 staff to help with the piece up here. One of the things I also
13 find effective in doing this kind of work -- maybe you could help
14 us with this, thanks -- if you could put the parking lot on the top
15 -- what do you do in a parking lot? You let your car rest for
16 awhile, and eventually you go back and get it. So, the idea of a
17 parking lot is when an issue comes up within the group that we're
18 not going to spend a detailed amount of time on this morning, but
19 you will need to address at some point, let's put it on the parking
20 lot, and at the end of the morning when I'm finished, this will
21 give you a list of to-dos, as a group, either in a -- in a working
22 group, off line, maybe sometime today or tomorrow, in between
23 meetings, these are things that are of issues or concerns for you
24 so, what I heard John say was need to reaffirm or clearly define
25 purpose and roles, does that sound about right, John?

26 DR. FRENCH: That's a good quick summary, yeah, get on

1 board.

2 MR. WOOD: Okay, any other comments or questions
3 about the effective group criteria? Yeah, Kim.

4 MS. BENTON: I think one of the important things, under
5 support each other is we're all here because we represent different
6 principal interests, and a lot of times they are conflicting in
7 terms of a strong need and a strong way to show support for each
8 other is to respect those differences, and I think we've done a
9 good job of that over the past years, but we need to carry that
10 forward. We're not always going to agree.

11 MR. WOOD: And that's part of, you know, when you
12 avoid conflict, when you avoid kind of this head butting in a
13 constructive way, it's not hurting each other, but head butting in
14 a constructive way. You end up -- when you avoid that, you end up
15 losing respect for each other because you feel like you can't voice
16 your opinions and it somehow subvert or stifles who you are and
17 what you represent, especially with the degree of commitment there
18 is to make the changes that this group is responsible for, make the
19 decisions and recommendations to the Council, and have the Council
20 make those changes. Anything else at this point? Okay. This is
21 where I get to facilitate, if you turn your page over to page
22 three, I'd like -- as I've said, I try to make things as simple and
23 concise as possible because I believe in this adage. Clarity leads
24 to what? Clarity leads to power. This is not power over, but
25 power in support of. The more and the more and the more clear you
26 can be as individuals as to how you want to work together as a

1 group, the more powerful you will be in representing your special
2 interests and in advising the Council on decisions that they need
3 to make. So, the idea today is to try to reach as much clarity as
4 we can. So, on page three, what I did was took all the great stuff
5 that staff gave me, your charter, all of the background
6 information, some of your newsletters. Some of the materials that
7 are in your book, and I spent about three or four hours summarizing
8 those, and so, this is Bill Wood's opinion of what I think you're
9 all about. This one page. So, let's go through and talk about the
10 purpose and roles piece, because, John, this is important to find
11 the purpose and roles. So, this is kind of my outline, out of the
12 legislation, out of the lawsuit, and out of the summary, is that
13 you're a working group who advises the Council regarding decisions.
14 Does that make sense to everyone? Those of you who have been on
15 Council for -- or on the Advisory Group for a while, is this what
16 you do?

17 MR. MCCORKLE: That's what we tried to do.

18 MR. WOOD: Good, tell me more about that Vern.

19 MR. MCCORKLE: Well, I am pleased to know that what Pam
20 and John said, and maybe to underscore that just a bit with respect
21 to -- to purposes, that we really got to a place where our group
22 was rolling and appreciating each other points of view well but
23 could find ways to do things, about the end of the first term. It
24 took us -- for a year we really didn't know what we were supposed
25 to do and no one told us, nobody. I'm not sure that was
26 intentioned, but it was just an oversight. So, we hammered and

1 crashed away, and after about five or six or seven meetings, we
2 finally began to get a view as to where we wanted to go, and what
3 we thought we could do, and so that's why I was encouraged to see
4 on your list today, although it doesn't really specifically talk
5 about process, but it does say purpose and roles, and we really are
6 into that, and I think we sort of reached a consensus toward the
7 end of our first couple years what that was, and whether or not it
8 really is to in fact advise the Trustees, I'm not sure we really
9 got quite there yet, but I think we want to. I think we now --
10 we've watched a number of months come and go, and programs come and
11 go, and millions of dollars come and go, and I'm thrilled to see as
12 many people back the second time around as we have, and then the
13 new ideas, and particularly have to, I think, salute some --
14 Executive Director, whoever's decision it was to bring you and do
15 this part of the program, because I really think it will be very
16 helpful in making sure that we get a direction and find a way to do
17 something meaningful this term. We just about started doing that
18 last year, and I think that we really can now. I don't know if
19 that helps your comment any, or helps your explaining it.

20 MR. WOOD: Did it help the rest of the group? Nods,
21 good. Any other comments from either those that are returning or
22 new people, people that are new to this group, about the -- the
23 kind of the assumption that you're a working group, you advise the
24 Trustees about various decisions that they need to make. Any
25 thoughts or comments about that please?

26 MS. McCAMMON: Bill?

1 MR. WOOD: Yes.

2 MS. McCAMMON: You know, I'd just like to make one
3 comment that I think people tend to forget that there has never
4 been an organization like the Trustee Council in existence before.
5 You all are cutting edge. There is no manual that you came with or
6 that the Trustees came with that said here's what you are supposed
7 to do and here's how you do it. You basically are creating the
8 process, the role model that if there are any other environmental
9 disasters, and hopefully there won't be in the future, that folks
10 will be looking to. So, I think you have to keep it in that
11 perspective that you actually are defining the process for any
12 kinds of future events like this.

13 MR. WOOD: Good, thank you. Any other comments, Kim?

14 MS. BENTON: I think that's going to need to go on the
15 parking lot because we're not going to be able solve it today. We
16 have several new members of the Trustee Council also, and I think
17 part of what helped to define what role was, was getting more and
18 more feedback from the Trustee Council. Several of those members
19 are gone, and so, I know I'd be interested in hearing their ideas
20 of our purposes and roles, what they think that we should be doing.

21 MR. WOOD: So, you need to link with the Trustee
22 Council at some point in the future to discuss their roles and
23 purpose, so then ...

24 MS. BENTON: I would think some (indiscernible).

25 MR. WOOD: I'm sorry.

26 MS. BENTON: What they believe our role should be.

1 MR. WOOD: Well, maybe link with TC to get ideas
2 about the PAG's role, is that what you're saying?

3 MR. BENTON: Yeah.

4 MR. WOOD: Yeah, Brenda.

5 MS. SCHWANTES: I was reading over some of the paperwork
6 that came in the booklet on the plane last night, and there's
7 several pages of notes from a meeting, Mr. Pennoyer and Mr.
8 Phillips, Mr. Cole, that when I read through it, I kind of gathered
9 what's been said here today, that there was, you know, some
10 confusion about roles and responsibilities, and I think it's really
11 interesting for the people to read through this. I mean -- and it
12 helped me a lot to be aware of the issue that mean -- you know,
13 there needs to be some definition to the process.

14 MR. WOOD: And, what document is that again so that
15 folks can find it?

16 MS. SCHWANTES: It's in Section VC and it's a thick
17 section, but it's page 334.

18 MR. WOOD: VC334.

19 MS. SCHWANTES: Right.

20 MR. WOOD: Okay, John.

21 DR. FRENCH: Yeah, I'd just like to underscore what
22 Vern said about the group dynamics and thinking that in reality we
23 -- by the end of the process I think we had a lot better direction
24 as to where we thought we were going, but also to underscore what
25 Molly said, I really sincerely believe that the Trustee Council,
26 itself, doesn't have a real unified vision of what -- what role it

1 wants the PAG to serve, and I think there's the opportunity there
2 for us to work together and try to develop a stronger direction
3 ourselves, and that's why I really applaud the staff for bringing
4 us together in this meeting today and have Bill here to help
5 facilitate this, because I think this could be a very positive
6 activity, defining as much where we want to go as what we expect
7 the Trustee Council will want us to go. I think if we're providing
8 active public input in whatever sectors we define as wanting to do
9 it, if it's in a well thought-out form, I sincerely believe that
10 the Trustee Council will really appreciate that input. And, you
11 know, a lot of what we ended up doing in the first part of the
12 first term was just basically compilation of votes on projects, and
13 I don't think any of us felt real comfortable about that process,
14 or thought it was very beneficial to us, and I doubt the Trustee
15 Council did either, and so, yet, I think that if we can come out
16 here in the next -- this meeting and then maybe the next few
17 meetings with a stronger definition of where we want to go with
18 this group, and what issues, not necessarily all the issues -- the
19 whole scope, our charge is extremely broad. We're not going to
20 accomplish everything. In my mind, if we can help focus in on a
21 few things that we'd really like the PAG to have influence on over
22 the next two years, that would be a very positive outcome of this
23 PAG.

24 MR. WOOD: Let's capture that. PAG to focus
25 direction on a few items, or something. Is that what you're saying
26 John?

1 DR. FRENCH: Well, yeah, I mean I think it's fairly
2 broad conceptual items that -- yeah, instead of just sort of
3 dealing -- if we can help set our agenda as opposed to being -- be
4 proactive as opposed to just being reactive to the work plans as
5 they come up to us. I think that will more than make our group
6 more benefi -- make us feel better about serving on the group and
7 feel there's more benefit coming from us at that direction. But,
8 also I think the Trustee Council will listen to us more.

9 MR. WOOD: Okay.

10 MR. McCORKLE: On that point, we really got embroiled in
11 minutia some times. We would spend hours on very minor points, not
12 that they weren't unimportant, but following along with the spirit
13 of what John has said, I do think a broad view can also be helpful.

14 MR. WOOD: Okay, so a broad perspective maybe as the
15 modifier there. Gordon, did you have your hand?

16 MR. ZERBETZ: Yes, I was curious as to whether there
17 have been any changes in the make-up of the Trustee Council. I'm
18 sure there's been at least one state official who has changed, and
19 I was just wondering along that line, when we're developing our
20 purpose and roles whether we're going to be singing from the same
21 sheet of music in the future?

22 MR. WOOD: Have there been any changes, Molly?

23 MS. McCAMMON: In fact, I believe there's only one
24 federal Trustee that is from the early -- the first group. Steve
25 Pennoyer has been here consistently through, but Interior has
26 changed, the Forest Service has changed, the three state Trustees

1 have changed.

2 MR. ZERBETZ: Thank you.

3 MR. WOOD: Let me do a -- just a quick process check,
4 or a comment. Molly, these -- these things that we're talking
5 about, this kind of premise that I'm setting, and this could be
6 true for all of you, not only just staff. There -- there -- it's
7 really two opportunities you have. One, is as group today to
8 process and begin to capture some things that you need to do as an
9 individuals, using my structure, but you could also take this
10 structure with or without me and reapply it to the Trustee Council,
11 to businesses that you own or operate to organizations that you
12 work with, so you may want to keep that in mind. If there's not
13 only -- not only are you part of the content of running this, but
14 you can also take this stuff and use it to whatever extent you
15 choose to, maybe with the Council, doing an off-sight or a meeting
16 or something of that sort. Again, the idea here is -- the idea
17 here is to whatever extent you can use this in your work lives or
18 personally, use it. (Refers to overhead -- Clarity Leads to Power)
19 Just do the best that you can with it. So, we're talking about
20 purpose and roles. Yes?

21 MR. KING: One of the things I felt that we missed
22 the last go around, we are a group that, I think, have one really
23 interesting thing in common, that is long-time commitment in
24 Alaska. On the other hand, a lot of specific interests represented
25 here, and I think probably every one of us spent quite a lot of
26 time wondering where is he coming from and what's their agenda and

1 what's their constituency thinking, and I felt like if we could
2 define our individual interest better then we could know better
3 where we could support each other and where we wanted to debate,
4 and that sort of thing. So, I would say we're -- the purpose and
5 role applies to us individually as well as to the group.

6 MR. WOOD: I want to acknowledge every one of you
7 this morning for sort of announcing what elephant you brought into
8 the room. How many of you've heard that adage of elephants in the
9 room? Elephants in the room are those -- their big and their huge,
10 their sort of dull color. They don't -- they don't, you know, get
11 a lot of attention other than the fact that they are big and they
12 are in your way, and organizations and individuals in our own
13 lives, and well as work groups like this, sometimes will have
14 these, you know, a number of them sitting around the room, and
15 they're -- they're big, and if you start poking at them and dealing
16 with them, I mean, you either have to kill them right away and then
17 eat a lot, or you have to leave them alone, because if an elephant
18 charges in a small room, I mean, it's trouble, but all of us would
19 be too. So, I want to acknowledge each and every one of you for
20 bringing very small little elephants and telling everybody where
21 they are and what they are because you all represent certain
22 special interests, personally or with the groups that you
23 represent. So, as long as you keep talking about those things and
24 take the time to understand each other's position, we'll talk about
25 this when we get to the piece about supporting each other, you will
26 be talking about -- more about this, what you can do to support

1 each other. You keep those things small and you can by them and it
2 becomes a non-issue for you. So, what I'm hearing about the
3 beginnings of this group and how defining your purposes and roles
4 is normal, especially when you have seventeen different interests,
5 some complimentary, but some very divergent, and, in fact, when you
6 start talking about them there can be a lot of conflict about
7 opinions and philosophies and how you feel, or how you're driven by
8 the reason that you're here. So, we've talked a little bit about
9 purpose and roles, the fact that you want to link that with the
10 Trustee Council. You want to focus your attention on broader
11 issues to the extent that you can keep it at sort of a higher
12 level. Any other closing comments on this piece? Yeah, Chip.

13 MR. DENNERLEIN: Yeah, just a couple of questions, and
14 I don't know if this makes sense, if we have this many new members
15 of the Trustee Council, and we have a fairly new group, and we're
16 here being facilitated, there may be an opportunity at some point
17 to bring us and the Council together, even for a short period, to
18 just sit and talk to them about, I mean, jointly facilitate about
19 what they want from us, what we think we want, and start off with
20 sort of a face-to-face set of expectations from each other.
21 Nothing is ever brand new. We inherited an enormous amount of
22 work, and my question about efficacy goes to, again, sort of
23 purposes and roles. Does the Trustee Council want us to vision
24 restoration on the one extreme, or do they want us to edit a red an
25 tan map on the other extreme, and take a vote if we like it, and in
26 between there, you know, we have agencies that are -- and staff

1 that producing the suggestions for restoration, but Trustees that
2 are passing. If we have some -- I would like to put that on there,
3 some of the -- the actual sideboards that we understand, that we're
4 clear about. There are givens in every situation. You can think
5 outside them, but you should be very aware of them as in budget,
6 that the money comes in this sequence, and this group does, you
7 know, so it's not only our role, I guess is what I'm saying is, a
8 clear understanding of some of the other roles of people in the
9 process, and some of the givens that we need to work effectively
10 within.

11 MR. WOOD: So, the third item would be understanding
12 of various roles?

13 MR. DENNERLEIN: Of others in this process.

14 MR. WOOD: We're speaking of roles of others who are
15 working in the process, was one that I heard, understanding of
16 other's roles in the process, and the other piece had to do with
17 the scope of work that you have, as clearly defined by the Trustee
18 Council, does that summarize that? So, the last one would be
19 clearly define scope per Trustee Council. Yes, Chris did you have
20 something?

21 MR. BECK: It seems to me, the other category or question
22 that I have would just be regarding the form of the dialog we have
23 with the Trustee Council. I'm not yet clear on how we communicate
24 with them. What is the form of that? What's most effective for
25 us, most effective for them? Is it through them reading notes of
26 meetings? Is it through, as Chip suggested, kind of facilitated

1 dialog? How do we best do that? Sounds like there have been a lot
2 of questions in the past about that structure. So, to me that's a
3 fundamental question that I'm not yet clear on.

4 MR. WOOD: Can I make a suggestion? I'd suggest you
5 start off with a very light structure or informal structure, and
6 talk to them. The dialog, by its very nature, is talking with
7 individuals, not to. So, something that is less structured and
8 somewhat informal, just as a suggestion, is way to start off may be
9 the best way to do that. I don't know what constraints you're
10 under as far federal record-keeping and of public meetings and all
11 of that, but something a little less structured than less, and a
12 little bit less formal than this would be a nice way to start, if
13 you can do that. That's just -- that's just how I have seen this
14 in other organizations. Another thing I'll mention is that these
15 are listed in hierarchal or priority order. You don't do a hundred
16 percent of this before moving on, but the most important is for
17 purpose and roles, and the other things tend to fall into place as
18 you define each one above it. So, for instance if you get to the
19 point of meetings not being effective, it means that something up
20 here has not been clarified, usually whatever is immediately above
21 it. So, if you have problems with effective meetings, it's
22 probably because the structure of your group is not clearly
23 defined, or there's a disconnect in how people understand the
24 structure. If the structure is not clear or not working well, look
25 at the authority and responsibilities that you've been given or
26 delegated. This is hierarchal, so that if one thing isn't working,

1 go to the one above it to look for the solution. So, if you are
2 having clarify -- difficulty with purpose and roles, there's
3 nothing above it go to, so you have to start there, and from some
4 of the things we've captured so far, dealing with working purpose,
5 I -- I think that would be a nice next step for you, either
6 informally through a work group or as a total group with the
7 Trustee Council or something like that. That's what I'm hearing is
8 we need to make sure that we understand their roles and
9 responsibilities and purposes and authority, and make sure we
10 understand what they want us to do. If we captured that so we can
11 move onto the next piece, is there anybody that would have a major
12 disagreement with that, with what you're talking about as a group?
13 Charles, you didn't have a chance to make comment. Do you feel
14 comfortable with that as a way of moving on?

15 MR. TOTEMOFF: Yeah, I agree with the group that, one of
16 the biggest problems that we had is that, you know, we'd spend
17 hours trying to figure out what to send to the Trustee Council, you
18 know, and then we'd always be wondering if we were going to be
19 listened to or not. You know, most of the time we were, you know,
20 sometimes we weren't. So, it's real hard trying to figure out what
21 to send to the Trustee Council, you know.

22 MR. WOOD: You know, when you make some assumptions and
23 do your best and you don't get feedback saying that it was the
24 right thing to do, or you get feedback saying, nay, try again, but
25 we don't know what to tell you to try to do differently, could be
26 extremely frustrating, very problematic. Jim, you had your hand up

1 also.

2 MR. DIEHL: You know, I feel like we're being real
3 general right now and a little nebulous and, you know, one of the
4 main purposes of this group is just to talk to everybody else
5 involved in the whole process, including the Trustee Council
6 members on your own, or their staff members if they can't find the
7 time, and find out where the problems are in the process, and then
8 look for solutions to those problems. I feel like that was done a
9 great deal after the first year that we were here when Jim Ayers
10 and his staff came in, and I feel like they listened and came up
11 with a much better structuring of the entire process. I feel
12 pretty good about that. Now -- now, we're -- and now all we can do
13 is look for problems within that or ...

14 MR. WOOD: Whenever a group re-forms, that means any
15 member changes their role or responsibility that they have, or a
16 new member comes in, you have to go back to the beginning and start
17 all over again. The recovery to get to where you were, of being
18 effective, liking each other, enjoying coming to the meetings,
19 happens much quicker, as you're hearing this morning. What took a
20 year and a half or two years, now is -- although we're not closing
21 on the issue of clear roles and responsibilities, you're much --
22 you're much more focused on how you can do that.

23 MR. DIEHL: Yeah, now we have a whole bunch of new
24 people in, including new Trustee Council members, who have to be
25 clued in all over again to your concerns, your interests, and you
26 have to be clued into theirs which may be different from the entire

1 first two years.

2 MR. WOOD: What a great opportunity to have -- have
3 what they call a learning experience is to bring with you what
4 you've learned from the past, and blow by all of the stuff that has
5 taken you -- you know, that you've invested a lot of emotion and
6 commitment and resources in. Not to blow by it, meaning it's
7 unimportant, but to be able to move through it a little bit
8 quicker. Yeah, Vern.

9 MR. McCORKLE: Well, it may sound a bit daunting to our
10 new members, and like we really don't know what we're doing, it is
11 a fact that the literature or the minutes and the procedures and
12 protocol that we came up towards the end of our first session are
13 there to be read. Just as you have seen, there's a few points in
14 the record that we've -- do have a consensus on and that we have
15 agreed is a workable process. So, I think you're right on point
16 when you say we don't really need to go back and reinvent
17 everything again, but we probably do need to find a way to pull out
18 of our record those things that we have decided to do, and that
19 we've done well, and I think our staff people can help us do that,
20 and others of us can also, point to places where we -- where we've
21 had success.

22 MR. WOOD: Another thing that I find, is a suggestion
23 for you as a group, another thing that I've found to be very
24 successful, when I was on a number of boards and commissions, as
25 well as in facilitating meetings like this, is to have some kind of
26 an informal work session with each other, where you can have some

1 of this dialog on or off the record, depending upon what the
2 statutes say, or whatever your norms are, but just to have a work
3 session to talk about and work through this stuff, and then bring
4 it back to the full group for action, so that -- it really works
5 more effectively where you've had a chance to talk about these
6 things, get clear on purpose and roles, bring it back, you make it
7 an action item, you vote or reach consensus, or however -- whatever
8 decision-making technique you want to use, and then move on. I
9 know that subcommittees is not something that's part of your
10 structure, and it's recommended that you not have a lot of formal
11 structure because it used to be a very -- it used to be a
12 honeycomb, everything had it's way and it just didn't work. So,
13 you may be able to have some work groups or something that -- just
14 kind of work this stuff, what I call off-line, out of the meeting
15 or informally. Yes.

16 MR. BECKER: Yes, I'd just like to support what Vern
17 said that I, as a new member -- as a new member I don't want to
18 spend any of the group's time revisiting things that may have been
19 agreed upon by consensus, as far as process goes in the past, that
20 things -- if there are these things that do work well, these
21 processes and interactions with the Trustee Council and between our
22 PAG group members, I would find it very useful to see a listing of
23 those, or at least a discussion of them, with the former members,
24 as guidance so that we can then go on from there. It's kind of a
25 ratcheting process to keep us moving forward over several years.

26 MR. WOOD: So, maybe a summary list of past agreed

1 upon processes. Is that what I'm hearing? Okay, let's capture
2 that.

3 MR. BECKER: Is that pretty much what Vern was thinking
4 about?

5 MR. McCORKLE: Yeah, I'd defer a little bit to my old
6 colleagues here, but we did come up toward the end of the term with
7 some protocols, some ideas and ways to -- to address the Trustee
8 Council. At one time we felt we could only carry forward, you
9 know, that unanimous opinions or suggestions. This is just one
10 example, and then we decided well, no, that wasn't necessarily
11 true, that the Council wanted to hear anything. So, we would then
12 come -- come with a process whereby the PAG could put forth the
13 majority consensus, but those folks who wished to file other
14 opinions were welcome to do that, and that took us a couple of
15 years to get to that point, but that's one part of the process, I
16 think is worth saving, and knowing that it is there ready for us to
17 work on, or work with.

18 MR. WOOD: Any last comments on the purpose and roles
19 piece? Yes, Pam, Pamela.

20 MS. BRODIE: The new people -- are probably being
21 frightened by hearing all of our failures, or maybe it's inspiring
22 to know that you can absolutely do a better job. I think that, as
23 I look at what's written here about purpose and roles, I think all
24 of us could have agreed at the beginning two years ago that these
25 were our purposes and roles. It's more -- that -- but how does
26 that work. I think a major problem we had is what Chip said of at

1 what level were we supposed to be doing this. A very large part of
2 our time was spent looking at individual problems, and, I think,
3 probably the whole last group would have agreed that we were lousy
4 at that. We didn't have the experience or tools, although we were
5 given a great deal of information, we didn't know how to do a good
6 job with that, and that's something that I hope at some point,
7 maybe talking to the Trustees, or maybe with ourselves, we decide
8 to either not do that or do it some different way, or if we're
9 going to keep doing it, decide what tools we need to do it right.

10 MR. WOOD: Karl, last comment?

11 MR. BECKER: Yeah, I'd just like to reassure Pam that
12 I'm delighted to know that some other group got to do all the
13 failures and go through the learning process for my benefit.
14 Thanks a lot.

15 MR. WOOD: Let me -- let me paint another picture for
16 you. In 1969 what did we do as a country that changed the world?
17 Summer of 1969.

18 MR. DENNERLEIN: July 21st, walked on the moon.

19 MR. WOOD: Yes, Chip, thank you. Chip is not a
20 plant, he is (indiscernible - laughing). When Chip is out there
21 fly fishing on some remote water, he has got to do something with
22 his mind other than just do fishing, so that's -- thank you. Yes,
23 we put a man on the moon and returned him successfully. That was
24 the charge that Kennedy gave us as a nation. Let me just do this
25 real quickly. So, we have the earth and the moon, and we left
26 from, what was then Cape Canaveral, now Cape Kennedy. I think we

1 did two spins around the earth to get momentum. Those of you who
2 are scientists may help me out in this if this is way off. We went
3 around and landed on the Sea of Tranquility. Do you think those
4 guys when they were making this were calm and tranquil the whole
5 time. I -- it's a wonderful -- wonderful picture, but I know that
6 they weren't. And, this was a two-way street. So, they had a
7 point where they started from, they landed and returned,
8 successfully. First mission was extremely successful. What
9 percentage of time do you think this mission was on course?
10 Anybody? Percentage of time? It's a very successful mission, so
11 about what percentage? Ninety-nine, twenty? Any others, sorry,
12 John or Jim?

13 MR. DIEHL: I have no idea.

14 MR. WOOD: Actually, as best as we can do in the
15 research, we found that they were on course approximately four
16 percent of the time. So, while their intended course was this
17 (drawing on board) their actual course looked something like this
18 (drawing squiggly line) coming and going, or worse, depending upon
19 where they were. So, what were they doing the whole time?

20 MS. SCHWANTES: Having fun. (Laughter)

21 MR. WOOD: Correction, yeah. Correct, correct,
22 correct, correct. And, from this mission we had dozens and dozens
23 of future missions or further missions. Most of them were also
24 extremely successful. Apollo 12 or 13 has some major problems
25 where they had an explosion and they almost didn't make it and, you
26 know, there were some very series problems, but they had to make

1 major corrections there, once that mission was finished, and how
2 did they know to make it different the next time. They had what
3 kind of experiences? They did what as a result of having those
4 experiences?

5 MR. McCORKLE: Learned.

6 MR. WOOD: They learned, yes. They had learning
7 experiences. So, I -- this is all to say, to support what Pamela
8 and Karl are saying, what Karl specifically said, which is to
9 acknowledge those of you who are bringing learning experiences into
10 this room for the Advisory Group and for the Council, that make
11 your next shot successful -- more successful, and more successful,
12 and more successful, by just using the metaphor of correct,
13 correct, correct. So, it's not right or wrong, or we failed or
14 succeeded, it's just we had learning experiences so let's make the
15 changes and move on. What a tremendous opportunity to have two
16 years of experience from seventeen people, from a variety of
17 organizations and a diverse background and interest, to bring to
18 the power of where this group can go later today and moving further
19 with whatever you have to do. What a tremendous opportunity.
20 Wouldn't it be great if you know where -- knew where not only where
21 the streams were, Chip, but where those steelhead are laying in
22 those holes.

23 MR. DENNERLEIN: That would be good.

24 MR. WOOD: Yeah, yeah. So, as we move through this,
25 and I'm going to be moving a little bit faster now, remember that
26 all we're doing is looking for a place to ground and lock in to

1 say, here's some things we need to work on. What can we learn from
2 our past experience, and how can we make the group more effective?
3 Okay. So, I'm going to be moving ahead much quicker now, since we
4 set the foundation of purpose and roles, you're coming to
5 understand what those are. You need to work a little bit on some
6 of those aspects, but generally you understand that you're a
7 working group, you advise the Trustees, you work in some way. You
8 advise in some way, and you make some kind of decisions. Is there
9 anybody that's not here to work, advise and help make decisions?
10 So, at least we're all -- we've got at least that piece of the
11 foundation laid. As with -- excuse me Chris and others who do
12 consulting work, but part of the work of a consultant or a trainer
13 is to make more work for you. So, I apologize, but this is going
14 to help bring clarity, bring power to you as a group. So, we've
15 been going for about an hour and a half. Do we need to take a ten
16 minute break and either get a cup or get rid of a cup of coffee, or
17 something? Okay, let's keep your commitment, if you would, keep a
18 commitment to a ten minute break so we'll get back together at
19 10:15, and so informally, I guess, do we need to go off the record
20 or something?

21 MS. McCAMMON: You did it. Before we leave, we have a
22 new member join in the midst here. This is Dave Cobb from Valdez.

23 MR. WOOD: Welcome, Dave.

24 MR. COBBS: Thank you.

25 MS. McCAMMON: Do -- maybe everybody just -- names
26 quickly, or we've got name tags, I guess. Okay.

1 MR. WOOD: Great, let's take a ten minute break and
2 we'll get back together.
3 (Off Record 10:06)
4 (On Record 10:17)
5 MR. MUTTER: All right, so let's get back together.
6 MR. WOOD: Okay. Another concept that I'll share
7 with you, in fact one we're going to apply almost instantaneously,
8 is the concept of managing the gradient of the group. Maybe those
9 of you who have heard this before, or -- or kind of the scientific
10 minds can help, what does the word gradient mean?
11 MR. DIEHL: Graduation, slope.
12 MR. WOOD: Graduation, a little more in depth. Can
13 you expand on that a little bit? It's a physics term.
14 (Aside comments)
15 UNKNOWN: Going up hill, not stationary.
16 MR. WOOD: Right.
17 DR. SPIES: Slowly increase and decrease in some
18 value.
19 MR. WOOD: Yes, exactly, thank you, Robert, the Chief
20 Scientist -- or Bob.
21 DR. SPIES: I felt I didn't want to embarrass myself
22 (indiscernible - laughter).
23 MR. WOOD: Thank you for helping me ...
24 DR. SPIES: As the Chief Scientist, I should say
25 something.
26 MR. WOOD: It's the degree to which things can change

1 over time. So, we started off -- I started off with my
2 presentation this morning at a fairly low gradient, who am I, why
3 am I here, what I understand my role to be. We kind of increased
4 the gradient a little bit, started talking about things important
5 to the group, like purpose and roles, shared a couple of -- kind of
6 metaphors or pictures of the way that I see group effectiveness.
7 So, now kind of take a deep breath because we're going to turn the
8 button, we're going to put two or three bunsen burners underneath
9 of the kettle that you're all cooking in, and turn the heat up a
10 little bit and move a little bit faster. Now, that you've had
11 something grounded in, what the process will be for this morning.
12 Obviously, we did not close on defining clearing and reaching one
13 hundred percent consensus on your roles and responsibility -- or
14 your roles and purposes. But, we know that we have had -- you have
15 had some work to do, and you've got some great learning experiences
16 of -- for over the past two years to help you through that process
17 fairly -- to get on with it fairly quickly. The only question is
18 how you want to do that. My suggestion was to do some kind of a
19 work group, or when you get to the point of electing your two
20 officers, maybe having them working at one of the next meetings,
21 have a work session for a half hour before and kind of nail some of
22 this, or whatever structure you want to apply to where you are
23 going. So, we've turn the gradient up a little bit and move on to
24 authority and responsibility, and what I'd like to spend the most
25 time with you this morning, is on the meeting piece. These three
26 pieces down here, because that seems to be where you are having

1 most of the fits and starts over the last couple of years, although
2 we know what drives it now. So, still on page three, if we look at
3 authorities and responsibilities, I'm just going to scan through
4 these and ask you as -- as I finish, if there are any questions or
5 concerns or comments that you want to make about the authorities
6 and responsibilities, so we can capture any to dos or other items.
7 Yes, Charlie -- Charles.

8 MR. TOTEMOFF: On the authority, I noticed from what you
9 were able to glean out of the information I was giving to you, it
10 says PAG to seek involvement on their own only as specifically
11 requested by the Council. You know, during the last two years
12 there was a lot of discussion if individually PAG members could go
13 out to their own constituencies and try to figure out if that what,
14 you know, if their constituents wanted, and we were almost
15 prohibited from doing that. You know, certainly were not supported
16 in doing that. So, I guess that's still a question out there for
17 me anyway. You know, we come to these meetings, and we're suppose
18 to do the best we can, and guess if this is what our constituents
19 want.

20 MR. WOOD: That would be confusing for me also. Any
21 comments on that? Yes, John, and then Pam.

22 DR. FRENCH: Well, I think -- I think Chuck's analysis
23 is entirely correct, but towards the end of the session we talked
24 about making recommendations for this year's budget and meeting
25 schedule. We did recommend that funds be available for having at
26 least one PAG meeting outside of this site in Anchorage, and I

1 think part of our reason for doing that was to -- to not only
2 increase our own knowledge of the other locations, but to provide
3 greater input from public that might come to testify at that
4 meeting as opposed to our Anchorage-based meetings. So, I think
5 there may be some more ways of getting around some of that, but
6 what Chuck said is right, they basically prohibited us from holding
7 separate hearings, which is -- well, we tried to hold separate
8 public -- informational meetings, not hearings. We don't have --
9 we clearly don't have the authority to hold hearings.

10 MR. WOOD: Pam and then Chip.

11 MS. BRODIE: I also think Chuck's point is very
12 important, although I have a different suggestion for the solution.
13 I take it very seriously that I believe I am supposed to represent
14 my whole interest group. I don't just come here to say what I
15 think or what the Sierra Club thinks, but what a whole, broad group
16 of environmental organizations want, and I think that that is our
17 responsibility. I've never met Dave Cobb before, but he is the
18 municipal government person. To me that means he -- his
19 responsibility would be to talk to all of the towns and villages in
20 the area and come back with what they want. Some of us -- I don't
21 think we're prohibited from doing that, but some of us have --
22 don't have a budget to do that. I am fortunate in that I meet with
23 and talk with those groups anyway. I can send faxes to them. It's
24 not a problem for me, but when it is a problem that people don't
25 have a budget for, maybe they work for an organization that is not
26 going to support them doing that, that they should be able to get

1 a phone budget. I don't think that would be very expensive, and I
2 don't think it should go automatically to everybody, but the people
3 should put in some proposal of what they need and like, and that
4 the Trustees should fund that.

5 MR. WOOD: What I'm hearing is, it's not as much as
6 John said in correcting himself, in public hearing or a public
7 meeting, which is how -- how do you find out the opinions and the
8 concerns of your constituency. That would be a concern of mine,
9 too. When I was on the Municipal Health and Human Services
10 Commission, I represented a particular constituency. It was -- it
11 was youth and those that couldn't help themselves, and so, I either
12 had to make assumptions about those constituencies or go out and
13 talk to them. So, maybe that's a parking lot item is how to
14 balance the need to get input from the interest groups without
15 conflicting with the role of not having public hearings or public
16 meetings.

17 MR. McCORKLE: It's also a matter of authority, and where
18 does that extend.

19 MR. WOOD: Chip, and then James.

20 MR. DENNERLEIN: Well, I just had an interesting
21 experience over the last year with a task force that we put
22 together on Denali, and this issue, of course, was confronted
23 immediately. The purpose was to try to find a new form or forum,
24 and I really -- the clearest thing is going to help remind me about
25 things is what Molly said, that we are inventing this as we go
26 along, and now, this will make a lot more sense. Understanding

1 that, in fact, this is a process that it evolves and it's being
2 invented. In Denali, we had sixteen citizens, tour operators, a
3 couple of conservation groups, concessionaires -- oh, Park Service
4 was not there -- this was to take 16 Alaskans who had a lot of
5 individual expertise and do something very similar. We didn't take
6 votes, we didn't hold hearings, we challenged each other's
7 assumptions, conclusions, and the question came up, well, what
8 about -- how -- or shouldn't we go out and hold hearings. Our
9 report was actually going to a formal National Park system advisory
10 board, and we came to the conclusion, which I think -- I got -- I
11 was comfortable with is that, we weren't super citizens. I mean,
12 we didn't go out, it was almost -- it would have been insulting to
13 go out and say, here, you citizens come to me so I'll tell this
14 council what to do. I'm some sort of in between super citizen. We
15 ended up doing several meetings which were just sort of a coffee
16 pot, and people could come in and we would talk to them about why
17 we thought -- how we came up with some of these conclusions, the
18 group of us from our different, you know, perspectives, and just so
19 that -- so that -- it was a very informal, sort of coffee pot on
20 session, and I think that worked well. It allowed the -- it did
21 allow members of that task force to explain themselves, to explain
22 a little of this new process, this new model. The public was
23 comfortable, and yet it stopped short -- very clearly short of
24 saying that we were somehow super citizens that could go to the
25 Trustee Council, for example, you come through me, which is not
26 what it was about on that task force. So, maybe some sort of model

1 where we have a chance for the PAG to have a -- you know, the
2 coffee pot is on session some time maybe -- maybe worthwhile.

3 MR. WOOD: Okay, James.

4 MR. DIEHL: A part of our responsibility is to seek --
5 is to include our constituencies in the process, but our
6 constituencies a lot of times, you know, they have ideas as far as
7 what they want, but they don't know how the process is working.

8 And so, our biggest responsibility in my opinion is to -- is to
9 just -- and we do have the authority to do this, is to just ask
10 people for information, collect information, lots of information on
11 different things, and try to act on that information in a
12 responsible way. And, one of the nice things about being on this
13 PAG for me was to follow -- to follow one of my loves or hobbies
14 which had to do with killer whales, and to find out as much as I
15 could about what's going on with the restoration as far as killer
16 whales are concerned, and it was neat. I got to meet all these
17 neat people and make phone calls all over the place, and talk to
18 these people. I just read about some of them who are kind of
19 experts in the field, and collected advice and stuff on what's
20 going on, and that -- that's something that I would suggest that if
21 anybody has a passion for any of the scientific projects, or if you
22 can get yourself interested in any of the specifics that are going
23 on somewhere, and then to just to network with all the people that
24 are involved in that and find out what their problems are among
25 themselves or with the process, or something, you know, maybe they
26 think something can be smooth -- smoothed out a little bit with a

1 little help, and -- and just kind of be a collection or gatherer of
2 that kind of thing. You can help and make suggestions.

3 MR. WOOD: So, just let me make a suggestion. I
4 think is going to address what Charles originally started to
5 mention, which is, you know kind of the last -- the last line of
6 this authority piece says that, the value that you add to the
7 Trustee Council as you currently understand your purposes and
8 roles, I'll caveat by saying that, is both individual and
9 collective experiences that you bring to the Council as a source of
10 informed advice. It doesn't mean that you have all of the answers,
11 it doesn't mean that you perfectly represent your constituency, it
12 doesn't mean that you know everything that there is to know about
13 Native lands, or commercial fishing, or aquaculture, although you
14 may have a lot of expertise in that. I think that, at least when
15 I was on a public commission, it was just to do the best I could to
16 represent as best as I could the interests that I was -- you know,
17 that I was making a commitment to. So, it may not be knowing
18 everything there is and talking to everyone about conservation, or
19 all of the Native landowners, but just to be well informed, and to
20 just do the best you can. I think that's what this authority piece
21 and some of the responsibilities are about is, it doesn't have to
22 be perfect, it doesn't have to be a hundred percent. You just have
23 to be able in your own mind to say, I did the best I could, and
24 that's kind of what I think that the -- the Public Advisory Group
25 is coming to through discussions about purpose and roles. Is just
26 figuring out to get the job done and just do the best you can.

1 Yeah, Kim.

2 MS. BENTON: I guess I just have a concern about the --
3 for lack of a better way to express it, the weight of
4 communication. If we all go forward and do our job to talk to the
5 principal interest groups that we represent, the people in our
6 group, we bring that to the public advisory group. The way that it
7 gets expressed to the Trustee Council is through one designated
8 member of the Public Advisory Group, that gives a little Reader's
9 Digest condensed version of what we went over at our meeting. At
10 the same time, they usually have public forum, where people can
11 come and testify. I know members of my group don't do that,
12 primarily because of time constraints. That isn't because they
13 don't talk to me or because I don't try to get their interest, but
14 the weight of the communication ends up being from a lot of our
15 principal interest groups real small in comparison to the people
16 who come and are one voice, and testify during the hour that's
17 available, and I don't know how to fix that. It's a concern that
18 I've seen that's happened here, where a lot of the people -- a lot
19 of interest groups have done a real good job of going out and
20 talking with the people, and they do a good job of representing
21 many people, but that doesn't ever quite get to the Trustees.

22 MR. WOOD: So, maybe a parking lot item is how to
23 balance the concern for representing the public -- representing the
24 special interest group -- so it's how to balance representing the
25 special interest group with the public testimony aspect of your
26 job. Does that sort of get at it?

1 MS. BENTON: Not exactly. What happens during the
2 public testimony is probably isn't going to be me. I mean, I -- my
3 voice is heard here. I'm not going to take up Trustee Council's
4 time also during that little window that's available. It's somehow
5 to get, the people who come to us to get their voice. Charlie Cole
6 used to use it as a funnel of communication, and to try to get that
7 funnel a little more effective where we take all the voices that
8 come to us, not that we're super human, but because we have the
9 people that we talk to on a daily basis that can tell us how they
10 feel. That goes through the funnel, and somehow ultimately reaches
11 the Trustee Council. I don't know how that's been done real well.

12 MR. WOOD: So, it's balance -- concern for
13 representing interest group and how to get the members to represent
14 their own opinion?

15 MS. BENTON: How to get that message to the Trustee.

16 MR. WOOD: How to get that message to the Trustee
17 Council, great, thank you. Okay, Karl.

18 MR. BECKER: Going along with what Kim said, maybe
19 expanding on that somewhat, is to -- a need for us to be very
20 clear, as clear as possible ...

21 STAFF: Could you use that microphone, please.

22 MR. BECKER: Should I repeat that? Yeah, I just wanted
23 to make an addendum or expand on what Kim said, that we have a
24 responsibility to become as clear as possible about the terms of
25 the EVOS settlement, which in a sense is a -- is the governing
26 umbrella for whatever the Trustee Council or the PAG does. I know

1 that this is the -- that the interpretation of this is an evolving
2 process, but to the extent that we can understand that, can be
3 clear about it, we can then go back to our groups and both explain
4 that process and also ensure that whatever interests our interest
5 groups have, have to be sold to -- to us as representatives of that
6 process. I'm not saying that we are a clearing house for the
7 group, but to the extent that we can explain the terms and
8 limitations imposed by the settlement agreement, our interest
9 groups can focus their efforts more effectively. I guess that's
10 what I want to say.

11 MR. WOOD: And, as part of the responsibilities
12 piece, you're really nailing the next paragraph, which is
13 responsibilities. Prepare for and attend meetings. Prepare for is
14 reading the material giving background, to give you grounding in
15 what your purpose is and the materials that support that
16 understanding. Or, send an alternate whose been prepared and is
17 briefed and is ready to sit in, you know, take your place at the
18 table. Share personal experiences, the stuff that comes from your
19 heart about what you're representing and what's important to you,
20 related to the issue, gathering up information from your interest
21 group to -- as my -- my language is to fairly categorize or
22 characterize the concerns of the group. And, it's not one hundred
23 percent, eighty-twenty is okay in this world. If you nail eighty
24 percent of what's going on in your life, you're, you know, better
25 than most. So, you know, it doesn't have to be perfect. To accept
26 and support your advisory role, meaning that although you may want

1 to make a decision and get the Trustee Council to agree with your
2 particular decision, that's really not the purpose of the group, so
3 it's just to accept that you're advisory, that's hard for groups to
4 do sometimes. It was hard for me when I was on a task force like
5 this. To actively participate -- whatever decision-making process
6 you use, so to be willing to participate, which is important, and
7 in an unbiased manner share the information back with your public
8 interests group -- or your Public Advisory Group's work -- share
9 your work and that of the Council with whoever you represent, in a
10 supportive and unbiased way. So that what that sounds like is, we
11 have some debate about some particular issue dealing with habitat
12 protection in Kenai Fiords National Park, and it's not, and you
13 wouldn't believe what that Public Advisory Group did, I can't
14 believe they did this, it was a terrible decision that they made,
15 what -- I mean it really frustrates me, but we had some debate and
16 discussion and I didn't agree with everything, but I support the
17 decision too. So, it's a little bit of a twist on -- on, you know,
18 kind of how you present you opinions back to the groups that you
19 represent so that it's unbiased, so that it's fair. Are there any
20 major responsibilities that you know that you have that are not
21 sort of summarized here, in this particular piece. Yeah.

22 MS. BRODIE: I -- I agree with Karl and want to expand
23 on it some. I think a lot of the problem we had in the first term
24 was that Public Advisory Group members didn't know what the Trustee
25 Council was doing. They would come to Public Advisory Group
26 meetings, but not Trustee Council meetings, which is not always

1 easy for people to do, but you can only do what you can do, but I
2 would really encourage people, if you can, if you live in the
3 Anchorage area to try to come to Trustee Council meetings. If you
4 don't or you can't come to the meetings, to get the transcripts of
5 the meetings. They are all transcribed, they're fat stacks of
6 paper, but it's pretty easy reading, you can skim a lot of it. It
7 really helps tremendously in focusing our discussions here, if
8 you're really familiar with the Trustee Council.

9 MR. WOOD: So, you're suggesting adding a
10 responsibility which is to the extent that members can to attend
11 the Trustee Council meetings.

12 MS. BRODIE: Or read the transcript.

13 MR. WOOD: Or read the transcripts. Can we capture
14 that one too, please, just make sure we have it. Okay, so we've
15 also captured a couple of things to talk about regarding authority
16 and responsibility. Let's move on to structure, because I think
17 this one will go fairly quickly, and then we can get into the
18 meetings portion which will help the effectiveness piece.
19 Basically, this is prescribed already for you. There's seventeen
20 members, you serve two year terms, you represent designated groups,
21 and you are selected based on predetermined qualifications and
22 processes. So, that's fairly clear is that -- you know, who you
23 represent and how you got here. You can have alternates as part of
24 your structure, you can have somebody sit in for you, but not hold
25 proxy votes because there was, I understand some real -- it was
26 part of the learning experiences that you had of having two members

1 sit around the table and carrying proxies and it became really
2 dysfunctional and problematic in many ways. So, there's no proxy
3 voting, but you can have alternates. Yes.

4 MS. McCAMMON: Bill, I think actually there's a question
5 on that because in the last two years they have used proxy votes,
6 and I think it was decided internally, I believe, to use that, and
7 that's actually something that I would like to see, at some point,
8 and it doesn't necessarily have to be today, a discussion about
9 whether this Public Advisory Group wants to use proxies.

10 MR. WOOD: Okay.

11 MS. McCAMMON: And then, also how the alternates are
12 chosen in another issue ...

13 MR. WOOD: Okay, so the two issues are ...

14 MS. McCAMMON: Whether they are chosen by the actual
15 member or chosen by the Trustees.

16 MR. WOOD: Okay. How to chose alternates ...

17 MS. McCAMMON: And then the use of proxies.

18 MR. WOOD: And then, use of proxies, and these are
19 the issue. Yes.

20 DR. FRENCH: If I could say a couple of words, perhaps
21 clarification, perhaps muddying the waters on that one. We have --
22 we have five public-at-large members. Most of them had designated
23 as their alternates another public-at-large member. This meant
24 that some people got -- if somebody had to leave a meeting, that it
25 was easy to transfer their vote to another public-at-large, which
26 there usually was, which sometimes meant that some of the public-

1 at-large had large numbers of votes, but it was still, the vote as
2 that specific alternate. It wasn't just a broad, general proxy
3 type vote, as I think of a proxy vote at say an electric
4 association meeting. I didn't feel we were dealing with proxies at
5 that point. I felt we were still dealing with single designated
6 alternates in the structure, but in a way you're hedging that when
7 you say it can be another public-at-large because there's five
8 public-at-large, but -- yeah, I guess just wanted to say that in my
9 opinion we were not dealing with what I view as -- as proxy votes.

10 MR. WOOD: Okay, so it's use of proxies and it's
11 discussed of how used in the past and recommended process current,
12 or current process or something (indiscernible), discuss how
13 they've been used in the past and decide how you want to use those,
14 and maybe staff could bring some data from the legislature or from
15 the suit or whatever, but whatever data you have about how you've
16 done this kind of stuff in the past. The last piece is -- that the
17 -- that you have two officers, chair and vice-chair, you're going
18 to be electing those individuals later on this morning or this
19 afternoon. We'll talk to meetings piece about some of the criteria
20 or qualifications that you want your leader to have, your chair to
21 have. PAG report -- PAG reports through the chair to the Council,
22 and if any subcommittees -- that there -- it's expected that you'll
23 have few, if any, subcommittees, it's something I mentioned earlier
24 that it became cumbersome in the past, so if it -- assume there's
25 a topic of discussion, you may want to talk about the learning
26 experiences you had about having this subcommittee structure in the

1 past. You have a designated officer that's supporting you, and
2 staff provided by the Council. And, so anything else that you want
3 to do structure-wise, especially if you want to create things like
4 norms for your meetings or different types of agendas or something,
5 we'll talk about down here, should probably go back into this
6 structure statement or reach some kind of an agreement that's taken
7 either to this group for -- for concurrence or as appropriate to
8 the Trustee Council because there's some language about how you're
9 set up and how you operate that needs to be approved by the
10 Council, since your advisory to them. So, structure looks like
11 you've -- you know, you've got basically what you need to function.
12 You're here today, you're basically alert and willing to be here
13 and made a commitment to do your best, so I'm going to move on to
14 the meetings piece, if there's no other comments, John?

15 DR. FRENCH: Yeah, I feel there's an internal
16 contradiction between the responsibilities here and the structure
17 section. In that the responsibilities don't deal with us as
18 specific representative -- designating represented -- represented
19 designated groups; whereas the structure says we are, and I would
20 tend to lean personally myself towards the direction that Pam was
21 saying, we do. We have tags up here that say we represent specific
22 groups, and I think most of us take that responsibility from last
23 term's PAG, take that responsibility pretty seriously. And, we do
24 feel it's an important part of our role to get feedback back from
25 other parts of our -- the group we represent.

26 MR. WOOD: Yeah, as I read the information, you do

1 represent specific interest groups, and however, you know, that
2 group wants you to represent them is up to you to figure out with
3 those individuals. But you do -- you can do -- sit in specific
4 seats. Gordon and then Vern.

5 MR. ZERBETZ: Yes, you've mentioned subcommittees here.

6 MR. WOOD: Yeah.

7 MR. ZERBETZ: And, you may have discussed that and I had
8 -- I may have missed it, but I would like to ask whether
9 subcommittees were used in the past?

10 MS. McCAMMON: Subcommittees weren't used because
11 (indiscernible) formal subcommittees, it's my understanding, under
12 the Federal Advisory Committee Act, they have to then be formally
13 noticed and formally established, and go through the whole kind of
14 bureaucratic rigamarole that the full body has to. So, what we
15 used last year that I think worked really effectively were small
16 working groups, where we just got informally two or three people
17 together with some other staff and some other folks to work on
18 specific issues, and that was very effective.

19 MR. WOOD: Okay, good. Vern, you had something.

20 MR. McCORKLE: Yeah, an emphasis of -- risk of belaboring
21 the point or delaying the process, or moving through the agenda, I
22 think it's important to note that -- that Pam and John and Jim and
23 Kim have all talked about the same thing with respect to the need
24 to be informed by your constituency group and to get information to
25 them. And, I remember I came real conscientious, about my second
26 meeting I discovered no one is representing the Kenai. Well, I had

1 worked in government down there, so I said, well, fine I'll go down
2 and I took a bag of donuts and pot of coffee, and boy did I get in
3 trouble because I had convened a meeting that did not have the --
4 the by-your-leave of the -- of the rules and regulations. So,
5 Jim's got it just as -- and Pam I think have it exactly right. You
6 just sort of go around talking and visiting, and you don't make
7 this a big public deal, and it's not a -- pardon me, don't make it
8 a big public thing, and you just get information and share it back
9 -- and do the best you can, and make sure you don't hold hearings,
10 and that's what we, you know, ended up doing.

11 MR. WOOD: And if you were a Trustee Council members,
12 and your responsibility was to get the public input through public
13 hearings and other means, in addition to the Public Advisory
14 Group's input, it would really confuse and muddy the purpose,
15 roles, authority, responsibilities, which then -- if that happens,
16 the effectiveness decreases for the Trustee Council, as well as for
17 you folks because a lot of things come up, which we'll talk about,
18 which is issues about the trust and issues about conflict, and
19 issues of how to make decisions, and just a lot of -- the elephants
20 start getting real big, and they start tromping around is what
21 happens in my metaphor. So, we've got a couple of action items on
22 structure. I'm going to go through meetings very quickly because
23 I want to spend a little bit of time, that's really -- I think why
24 I was asked to be here is to help you become more effective in
25 running your meetings, and then just talk, just share some
26 information for you -- for you to apply as you chose to on

1 decision-making, conflict, and how to support each other. Okay,
2 any questions about this before we move into the meetings piece?

3 Okay, on the next page, page four, the thing that talks about,
4 what I consider the five primary components of effective meetings.
5 So, the piece back here is about effective groups, groups get their
6 work done in meetings, so now we're going to the next level of
7 detail which is how to work effectively in meetings. And, again,
8 my premise is, if you do these five things in this order, you will
9 have very effective meetings, and therefore very effective groups.

10 The first is the right people in the room. How many of you have
11 been to a meeting in the past three or four months where the wrong
12 people were in the room to make the decision or provide the input
13 or to help you resolve the issue that you're dealing with?

14 Sometimes just people invite themselves, you invite them, or that
15 it's part of a standard agenda, you have staff that have attended
16 your staff meetings, and it's really on purpose for them to be
17 there. So, let's assume that you are the right people to be in the
18 room. Is there anybody that feels that they're the wrong person,
19 or that they shouldn't be here? Okay. Now, let's say that we have
20 nailed that piece, that you're the right people. The next piece,
21 and it's one that I do a lot of coaching or shadow coaching, or
22 shadow consulting with leaders about, is how to be effective, and
23 there are really four components that I've found that help make
24 leaders effective. One is that they have experience doing the job
25 of leading meetings, either they've chaired or -- meeting before,
26 they own their own companies and they run meetings, they work for

1 organizations where they have experience dealing with the dynamics
2 of individuals and groups in a meeting, so that they have
3 experience with that, and also using decision-making and conflict
4 resolutions strategies or processes, then when things start flaring
5 they know how to handle that. Not in a way of banging the gavel
6 and saying you're out of order, as much as how to use appropriate
7 processes to help the people work together so that they're able to
8 work effectively and enjoy the work that they are doing. So,
9 leadership has leading meetings, knowing how to help groups make
10 decisions and knowing how to handle disruptive behavior or
11 conflict. A second criteria is that they are comfortable and adept
12 at using whatever the structure is that the group has decided to
13 use. In this case, formally, I understand you use Robert's Rules
14 of Order. I like Robert's Rules of Order because one of their
15 rules is you can suspend Robert's Rules of Order to get the job
16 done. So, it recognizes that that stuff doesn't work all the time.
17 Again, maybe the eighty-twenty rule. You use, use what ever
18 structure is appropriate eighty percent of the time and change it
19 or do whatever you need to do to get the job done the other twenty.
20 So, your leader whoever that is, should be comfortable with and
21 adept at using the structures that we've talked about. A third
22 component is that they're able to encourage participation, that
23 they really can facilitate discussion. Facilitate means to help
24 make better, so it helps to make the discussion better, and on page
25 four those of you who want to know how to encourage participation,
26 this is the one pager on everything about participation in

1 meetings, how to encourage it. You ask for participation, you
2 prompt discussion, you reenforce participation, etc. I'll let you
3 read those on your own. So, that the leaders are able to help work
4 with groups to encourage participation, and they know how to handle
5 questions and concerns, either in the formal way, Robert's Rules of
6 Order using motions and things of that sort, or they're just able
7 to rephrase and repeat questions, they're able to solicit and
8 capture new ideas, they're able to help groups reach consensus and
9 discuss that, but they're able to handle the stuff about meetings,
10 the questions, the concerns, the conflicts, if there are any, the
11 disruptive behavior, those types of things. So, when you're
12 thinking about -- those of you who are interested in or are
13 thinking about people to represent you as a leader, those would be
14 the interview criteria that you use when you decide later today who
15 would an effective leader should be. This is according to my
16 experience with a lot of organizations over the past fifteen years.
17 So, if they are experiences, they're comfortable with structure,
18 they can encourage participation and handle questions, they
19 probably fall into the hat to be chosen. Okay. So, you have an
20 effective leader, and you'll chose whoever that individual is at
21 some point in the future, and be willing to correct, correct,
22 correct, that have learning experiences, as the leader as well as
23 the group. So, you co-chair may be somebody that can support the
24 learning style or -- or the leadership style of your chair, so that
25 they can work in tandem or support each other, or you can fall back
26 on, kind of have a triumvirate or a dual leadership, where one can

1 compliment the other, or however you decide to do that. Any
2 questions about those two pieces? How many of you have never heard
3 any of this stuff before? Anybody? Okay, so I'm going to turn the
4 gradient up. Agenda, on the bottom of page four, you basically
5 have ninety percent of these things, you've got a title of the
6 meeting, the date, location, time, meeting purpose and outcomes.
7 Remember purpose and outcomes creates effective groups, so you've
8 got a purpose and outcome on your agenda. You know who the
9 attendees are, any guests, you know who is in the room, what
10 agendas they're bringing, you have action items, the person
11 responsible and the time allotted, and your agenda today nails all
12 of those. You've got minutes related to the topics of discussion
13 and decision, as well as the ongoing minutes of the meeting. I
14 think you have a lot of that. And, that you have an action plan,
15 a person responsible and what the dates are for the action that you
16 take. I don't know that you do that, but this is sort of a
17 starting of that, that you have captured things that you need to
18 work on in the future. In most meetings, that's the piece that
19 falls through the cracks, in my experience, that you talk about it,
20 you get caught up in the excitement of making this recommendation
21 about some decision about allotment or lands, or something.
22 Somebody says well, why don't we have somebody do this, that or the
23 other, and everybody says yeah that's a great idea, at the next
24 meeting let's come back and do, and you just miss it. So, the
25 piece that I would suggest, since it's typical of most groups, is
26 make sure you capture any actions or recommendations or to-dos, in

1 essence. That way, you don't go back and have the learning
2 experiences that you've had over the past couple of years. Agenda
3 stuff is fairly easy, fairly rote, it's part of the structure of
4 the meetings, also, to help you stay more effective. Don't create
5 an agenda -- that my recommendation would be not to create an
6 agenda that creates -- that puts you in a sort of a honeycomb of
7 having to go from here, to here, to here, to here, to here. The
8 gavel bangs, don't care what you think we're moving on, try to find
9 a bowl to support the structure that will help you get the job
10 done, and be willing to change it, to the extent that you can
11 because of federal guidelines or whatever the case may be. Okay.
12 I literally blew by that because you seem to do a good job of that
13 already. Are there any questions about this piece so far? Like,
14 all of you do this stuff routinely anyway.

15 Okay, let me talk just briefly mention something about norms,
16 meaning norms or guidelines or behavioral ways of being with each
17 other. How many of you -- how many of you have norms or meeting
18 guidelines for meetings you conduct outside of this room? Do you
19 have some kind of a structure thing, yeah, good. Why are norms
20 important, or rules when people get together? Why are rules
21 important?

22 MR. DIEHL: So everyone participates.

23 MR. WOOD: Yes, another one.

24 DR. FRENCH: Well provide the common ground for
25 discussion and these outcomes.

26 MR. WOOD: Kind of common ground, yeah. What happens

1 in society if we have no rules?

2 UNKNOWN: Chaos.

3 MR. WOOD: Chaos, what else?

4 MR. DIEHL: People drop out.

5 MR. WOOD: I'm sorry.

6 MR. DIEHL: People drop out.

7 MR. WOOD: People drop out, they don't participate,
8 what else? Hang on, people make up their own rules. So, how many
9 of you want to work with each of other if you get to make up your
10 own rules about how you operate with each other? How many of you
11 think that would be frustrating if you did that. Yeah. If I were
12 in a boat next to Thea out in the Sound, and I decided to make up
13 my own rules, like some fishermen do, I hear, it creates a bit
14 chaos, or anarchy, right. It creates a bit of challenge. If the
15 city governments decide that they want to write their charter or
16 write their -- write all their norms and rules the way they want to
17 do it without respect to other cities or how they operate, there
18 would be anarchy. So, what I would suggest is you think about
19 creating some norms or guidelines for how do you want to be with
20 each other, and work with each other in the meeting. This will be
21 a topic to take off line to one of the work groups is let's get
22 together, talk about having meeting norms, if you chose to do this.
23 Some groups can work effectively without it. So, what are the kind
24 of things that people chose as norms. To attend the meetings and
25 be on time. Everybody agree with that? Is there a commitment to
26 be on time and attend the meetings, yes, it becomes a non-issue.

1 The elephant goes away. Because three people always show up late
2 and they're never prepared and they're never on time, it creates
3 some discord of this function and group. So, if you have a norm
4 that says you'll just do your best, then it becomes a non-issue.
5 Responsible for the groups progress, members are responsible,
6 everyone is equal during a meeting. You have different opinions
7 and different experiences, but you'll all co-equals. You'll
8 actively listen to the speaker and let them have the floor when
9 it's time to do that. You'll carry out assignments, You're not
10 going to belittle the ideas of others and make side comments and
11 create some disfunction. A way of doing this, a way of keeping the
12 norms and being on the agenda is by using, what I call a
13 gatekeeper. How many of you ever heard of a gatekeeper in a
14 meeting? Yeah, gatekeepers are wonderful people to have in
15 meetings because it's okay for them to be the cop. It could be a
16 facilitator, it could be the leader, although I wouldn't suggest
17 that, but it's somebody, maybe that it takes turns, at each one of
18 your meeting you have somebody to chose to be the gatekeeper. The
19 gatekeeper's job is to make sure the people follow the norms, so
20 they can say, Vern, one of the norms that we have is to actively
21 listen to the speaker, and you're talking to Jim throughout the
22 meeting. Could we agree to keep the norm, is that okay, and Vern
23 will say, yeah you caught me, that's fine. So, it's not like Vern
24 get out of here you're disrupting us; it's will you keep the norm.
25 Another thing that the gatekeepers will do is track the timing on
26 the agenda. Like right now we have about two and a half minutes to

1 do twenty-five minutes worth of work. What do you want to do about
2 that? Do you want to extend the meeting, do you want to take this
3 off-line, do you want to put it onto the agenda for the next
4 meeting, just as a suggestion, we may want to look at time, and
5 they can do that and get away with it because the group really
6 appreciates that, or they could say, wait a minute, Charlie and
7 Thea brought up an issue that's really off purpose for the meeting,
8 the purpose of this meeting was to. I heard them talking about and
9 bringing in as an action item this issue that's really off purpose,
10 so we need to make a decision, do we change the purpose of the
11 meeting, do we take it as an off-line discussion for them to work
12 and bring back, or do we put in on the agenda for the next meeting,
13 and a gatekeeper can do that stuff. They can kind of be your cop
14 and be a liked cop, a nice person. So, you may want to think
15 about, if you decide to use norms, using a gatekeeper at each
16 meeting, and my recommendation is that you rotate that, that you
17 each take turns. You meet what six times a year or something of
18 that sort.

19 MS. McCAMMON: Around five.

20 MR. WOOD: Five or six times, so, you know, you all
21 get a chance over the two years to be the gatekeeper for the
22 meeting, if you chose it. That can be really effective, especially
23 for the meeting leaders to know that somebody is tracking that that
24 kind of stuff. Okay, any questions, any comments from those of who
25 have used gatekeepers that would support or not support my premise?
26 Any comments about using gatekeepers at meetings. I love it when

1 I'm the leader because I can -- I don't have to be the nasty guy,
2 bad guy or whatever.

3 MS. McCAMMON: Bill, could I be the gatekeeper here for
4 just a moment please. Timing, we'll give you ten or fifteen extra
5 minutes here.

6 MR. WOOD: Okay, thank you.

7 MR. McCORKLE: Too, we've used gatekeepers before in
8 other places I've worked, and they really are helpful because a lot
9 times they either the facilitator or the chair can't pay enough
10 attention to also be a gatekeeper, or be an effective gatekeeper,
11 and you try to, but sometimes you've got too much on your mind or
12 your trying to make sure that everything is equal, or to stay back
13 questions which may be controversial in such a way that the group
14 can deal with them, and a gatekeeper can really focus on -- on that
15 part of the procedure, and it really -- it's very helpful.

16 MR. WOOD: And it was helpful for me when I'm doing
17 this kind of stuff. I usually work with another consultant or an
18 assistant or something because that way I can focus on what's
19 happening with the twenty-four workshops and not pay attention to
20 the stuff that's going on in the background. It's very helpful for
21 me also. Any other questions before we move on?

22 MR. ZERBETZ: Mr. Wood.

23 MR. WOOD: Yes, Gordon.

24 MR. ZERBETZ: Another sample of a norm that I would
25 suggest is some sort of a strict behavior pattern with respect to
26 doing homework and briefing materials. I've been to so many

1 meetings where half of the people read the material and the other
2 people have not studied, and incidentally, this was an excellent
3 document here. I've enjoyed (indiscernible).

4 MR. WOOD: And who put that together?

5 MS. McCAMMON: Staff, Cherie did it.

6 MR. WOOD: Excellent job. So, another norm would be
7 where it says -- where is it -- to carry out assignments and
8 complete them on time is also be prepared for the meetings. Yeah,
9 so if you end up working on that as an item, you may want to add
10 that to this list or pencil it in now, or something of that sort.
11 So, another parking lot item is decide whether to use norm --
12 whether to develop norms and use a gatekeeper. Okay, listening --
13 active listening and communication skills. I -- it is off purpose
14 for me to do a course in active listening 101 or communication
15 skills for groups 211, or something like that. My purpose in being
16 here is just to help you recognize that active listening and
17 effective communications skills will add to you being able to have
18 effective meetings, which will contribute to your effectiveness as
19 a group. And, I'm not going to insult your intelligence by going
20 through the details of all of this, but I want to alert you to the
21 fact that the next couple of pages are there, so you can scan them
22 if you chose to. If you want to know more about active listening
23 and more about how to communicate effectively in groups, this is
24 there for -- kind of you to scan if you chose to. The components
25 of active listening and effective communications are down the left
26 hand side, being attentive, prompt, asking open-ended questions,

1 rephrasing things you don't understand, using self-disclosure,
2 being empathetic and reinforcing statements that are made by others
3 that you agree with. And, there are some descriptive examples,
4 literally things that you can do if that is an issue or a problem
5 for you, or an issue or a problem in the group. And, there is some
6 specific quotes that you can use, or examples. Again, I'm trying
7 to create an opportunity for you to take tools with you that you
8 can pull out and use once in awhile. So, if you get to the point
9 where your meetings, people say wait a minute, I think that we're
10 not doing real well communicating, maybe you can go to something,
11 have somebody take a look at this and say well what can we do
12 differently. What is it we're off track on. How many of you that
13 have your own businesses or work in another organization have ever
14 heard somebody say, we really don't do well communicating with each
15 other. How many of you in families have heard, we don't
16 communicate well with each other. Well, here's -- if you can
17 identify what it is, what the component is, this will give you some
18 ideas about what to do about it. And, if you try some of this, let
19 me know. My card is in there, so if you try it and it doesn't
20 work, but you find something that does, let me know that so I can
21 have some learning experiences and share that with other groups.
22 So, that's a little bit about active listening and learning. So,
23 if you do these kind of things effectively, you're going to have
24 effective meetings, and it takes us then to decision-making and
25 conflict management techniques. So, you've got some details here.

26 Let's look at decision-making and conflict management. This

1 is the way that groups get work done is by making decisions or
2 taking some action. I'm on page seven. So, this again is just
3 some background information on -- just kind of basic decision-
4 making 101. There are types of decisions where either you don't
5 make one, or don't make commitments to make one, or the other end
6 of the continuum, where there is consensus, and I'll talk about
7 consensus decision-making in a second since that was part of an
8 issue that was brought up to me in some of the interviews I did
9 earlier. So, what we're talking about here is a key -- is the keys
10 in making decisions are brainstorming, getting ideas from everyone
11 in the group, and doing something with the list that you've
12 brainstormed, either by voting or using consensus, or some other
13 process of reaching a decision, and I've outlined the classic
14 brainstorming steps. How many of you have used brainstorming in
15 your businesses or work that you do, brainstorming techniques
16 (indiscernible). How many of you have every heard of story-
17 boarding as a way of making decisions? Yes, story-boarding started
18 where, what was the basis of story-boarding? Anybody know?

19 MR. McCORKLE: Television commercials.

20 MR. WOOD: Yeah, television production. Literally,
21 they're in my back, which isn't here, literally you take three by
22 five postit notes or cards or something. They used to use them
23 with thumbtacks or magnetic boards, those little postit notes,
24 these kind of things only the bigger ones. (Can I grab a few of
25 these) Now what you do is you brainstorm on the -- on the three by
26 five cards. So, let's say the decision you want to brainstorm,

1 what are the things you could do as a group to -- what are the kind
2 of norms that you want as a group? All of you have three by five
3 cards in front of you with these little stickies, and you write
4 down one idea on each card, and you gather them all together and
5 you stick them up on the board. Just put them altogether, and then
6 whoever is running the process looks at them and says, oh, this has
7 to do with timing, this has to do with timing, oh, this one has to
8 do with being -- representing your groups, this one has to do
9 whatever. So you sort through them and put them into groups, and
10 then you categorize each group. Okay. Then, to reach consensus,
11 you would use little sticky dots, little things, and you'd get
12 everybody to get three or four or five sticky dots, is called
13 multi-voting, and you get your different colored dots and you go up
14 and you say which one you can support or which ones you think are
15 most important, and you put your little sticky dots up and you
16 reach consensus using story-board process, which not only gives you
17 the ideas, but it also rank orders them and gives you consensus on
18 how you make the decision about what norms you want or don't want,
19 or whatever the case may be. That's all that this piece is talking
20 about, is kind of a different way of brainstorming, and if you
21 decide to use something like that -- how many of you, again, have
22 used story-boarding, they're your resources in the group. So, if
23 you want to know how to do that, you've got the expertise right
24 there. So, that's all that classic brainstorming and story-
25 boarding is talking about, a process is to use to make decisions,
26 and I understand that's a major responsibility and role that you

1 have is to advise the Trustee Council on various decisions. So,
2 the processes that you use as a group to make decisions, is going
3 to be important. How you chose to do that, how -- you know, what
4 the processes are, what you do if you get blocked. If you do
5 voting, where you have majority and minority opinions, what happens
6 if you are eight to eight, or eight to nine, or whatever the number
7 is, that is really not a majority, but it's not consensus either
8 obviously. So, you may want to talk about it or work through what
9 happens when you make a decision of how you're going to do those
10 effectively. How many of you have had experience with a variety of
11 decision-making techniques in groups? Other than just, I say it's
12 right -- so they are your resources. So, you don't need to have me
13 or others who can say, you know, who is that has experience using
14 decision-making techniques. I know Chip has had a lot of
15 experience in his public work. Vern and Dave also been working
16 public processes. How many else have worked in public processes
17 doing decisions and things of that sort? Yeah, a lot of you have,
18 so you -- you kind of know what has worked in the past and what
19 hasn't. So, you just want to talk to each other. Have some dialog
20 around that, maybe in a work session or something of that sort.

21 Okay, last piece with conflict management has to do with
22 reaching -- with decision-making, has to do with consensus
23 decisions. People ask me all the time about, well, how can we make
24 consensus decisions in a group. What is it that we do that makes
25 those things effective and what is it that we do to make those
26 things ineffective. So, again, I like to go from broad concept and

1 universal ideas to -- bam, bam, bam, bam -- here are the five
2 things that you can do. These are the five things to do when -- if
3 you want to reach consensus decisions. You avoid arguing for your
4 own personal judgments. You express them, but don't argue about
5 them. You avoid changing your mind just to go along with the
6 group. The idea there is to say eighty-twenty is okay. In
7 America, consensus is reached generally by an eighty-twenty
8 opinion. In Japan it's one hundred percent, but in America it's
9 usually eighty-twenty. What eighty-twenty means is that you can
10 live with it. It sounds about right, I can support it and go along
11 with it. You may not totally agree, but you could at least support
12 it, you can live with it. Avoid conflict-reducing techniques --
13 those of us who have had conflict in our lives, especially when we
14 were younger, we tend to avoid conflict in our adult lives because
15 it brings up a lot of history and a lot of emotions, and a lot of
16 stuff we didn't like. Conflict is not something that people
17 generally jump into and enjoy unless they like adversarial stuff,
18 like attorneys, they love conflict and love -- they may not
19 personally like it, but they are comfortable with it because
20 they're trained to be the best adversaries in our society. So, if
21 you get to the point where there is no conflict, and it's a hot
22 item, that means the elephants in the room are growing, you better
23 address them. Talk about a conflict because once you do, it
24 diminishes the energy that gives to it, and most of the conflict we
25 envision in our heads as being worse than it really is. We think
26 it's going to be worse than it really is, and in most cases, it's

1 not as bad as we think it's going to be. Once we've talked to each
2 other, we're all -- you're all human beings and you have
3 differences of opinions and their are conflict issues, talk about
4 it and say, I'm in conflict with that because. Obviously, maybe
5 commercial fishing and conservation may clash occasionally, or the
6 biology of things may clash with land use or something, talk about
7 that stuff because it's good to get that out, that gives you a
8 balanced perspective. So, if you get to the point where there is
9 a lot of conflict and somebody says I call for the question, that's
10 an alert that you're going to blow by something that may help you
11 all have a learning experience, it could be real helpful for your
12 position. A few differences of opinions is helpful. Obviously,
13 you're all different, that's part of why you're here. Rather than
14 a hinderance, make it a learning experience and be open to the
15 creative ideas of others. Just because it's different, it doesn't
16 mean that it's wrong, it's just different. That's a major issue
17 for me, personally, dealing with other's opinion because I'm called
18 in my professional life to be helpful and advisory all the time, so
19 when I give advise at home, occasionally people say in kind ways,
20 or thank you for sharing Bill. I'm not your client. And the
21 steps, I've outlined the steps, basically you take the brainstorm
22 list, you developed weighted criteria like dots or some way of
23 doing that, you search for resolution, resolve the cons, maximize
24 the pros, and then agree on a way to proceed. Anybody see anything
25 here that's totally new for them dealing with consensus decision-
26 making. See, all I'm trying to do is to reiterate what you already

1 know and to make it okay to have these discussions. Call out the
2 little elephants, there are things in the room for you.

3 Okay, last two pieces. Conflict management, the best way to
4 resolve conflict is to not let it happen in an unhealthy way. So
5 what I'm talking about now is unhealthy conflict in groups, and the
6 best way to handle that is to get it before it becomes unhealthy.

7 When conflict -- when there's conflict in group it is -- in a
8 group, it has started as some way of -- some type of disruptive
9 behavior that has escalated. How many of you have children, or
10 grandchildren? Think of children as they are growing up and how
11 you get into conflict with them because of some little thing that
12 they've done, that they didn't handle well, or you didn't handle
13 well. Some kind of disruptive behavior that escalates. So, Bill
14 Wood being the logical, let's do a check list here, says, here are
15 the ways you can handle disruptive behavior before they get to be
16 conflicts. So, your meeting leader should be good at handling
17 disruptive behavior because that will help eliminate any unhealthy
18 conflicts that you have. And, there's some other information about
19 conflict management. Literally, if you do have dysfunctional or
20 problematic conflict what to do about it. And, the next page says
21 here are the things you can do if it's just minor conflicts or what
22 I call daily events, here are things to do if they are really
23 challenges to the effectiveness of the group, and if you are at war
24 with each other, beware. If you're at war with each other, as a
25 member of this group, it means that you've ignored the challenges
26 and opportunities to resolve things at that level. You've probably

1 ignored the little daily events, as I define them in here, and you
2 probably haven't handled disruptive behavior. You've let this
3 elephant grow to the point where you're all in trouble. So, if it
4 gets to war, that means -- that that's an alert that you should
5 probably stop because war means somehow either figuratively or
6 literally the death of the group. It means that somebody is going
7 to die, figuratively speaking, or leave the group, or bring the
8 group down, or get it dysfunctional in some way that will actually
9 destroy who you are. When people start questioning your
10 credibility, or the way that you make decisions, if it's not
11 because of lack of clarity about these things, it's because
12 something brewing in the group that your being blind-sighted by, or
13 that you're not addressing. So have the courage to just address
14 that, to call out what's going on. That dissipates the energy
15 immediately and gives you something to focus on. Focus on the
16 cause or the underlying issue, not the person who is conflict.
17 That will be sort of my last suggestion about dealing with
18 conflict. Focus on the cause or the underlying issue, not the
19 person. Okay.

20 The last piece is support each other. Turning up the gradient
21 really a lot for energy, too, doesn't it. You burn a lot. And,
22 what I've done in this section is sort of given you the twelve
23 reasons that most groups are ineffective. The twelve things that
24 people do to each other. These are the twelve elephants that I've
25 experienced over the past fifteen years that I've been asked to
26 come in and help groups resolve. So, this is sort of an inverse

1 list. If you do the opposite of this, things will work out better.
2 So, some things that members do, is there an inappropriate conduit
3 for staff or special interests. They carry some agenda that they
4 have not agreed to carry as part of their roles and
5 responsibilities. They decide how to do things that are out of
6 their area of influence or control. Vern and some other, talking
7 about getting into the minutia and the detail of making decisions,
8 when that wasn't yours to control anyway, or even to influence at
9 that level of detail. Speak for the group without being designated
10 to do so. You have one spokesman officially for the group and
11 that's the chairperson or our -- or vice-chair in that persons
12 absence. So, when you're talking about public information or
13 things of that sort formally, you have one spokesman for the group.
14 Informally, you all have responsibility to share what happens with
15 your constituents, but not formally. Complain publicly about the
16 Advisory Group, the Council or each other. Thea was at it again,
17 I can't believe she brought up that issue, I just can't stand being
18 at meetings with her, and you're talking to other people that may
19 know her, know about her. You know, just kind of bitching and
20 complaining outside of the group, but carrying a different face in
21 front of each other. That's almost clinically subversive to do
22 that, where you smile, pat people on the back, I support you, I
23 appreciate who you are, and then you jab them in the back when
24 they're not in the room. An example of that is OPEC, what used to
25 be OPEC. Hundreds of millions of dollars spent in Geneva for a
26 week long meeting, and then they go back and slit each other's

1 throats. That's very dysfunctional. Give power to rumors, sandbag
2 the chairperson, or for other people on the group, waiver from your
3 plan course, make a commitment to follow purpose and rules and
4 responsibilities, and then not do it, break your commitments with
5 each other, not following the norms or other things, withholding
6 and not participating, withholding information, withholding
7 questions, not participating. Beware the silent majority. If
8 there is a lot of silence in the room, it means that people have
9 questions and don't know or they don't understand. So, stop and
10 say wait a minute, what's going on here, it's -- people are really
11 quiet. What do we need to do differently? Unwillingness to change
12 your own behavior or -- whether it's disruptive or whatever, and
13 remaining in the group after you've broken a commitment to the
14 group repeatedly. And, you're the person that ethically will have
15 to -- ethics is all about who you are and what you represent
16 internally, and how that projects publicly. So, if you remain in
17 the group after you repeatedly failed to keep your commitment,
18 you're really a dysfunctional member of the group. So, stand up
19 and say, I really can't participate in the group and here's why and
20 here's my ethics about that, and talk about it and work it out and
21 get your alternate to come in or to figure out a way to deal with
22 it because if you're feeling that, maybe some other people are too.
23 So, in closing, these are the killers to effectiveness in groups.
24 The expert, the person who says I know I'm right, I'm not listening
25 to anybody else, it's my word or not, if you don't agree with me
26 I'm out of here, the person who sees their self as an expert

1 inappropriately. You all have areas of expertise. We're not
2 talking about that, but it's pushing -- pushing the group norms and
3 pushing the group where -- by not being willing to move off of a
4 point because you feel that you know it all. Failure to
5 participate, either by keeping your commitments or in the meetings.
6 It means that your voice is not being heard and you're part of this
7 living, breathing group, and so part of the group is not breathing
8 and living, there is something wrong with some part of the body
9 called the PAG. And so, if you fail to participate, it will kill
10 the effectiveness of groups. If you won't support the decisions,
11 or you support them in this room, and when you walk out of the
12 front doors you don't, that will also subvert and kill the
13 effectiveness of the group. You may have had learning experiences
14 about these things over the past couple of years, maybe not. And
15 the last one is if you refuse to resolve conflicts, that you
16 received, you don't want to talk about it. If any of these four
17 things start to get pushed into you, if these are buttons that you
18 bring with you. The way that I -- that I would suggest you handle
19 is first of all ask yourself why. Why is it that I feel like I
20 have expertise? Why is it that I won't participate? Why is it
21 that I won't resolve conflicts? Because it probably has nothing to
22 do with what's going in the room, it's who you are and what you
23 bring in from your experiences, in whatever area that you have
24 experience with. So, the suggestion, kind of the nutshell is just
25 take a breath and ask yourself why, and say it's okay, you don't
26 have to be perfect, you don't have to be one hundred percent, and

1 just work on it. Do the best you can. So, effective groups have
2 these criteria. If this stuff gets pushed you know that you're
3 having some difficulties. And, the last piece is good luck with
4 your work. You have a lot to do, and you have a lot of tremendous
5 experience and a lot of energy that you're all bringing to the
6 room. So, use that, and use that really effectively. My apologies
7 for going over a couple of minutes more than what you gave me.
8 Good luck. I'd love to hear from somebody about what happens and
9 how well you do. A lot of good core stuff, and thanks very much
10 for your participation. I appreciate it.

11 (Applause)

12 MR. MUTTER: We have one agenda item that we ought to
13 take up and then we'll take a five minute break, and if you'll note
14 on the agenda for tomorrow morning, we have an election of
15 officers. We have -- the officers are a chair and a vice-chair,
16 and they each serve for one year time period, and we put that
17 tomorrow to give the new members and everyone a chance to get
18 acquainted and see where people are coming from. But, in the
19 meantime, since I'm not a member of the Advisory Group, I want to
20 get out of the role of chair, and I'm going to break rule number
21 six which is sandbag or surprise somebody, and I'm going to ask if
22 until tomorrow morning, if Vern McCorkle wouldn't mind taking over
23 as the temporary chair of the organization.

24 MR. McCORKLE: Well, that's a sandbag.

25 MR. MUTTER: I know. (Laughter) But, see you get to
26 start with a five minute break.

1 MR. McCORKLE: How can I say no, I'd be delighted to
2 start with a five minute break. So, we are at ease for five
3 minutes.

4 (Off Record 11:21 a.m)

5 (On Record 11:30 a.m.)

6 MR. McCORKLE: Ladies and gentlemen we are ready to begin
7 if you are so we invite you to come back to the table. Thank you.
8 Thank you, I believe we will begin. And, I now call upon Molly
9 McCammon who will be taking the next session for us, briefing on
10 the restoration program, Molly.

11 MS. McCAMMON: Thank you, Mr. Chairman. What we wanted
12 to do, at least for this first meeting of the Advisory Group was to
13 assume that you're all at ground zero in terms of knowledge about
14 the oil spill and the settlement and the Trustee Council, and some
15 of the briefings today may be boring and repetitious for some of
16 you, hopefully not too much so, but we thought -- we wanted to
17 bring everybody up basically at a same level. With that in mind,
18 we asked Craig Tillery to give a presentation on the court
19 settlement and how it all came about, the roles for -- some of the
20 rules that are included in the settlement in terms of restoration,
21 the payment schedule, and just give you some history of the actual
22 settlement itself. Craig is an Assistant Attorney General with the
23 Alaska Department of Law. He worked with former Attorney General
24 Charlie Cole during the litigation phase, as well as the actual
25 settlement. He now serves as the Attorney General, which is now
26 Bruce Botello's designated alternate on the Trustee Council, so he

1 serves as the Department of Law's Trustee Council. And, Craig if
2 you could, there's a mike up there at that table, and if you could
3 join us there, and with that I'll turn it over to Craig.

4 MR. TILLERY; Do I have to be boring and repetitious, or
5 is that just kind of ...

6 MS. McCAMMON: No you don't.

7 MR. TILLERY: Am I guessing that about half is new and
8 half is old, is that were are at? Okay. Yeah, my name is Craig
9 Tillery, I'm with the Department of Law. I have been involved with
10 this from about a week after the oil spill, we created a litigation
11 section in the Department of Law to litigate the case, and we have
12 been sort of working on this every since. Something I have to
13 explain to the legislature every year, this is an event that won't
14 -- won't go away. I could give you the mechanics, but maybe I
15 should actually first tell you kind of why we are here and why
16 we're here in this particular format. Federal-state -- joint
17 federal-state Trustee Council. To my knowledge, this may have been
18 done before in very small scale, nothing like this in reality has
19 ever been done before. No one knows how to deal with us. The
20 legislature -- the State Legislature doesn't know how to deal with
21 us. Congress has a difficult time dealing with us. The courts
22 have a difficult time dealing with -- there are people that won't
23 sue us and they can't figure out what to do. In some cases -- in
24 most cases it's kind of an advantage, we get to sort of try our own
25 rules. But the reason we're here in this format is we had a major
26 oil spill that, you know, coated, (indiscernible) it took a pretty

1 good shot there at the oil spill area. It harmed otters, it harmed
2 tide lands, it harmed birds, it moved all over. It harmed all
3 sorts of different resources. It harmed salmon, and when it came
4 -- fell to us to try to collect damages for the harm that was done,
5 the first thing we and the Department of Justice looked at was,
6 well, who was harmed, how do we decide whose resources were
7 damaged, and it began, well, it's our otters, no, they're our
8 otters, they live on our tidelands. Well, they're our birds.
9 Well, some of them are, but some of them aren't. Well, the fish
10 are ours outside the three-mile limit (indiscernible) or maybe not,
11 but when you get into ours, and certainly when they get into
12 anadromous waters they are ours. It became real clear that if we
13 did not cooperate, the state and federal government did not
14 cooperate, that the only winner was going to be Exxon. Therefore,
15 we launched into a decisive and quick two year negotiation over how
16 we would litigate -- well, not so much litigate, but we divided up
17 the litigation responsibilities pretty quickly. But, how we would
18 deal with any recoveries. The results of it was a document called
19 a Memorandum of Agreement. It was filed simultaneously, as it
20 turns out, with the Consent Decree with Exxon because that's the
21 way the timing work, although we had actually began negotiating
22 those -- those independently. The MOA provides for the joint use
23 of the funds, and the MOA was entered by in August of 1991 by Judge
24 Holland. It is a court order. It can only be changed by
25 approaching the court and asking the court to change it. And, what
26 it specifically says is after you -- as with a lot of stuff, that

1 the truth is in the definition section, but once you get past that,
2 and you find out exactly what things like natural resource damages
3 are, you find that the governments shall jointly use all natural
4 resource damages, all damage recoveries, and we end up defining all
5 of the recoveries from this our natural resource recoveries, for
6 purposes of restoring, replacing, enhancing, rehabilitating or
7 acquiring the equivalent of natural resources injured as a result
8 of the oil spill, and the reduced or lost services provided by
9 these resources. That seemingly straightforward definition has
10 (indiscernible) a lot of conflict since. Most of -- a lot of it --
11 the easiest part of it is, you can use the money that's been
12 recovered to restore a natural resource. You can -- if you have a
13 run of fish that died, you could start the new run. Well, that's
14 kind of restoring them, it's kind of replacing them, or you could
15 acquire the equivalent which means maybe you wouldn't deal with
16 that run of fish, but you put another one somewhere else, that
17 would go into a different stream or something like that. You can
18 enhance it, maybe that was a declining species. If seals were
19 declining, it's not -- we have the authority to actually go behind
20 declining. Enhancing is an interesting term. It is one of the --
21 it's the only term that is really outside the wall. The Clean
22 Water Act provides for restoration, but my recollection is it did
23 not require, or did not actually permit enhancement, but again, you
24 have to remember that this settlement was a Clean Water Act
25 settlement, but it settled a lot of other law. It settled, among
26 other things, the state's mini superfund, Section 822 law. So,

1 there was more flexibility in using these funds, but we were kind
2 of under -- there was no way to segregate these things out, just as
3 there was no way to determine between the federal government and
4 state government how much we should each recover, there was no way
5 to determine which law you attribute which amount to. Therefore,
6 as sort of a way of doing this, we went to the court and said, here
7 is what we think it should be, you order it if you believe that is
8 right, and that is what the court has ordered. It's difficult
9 sometimes in dealing with restoration, replacement, so forth, in
10 natural resources. It's doubly difficult when we start talking
11 about services. Services, if you ask me and you asked the
12 Department of Justice what services are you will get two different
13 answers. They are not here, so my view is that services are
14 essentially the human uses of resources, that is a service is
15 commercial fishing. A service is sport fishing. A service is
16 recreation, and the -- but, it's not -- it's not unfettered. You
17 -- one could come in and we've heard this argument, you -- you
18 can't sport fish, I mean, the science is getting a little fuzzy in
19 the last year, but at one point there was a big -- the view was
20 that there would be greatly diminished sport fishing, or any kind
21 of fishing on the Kenai River, as a result of sockeye over
22 escapement. Okay, so if they stopped sport fishing then that would
23 be a lost service, lost as a result of the oil spill. I -- one way
24 -- there are several sort of permutations of that, you could, and
25 I'm thinking of an early thing, there was a proposal to try to
26 stock more sockeyes in there. I think it was even more -- it was

1 pushed even farther like for Red Lake down in Kodiak. All right,
2 that would be sort of restoring those services, fairly directly.
3 Well, if you can't stock sockeyes because by the time you get the
4 program off the ground, you're going to miss a couple of years in
5 there, what if you put a bunch of rainbow trout in there. You're
6 kind of dealing with the same user groups, they just aren't fishing
7 for sockeyes, they're fishing for rainbows, or maybe there is a way
8 you can produce some kings or something that comes back, kings
9 (indiscernible) something that will come back a little quicker.
10 Another run in the same area with the same groups. You're getting
11 sort of a little bit farther away. Well, then you get the
12 (indiscernible), well, I said, geez you know, we could -- couldn't
13 we just, you know, create a giant carnival in Anchorage instead of
14 recreating by sport fishing on the Kenai River, everybody could go
15 have fun at the -- you know, the Olympic Games or something, or an
16 NFL team or something like that. I mean, so, what we looked for,
17 at least on the state side is, we believe that the services to be
18 restored have to have a sufficient nexus with natural resources.
19 and there are some things that are very obvious. Restoring those
20 red salmon has the very obvious nexus with the injured resource.
21 Bringing up an NFL team clearly is out of bounds. You can't do it,
22 and as you move in towards the middle, you get into the gray area
23 that keeps me and Bill Brighton firing memos back and forth with
24 each other and so forth. The other primary use of the monies, and
25 you ought to know this because we got an awful lot of misguided
26 criticism on this, and some of you may have misguidedly criticized

1 us in the past. Please don't do it again. Oh, on reimbursements,
2 the state and federal government have generally taken
3 reimbursements for their oil spill expenses off the top of the
4 settlement. The consent decree says we are to do so. It says that
5 is a first priority. That is a strong state policy that we will
6 not waiver in. We take -- with every environmental claim, we take
7 a position that the public is to be held harmless. Every company,
8 I mean unless we got a turnabout there and we can't get money and
9 they're in bankruptcy, we say you have to do two things first. You
10 have to clean up the environment, and you have to repay the state
11 for its expenses. So, that is a provision and that's a federal
12 policy also. Those -- the things are supposed to come off the top.
13 Now, to deal with that, we sort of made a couple of policy
14 decisions. One, the settlement was over term of year, but it
15 front-end loaded, and the theory was well, we will take the
16 reimbursements first, that will diminish the amount of money
17 available, but there will be more money available in these first
18 few years, and that will kind of help to still have more stuff
19 available ought to be used for restoration. But, in addition,
20 every year before we asked for reimbursements, we get a sense of
21 what the Council is going to -- or what restoration needs are out
22 there, and we then build in a healthy, safety margin and say, okay,
23 we will only take this much, and in every year to date, we have
24 taken our reimbursements, the Council -- the trust fund has gotten
25 its check from Exxon, and we have never used the amount of money
26 that the trust fund has -- has received. So, we've never -- there

1 has always been a margin in there, we planned for it and it has
2 always been there. The argument and the criticism I've heard that
3 the reimbursements have robbed restoration is not true. I mean, it
4 simply, simply wrong. We are almost through with reimbursements at
5 this point. I'm a little fuzzy in what the feds have left, but I
6 think it's relatively small; the state has about, I think, \$23
7 million left in reimbursements, and to give you an example of what
8 we are doing, last year we took about a \$5 million reimbursement.
9 We do not anticipate taking any reimbursement this year or the next
10 because of cash flow considerations created by -- or potential cash
11 flow considerations created by the offers we've made on habitat
12 acquisition. I mean, that is kind of an example of the flexibility
13 that we think needs to be there for reimbursements. If we're going
14 to get that money some day, but it's -- but in order to sort of not
15 impact restoration, we're going to probably not take it in the next
16 couple of years. And I would also note that all of the money that
17 is left to be returned to the state is for (indiscernible) money,
18 now called prevention account money, so there is no money that
19 would be going in the state's general fund to be frittered away on
20 some unnecessary item, but in fact all of it basically goes right
21 back into DEC for spill prevention and hazardous substance
22 prevention and response.

23 The -- I think I'm supposed to tell you when we're going to
24 get the money, and we've gotten a bunch of it, and actually
25 probably Molly knows better than I how much we've gotten, but it's
26 a total of 900 million in the civil settlement, of which Exxon was

1 required to pay within ten days after the effective date, sixty
2 days the appeals period time after the settlement was approve,
3 sometime in December of '91. \$90 million, which they did. On
4 December of '92 they paid \$150 million minus X. X represented the
5 amount of money that the governments were going to use to hirer --
6 the governments were going to use -- were going to basically pay to
7 Exxon to conduct the clean up in 1992. The reason we did that, and
8 again I have seen a lot criticism out there, geez, did you know
9 that they're spending -- they're giving Exxon money out of the
10 settlement. Well, we had a choice. We were settling a case.
11 Exxon was through. We could either do a state-federal clean up,
12 hire a new clean up worker or oversee Exxon and have them do what
13 was to done that summer. It was deemed cheaper and more cost
14 effective since they already had the people in place to use Exxon.
15 That was a -- the Coast Guard did a quasi, but I think reasonably
16 substantial audit on those expenses, and in some cases they were
17 reduced, but in any event that -- that second payment was reduced
18 by the amount that we paid Exxon for the summer clean up after the
19 settlement. After that, it's a fairly straightforward payments.
20 They're all due now in September, on September 1st of each year.
21 The first year was \$100 million, and following that one in 1993,
22 then in 1994, last year, we got \$70 million and we will receive \$70
23 million each September 1st until -- through rather September 1 of
24 2001. That's important because, and I guess we get in that this
25 afternoon, it's quickly becomes apparent, or seems to be apparent
26 that the impacts of the spill are probably not even going to be

1 known, much less addressed by the year 2001 when the last payment
2 is received. For that reason, the Council has believed and, again
3 I don't want to force you out this afternoon, but basically almost
4 -- a large amount of support for that came from the Public Advisory
5 Group, that we should create some reserve fund to enable us to do
6 work beyond the year 2001, and will get into that later, exactly
7 how that works. Technically, the way the -- the payments work from
8 Exxon are, like I say they are due on September first. Sometime in
9 August, the federal and state governments get together, determine
10 how much they intend to take for reimbursement, we write Exxon a
11 letter, Exxon pays that money directly to the government, that is
12 not Trustee Council money, it never goes through the Trustee
13 Council, it never reaches the trust fund. What we do not take,
14 then is sent to a -- to the federal court -- it's wired transferred
15 to the court here in Anchorage, which wire transfers it to the
16 Court Registry Investment System in Texas. That is a system the
17 federal courts have set up in order to manage large sums of money
18 that come in sort of throughout the country. They have a separate
19 trust fund for us. That has -- the reason we have to do that is
20 because when we started about it, okay, what are we going to do
21 with the money, who is going to get it. Well, federal government
22 says, well hey, it's got to be in the U.S. Treasury, that's what
23 our law says. The state government says you kid me, we're not
24 going to put it in the U.S. Treasury, we don't trust Congress, and
25 we still don't. But, so we couldn't really figure out how to do
26 it, there was no real way legally to create this trust fund except

1 in a court, and the federal government agreed that if the court --
2 it was in a court trust fund, that that would be permissible.
3 That's how we ended up with this court registry investment system.
4 It creates a problem. We're in short term instruments. We're not
5 getting the -- the amount of recovery that we should get. People
6 talk -- I mean, every time that you sit here and you think, geez,
7 let's cut \$70,000 out of a study, we're losing dramatically more
8 than that because we got a lousy investment out there. It's one of
9 the areas that I wish we could address, we have tried time and time
10 again to figure out a way to do it. The reserve account, to some
11 extent will help that a little bit because at least we'll be
12 putting stuff in longer term, kind of a rolling bonds, sort of zero
13 coupons I think is the last thing we were talking about. Then
14 we'll get a better return, but it's a major waste of money, is what
15 we are foregoing in interest, but we don't know how to get around
16 it. Once the money gets in that investment system, it sits there
17 until the Trustee Council determines that it should be spent. When
18 it is spent, they then direct the Department of Law, the Department
19 of Justice to request if from the court, we ask the court for it.
20 Then it is wired transferred from the court registry investment
21 system to our local federal court, which somehow cannot handle wire
22 transfers from there on, and they hand us a check. We take the
23 check and deposit it in either a state or federal account. The
24 federal, and again they know more about this than I do, but they
25 have a particular account it goes into, that as I understand it is
26 already appropriated by Congress, whatever shows up in there. The

1 state government, on the other hand, has -- we have a special trust
2 account that is set up in the general fund, but it -- it's not
3 already appropriated and there was special legislation that was
4 enacted in 1992, actually, that -- there was a conflict between the
5 executive and legislative branch, sort of -- what was worked out
6 was that the money will go into this account, when we want to spend
7 it we will go in front of the legislative Budget and Audit
8 Committee, it will essentially be treated as sort of a program
9 receipts or federal receipts or something like that. They will
10 have the opportunity to say that a state agency cannot do it, that
11 a state agency -- so they have to appropriate it in that sense. If
12 they don't appropriate it, they can't do -- use it for anything
13 else. They can't appropriate it to a different purpose. It would
14 simply go back to the trust fund -- although technically it
15 doesn't, it sits in that state account, and we just decrease our
16 next request by that amount so we don't have to be transferring
17 back because we make more money in the state account than we do in
18 the court system account, but they can't -- they can't tell us what
19 to do with it, and we can simply go back and say, okay, Fish & Game
20 can't do this. All right, Fish and Wildlife Service on the federal
21 side, you go do it. I mean, that's sort of the reality of the
22 situation. If it's an action that only the state could do, then
23 that would be an effective veto in terms of having a -- getting a
24 particular project done. That has not happened. The legislature
25 has worked with us pretty well on it. We've had our ups and downs,
26 but generally they've been pretty responsive. In addition to this

1 money, and I, again, allow you that this may be repetitious, but
2 some people get confused between the various pots of money out
3 there. At the same time the civil settlement went through, there
4 was a criminal settlement. The criminal settlement was for
5 essentially \$125 million, of that \$50 million went to the State of
6 Alaska for restitution. It is required to be used for --
7 exclusively for restoration projects within the State of Alaska
8 relating to the Exxon Valdez oil spill. Restoration includes
9 restoration, replacement, enhancement of affected services,
10 acquisition of equivalent resources and services, all the same as
11 the civil money. Then it goes on to say, and long term
12 environmental monitoring and research programs directed to the
13 prevention, containment, clean up and amelioration of oil spills.
14 That's additional language that was specifically put in for this
15 criminal money. That money on the federal side is, I think, most
16 of it probably has not been used to date. On the state side it has
17 all been appropriated, two sessions ago. It hasn't all been spent
18 yet, but I think a lot of it is getting close and might be spent
19 this year. The -- besides those two, \$50 million pots, there was
20 a \$25 million fine of which \$12 million -- \$13 million just
21 disappeared into the federal deficit, and \$12 million went into a
22 wetlands conservation fund, which to my knowledge was not used in
23 Alaska, but was used generally somewhere in the U.S. to do -- to do
24 good works. Finally, there is with the settlement with the Alyeska
25 Pipeline Company, in terms of real value is about \$31.7 million.
26 It was by-an-large earmarked for specific projects. They were

1 either -- they generally found went to categories that they were
2 either a restoration project and there was essentially -- well,
3 there was \$7.5 million dollars that was set aside for Kachemak Bay
4 land acquisition, or there are response projects, something that is
5 difficult to do with the civil monies, and those are projects for
6 a spill response, docking facility at Chenega, one at Tatitlek, and
7 a road and associated spill response facility -- a road to get to
8 the first response facility, and a first response facility at
9 Shepherd Point in Cordova. There was also a small amount of money
10 for some communications equipment for the vessel emergency
11 operation center in Valdez, and there was some reimbursement money
12 to the feds. But, that money is sort of specifically allocated.
13 So, these are three different sources of money, but yet they can
14 and often have been used together. Sometimes we can't get things
15 done with one pot of money. Kachemak buy-back is an example. We
16 didn't have really the money or the opportunity to put that
17 altogether at one time, but it was fairly urgent, so what we ended
18 up doing was taking \$7 million from the criminal restitution funds,
19 was appropriated by the legislature. Seven -- I believe it was
20 \$7.5 million was given by the Trustee Council, \$7.5 million came
21 from the Alyeska settlement. Those three funds, all essentially
22 rising out of this oil spill, then worked together to accomplish
23 one restoration goal, and that's -- is still ongoing. We have a
24 proposed project right now to do recreational service work at
25 Fleming Spit in Cordova, and the proposal is to use a certain
26 amount of money from the civil trust funds to accomplish that, and

1 then we would pick up some of the remainder from some of the
2 state's criminal restitution funds, which are for parts of the
3 project that we believe fit within the criminal definition, but
4 maybe don't within the civil definition. Anyway, that's a quick
5 tour of the money and the settlements and those kinds of things.
6 Questions?

7 MR. DENNERLEIN: Do we have an accounting of the
8 balances of these? Will we have the numbers -- you said -- you'd
9 mentioned, Craig, one as mostly already spent, or allocated. Do we
10 have a balance of the cash flow?

11 MS. McCAMMON: We have financial statements on the
12 Trustee Council funds, yes. And, actually I can get you the most
13 recent financial statement today.

14 MR. DENNERLEIN: Great.

15 MR. TILLERY: The other funds are not -- alright again,
16 people don't see -- that Trustee Council is (indiscernible), then,
17 they're not. I mean, those -- the Trustee Council never sees them,
18 they have no authority over them, they're out of loop, but we do
19 frequently bring them into work together, to accomplish something.

20 MR. McCAMMON: Actually, in our annual report this year,
21 because we worked so closely with a lot of funds, we, actually, in
22 our annual report reference a number of the other funds and some of
23 the areas of cooperation.

24 MR. BECK: I know later in the day we're going to
25 talk about some of the details of the program, but I'm curious
26 about, through the outer edge of the legal envelope, what are some

1 examples, maybe, in terms of the services side, or restoration
2 side, that have sit -- sort of the edge, in that gray zone between
3 the NFL and strict restoration. What are some of the boundaries
4 that have come out over the last couple of years.

5 MR. TILLERY: Boundaries ways, waters are muddy. The --
6 an example might be mariculture. There are -- is injury to
7 subsistence resources like clams and so forth out there. Can you
8 expend money to create a mariculture facility, that would for
9 example do oysters. It's a -- it's a resource that's somewhat
10 similar to clams, but it's not. It's not replacing those clams,
11 but yet sort of some of the same kinds of benefits, the concepts,
12 and Jim Fall (ph) can speak this better than I can, but he was
13 fairly eloquent about he asked people in communities, they're
14 coming together, they're doing something, they're sharing these
15 things, it's all the kinds of things that get behind subsistence.
16 Well, the long and the short of it is, we didn't fund it through
17 the civil monies, but the state funded it through a special
18 subsistence grant with it's criminal restitution funds. That was
19 right on the envelope, and I guess, the Council felt uncomfortable
20 going over there, the state for its part of its monies did not feel
21 uncomfortable, was willing to do that. So, that one was kind of
22 right there.

23 MR. McCORKLE: Craig, maybe you can help clear up
24 something, I've taken a note that I think I must be wrong, but I
25 said to myself, does the Alaska legislature really have the
26 opportunity to disallow the use of trust fund money because the

1 Council was deposit it in the legislative budget and audit account.
2 That's what I thought I heard you say, but did you say that?

3 MR. TILLERY: The legislature does not have the
4 opportunity to disallow the use of money -- the Council's use of
5 money for a particular purpose. What they have is the authority to
6 not allow a state agency to do something.

7 MR. McCORKLE: Okay, thank you.

8 MR. TILLERY: And, again that's where you say, well, if
9 Fish & Game can't do it, could Fish and Wildlife do it, or could
10 Fish and Wildlife contract it out to some independent agency, and
11 that was the jest of the agreement that was reached between the
12 executive and legislative branch in '92.

13 MR. McCORKLE: Thank you. Are there other questions? If
14 -- I might suggest, Molly, if it's okay, the people should direct
15 them to Craig directly.

16 MR. DENNERLEIN: Just a follow up on that hypothetical
17 situation, the money goes in for a draw, LB&A -- Legislative Budget
18 & Audit -- says no, Fish & Game can't do this -- that same money
19 you said you would leave it in that account and reduce your next
20 draw. That's where I'm unclear. Would you not turn around and
21 say, thank you for your advice, and now we will have the Fish and
22 Wildlife Service do this program, and just pay for it. What
23 happens -- I'm not clear.

24 MR. TILLERY: Depends on the personal relationship with
25 the legislature at the moment as to whether I would say that
26 directly do them, but I'd be unlikely to say that, frankly, and if

1 you saw my budget this year, you'd understand it. What we would do
2 is, they would -- they said no, Fish & Game can't do that. We
3 would say, okay. And, the money would stay in the state account,
4 really because as an accounting mechanism bringing it back out
5 there, transferring it back to the civil trust fund, really -- only
6 get to a place where we're earning half the interest that we're
7 earning when it's sitting in the state account, is a foolish
8 exercise. Within a few months we're going to come through with
9 another request for money for the state, or within six months, why
10 not just leave it there, it earns interest, that interest is
11 attributable to that fund, and then when we come in for our next
12 request to do some land acquisition or whatever, we simply reduce
13 it by the amount that's sitting there. In the meantime, though,
14 the Council basically goes and says, okay, well, this was for Fish
15 & Game, they can't do it, let's see if Fish and Wildlife it turns
16 out could do it, they have two choices. One, the federal
17 government likely has some money they didn't use, and a lot of this
18 comes about because, part of them simply don't -- don't happen. We
19 budget money before people really end up using it, and they decide
20 they -- well, we don't need the whole money. So, they've got some
21 icing there. They can simply fund it out -- the Council says go
22 ahead and do it, they fund it out of what's there. If they don't
23 have any money there, the Council says go ahead and do it, we go
24 back to the court and say, we'll we need an extra \$450,000, and we
25 would send that over. But, it's just an accounting exercise, it
26 makes no sense to draw it back out.

1 MR. DENNERLEIN: I understand, but it's accounting, it
2 isn't that the legislature can change or thwart in this example the
3 restoration plan.

4 MR. TILLERY: Only if there was some activity ...

5 MR. DENNERLEIN: Or can they, that's my question.

6 MR. TILLERY: Only if there was some activity that was
7 peculiar to the State of Alaska, that only we could do, only a
8 state agency could do it, and frankly there are very few like that,
9 and I would doubt that is something that will happen. And, again,
10 it hasn't been an issue. They have not -- did they ever turn us
11 down?

12 MS. McCAMMON: No, no.

13 MR. TILLERY: I mean they turned us down like at one
14 meeting to the next or something, but we've always gotten
15 everything, I think.

16 MS. McCAMMON: Right, and I think the only time it
17 presents a problem under Craig's scenario is if there was a huge
18 amount of money for one item such as a land acquisition that then
19 the state said, we don't want the state to do this, then depending
20 on whether there was enough money in the account, you may have to
21 transfer it back, depending on the cash flow, but in most cases
22 there's always been enough money in the account, you don't have to
23 transfer it back and forth.

24 MR. TILLERY: There was actually a situation they faced
25 with respect to the Seal Bay acquisition. If the state -- if they
26 had not approved the state acquiring that, then Fish and Wildlife

1 Service would have acquired it. I mean there was no -- that was
2 explained to them.

3 MR. McCORKLE: Are there any further questions? If not,
4 Molly, we thank you very much, and ask you to bring out your next
5 presentation.

6 MS. McCAMMON: Okay. Craig will be back after -- later
7 in the afternoon, right before the open-house to talk about a
8 little bit about the restoration reserve.

9 MR. McCORKLE: I think there was one question.

10 MR. BECKER: Yeah, I just had a quick question. Is
11 there anybody in the audience who has -- wanted to make a public
12 comment, that might be something that -- is -- is there an
13 opportunity for a public comment during ...

14 MR. McCORKLE: That comes at tomorrow's -- on tomorrow's
15 agenda.

16 MR. McCAMMON: After the Trustee Council was established
17 one of the first things Council and the staff set about doing was
18 try to lay out a plan for restoration, and staff was directed to --
19 and it was an extensive planning process to come up with a plan.
20 It went over two years worth of work. And, I'd like Veronica
21 Gilbert, now, with the Alaska Department of Natural Resources to
22 describe that planning effort and to talk about the plan, and just
23 to let you know what we're actually talking about is this document
24 in your binder that looks like this. a was adopted by the Council
25 at their November meeting, and Veronica was instrumental in -- with
26 a number of people. There was a core group of people that were

1 instrumental in seeing this plan from its very beginning to its
2 very conclusion.

3 MS. GILBERT: Thank you.

4 MS. McCAMMON: Has a lot insight. We call her St.
5 Veronica in honor of (indiscernible - simultaneous talking).

6 MS. GILBERT: Molly has to say that because I'm coming
7 on right before lunch, and all you guys want to do is eat. But, I
8 have been asked to describe the restoration plan to you. Many of
9 you were quite involved in the development of this plan, and Molly
10 has pointed out what it looks like, and you have copies in your
11 packet. When the Trustee Council directed us to develop a
12 restoration plan, they gave us the following directions. One was
13 to make it brief. At one time we were instructed to make sure it
14 does not exceed sixty pages. It weighed in at fifty-six pages,
15 which is a good thing because now you don't have any excuse not to
16 read it. It's a pretty quick read. We also structured it to put
17 a great deal of information in and we organized it so, for ease of
18 reference. This is a document you really should use, have coffee
19 stains on, turned corners, and what I'll try to do today is -- is
20 walk you through some of the key parts that you need to come back
21 to over and over again. The second direction was to make it
22 flexible to stress guidelines and not strict constraints, and the
23 third was to emphasize policies and objectives, and not projects.
24 There was quite a bit of debate about this. This document was not
25 to be a list of the projects we intend to do, but rather what are
26 our policies? How are we approaching it? What are our objectives

1 in this exercise. This afternoon, I would like to describe the
2 highlights in the development of the plan, and four key features in
3 the restoration plan that you will most likely be referring to
4 frequently. In April of 1993, the restoration office published a
5 brochure, like this, we often called it the tabloid, which I found
6 amusing. A brochure that presents it's five plan alternatives, and
7 included a questionnaire that asked for views on policies. Now the
8 kinds of things that we thought were important policy issues at
9 that time, back in '93, we look at them now and there are issues
10 that are already settled, but they were important at that time. An
11 example would be, should the fund be limited to restoration just in
12 the spill area, or should you also entertain projects, useful
13 projects outside of the spill area. That is an example, we settle
14 it in the plan. Another major question in the questionnaire was
15 that we asked people for their views on potential allocation of the
16 fund. For example, what proportion of the fund should be used for
17 habitat protection, what proportion should be put into an
18 endowment, if you favor one? We distributed thirty-three copies of
19 this brochure and held public meetings in twenty-two communities
20 throughout the spill area, as well as Fairbanks and Juneau. Now,
21 by September of 1993, actually through that summer, we had received
22 comments from 2,000 people, responses to the questionnaire,
23 letters, or other comments, and we summarized them in this report.
24 This report, quite frankly, is very good reading, and what we tried
25 to do in this report was to both summarize the major trends as well
26 as to preserve some of the color of the comments that we received.

1 Some of them were quite colorful, and they give you a feel for what
2 influence does profoundly in the development of this plan. Then,
3 by November of 1993, the Trustee Council approved a draft plan and
4 initiated an environmental impact statement because this was
5 considered a major federal action. By September of 1993, an
6 environmental impact statement was approved. Yes, I can lift it,
7 it's here. And, one indication of how meaty I consider, at least,
8 the restoration plan is that it took an inch and a half to analyze
9 this quarter inch document. Then, once the environmental impact
10 statement was approved, then the -- it cleared the way for the
11 adoption of the restoration plan, which took place in November of
12 1994. What I'd like to do now is just point out four of the key
13 features to make sure that you all know where they are in your
14 book, that you feel comfortable using them, referring to them
15 frequently, and have a little sense of how we got there. The first
16 item we'll look at is spending projections, which follow up on some
17 of the points that Craig made in his presentation; the second are
18 policies, which we find in Chapter 2; the third is a list of
19 injured resources and services, which is found in Table 2; and
20 finally, is the chapter on objectives and strategies, which are in
21 Chapter 5, we'll go through each of them separately. Table 2 can
22 be found on page 6. This is a very good summary of the
23 expenditures, past expenditures as well as estimated future
24 expenditures, as of December 1994. It becomes dated quite quickly,
25 but for the time being it's an excellent reference. In many ways
26 it summarizes some of the points that Craig was making in terms of

1 when payments are received, what kinds of commitments have the
2 Trustee Council already made. However, I'd like to make sure that
3 you're aware of the fact that the projects of future uses of civil
4 settlement funds, as they are presented in Table 1, are estimates
5 only, and are not hard and fast commitments. In fact, in the
6 restoration plan, the Trustee Council made only two financial
7 commitments. One of them was to limit administrative costs to five
8 percent of overall expenditures, and the second was to place an
9 unspecified portion of each annual payment to the restoration
10 reserve, which will be discussed later this afternoon. However,
11 the restoration plan also indicates the -- the Trustee Council's --
12 that Trustee Council anticipates depositing \$12 million per year in
13 this fund as they did in fiscal years '94 and '95. An important
14 estimate in this table is that between \$107 million and \$137
15 million will probably be available for allocation through annual
16 work plans in the future, and we do seek advice from the Public
17 Advisory Group on those annual work plans. Again, you will be
18 briefed on the annual work plan this afternoon. The second part of
19 this document that I would like you to feel very comfortable with
20 is Chapter 2, beginning on page 12. This chapter, very succinctly
21 presents twenty-one policies that guide the restoration plan. They
22 fall into eight categories. One of the reasons -- I would just
23 like to take a moment to make sure that you know where they are and
24 have a feel for what's in here, is that repeatedly I'll find that,
25 even after many of your meetings that something will have been
26 missed, and that you won't really know where to go to look for

1 advice, in terms of our policies. The eight categories on which we
2 have policies deal with an ecosystem approach, directing us to take
3 an ecosystem approach to restoration, that address what injuries
4 will be addressed by restoration. It also addresses the issue I
5 mentioned earlier about the location of restoration activities,
6 that is that they will primarily be within the spill area, although
7 there are exceptions. The one -- number nine which is on page 14,
8 is extremely important. Craig Tillery described it quite well in
9 his presentation. I would like to make sure that you all know
10 where it is and that you refer to it frequently. You have this
11 resource at your disposal. Number nine is the policy dealing with
12 projects that restore injured services, and one of the key parts of
13 that policy is that it should have a sufficient relationship to an
14 injured resource, with much of the legal debate being on what is
15 sufficient. However, I really encourage you to -- to read this
16 particular policy. Other policies encourage competition and, of
17 course, efficiency in the process, and others scientific review.
18 Dr. Spies will be addressing our scientific review process later
19 on. We also have policies dealing with public participation and,
20 of course, you're a vital part of that effort, and one of the
21 important things, in terms of these policies, is that we encourage
22 meaningful public participation at all levels. As projects are
23 being planned through implementation. And, finally we have
24 policies dealing with normal agency activities, that is, that there
25 is a prohibition on funding activities which a government agency
26 would have conducted anyway, had the spill not occurred. This is

1 often little bit of a difficult judgment for the Trustee Council to
2 make, but it is a factor that they weigh. The third important part
3 of this restoration that I'd like you to be able to find, is on
4 page 32, this is Table 2, and this is an extremely important table
5 in this process. This presents the list of injured resources and
6 services. Dr. Spies, I'm sure, will be discussing this in some
7 detail later on. This list is in your restoration plan, please
8 refer to it as you need to. It lists twenty-seven resources and
9 services for which significant injury was documented. For
10 biological resources you will see that we have indicated whether
11 the resource is recovering, whether it is not recovering, or
12 whether recovery is unknown, and these are important distinctions
13 in terms of the strategies we use for restoring resources. It's
14 important to note that this list can be amended, provided injury
15 can be documented, and documentation is subject to scientific
16 review process. This list has been controversial. In fact, during
17 the public meetings that we conducted on the brochure, some of you
18 were a part of those meetings, in most meetings, I would say ninety
19 percent of the meeting, was focused on what was injured, how do you
20 know that that was injured, and we struggled with that, and we've
21 -- we've always struggled with that. However, there are -- I just
22 wanted to indicated a little bit more about the nature of the
23 controversy. Some people argue that certain resources should be on
24 that list. They're convinced that that they were in fact injured.
25 That is one of the reasons we established a process whereby a
26 resource could be nominated to add to this list. But, the heart of

1 it, what is the documentation, what's the information you have that
2 lead you to think that it was in fact injured. The other part of
3 the controversy centering on this list had to with the fact that
4 many people say that restoration should be -- not focused on
5 individual resources, but rather on the ecosystem. Make sure you
6 have a healthy ecosystem. However, one thing that we have found is
7 for all of its weaknesses, this list provides focus to the
8 restoration process. It even provides focus for our ecosystem
9 research. When you hear scientist discussing their ecosystem
10 projects, and the importance of studying the ecosystem, one of the
11 first things they'll say is, but it's foolish to thing with the
12 money you have available, you're really going to be able to study,
13 have unfettered study of the ecosystem. You have to have some way
14 of focusing it, and the injured resource list is a means, an
15 effective means of focusing our effort. The fourth and final part
16 of the restoration plan, I would like to make sure that you feel
17 comfortable with is Chapter 5, beginning on page 33. This is the
18 chapter that describes objectives and strategies for the
19 restoration plan. You'll notice that on page 33 there is a table
20 of contents, and the reason we have a table of contents here is
21 that we chose to present objectives and strategies in alphabetical
22 order, so that if you're concerned about archeological resources,
23 Jim you were concerned about killer whale, if any of you have a
24 particular concern, you're able to go to this list and very quickly
25 find the resource of the interest, and it -- it refers you to the
26 page on which that is discussed. The entry for each resource or

1 service describes, very concisely, the nature of the injury and the
2 recovery of that resource, the recovery objectives for that
3 resource, and the restoration strategy for the resource. The
4 objectives of the restoration program are measurable conditions
5 that signal the recovery of individual resources or services. This
6 was an extremely important part of this plan, and it's something we
7 keep coming back to, especially as we evaluate proposals for
8 restoration projects. I'll give you an example of a recovery
9 objective. It has to do with common murre, which were effected in
10 the spill. Common murre will have recovered when population
11 trends are increasing, at index colonies, five of them, and when a
12 reproductive timing and success are within normal bounds. All of
13 these parameters, population trend, when know where the index
14 colonies, reproductive timing, as well as reproductive success, are
15 measurable and are -- and it guides our monitoring program.
16 Restoration objectives will help us know when to declare victory,
17 hopefully, or when to press a panic button and say, no we've got a
18 serious problem. It gives us some measure for figuring out whether
19 in fact the resources we're concerned about are recovering. And,
20 finally in terms of strategies, the restoration strategy is a plan
21 of action for achieving objectives, however it's important to know
22 that while we may have restoration strategies for individual
23 resources, the Trustee Council actually makes a decision of what to
24 implement each year through its annual work plan. They may chose
25 not to pursue a certain strategy in a particular year, and that's
26 important to know, that is, that just because you have a strategy

1 in here, it does not automatically mean that it will be funded each
2 year. I'd like to point out a fundamental distinction between
3 restoration strategies for biological resources that are
4 recovering, an example of these would be bald eagles, and
5 strategies for resources that are not recovering. Examples of
6 resources not recovering are harbor seals and herring. This was
7 profoundly influenced, I might add, by the comment that we received
8 on -- at our public meetings and on our brochure. We concluded
9 that the fact that a resource is recovering suggests that nature
10 will restore it without intervention. We may not understand what's
11 happening right, but probably something is happening right.
12 Consequently, restoration of recovering resources will rely
13 primarily on natural recovery. Some of the more colorful
14 references to this policy were "Mother Nature knows best," "leave
15 well-enough alone," "every time you guys mess with, you make things
16 worse," on and on, but the heart of it we have sanitized, and it is
17 that if a resource is recovering, we encourage recovering
18 monitoring, protecting the recovery of that resource which may mean
19 improving management, etc., it may mean purchasing land for
20 habitat, but -- but that's it. In terms of resources that are not
21 recovering, the strategies for these resources emphasize
22 determining why they are not recovering. The first step in the
23 entire restoration process for those resources that are not
24 recovering, is to understand why, certainly before you launch into
25 a program to initiate recovery. Consequently, our research
26 programs focus on resources that are not recovering. The

1 information in this chapter is expected to change over time as the
2 restoration program adapts to new information. A major source of
3 the new information or an opportunity to discuss it is one to which
4 the Public Advisory Group members are invited every year, and that
5 is our annual restoration work shop, which this year occurred in
6 January. It's an opportunity to reconsider the information in this
7 chapter. Are we on target in terms of what the injury is? Are
8 some of these resources recovering? Have we really hit objectives
9 right? That's always an interesting discussion. It's easier to
10 say the objective isn't on target than it is to actually say what
11 will signal recovery, and the other thing that we do at time is we
12 reconsider strategies. Perhaps we need to change course. New
13 scientific data will be incorporated into restoration decisions
14 without the need to change the plan. However, changes will be
15 reported in the Trustee Council's annual status report, which will
16 be released soon. So, to sum things up, the restoration plan was
17 adopted in November of 1994 to provide long-term guidance to the
18 restoration process. It was a culmination of several years of
19 extensive public participation and in environmental impact
20 statement. The key features of this plan that you will probably be
21 referring to frequently, during your tenure on the PAG, are the
22 spending projections in Table 1, the policies that we went over in
23 Chapter 2, the list of injured resources and services in Table 2,
24 and the objectives and strategies in Chapter 5, and that concludes
25 my briefing.

26 MR. McCORKLE: Veronica, thank you, very much. That was

1 a wonderful report. Veronica and I have been knowing each other
2 for years, and it's glad to have you here today. I note that the
3 restoration plan looks marvelous, I think. We've seen some other
4 versions, haven't we, that were not quite so all laid forth, and
5 I'm sure there will be questions, would you please address them
6 directly to Veronica. Are you all hungry? Here's a question.

7 MS. SCHWANTES: I guess I don't understand completely the
8 strategy that the Trustee Council, you know, what strategies
9 they're focusing on. Is there a certain strategy for this period
10 in '96 that they have already decided upon?

11 MS. GILBERT: My -- in term -- when we use the term
12 strategy, we meant it -- in the restoration we meant it to kind of
13 describe how we wanted to approach recovery for a particular
14 research. An example, and you'll get into some of this as you read
15 it, would be infection under herring. We describe, you know, what
16 we think are problems with herring, some of which mention disease,
17 and the strategy is, a key part of is to conduct a research into
18 why herring is not recovering. What we indicate here are some of
19 the hypotheses that we believe are good ones at this point in time.
20 However, those are being reconsidered, and you can't reconsider
21 them so -- so quickly that you never get to test them, but the
22 general strategy for that resource is to conduct research into why
23 it is not recovering. However, when you discuss this afternoon the
24 annual work plan, we will be touching on another use of the term of
25 strategy, and that is that this year for the first year, and partly
26 because we have a restoration plan in place, we're trying to

1 develop our annual work plan in context of a longer term program.
2 For example, where if we're describing the SEA plan, the Prince
3 William Sound ecosystem research, we would actually project what we
4 would envision occurring over the next four to five years, and --
5 and the various points at which we might reconsider things. In
6 other words, we're not just looking at a single year. So, that is
7 -- that's our strategy for planning things better this year.

8 MS. SCHWANTES: And, funding plans that are approved are
9 basically based on that strategy that's already outlined by the
10 Trustee Council?

11 MS. GILBERT: No, the funding plans are based on the
12 annual work plan. The annual work plan is something that you're
13 going to be discussing this afternoon. That -- they are definitely
14 tied, the annual work plan are tied into the restoration.

15 MS. SCHWANTES: Okay, I guess I was wondering who takes
16 the lead. Does the Trustee Council say this is what we're looking
17 for and then people write their work plan? Or, do people write
18 their work plan and then the Trustee Council ...

19 MS. GILBERT: That's a good point. Now, the -- people
20 write their -- their proposals in response to an invitation. The
21 invitation has been published. It will be handed out this
22 afternoon, I believe, yes, it will be handed out this afternoon,
23 and the invitation invites people to submit proposals, but it also
24 indicates some of the priorities that the -- the Trustee Council
25 has at that point in time. Most priorities change somewhat every
26 year as we have more information, and this year what you'll be

1 going through what's in the invitation does convey a long-term
2 vision of -- especially in terms of research of what we might
3 anticipate in the future, partly because we're six years into this,
4 and partly because many of the projects that have been funded the
5 last couple of years are multi-year projects really, to -- to take
6 them to fruition. Chip.

7 MR. DENNERLEIN: Thanks also, Veronica, that was
8 incredibly clear presentation. I really appreciated it. And, I
9 really like the markers, the four pieces of this that even among --
10 I commend you even among 56 pages you were able to zero in about
11 four -- four pieces.

12 MS. GILBERT: There are only four. Read it once Chip
13 and then go back to the four.

14 MR. DENNERLEIN: Well, but, my question is as the
15 projects come forward are these -- are they traditionally -- do
16 they use these markers. For example, it would sure help us, and I
17 don't know if this happens that when we look at something before we
18 even ask, the question is presented in the form of this is money,
19 this is the policy, this is the injured resource, this is how it
20 fits in the strategy, and this is where it goes in the future, this
21 is the piece of the pie. And, those four markers of -- of -- that
22 you described are very good ways for us to approach everything we
23 look at, and I was wondering if -- if the projects themselves are
24 brought forth in a way that they answer those questions in their
25 presentation.

26 MS. GILBERT: Well, so far the -- the invitation did

1 exactly what you're talking about. In the invitation, what goes
2 out, for every -- we're now at the point -- my terminology -- we're
3 now at the point where sometimes we evaluate things by clusters.
4 There are a cluster of projects that deal with pink salmon. There
5 are a cluster of projects that deal with, for example, forage fish
6 research. So, in that cluster, what we have done in the invitation
7 which is going to be discussed this afternoon, I believe, we start
8 out with the recovery objective. We try to make a very clear
9 statement that what we are looking for, for example in a forage
10 fish research program is, we're looking -- we're emphasizing the
11 recovery of certain species. These are the recovery objectives for
12 those species, so you don't get so embroiled, so involved in what
13 a wonderful, you know, \$3 million - \$ 4 million project, and if you
14 did higher acoustic here, etc., and pretty soon you forget what
15 you're after. So, in the invitation, you know, we hit those
16 objectives very hard. So, you will know in the invitation, you
17 know, I can't tell you exactly what's going to come back from
18 peoples' proposals, but in the invitation we make it very clear.
19 We are inviting proposals in certain areas, these are the resources
20 we are concerned about, these are the recovery objectives that
21 we're aiming at, and also in the invitation we do project long-term
22 costs, in the proposals we're asking people. We ask them to
23 project how they see their program going for over many years,
24 especially if its a research project, we know that it takes many
25 years to do some of these, to reach decent conclusions. So, we
26 want in the proposals for them to tell us how many years? What do

1 you expect the total cost of this will be? So, we have that. Pam.

2 MS. BRODIE: If the Trustees want to do something
3 that's different from the plan, what are the ways -- if it just
4 something they don't do, or would they change the plan, or would
5 they just decide, well, we're going to do something different
6 anyway. For example, if they think they want to do something
7 that's a project outside the spill area, if they can conform to the
8 policy about that here, what happens?

9 MR. GILBERT: The policy was very carefully crafted.
10 The policy dealing with doing activities -- restoration activities
11 primarily within the spill area. It provided for two exceptions,
12 and one was that you could do things outside the spill area if the
13 range of the particular resource that we're looking at, that we're
14 concerned about, extends beyond the spill area. In particular this
15 would apply to migrating birds, as well as marine mammals, and so
16 the Trustee Council in its policy anticipated that from time to
17 time you may want to look outside the spill area, but you have to
18 have a reason for it, and, in fact, they -- in '94, I believe, they
19 did fund a project outside the spill area in the Shumagan (ph)
20 Islands, I believe, but they were able to justify it under the
21 policy. It fit that policy. Another exception to that rule is --
22 in other words, the Trustee Council could also authorize
23 restoration activities outside the spill area if the scientific
24 knowledge that -- that we would glean from it would in fact help us
25 with it.

26 MS. BRODIE: I guess I didn't ask the question very

1 clearly. What I'm trying to get at is how much authority does this
2 plan have. You only do one -- Trustees just do one plan, whereas
3 they do work plans every year. But, if they find they're not
4 comfortable, or maybe there are some Trustees, some change of
5 administration, they say, we don't like this restoration plan. It
6 seems to me the authority is with the Trustees more than the plan,
7 they can do whatever they want, or could people sue them if they
8 don't follow the plan, or what?

9 MS. McCAMMON: Well, we don't want to ask the attorneys
10 that question about whether or not be sued or not, but one thing,
11 the plan is a guideline, and the Trustees can pretty do whatever
12 they can get six votes to do, so long as it is consistent with the
13 terms of the settlement. If it goes -- if it departs radically
14 from this plan, where you get into the question of how you go about
15 doing it, is whether that would trigger another environmental
16 impact statement process, and requires some kind of an amended
17 process. For example, if the -- if the Council decided now that
18 they wanted 99 percent of the funds to go to habitat acquisition
19 and no restoration reserve now, that would trigger an amendment to
20 the EIS process in order to do something like that. But, it would
21 require some kind of radical departure because these are -- these
22 are guidelines. These are not hard and fast, these are guidelines,
23 it's guidance. And, pretty much they can do whatever they want as
24 long as they have six votes and its consistent with the settlement.

25 MS. GILBERT: That was one of the reasons why the
26 direction to us was to keep this fairly flexible, to have

1 exceptions built in, but another -- in addition to the EIS
2 constrain, another really important one, is that there is a
3 tremendous amount of public participation, and the Trustees who
4 were involved in developing this plan, I know took the comments,
5 actually most of them actually looked at -- at all of the comments.
6 They looked at the summary, they looked at all the comments and
7 took them very, very seriously, and so there's kind of a public
8 trust involved in that, and so I think they would be careful.

9 MR. McCORKLE: Are there any more questions? If not,
10 when we come back we'll be talking about some -- the annual work
11 plans as we continue the restoration program. Is there anything
12 you would like to say in conclusion, Molly.

13 MS. McCAMMON: Mr. Chairman, we'll begin, actually right
14 after lunch. Craig Tillery has to leave, and so right after lunch
15 he will do a short presentation on the restoration reserve, and
16 then we'll go back to Dr. Spies on the briefing on status of
17 restoration program in terms of the injured resources list as
18 recovery and science review process, and then go back into the
19 annual work plan and habitat protection. And, I think we can cover
20 all of that within the three hours from about one to four.

21 MR. McCORKLE: Is lunch ready?

22 MS. McCAMMON: Lunch is ready.

23 MR. McCORKLE: Lunch is ready, so may we have a couple of
24 extra minutes since we have run over a bit, if we come back at five
25 after or something like that, about? Okay. Well, so let's --
26 let's stand in recess then for half an hour.

1 (Off Record 12:40)

2 (On Record 1:14)

3 MS. McCAMMON: Thank you, Mr. Chairman. If you'll look
4 page 27 of your restoration plan, a part of the restoration plan,
5 the Trustee Council in response to a significant amount of public
6 support, established a restoration reserve, and in effect what they
7 decided to do was to take current money off the table, if you will,
8 and set it aside into a separate account and keep of track of it
9 separately, with the idea that that would be available once the
10 last payment came in, in the fall of 2001. And so, I'd like Craig
11 Tillery who has been very active in establishing the reserve and
12 have -- following the history of how this came to be, to just give
13 a brief description of the reserves and -- kind of -- some of the
14 thinking about the potential use of the reserve and a little bit of
15 history of the reserve.

16 MR. TILLERY: The reserve -- if I'm not mistaken we --
17 we've never adopted this resolution on the reserve. It's got a
18 draft stamp on it for reasons that will become a little more
19 obvious when I tell you what it does. Why was there -- the reason
20 for a reserve. It is -- it was clear after -- I mean with even
21 just a little bit of thought that the year 2001, the last payment
22 was not going to be adequate to deal with restoration. First of
23 all, there may be damages we don't even understand by then, we
24 don't even know that they've occurred. We still don't -- we're
25 reasonably clue-less about things like herring. We thought we had
26 an injury with sockeye salmon in the Kenai River, maybe we don't.

1 We aren't going to understand what the problem is on some things by
2 that time, or not yet, or it will be a little while longer. Then,
3 once you understand the problem, you have to figure out a fix, to
4 the extent a fix can be done, and you have to find out if that fix
5 works, and a lot of things we're not going to know whether what we
6 have done has worked. When you have a resources -- some of the
7 ones that we have like sockeye salmon where you're working on a
8 five year cycle, it doesn't take -- and you want to have two or
9 three cycles come through to show, you know, what -- what you're
10 doing is helping -- you're obviously going to get way down the line
11 before you know whether you've done any good. So, then the slow
12 recovery of things like harlequin ducks and murre and stuff, again
13 it's -- it's going to be down the line, so there was a perceived
14 need to have money available in the longer term. What we have done
15 is to establish a reserve by resolution, or at least by vote.
16 There have been two deposits to that reserve to date, each \$12
17 million. Currently, the money remains in the federal court
18 registry. At one time, we'd actually proposed moving it as a
19 separate project into the state treasury to try to get more
20 interest on it, higher return. We actually -- the Department of
21 Justice agreed with us at the Environmental and Natural Resources
22 Division, but their actual legal counsel overruled them and said
23 that that was not permissible, that it violated treasury rules.
24 So, we ended up having to leave it in the court. We are exploring
25 with the court now the possibility of putting into laddered strip
26 securities, at a higher rate of interest, to -- so we are getting

1 some kind of reasonable return on it. The general concept of the
2 reserve is that interest will stay with the reserve once we -- once
3 we get that established. The challenge that is involved with that
4 is trying to figure out some way to make that stable income, as
5 you're buying these things over years interest rates fluctuate. If
6 you're having a research program, you don't want to have \$5 million
7 available one year, \$3 million the next, \$6 million the next and so
8 forth, you are not going to have much continuity in program like
9 that. Anyway, some of those financial details need to be worked
10 out. The reserve would be structured so it is a little different
11 from the way the Trustee Council functions today. That is,
12 expenditures from the reserve would still have to be through
13 unanimous agreement of all Trustee Council members. The money
14 would still come the same way, it would still go through the same
15 legislative or Congressional processes. There are, however, I
16 think as Molly mentioned, the reserve was, I think, sort of one of
17 the -- at least two of very significant things that the first
18 Public Advisory Group did, and there were a lot -- people had
19 talked about a reserve, Arliss Sturgelewski was -- has been very
20 positive about this for a long time, but the Public Advisory Group
21 took a stronger position on that then -- then most other things,
22 particularly since it was something they weren't initially, at
23 least they even asked about, and to a large extent their views and
24 their persists in saying that there should be a reserve was one of
25 the things that lead to its establishment. There are a couple of
26 more issues out there that -- about the reserve that involve kinds

1 of policy questions that I wouldn't be surprised to see this group
2 trying to deal with in time. They have been -- they haven't been
3 answered yet. First of all, the reserve, even though it's a
4 reserve must remain legally available for all purposes at any time.
5 That is, legally it does not get beyond the reach of the Trustee
6 Council. The Trustee Council, if it needs the money for
7 restoration, can go in there and pluck it out, principal or
8 interest, and use it, can use all of it. It doesn't have to wait
9 until 2001, could do it next year, if we needed it. Secondly, you
10 can use it for any legitimate restoration purpose, no matter what
11 the intent of the reserve is, legally you can do it however you
12 want to do. That, however, leaves a couple of policy questions out
13 there. One is, what is the purpose of the reserve? And, there
14 have been two different theories on that. One, is that the reserve
15 should be available as a continuation of the trust fund for all
16 purposes, general restoration, research and monitoring, and habitat
17 acquisition. The other view that people have held, is it really
18 the reserve, is it a research and monitoring reserve, and then you
19 would obviously use it for some activities that grow out of those,
20 like if you did research, you determined there was some general
21 restoration needs, then you could use it for that. But, it really
22 wouldn't be set up for habitat acquisition. Those are policy
23 issues that really have not been decided yet, and those are -- I
24 think that's one of the things that this Public Advisory Group, or
25 maybe it will be more than five years down the line, will be
26 dealing with. The other one is, how permanent is this reserve?

1 The last Public Advisory Group took a fairly strong position, as I
2 recall, that it shouldn't be invaded prematurely, and I don't think
3 the Council would have any intention of doing that past the year
4 2001, except in the most extreme circumstances. But, once you get
5 to 2001, what do you do with it then? Restoration is not a
6 permanent process. Restoration does come to an end at some point.
7 Do we establish this as a permanent reserve where you expend the
8 interest? Do you inflation-proof the principal and expend what's
9 left over, much like is done with the Permanent Fund? Or, as
10 someone suggested, do you make a judgment call and say, hey,
11 twenty-five years has got to be enough, we do a declining balance
12 reserve. That is, we figure out how we're going to do level
13 payments over the next twenty-five years and when we get to the
14 year 2026, it's all spent. Again, that's a major policy question
15 that some Public Advisory Group, and it could well be this one,
16 will end up wrestling with. I think that's kind of it in a
17 nutshell. If you guys got any questions?

18 MS. McCAMMON: Craig, could you maybe describe why the
19 Trustee Council chose the reserve approach as opposed to endowing
20 chairs, which was also strongly supported by members of the public
21 -- kind of at that end for the university.

22 MR. TILLERY: Endowment chairs? Well, the university --
23 the Trustee Council cannot delegate their trust responsibility.
24 They have to retain control over the expenditure and use the funds.
25 The university is not all that good at being controlled. It's, as
26 a practical matter, you can't -- we can't give the money and say

1 you go do good works, and it wasn't -- it wasn't going to work.
2 The Trustee Council could give money to the university for a
3 specific restoration purpose, and they could fulfill it, but we
4 can't say you go use it with your unfettered discretion. That's it
5 in a nutshell, and that's kind of the reason the -- you know a lot
6 of suggestion was just let's just put this into an endowment, not
7 in the university chair concept, but let's put it into an endowment
8 and we'll have a board of directors, and they will decide what to
9 do with. It's the same answer. The Trustee Council's by law can't
10 delegate that responsibility. Joe.

11 MR. SULLIVAN: (from the audience) Does this, in effect,
12 mean that the Trustee Council themselves go on for the life of this
13 endowment?

14 MR. TILLERY: Absent some change in the Consent Decree,
15 and down the line you would have to think that indeed there might
16 be a change in the Consent decree to come up with a -- actually, I
17 don't think you can find a more efficient -- I mean more cheaper
18 group of people since the Trustee Council gets no money from this
19 process. All that comes out of government budgets, it does not
20 come out of the Trust. But, you'd have to change the Consent
21 Decree, that's right, it's got to stay in existence while there is
22 still money to be spent.

23 MR. ZERBETZ: Question. Who is the investment manager
24 for these funds?

25 MR. TILLERY: They are being invested now by this Court
26 Registry Investment System down in Houston, Texas. We have, in

1 establishing how we're going to do this reserve, we've been dealing
2 with the state's investment managers have been providing us advice
3 on how we should set up the reserve and how we should -- and the
4 kinds of investments we should make. The proposal would be to come
5 back each year and we would probably actually end up hiring the
6 state's investment managers to come in -- we've had the Chief
7 Financial Officer has been doing in -- to come in and tell us what
8 these are -- we believe this is a proper mix of bonds and so forth
9 that you should invest in to obtain these objections, do it like
10 once a year would be a plan. Sir.

11 MR. KING: In talking about the use of this, we felt
12 there were quite a few questions that haven't really been laid
13 aside, like the matter of the board of directors. Well, the
14 Trustee Council, in effect, is a board of directors, so that if you
15 set up your endowment under the Trustee Council, that problem would
16 be taken care of, perhaps. The Trustee Council can write contracts
17 with agencies or companies. They could set up an endowed program,
18 perhaps, under the university with a -- you know, a firm contract
19 to go with it, so that it does address the resources that were
20 damaged in the oil spill. Like you say, restoration at some point
21 must have happened, whether we can identify it or not, still is --
22 that's got to be an end to that, but enhancement could perpetuate
23 on beyond, you know, indefinitely perhaps. And, another thought we
24 had was, well, we've got really two excellent investment funds in
25 the state, that I know of, the Permanent Fund and then the
26 University Foundation, which are getting what 12 to 15 percent on

1 their investment, even in four years, and so, it seems, and you
2 brought this up this morning. Sort of sad that some way it
3 couldn't be found to take advantage of that kind of investing
4 ability. So, I guess those are, what about four things we've been
5 thinking of. I know you've heard this before.

6 MR. TILLERY: Well, I have, and I actually agree with
7 most of them. We have tried every scheme we have been able to
8 think of to move the money into the state's investment system. I
9 mean, we have twice been up to the Department of Justice office of
10 legal counsel. The last time we went up there -- I mean, with the
11 support of the Secretary of Interior on it, and the answer we keep
12 getting back is no, you can't do it, so it's got to come in -- it's
13 got to stay in the court. So, it's unfortunate, but we're having
14 to work within that particular parameter. I should correct one
15 thing you said, or (indiscernible) the Trustee Council cannot
16 contract with anybody. We have to work through a government
17 agency. That's for two reasons, one, the very practical reason, we
18 didn't want to contract with anybody because then we're going to
19 have create procurement rules and all sorts of things. Secondly,
20 when that was brought up in front of the legislature, the Alaska
21 Legislature -- the law provides that we have to run essentially
22 through an agency, at least on the state's side. So, everything
23 does have to go through there. There cannot be any direct
24 contracts. The Council can act as a board of directors. The
25 Council can also act over time as this things starts to wind down,
26 you expect it more and more, the work would be done by staff, the

1 Council would meet very infrequently, would have to make itself
2 knowledgeable of the decisions that's being made, but really would
3 take a less active role than -- than it has in the past, I would
4 think, let them become a rubber stamp, but more decision would be
5 made at the staff level, I think.

6 MR. KING: Well, the university, for instance, may
7 come up with a long-term continuing proposal through the existing
8 process, some way or other, and get it funded that way. I'm
9 asking, if that's another possibility, and then the other
10 possibility I've wondered about is, going back to the court, could
11 the court make some decisions that would take care of the Justice
12 Department's problem.

13 MR. TILLERY: No, we tried that when we first set it up.
14 We tried to see if -- if what if the court ordered this or that and
15 the other, and the answer we got back from DOJ and the U.S.
16 Treasury Department was no. The court has to keep the money. It
17 can't just order the state has it or something like that. So --
18 but, yeah, the ideas are good, and these are the kinds of things
19 this group with its varied expertise and different point of view
20 than some of us have should be talking about and coming up with
21 ideas and thinking about them and stuff, because there's -- there's
22 real -- there's problems out there, but it's incredible opportunity
23 to have a long-term source of money that as Prudhoe Bay declines,
24 as federal dollars decline, is going to be one of the few sources
25 of research money in the State of Alaska.

26 MS. SCHWANTES: Has the Council approved any proposals

1 that are for profit?

2 MR. TILLERY: What do you mean?

3 MS. SCHWANTES: Restoration driven, but for profit?

4 MR. TILLERY: For us to make a profit?

5 MS. SCHWANTES: No, well for the -- the group that's
6 planning the restoration project, or whatever projects that's been
7 proposed, have they approved any of those projects, or have there
8 been any for-a-profit proposals.

9 MR. TILLERY: Yes, there have been. I'm not sure there
10 have any that have been approved. What we've -- I, at least have
11 taken the position that -- I mean that's not a bad word. With
12 mariculture as an example, the theory we like -- the state liked --
13 the maricultural was, look, we provide the seed money, you get this
14 going, and then you'll use these -- these products for yourself and
15 as kind of a subsistence replacement, but then they will be these
16 others that you sell, and that -- and you'll make the money, then
17 you'll reinvest that, and we won't have to keep to supporting you.
18 The same theory goes with like the Chenega chinook release program,
19 I think. We keep that going for three or four years, get it going,
20 then people start taking the fish and they can sustain it with the
21 money. With respect to the infrastructure improvements at the
22 marine institute in Seward, the Sea Life Center -- that stuff --
23 we're paying only for the research side of it. They're having to
24 raise the money for the educational sort of -- it's a non-profit,
25 but they'll be making money. But, yet our expectation and the
26 economic projections are that that other side will make enough

1 money to cut into the research costs, and, in effect, down the road
2 we'll be getting subsidized research out of it. So, where we can
3 provide seed money for a restoration project that has true
4 restoration values, but there is a component that would allow
5 somebody to make enough money so that we don't support it for the
6 next twenty years, its' a benefit.

7 DR. SPIES: Craig, I also might just say that there's
8 been a small number of instances where private companies have
9 participated in research programs, and they're private for-profit
10 companies, a small number of them.

11 MR. TILLERY: Yeah. We've also done some projects like
12 with commercial fishing. We did -- we've done some genetic
13 identification and stock separation stuff. As I recall, I'm pretty
14 sure we've approved, but the primary function of it was to be able
15 to separate stocks in Cook Inlet so that there wouldn't have to
16 closure, general closures for commercial fishermen, but they would
17 be able to target Susitna fish as opposed to ones that were headed
18 for the injured Kenai. Now, I mean, that's really directly
19 assisting a profit-making enterprise, which is the commercial
20 fishermen, but it's going at it in a way that we think will help to
21 resist political pressure to open up a resource that's injured, and
22 we think it will eventually help the injured resource, so, yeah.
23 It's not a dirty word, I mean.

24 MS. SCHWANTES: Yeah, it just seems a shame that, you
25 know, it's going to have to end, or at least we're planning for the
26 end, you know. It -- it seems like it would be interesting to see

1 if we could plan for things to continue.

2 MR. TILLERY: Well, that would be the concept of the
3 permanent endowment, and one possibility that is not unknown in the
4 legal profession, or legal world, is sometimes when courts have a
5 permanent endowment for a specific purpose, and that purpose
6 terminates, the courts will allow the funds, the principals, to be
7 used for a similar purpose, and I would suspect it would at least
8 be, and they wouldn't be out of the realm of possibility, fifteen-
9 twenty years down the road to go back to the court and say, you
10 know we think we've just done about all we can do with identified
11 restoration. We think you should convert this reserve into a
12 permanent endowment for marine research in the north Pacific,
13 something like that. I mean, that's -- that's a long way away, but
14 there is an opportunity, I think, to keep things like this going.

15 DR. FRENCH: Craig, realistically with \$108 million
16 plus or minus endowment, and at least with the current investment
17 strategy, isn't inflation-proofing the fund to make it a permanent
18 fund going to eat up almost all the available funds?

19 MR. TILLERY: Well, it's going to \$108 plus the interest
20 it's earned between now and 2001, which is going -- I don't know
21 what it will be, about 150. It depends on your -- your level of
22 research. I think -- I came -- it seems like me -- I was thinking
23 you'd probably end up with between three and five million a year
24 for research after inflation-proofing, is that correct?

25 MS. McCAMMON: That's what we were looking at.

26 DR. FRENCH: Is that assuming the current investment

1 strategy, or (indiscernible - simultaneous talking)

2 MR. TILLERY: That's assuming that like for example
3 right now, we'd be pulling in seven and a half percent, or
4 something like that.

5 DR. FRENCH: Yes, potentially if we're shooting at
6 eight to ten million dollars in research, now we'll be able to fund
7 maybe half of that?

8 MR. TILLERY: Yes, and that's one -- that's going to be
9 one of the challenges in my view of the Council between now and the
10 year 2001, is to have that research level come down to a level
11 where it smoothly reacts with the funds that are going to be
12 available after 2001.

13 MR. McCORKLE: More questions? If not, thank you very
14 much, it was very great presentation, and I think we should, those
15 of who are members of the PAG should feel very complimented like
16 you've done a good bit of work because unless memory really fails,
17 you guys began the idea. Now, there was -- endowments came up
18 about the same time and chairs and all that other kind of stuff,
19 but the Public Advisory Group really pushed and made it happen, so
20 congratulations to you all. I think it's a -- one -- one of the
21 better pieces of work that we've helped to do. Thank you.

22 MS. McCAMMON: I think -- I think that was the major --
23 one of the major changes between the draft restoration plan and the
24 final restoration plan, was that concept of the reserve. So, I
25 think you're absolutely right, Vern, that it -- a large part due to
26 the work of the Public Advisory Group. As most of you, a lot of

1 the work that the Council does has a scientific basis for it in
2 terms of our research and monitoring program. The Council has on
3 contract an independent Chief Scientist. Last year this was
4 competitively solicited, and Dr. Robert Spies who had served as
5 Chief Scientist prior to that received the bid for that contract.
6 He is assisted by Dr. Andy Gunther who is also based in his office
7 in California. And, I'd like Dr. Spies now to go through some of
8 the aspects of our program that deal with what we refer to as
9 science management. How the various injured resources are viewed
10 in terms of their recovery? Where do they stand on the list, and
11 how various proposals are peer reviewed, where they're first
12 solicited, and then also midway through the cycle as part of our,
13 what we call the adaptive management process. So, Bob, I'll turn
14 it over to you.

15 DR. SPIES: Well, thank you, Molly. I think I've met
16 almost all of you personally, perhaps I'm -- say hello to Brenda
17 yet, but I will. I'm pleased to be back here with you again, and
18 with another Public Advisory Group, and I'm looking forward to
19 working with you over the next couple of years. I saw this group
20 start kind of in fits and starts about two years ago, and
21 eventually gelled and ran much more smoothly over the last year,
22 and I hope that you can keep up the momentum. I think that session
23 this morning certainly is going to help. You saw on the
24 restoration plan there's a -- what so-called injured species list,
25 and that is not everything that was injured by the spill. You
26 could -- if you had to list everything that was -- that was killed

1 by the spill, it would probably run into hundred of different
2 organism, many of them rare and obscure and so forth, but those are
3 the main list of species that suffered substantial losses in our
4 estimate, and there are others, of course, and you can only go to
5 the birds as an example. There are ninety species of birds that
6 were recovered after the spill, the carcasses were oiled, we know
7 for sure they were killed by the spill, and there's many, many less
8 species of birds on that list than the ninety that we know were
9 actually killed by the spill. So, we have -- recognizing that we
10 don't know everything that happened and recognizing that there is
11 a public process and that there's some strong opinions on -- by
12 some people about the injured species list, we had a process
13 identified where additional species can be nominated, and then the
14 way the process works is those nominations are considered by a
15 group of independent reviewers that I've assembled. Many of the
16 core reviewers that -- we've come to rely on a number of small
17 group of peer reviewers which we call the core reviewers, and it --
18 the nominations are considered and then they are -- some sort of
19 consensus is come to, I make a decision, and I forward that
20 decision to Molly McCammon as Executive Director, and then she'll
21 pass it onto the Trustee Council for consideration. So, that's --
22 that's kind of the flexibility we have in our process for -- for
23 dealing with the injured species. If you look at research program
24 going back to 1990, most of those -- most of -- most of the
25 research and scientific assessment of damage and restoration is
26 based on species in that table. Those are the ones that were

1 significantly injured. Those are the ones we know enough about or
2 numerous enough to really deal with in a meaningful way. So, what
3 I'd like to do very briefly this afternoon is take you through some
4 of the resources, and -- and just make a couple of comments about
5 each one and where the general program is headed, what the nature
6 of the injury was, and some comments about the state of recovery.
7 It's very difficult to summarize all this material in a --
8 completely comprehensive way, but at least I can give you a flavor
9 for it. If we can start in the -- just with the persistence of oil
10 in -- in the shoreline. All of you probably know that the -- when
11 the oil is released from the Valdez it floated on the water and it
12 was blown around the winds and currents and so forth, and ended up
13 mainly on shorelines, a larger portion of it ended up on
14 shorelines. A lot of that was in Prince William Sound, certainly
15 some of it was in Kodiak, Alaska Peninsula, and some of the other
16 islands, such as the Barren Islands, but the -- and the amounts in
17 the beach and the amounts that were subtidal in the shallow waters
18 along the shoreline kind of change the function of time. But, as
19 of a couple of years ago, it was estimated that only a very, very
20 small percentage of the original oil actually was still on the
21 beaches. Now, if it happens to be your beach that you like to go
22 clamming on, or that you depend on for subsistence, that small
23 amount of oil can seem very significant to you. A small amount of
24 -- of 12 million gallons of oil is still considerable amount of
25 oil, and if you turn over a rock and it's got a couple of -- couple
26 of drops of oil underneath, there (indiscernible) to form a sheen

1 on top of the water, so it doesn't take very much to make a
2 noticeable -- noticeable persistence of oil, and we're dealing with
3 that kind of situation now. We're pretty sure that the oil in most
4 places is decreasing, but it's -- it's increasing in proportion to
5 the amount of energy that's in the environment, so that if you go
6 out to a rocky beach that is exposed to the full force of long
7 stretch waves and so forth, most of the rock -- most of the oil
8 that was on the rock has been cleaned off, removed, it's gone.
9 However, if you go underneath something that -- that slows the
10 energy regime down like a large rock or a mussel bed, and that --
11 you can still find oil in those environments. And, to the extent
12 that these environments for the amount of energy that's available
13 to disburse and break up the oil, to the extent that's -- is
14 lacking or it's -- it's greatly -- greatly diminished in that
15 environment, there's -- there's a much greater chance that the oil
16 persistent in the environment. We're seeing that in -- in mussel
17 beds and underneath these very large rocks, and deep, and some of
18 the beaches that are cobbly beaches. We also -- another process
19 that tends to keep the oil around is the -- is the formation of
20 asphaltic mats, and that's particularly noticeable around some of
21 the islands in the southern Prince William Sound where there have
22 been large amounts of oil that have been stranded on beaches and
23 they've turned into a kind of asphaltic material. Now, the Trustee
24 Council -- although the clean up was pretty much -- pretty much
25 done in the first couple of years after the spill, there have been
26 a number of efforts to try to deal with remaining oil and the

1 people's concerns about the remaining oil. For instance, there
2 were a number of sites around the Village of Chenega. Last year
3 the Trustee Council sponsored work to go in and manually break up
4 those asphaltic mats and try to do some more clean up, and
5 certainly more of that sort of thing is being considered. Also,
6 these beds of these mussels that are very, very thick and have this
7 persistent oil under them have been the subject of a great deal of
8 concern for the last three or four years. NOAA went out and --
9 several years ago and had -- tried to identify the major ones
10 within Prince William Sound. It identified about sixty of those
11 beds, tried out some methods for cleaning those up, and essentially
12 identified method that's a pretty appropriate one. It involves,
13 essentially just cutting the stuff back much as you would a sod
14 lawn, and just peeling it back and removing the underlying oil
15 sediments, dispersing those on the beach, and then putting clean
16 sediments back in underneath the mussels, and that appears to be
17 working pretty well. We had some very good results from last year,
18 about sixteen of these beds were looked at, and a lot of oil
19 sediment was removed. The oil has decreased in the mussel beds
20 after that treatment, and oil that was dispersed on the surface of
21 the beach appears to be weathering very rapidly. So, we think
22 that's a pretty effective way of doing clean up and more of that
23 sort of work is going to be done in '95. It's not unusual after a
24 large spill like this to have oil persist for quite a few years,
25 especially in the low energy environments. If you go to some of
26 the more infamous spills, there's one in -- right around Woodshole,

1 Massachusetts, back in 1970, and what's done as oil spill, and you
2 can still go to some marshes there and dig down, twenty - thirty
3 centimeters in the marsh sediments and find oil. So, we'll be
4 seeing some places such as the Bay of Isles in which there will be
5 a small amount of oil that persists, and it wouldn't be surprising
6 to see it going twenty - twenty-five years in some cases. So --
7 it's kind -- it's kind of a situation is the glass half full or
8 half empty. If you look at it from the original amount of oil that
9 was spilled, there's not very much left. If you look at from the
10 standpoint where there was actually no -- hardly any oil before the
11 spill, it still looks like quite a bit, especially if it's in your
12 back yard or in your favorite beach. That brings us kind of
13 naturally to the subject of the intertidal and subtidal areas.
14 That was one of -- the fauna that lives on these beaches was hard
15 hit by the spill, I think everybody appreciates that, that the
16 beaches were coated, and our -- I think in our zealously to do
17 something about the problem, there was some very aggressive clean
18 up was done, and I think people are still arguing about the merits
19 of what we should have been cleaning up and how aggressively we
20 should have been cleaning up. There's no doubt from the studies
21 now, the results that we have, that aggressive clean up, especially
22 with hot water washing did have a -- a pretty profound effect on
23 intertidal fauna. And, you again argue whether that was a good
24 thing in a long run or not, and if you look at it from the
25 standpoint that the oil could be still passed up the food chain, if
26 we hadn't cleaned up it to a more significant extent and believe

1 that those -- although we -- that prove is very difficult to kind
2 of come by, but if you believe that kind of process would have
3 resulted in greater damage, you can make an argument to say that it
4 was somewhat justified. On the other hand, the aggressive clean up
5 did set the intertidal communities back quite a bit in many areas,
6 there's no doubt about that, and it's going to take longer for them
7 to recover if they have been. So, hadn't been cleaned up. Kind of
8 the key -- if you look at the -- there were several years of study
9 devoted at a tremendous amount of money, there was tens of million
10 of dollars spent on the intertidal studies and that's because there
11 was design for litigation purpose and they wanted to be able to
12 extend the damage that was found and identify it to the entire
13 spill area because the intertidal was so hard hit. And, we sampled
14 different kinds of environments and we did at random sampling, and
15 there was -- and identification of sites on a very broad scale, and
16 it was a very expensive program from the standpoint of logistics,
17 and the standpoint of the -- the process -- processing the large
18 number of samples with a -- with a -- trying to obtain some degree
19 of precision and accuracy on what the real damage was worth.
20 Because of the great amount of expense and the time involved, the
21 last survey was really carried out in 1991, and area wide survey,
22 and as a result of those surveys in '89, '90 and '91 we knew that
23 the most damaged environments were the sheltered rocky
24 environments, which is a predominant environment in Prince William
25 Sound, also the cobbled -- cobbly beach environment, and the
26 estuarine environments. Estuarine environments aren't as common,

1 but where they do -- where they did hit there was certainly plenty
2 of evidence of damage. And, these are based on oiled versus
3 unoiled type of comparisons because we didn't really have any much,
4 if any, usable baseline data. But -- and we've focused since that
5 time on Herring Bay on the northern end of Knight Island. Looking
6 at Herring Bay is a kind of a small laboratory to see how these
7 aromatic communities are recovering, and focused lot of process on
8 these studies, and now you probably have heard we weren't
9 ecologically focused. In fact, this was an ecological focus in our
10 program from very early, it just wasn't talked about, publicized
11 much, and as ecological in the sense that we're trying to
12 understand what was restraining recovery because the dynamics in
13 those kind of communities out there in this sort of environment are
14 -- are such that the recovery -- the injury inter-reacts with a lot
15 of physical forces, and there's a lot of things going on with
16 competition, there's a rock weed in the upper intertidal that was
17 the pop weed or fucus that was injured greatly, and it had
18 repercussion throughout the community, both in its own recovery and
19 the recovery of other species, and provided, for instance, shelter
20 for lipids, and if you don't have the shelter the lipids come back,
21 and the birds eat them more quickly without the cover, and so. So,
22 there's all kind of these secondary sort of interactions that went
23 on in terms of the injury. This is also a highly stressed
24 environment, ice (indiscernible) and cold water and fresh water run
25 off do have their effects, so the recovery has been kind of jerky,
26 but the bottom line on the recovery in the rocky intertidal which

1 the Herring Bay studies have been focused on is that it is not
2 complete and it depends on the recolonization of the sub-intertidal
3 by the fucus. The middle intertidal zone has recovered -- is in
4 the process of recovering pretty well. So, there's more that's
5 going ahead in the Herring Bay studies, and there's a sense that we
6 need to go back out there and again, next year and the following
7 year and do each of these three areas in successive years, that is
8 Prince William Sound, Cook Inlet, Kodiak, and Alaska Peninsula,
9 that will kind of put the cap on this thing. We don't know whether
10 we're going to full recovery by that stage or not, but it's -- I
11 think it's going to be time to go back out and see where we are
12 with those, and they are expensive studies, there's no doubt about
13 it. And, we're looking at ways in which we can keep those expenses
14 to a minimum without compromising the quality of the data. The --
15 the environment just adjacent to the intertidal is the subtidal
16 area, and there was a lot studies done there, again by the
17 University of Alaska, like the intertidal studies, and they were
18 carried out by Steve Jurad (ph) and some private contractors from
19 California, Coastal Research Associates, and the main damage that
20 they saw there that seems to be persisting more than a year is the
21 damage to the eelgrass beds. Every subtidal grassy beds with the
22 thick green leaves, that they have a single green leaves, and
23 they've found, as well as another study that started with Exxon and
24 then was completed independently with (indiscernible) found that
25 the flowering of the eelgrass and the productivity of the eelgrass
26 appeared to be affected, and also the organisms that were

1 associated with eelgrass, particularly the anthopods, these are
2 small beach hoppers, small crustaceans, were greatly diminished,
3 and some other aspects of the fauna were diminished, and those
4 diminishments was found on Knight, and since (indiscernible)
5 recovery in '91. We thought we had recovery until we had a next
6 set of data, that was sampled, in '93, '94, and the analysis of
7 that data is showing sort of a recurrent to their former condition,
8 so we don't know -- we don't know whether that in fact we're
9 looking at a continuing injury or whether there might be some
10 natural geographic differences between oiled and unoiled sites
11 that's complicating our interpretation of that story. Let's move
12 offshore a little bit, and talk about some of the marine mammals,
13 very briefly. You've heard, I think, from James Diehl about his
14 interest in killer whales. This was a -- killer whales are a very
15 obvious part, a very important part of the ecosystem out there, and
16 there is a great deal of public identity, but there's a great deal
17 of interest in the killer whales, and there's, you know, thirteen
18 whales missing from one of the pods. You probably heard this
19 before, but in '90 and '91, and out of this thirty-six or so
20 whales, and there has been some recovery. Calves started to be
21 born in '92, and it looks like we're seeing a slow recovery. I
22 think there's a potential set back last year. Some animals were
23 missing from the pod, and we really need to see for another year if
24 they're in fact permanently missing or not. We're trying to do
25 some work to find out more about killer whales, but we can't make
26 them reproduce any faster in that sense of restoration, but we can

1 gather more information about them, and we don't know a lot about
2 the killer whales. I'm sure we could, we could certainly find out
3 more and that could possibly help us in our management of those
4 species. So, some studies are dietary components and the
5 differentiation between so-called transient and resident pods is
6 being done, and some genetic studies are planned as well for '95.
7 Harbor seals were another species that -- of marine mammals that
8 were greatly injured by the spill, and we probably had the best
9 information on harbor seals of any marine mammal, because they were
10 studied just before the spill, and we know that we had a long-term
11 decline going on in Prince William Sound. As it -- apparent
12 outside the Sound as well, from the study of a number of index
13 sites up and down the (indiscernible) Prince William Sound. Kathy
14 Frost from the Alaska Department of Fish & Game in Fairbanks and
15 her husband, Lloyd Lowry, have done a done really excellent job in
16 the killer whale studies. We started to get some stabilization of
17 the downward trend. It was starting to flatten out a little bit.
18 We still haven't recovered or anything pre-spill, and last year may
19 have been a further turn down in terms of the rate of decrease. We
20 don't know what is causing the ongoing decline of harbor seals, but
21 we know that the two or three hundred that we estimate were killed
22 in Prince William Sound certainly didn't -- from the spill
23 certainly didn't help. Again, the things that are being done
24 include not only the index surveys to see what the nature of
25 recovery is, but also doing some radio tags studies to see how far
26 they venture from their (indiscernible) and to study diet. Don

1 Shell of the University of Alaska is coming with some very, very
2 interesting information on diet by actually taking the whiskers of
3 the harbor seals that they capture and analyzing stable isotopes up
4 and down and whatever the seal eats, if it has a different stable
5 isotope it shows up differently in the part of the whiskers. You
6 can cut off the whisker and kind of march down the whisker and get
7 a history of his diet in some sense, very interesting approach.
8 And, sea otters, there is about 4,000 sea otters that we estimate
9 were killed by the spill. The surveys that we have, both boat
10 surveys and aerial surveys that were -- have been done by Fish and
11 Wildlife Service have not shown a recovery of sea otters,
12 particularly around Knight Island where the aerial survey has been
13 carried out in the last several years, and it also looks like, just
14 in terms of numbers, and also from the blood data there appears to
15 be some suggestion of immune system effects. As well as in '91 and
16 '92, the overall survival of the young otters didn't seem to be up
17 to what it should have been on the west side of the Sound versus
18 the east side of the Sound. So, those are kind of the main things
19 we're doing with injury and sea otters, and -- and we're also
20 continuing to monitor sea otters and they're included as one of the
21 species in one of the large ecosystem studies that we -- been
22 proposed for this year, the nearshore vertebrate predators package,
23 and there is a number of different aspects of sea otter
24 demographics, population modeling and diet, and food availability
25 that are being studied, or are being proposed for study for sea
26 otters in the coming several years.

1 Let's turn briefly to birds. This is one of the groups that
2 was really greatly affected by the spill. There may have been as
3 many as a half million birds killed by the spill, about ninety
4 different species, as I said earlier, and we -- we're not able to
5 study all the different species or would even want to study all of
6 the different species because they -- with the rare occurring
7 species, I think, those sort of things would be problematic, so
8 they -- the Trustee Council studies have focused on a number of
9 separate species. There's also been bird boat surveys that are
10 carried out jointly with the people that count sea otters, and
11 there are boat surveys that go around the Sound on predetermined
12 transects and count -- count birds and sea otters at the same time.
13 And those, plus earlier information has allowed us to make some --
14 I wouldn't call them educated guesses, make some estimates of the
15 -- of the mortality of birds and the possible continuing effects on
16 birds by comparing data from oiled and unoiled areas. And, so
17 there's a number of species that looks like there still have --
18 have shown some effect from the spill based on those surveys. I
19 just might mention a couple of species as examples of what's being
20 done with birds. In murres, this is the -- the species that was
21 greatest effect -- most greatly affected by the spill, and most of
22 the mortality of -- maybe between 120 and maybe as many as 200 or
23 300,000 of the murres occurred in the Gulf of Alaska, particularly
24 around places like the Barren Islands, and we're hoping that the
25 populations will return to pre-spill levels, and we're doing
26 population counts as it's going along, and the data is still being

1 evaluated. There's been some Exxon study -- studies that have
2 claimed that the population data are -- don't indicate an injury in
3 terms of actually counting birds out there, and it's pretty hard to
4 argue with the carcasses we've got, you know, that many carcasses,
5 but you'd think you'd be able to go out and just count them, but
6 it's not that simple just because of tremendous variability. We
7 know -- we also saw some differences of timing and reproduction
8 that appear to be recovering now. The latest data that we have
9 from Fish and Wildlife Service in the Homer office, Vernon Berg
10 (ph) and his colleagues down there indicate that the -- the
11 (indiscernible) chronology which had been off by as about as much
12 as a month has not returned to normal with murre. So, we think
13 murre are recovering, we can't give you precise information about
14 -- we can't draw a line as to pre-spill population and say we're
15 exactly approaching it. That sort of thing could be done possibly
16 through modeling, but we're making a reasonable effort in the
17 murre, and they're also the subject of some, it's kind of a
18 broader ecosystem level look at what is restraining recovery and --
19 then I'll mention in some of these ecosystem packages that are
20 coming up in a couple of minutes here. Marbled murrelets are
21 another species that was very hard hit, especially in Prince
22 William Sound. Probably 8,000 to 12,000 marbled murrelets were
23 killed in the spill area, maybe as much as five to ten percent of
24 the existing population was -- marbled murrelets are a species that
25 in decline in the northwestern part of the Continental United
26 States. You know, their greatest center of distribution is --

1 actually in Prince William Sound. A related species the kislet
2 (ph) murrelets, people have argued, I think quite persuasively that
3 they should also be put on an endangered specie, not endangered but
4 they are listed under species that we have because we -- many of 30
5 percent of the population of kislet murrelets which, again is
6 centered in Prince William, was probably killed by the spill. The
7 marbled murrelets, of course, have been the focus of a great deal
8 of interest because of their habitat requirements, they require old
9 -- old growth forest in Prince William Sound, and they tend to
10 roost in old growth and low branches that are covered with moss and
11 old growth timber, and that has been motivating factor in some of
12 the land acquisition that has gone on in order to protect the
13 recovery of marbled murrelets. Pigeon guillemots is another --
14 another (indiscernible) that is of great interest because a large
15 number of them are killed, perhaps as many as 3,000. These are
16 fish-eating birds that nest on -- on rocky shores. They're
17 certainly -- were a pretty great risk at the spill. There was an
18 ongoing pre-spill population decline, as there were from other
19 species. In fact, if you count the birds in the mid-1970's in
20 Prince William Sound were probably something like I think 500,000
21 or 600,000 and the counts in the late '80s were about half that, so
22 we've got an ongoing decline of sea birds in Prince William Sound
23 that is a great deal of concern. Again, I'll talk about the forage
24 fish study in relation to that -- that decline in a moment. So,
25 again the pigeon guillemots are injured. We don't have precise
26 population data to know -- to know if they're recovering greatly.

1 We think that their recovery is being constrained in some way,
2 perhaps by some other complicating factors, such as food
3 availability, and they're part of this, one of the ecosystem
4 packages. In fact, they're part of two different ecosystem
5 packages, from different points of view. One interesting thing
6 about pigeon guillemots is they used to feed a lot of sand lance,
7 and the recent studies out there around Naked Island have shown
8 that they're not eating sand lance at all, they are eating other
9 things, more capelin and cod, so there is kind of indirect evidence
10 that there has been some kind of shift in their food base over the
11 last twenty years, and probably not spill-related, but could be.
12 Another one of the bird species that are -- turning to kind of
13 (indiscernible) -- the harlequin ducks, as a representative of the
14 larger group of sea ducks that are so common in Prince William
15 Sound, has been a source of great concern since about 1990 when the
16 workers that were walking the streams, the anadromous streams at
17 western Prince William Sound, couldn't find any harlequin duck
18 chicks, and they were pretty abundant in the eastern side of Prince
19 William Sound. Again, a lack of pre-spill data didn't allow us to
20 be very precise here, but there was a great deal of concern. We
21 thought there might be some reproductive effects going on from the
22 oil because some of these birds can be very, very sensitive to
23 small amounts of oil. We've been studying harlequin ducks since
24 about '90 and included a number of surveys and some efforts to look
25 at the toxicological aspects of oil ingestion, particularly in
26 relation to oiled mussel beds. A lot of that work is still being

1 evaluated, but we are initiating some population surveys. There
2 was a small study last year to try to improve the methods of
3 examining the populations, and now we've got a pretty good method
4 and we've been able to identify some of their younger age classes
5 of males which helps us a little bit on trying to understand how
6 reproductive parameters may be affected in the population in
7 different parts of the oil spill area. So, that work is
8 continuing. The black oystercatchers appear to be recovering.
9 There was a small number of them killed by the spill, and there was
10 reproductive effects, and growth of chick effects that were noted
11 after the spill, and we appear to be back in a normal range with --
12 those parameters for black oystercatchers.

13 Let's turn from the birds to the fish. There's a lot of --
14 lot of interest in the fisheries resources because we've had some
15 harvested species that were affected by the spill. We start out
16 talking about pink salmon, which were obviously affected by the
17 spill. There was an increased mortality of the young stages, the
18 eggs in the gravel of oiled streams. There was also decrease
19 growth of juveniles after the spill, and exposure to early marine
20 stages, and modelers from the Department of Fish & Game estimated
21 that perhaps as many as 1.9 million fish didn't return in '90,
22 although there was very good return. As many as 1.9 million fish
23 more would have been there in '90 if it hadn't been for the spill.
24 Surprisingly, the egg mortality did -- was elevated through 1993 in
25 comparing oiled versus unoiled streams. The pink salmon breed in
26 the upper intertidal and just above that, but most of -- most of

1 the 75 percent of the egg laying takes place in the intertidal, and
2 that's where -- that's where they got the exposure to the oil.
3 But, the persistence of this was very surprising. We think either
4 they're getting a dose larger than we've been able to estimate, or
5 else they're extremely sensitive. 1994 was the first year we saw
6 that the difference between mortality rates in oiled streams and
7 unoiled streams is no longer significantly different. So, we think
8 we may be seeing the start of recovery. In addition, the very,
9 very poor years that you've heard about, '92 and '93 for pink
10 salmon returns, some of the poorest on record, have been reversed
11 at least, if not just temporarily in '94 with the third highest
12 return on record, so we're hoping that the pink salmon with this --
13 with this apparent (indiscernible), and we hope it continues. And,
14 the egg mortality rates combined with the improved run, which we
15 again hope will continue, may be a good omen for pink salmon.
16 There's been a lot done by the Trustee Council, and one of the
17 things that we've done to -- for this species as far as better
18 management for injured stocks is to sponsor some coded-wire tag
19 studies, and these are small pieces of wire that are put in the
20 nose of these things, so when the fish come back and they enter
21 mixed stock areas if we can estimate how much -- how much of the
22 run can be allocated to the hatchery versus the wild streams, and
23 by -- it has allowed us to be a lot more precise, and then last year
24 Fish & Game was able to have the wild -- the wild pink salmon
25 streams in the spill area of Prince William Sound reach their
26 escapement goals. And so, it's been something very active that the

1 Trustee Council has sponsored, and has paid off. Now, an even
2 better method of marking these fish to differentiate the hatchery
3 from the wild fish is what is called otolith mass marking, and this
4 has been funded by the Trustee Council for this coming year, and
5 involves heating up the water a couple of degrees and putting a
6 mark on the little ear bone in the -- in the baby fish and you mark
7 essentially every fish that way. And, we think this -- it's what
8 some biologists say can do the most for the management of pink
9 salmon, and so the Trustee Council has also taken that step. And
10 kind of -- kind of overlaying this whole thing with the -- the
11 question about the recovery of -- of the species that are either
12 recovering slow or not -- or not recovering at all, are some more
13 basic approaches to both pink salmon and herring problems that
14 we're experiencing within Prince William Sound, and that is a large
15 research program that was -- was driven by the initiative of the
16 residents of Cordova, it's called the Sound Assessment -- SEA
17 program -- Sound Ecological Assessment program, and it has focused
18 particularly on these two species and trying to understand the
19 ecological context under which the -- the early life history
20 success of these species which sets the stage for eventual the
21 strength of the returning runs. The ecological factors that --
22 that are -- have drive year-to-year variability, and there's a very
23 ambitious program, it's funded at about \$4.5 million a year right
24 now, that's looking at the whole system, kind of from -- from the
25 ground up, from the climate to currents, the way the plankton is
26 available and what stages and what places, the feeding of the young

1 fish, their predators, and how they interact, in a very -- it's
2 obviously a very complex system, and we're very, very proud of this
3 program. We think it's the flag ship of our ecological studies
4 program, and there's some other programs that I'll talk about in a
5 minute, the apex and nearshore predators program, that also are --
6 represent significant initiatives for ecological studies. With the
7 herring in Prince William Sound, the spill affected early life
8 history stages. There is both reduced fertilization and embryo
9 abnormalities in '89 and '90. We had an apparent recovery by '91,
10 but then the population crashed -- started to crash in the next
11 several years, and then '93 and '94 there essentially more fishery
12 for herring in Prince William Sound, and it's, I think, one of the
13 poorest, if not the poorest on record, as far as the state of the
14 stocks out there right now, and I'm sure that the Thea Thomas could
15 tell you in very personal terms what that -- what that sort of
16 thing means to people who make their living from fishing herring.
17 We can argue all day, I think, about whether this -- this kind of
18 crash was due to oil or not. The fact is, we don't know with any
19 certainty whether it was, but it certainly it's a resource injured
20 by the spill. It's one that the Trustee Council because of the
21 difference that approved -- management can make, felt that they
22 could actually do -- do something very constructive on. And,
23 there's been a great deal -- a surge of interest in doing something
24 with the kind of the reductions of the stocks out there. It seems
25 that, you know, the seriousness of the problem is kind of inversely
26 related to the money here. So, there's -- there's a lot -- lot of

1 interest in doing something for herring in Prince William Sound and
2 it is addressed on a number of different levels, both through the
3 SEA program itself, and in developing some new manage -- direct
4 management tools that would go -- give us some short term
5 predictors of the strength of the herring year classes. Right now
6 we depend on some of the -- the egg survey type information, and
7 some hydroacoustics, and there's been recommendations by reviewers
8 that we go to some of the juvenile estimates, the zero-plus age
9 class surveys that are done in British Columbia is a better
10 predictor, so some of the effort is directed. And -- I just might
11 mention that the associated with this decline on herring has been
12 some disease problems, first viral hemorrhagic septicemia (ph) was --
13 was discovered and the herring, I think, about 10 or 15 percent
14 incidents in '93, and again in '94. But, they also isolated
15 another fungus called *Ichthyophonus* that was -- first showed up in
16 the Canadian sonar fisheries, then was detected in cod in Prince
17 William Sound a couple of years ago, and is now about 15 to 30
18 percent of the herring that were captured last year had isolated
19 *Ichthyophonus* in their tissues. *Ichthyophonus* is notable because
20 it has been involved and maybe, in fact, causative of some of the
21 crashes of the Atlantic herring that have taken place in the past.
22 So, we may have a culprit here, and it's because of the Trustee
23 Council studies that we're making some progress in understanding
24 what may be happening to the herring. The herring, of course, are
25 important because they're such a huge biomass. When there are
26 healthy populations, they are important for other resources, seals,

1 sea birds and whales, so we're anxious to the herring recovering.
2 And, I think the research that's being sponsored right now is going
3 to be -- result in some better tools for management of the herring
4 in Prince William Sound.

5 The -- just a few words about the sockeye situation. As you
6 know, there was overescapements of sockeye because the fishery was
7 closed in Lower Cook Inlet. There was overescapements in the Kenai
8 River, which actually was the third year in a row. There was an
9 earlier oil spill in '86, and then the -- a large escapement in
10 '88. Also, on Kodiak Island in some of the systems down there,
11 Akalura Lake and Red Lake in particular, there was large
12 escapements. And, it's been the potential repercussions from these
13 large escapements that have been concern, as far as affecting the
14 adult return in the runs, and Fish & Game had made some rather dire
15 predictions based on the information they had about returns that
16 may be affected in '93 and particularly '94. Luckily, those -- the
17 more dire end of that prediction hasn't turned up, yet, and -- and
18 there is still some concern that maybe -- this year maybe we're
19 continuing to fund some of the restoration studies, and helping
20 Fish & Game in management of this resource more closely because of
21 those concerns, but we may -- hopefully we don't have a problem.
22 Hopefully, it will -- that shadow of that overescapement won't come
23 back to haunt us. There's a number of different things that the
24 Trustee Council has done to improve management, and that are worthy
25 of notice. One of them has been the genetic stock identification
26 program that has been sponsored, and the Fish & Game genetics

1 laboratory has done just a remarkably good job in putting together
2 this genetic database so they can go out in mixed stock fishery in
3 lower Cook Inlet, sample it and within 48 hours have a pretty good
4 genetic characterization of those stocks and know exactly where
5 they are going, or a great deal of segregation can be based and
6 then the management of that mixed stock area can be more precisely
7 carried out. Also, the Trustee Council has funded some
8 hydroacoustic work which allows the test fishery to identify, you
9 know, the general size of the stocks out there for -- that are
10 available in that fishery.

11 I just might mention next that the -- alluded to a couple of
12 times that these large ecosystem approaches, SEA is one of them,
13 and I talked briefly about that under the pink salmon and herring
14 work, it's the earliest and most advanced, and most sophisticated
15 in terms of its development. We also have two other packages that
16 are being considered for this year. We've got -- Trustee Council
17 have given funds to groups of investigators to develop a study
18 plans because these are very large multi-disciplinary studies that
19 require a lot of integration and interaction, so we've funded at
20 about \$100,000 each. Two groups of investigators. One of them --
21 one of the programs deals with the abundance of forage fish and
22 some of the long-term declines in sea birds and mammals. It's been
23 called the APEX program, and it is being considered and reviewed
24 right now, and they would look particularly at the sea birds,
25 kittiwakes, tiggers (ph) and puffins in relation to their food
26 resources, the herring, salmon, capelin, cod and other forage fish.

1 And, this provides, I think, in terms of understanding that the
2 entire ecosystem kind of blocks -- it's fit together in terms of
3 the SEA program and then also some of the bird and mammal studies.
4 Another program that is the nearshore vertebrate predators that has
5 been recently proposed, and it's going to take a look at some of
6 the -- some of the top predators in the nearshore area, including
7 sea otters, harlequin ducks, river otters and pigeon guillemots,
8 and it's looking essentially at combining aspects of monitoring
9 populations, some work on diet and some work on health indicators,
10 looking at, trying to determine what's constraining the predators
11 of these populations.

12 Subsistence is another area that could be looked at as a
13 service, but I think it's -- it's certainly worth mentioning here
14 in recovery resources because its the one human activity that seems
15 to be most directly affected by the spill. As you know, there was
16 a loss of confidence after the spill, and there was a reduction in
17 the use of subsistence resources. The subsistence resources have
18 returned in many cases close to what they were -- were pre-spill.
19 There's still not a -- still a great deal of distrust of the
20 resource. The people can see oil on some of their favorite
21 beaches, that's particularly in southern Prince William Sound. I'm
22 sure Chuck could tell us a lot of -- in terms of personal
23 experience out there, and, you know, some of his people about the
24 extent of that problem. And, I think that the Trustee Council is
25 committed to restoring the confidence of the users in those
26 resources and trying, to the extent that is practical, to do some

1 further clean up in those areas.

2 Let me -- that's kind of a capsule of where we are with the
3 state of the resources, and how some of the studies are directed
4 towards -- scientific studies are directed towards restoration
5 objectives. Let me just turn now, just for a moment to the
6 scientific review process. And, as Chief Scientist I am -- head up
7 this effort, and the way it interacts -- a number of different
8 areas. There's the -- kind of the overall advice to the Trustee
9 Council and Executive Director on the direction of the science
10 program, whether it's balanced and whether is it taking a proper --
11 appropriate approaches, and a lot of the emphasis on ecosystem
12 approach came out of the comments of the reviewers during this
13 process, saying they really need to get away from just studying
14 individual species, which were entirely appropriate for damage
15 assessment, but which -- which -- if we really want to understand
16 something in terms of the legacy about natural resources in Alaska,
17 we have to take more of an ecosystem approach. Another aspect of
18 the review is that the project descriptions that come out of the
19 workshop processing -- workshop process, and results in an
20 invitation for proposals, and the proposals that come in are then
21 reviewed by the peer reviewers, independently, and there's a group
22 of core reviewers, that I mentioned that would participate in this
23 process, and would also bring in other reviewers as needed. We've
24 actually over the years used as many as sixty different reviewers,
25 but right now we're focused on a fairly small group in order to
26 make it more efficient and to not have to describe this process

1 anew to the reviewers. We're -- we try to be as independent and
2 unbiased as possible. I think it's impossible for humans to be
3 completely without bias, and totally objective, but I think because
4 it is independent --it relies to a great extent on reviewers that
5 we identified with national and international reputations in marine
6 research and that we were able to -- and most of them are in fact
7 outside of Alaska. We do use some Alaska reviewers, but I think
8 that that's a strength in the program, and I think that we have
9 been able to provide a high level of -- of review, and I see that
10 -- that review process continually improving. So, perhaps I'll
11 stop there, and -- I've been rattling on for some moments now, and
12 see if you bowed heads here in the audience would ...
13 (Indiscernible aside comments) And, if you have any questions,
14 I'll certainly answer them.

15 MR. McCORKLE: We have just enough to provoke a few good
16 questions, so let's have them directed to Dr. Spies.

17 DR. FRENCH: Bob, how much substance do you think there
18 is to the suggestion that particularly pollock may be eating a lot
19 of the pink salmon, fry and herring and other forage fish, and that
20 perhaps removal of some of the predators, in this case, pollock
21 might be an effective management tool?

22 DR. SPIES: I think a lot the -- a lot of the people
23 that are -- lot of fishery scientists that are participating in SEA
24 plan believe that's in fact the case, and they're showing up as
25 pretty good as hydroacoustic targets in the areas around the
26 hatcheries, in particular, after release, and there's evidence of

1 the switching in their prey from -- from large zooplanktons, which
2 nobody knew they ate over to larvae pink salmon, so there seems to
3 be some basis for that, and then, as I understand it there is, in
4 fact, an active pollock fishery that's -- started several months
5 ago in Prince William Sound. Thea probably knows a lot more about
6 it than I do, but I know that boats have been fishing out there and
7 maybe that's a restoration project in itself. One with profit
8 perhaps.

9 DR. FRENCH: Probably restoring the injured service.

10 DR. SPIES: Pam.

11 MS. BRODIE: This question doesn't directly relate to
12 what the Trustee Council does for restoration, (indiscernible) oil
13 spill, but I think it would be useful for us all to know, and that
14 is when there is another big oil spill, whether it's in Cook Inlet
15 or off the coast of California, when people come to you, and say,
16 Dr. Spies, what should we do? Should we have massive hot water
17 clean up? Should we have animal rescue, and then release of
18 rescued animals as we did with the otters and birds? Or, should we
19 do just a little bit and get a big fine, but do a minor amount of
20 the public works projects? What would you say?

21 DR. SPIES: I think it's not a yes or no answer on the
22 clean up. I think there's some clean-up methods and some clean-up
23 approaches that are appropriate, particularly for a sensitive
24 environments. I -- I think there are some methods that are
25 probably too harsh to be applied without any kind of
26 discrimination, and one of the aspects of these large disasters is

1 there's a tremendous interest in doing something to help. And, it
2 can be very unpopular politically to stand up and say, in this
3 case, we should probably do nothing. And, those same
4 considerations actually apply to the rescue. I mean, everybody --
5 a lot of people brought to my attention the fact that people were
6 picking up sea otters that didn't appear to have very much or
7 little oil them. The sea otters went into some facilities. I'm
8 not saying this was the case in -- for every -- you know,
9 widespread, but there were some instances, I think, of sea otters
10 going into those rehabilitation facilities -- undergone stress as
11 wild animals do in those facilities, and perhaps it wasn't the best
12 thing for them in the long run. So, but if an animal is obviously
13 oiled, sea otters over 30 percent of its pelt is oiled, it's in
14 cold waters, it's probably going die of hypothermia, so any efforts
15 to deal with those animals -- and it's against -- it's a matter of
16 societal values, I think. If the price tag was about \$80,000 per
17 otter, so people have to decide whether that sort of -- that costs
18 -- that cost -- those costs, of course, fell to Exxon
19 (indiscernible).

20 MS. BRODIE: And if they said, don't worry about the
21 politics, just from scientific point of view, answer the question
22 from a scientific point of view. For instance, the otters were
23 released and I've heard, perhaps the released otters were taking
24 disease back to wild populations, that it would have been for the
25 better for the wild populations to have no animal rescue.

26 DR. SPIES: Well, that's a hypothesis of one

1 particular couple of sea otter biologists. We don't know if that's
2 true or not. There were some evidence of the survival rate of
3 those release otters wasn't that great.

4 MR. DENNERLEIN: I've got several questions here, and
5 I can ask one or two and then defer to other, but the first, to run
6 through quickly, the effect of temperature regime and persistent
7 toxicity is one on the remaining oil that I had. For example, I'm
8 familiar with (indiscernible) spill, and then there are some spills
9 down in Patagonia where you still go in a rock, there's still oil
10 hanging around. There's always the question of the aeromatic
11 leaves -- the aeromatics leave fairly quickly in the hydrocarbon,
12 what is the remaining toxicity? How toxic are the asphaltic mats?
13 Do we -- in addition to what remains, what do we know in this -- in
14 this sort of northern climate of the persistence of the toxicity of
15 what remains.

16 DR. SPIES: Yeah, in cold climates the -- the
17 solubility of the aromatics actually goes up in the waters, so the
18 lower molecular aromatics things like in gasoline fraction actually
19 goes up, so the oil can be more toxic to begin with. But, in this
20 case, it was kind of blown around on the surface of the water, so
21 those things were pretty much weathered off, or -- at least to a
22 large extent. But, once the oil gets into the -- into protected
23 environments, in cold environments, it can stay there for a long
24 time, and although the lower molecular weight, which are more than
25 aeromatic hydrocarbons are the more archelic (ph) toxic materials,
26 but there is a component of the higher molecular aeromatics that

1 can persistent, particularly in situations where there isn't a lot
2 of oxygen to break them down. They break down normally very
3 slowing with oxygen, but the lack of oxygen, they're in coats, down
4 in cracks and crevices, those probably won't breakdown very
5 quickly. If you did acute toxicity test with this oil, I doubt
6 that you'd find much, and the work that we did in '90 and '91 seems
7 to indicate that. However, the -- these higher molecular aeromatic
8 compounds are also biologically active, and if you -- they will
9 induce certain enzyme systems to change, and we have evidence in
10 harlequin ducks from '93, for example, where we mixed function
11 oxygenized enzyme systems is increased in the western Prince
12 William Sound in harlequin ducks compared to the eastern Prince
13 William Sound. We don't know whether that type of exposure is
14 enough to cause the reproductive effects that apparently are taking
15 place out there. Now, so there's a lot of unknowns there, but --
16 and there aren't any really clear answers as to whether -- how
17 toxic that remaining oil is. It's probably not acutely toxic. If
18 you did a bio assay, say, with half the pollocks, they wouldn't die
19 in 40 hours.

20 MR. McCORKLE: Is there another question from somebody
21 else, and then we'll come back to Chip. If not, carry forth.

22 DR. FRENCH: I'd carry forward a little bit on that
23 question. If you consider the pink salmon egg mortality, horrible
24 growth studies that Jeep's doing down in Auke Bay, some of the
25 heavy hydrocarbon weathered -- weathered -- exposure to weather --
26 oiled and weathered gravels, that would tend to indicate, at least

1 some persistent unitoxicity (ph) of some those heavy hydrocarbons,
2 wouldn't it? Assuming it's reproduce will rise (indiscernible -
3 simultaneous talking)

4 DR. SPIES: Yeah, we're getting growth effects, kind
5 the sublethal growth effects for oiled gravels that have been
6 weathered for a year, and actually they're kind of contained, but
7 you're probably familiar with that work, but this work in
8 Newfoundland that shows there's induction of P450 again after a
9 year of weathering. It's probably to do with these aromatic
10 hydrocarbons, and so there are growth effects still in this
11 weathered stuff, so it's not acute toxicity, but I would
12 characterize it as somewhat problematical, maybe more
13 problematical. We're still worried about the oil that's out in
14 some of the salmon streams, and to what extent it may be affecting
15 the fish.

16 MR. DENNERLEIN: Question, Bob, about correlation
17 studies and correlating studies. You mentioned, I think, eelgrass,
18 harbor seals, sea otters, were all sort of set backs in the last
19 year or so, that appeared to be on their way to recovery, and then
20 for whatever reason, to cross some sort animal and vegetative line,
21 there was some set backs. Are those studies being correlated to
22 look for, you know, are they spill-related or are there factor-
23 relator, was it a bad winter? How do you correlate?

24 DR. SPIES: We don't have clear answers to those, and
25 it might be an interesting idea to see if we get simultaneous set
26 backs, whether they might be attributable to a particular cause or

1 not. Certainly, in the intertidal studies we know that the -- that
2 the predominance and the importance of the physical factors in the
3 upper intertidal, for instance, are very, very important, and
4 you'll get particularly cold winters, you get a lot a lot of ice
5 cover that will set things back, and, you know, nothing in nature
6 works as smoothly as we can imagine it in our platonic images of
7 how nature works. So, these -- the lawyers draw these little
8 graphs where you show population goes along, you have the spill, it
9 doesn't like that, then it smoothly recovers, and then you
10 integrate the area and that gives you your damages. In reality it
11 doesn't work that way. You know, things back and forth. It's even
12 further complicated by the fact that in the case of subtidal
13 failures for instance, we don't have pre-spill data, so our
14 suppositions about injury are based on geographic differences
15 between oiled and unoled, or oiled areas. We may be partly wrong.
16 There may be some natural differences out there we didn't know
17 because we didn't have pre-spill data.

18 MR. DENNERLEIN: My last, well, I'll talk to you about
19 some other things, but herring virus. If we are identifying, in
20 your words a culprit, is there, you know, is there mitigation, is
21 there restoration? How do you take, you know, how do you take a
22 biomass of herring to the vet. It's a serious question, I mean,
23 it's such an important food for a variety of animals and in their
24 young form and, you know, oil bearing food for birds, and what do
25 we do about that?

26 DR. SPIES: I think they told me the best we can do is

1 that we can improve management, so when the stocks begin to
2 increase again, that we can let them increase in the most
3 efficacious way. You know, we can't, as you say, take the herring
4 to the vet, and I don't think that there's a practical solution in
5 there in terms of treating them. It's probably the most, you know,
6 believable scenario is that the *Ichthyophonus* or whatever is
7 causing it, if it happens to be the cause, will run its course --
8 and then population will begin the recovery, and hopefully through
9 intelligent management we'll see the recovery of those stocks.
10 Herring stocks are cyclical anyhow. I mean, you look at the -- in
11 any -- in any system they go up and down, all over the place.

12 MR. BECK: I have a question that kind of follows on
13 Chip's, and in a very -- it's a lay person's question, for all the
14 species for which there isn't management, things that aren't
15 harvested, are there -- are there means to try to solve problems.
16 I know, it's like all the research goes into investigating, you
17 know, health or lack of health. Have you concluded that yeah this
18 non-harvestable kind of species, there's this real problem. Are
19 there thoughts about how you can do things about that? Or, are you
20 basically in a monitoring mode, and then hope for the best?

21 DR. SPIES: Well, that's a very, very good question
22 that we've really struggled with that throughout this whole
23 restoration process. There's a number of things that can be done
24 indirectly and certainly habitat acquisition is something that you
25 can build a good argument for protecting species during its
26 recovery. Another potential thing is, for instance, if -- if in

1 fact the problems that the species are having out there are due to
2 the (indiscernible) toxic -- toxic effects from the oil, one can do
3 like what we're doing with the mussel beds, is do some further
4 clean up, and to the extent those affected species are -- are using
5 those mussel beds, and again there's uncertainties involved there,
6 then some practical clean ups can perhaps have some effect. But,
7 you know, what of our basic tenants is we should be kind of
8 watching these species until they recover. We may not be able to
9 identify some real strong steps that we can take, but we ought to
10 at least know what we're back to. Or we should be given the
11 (indiscernible) of nature.

12 MR. McCORKLE: More questions? We have the good doctor
13 here.

14 MR. DENNERLEIN: Okay.

15 MR. McCORKLE: One more from Chip, here we go.

16 MR. DENNERLEIN: I'll just ask you one more, and this
17 is -- is sort of -- in terms of the benefit for species, and for
18 the Sound and for overall management, I guess I continue to
19 follow, if this is a legacy for better management. There's a
20 number of -- of studies that are going on that are not necessarily
21 oil spill studies, Middleton Island and sea birds, and David Irons
22 and his work for years, and the correlation of what happens to sea
23 birds and what happens to herring, and whether pollock are showing
24 up as a food source for different -- all of those interrelated
25 dynamics is -- is there a process, I guess what I'm saying is so
26 that we at least get the most out of everything that we're doing,

1 that the work that's directly related to the spill, whether it be
2 birds or fisheries, is -- has a system to be correlated into the --
3 the agencies and other studies in a real science program.

4 DR. SPIES: We're really trying to achieve that, and
5 when we, you know, kind of made a transition from damage assessment
6 to restoration, we thought more and more in terms of ecological
7 approaches then the legacy, and that's why framing a philosophical
8 approach in terms of what's retraining recovery really got us more
9 into the nature of how the system works, and to the extent that we
10 understand more about how the system works, how it fluctuates,
11 long-term fluctuates that John French could talk about, I'm sure a
12 lot more intelligently about the fisheries in the northern Gulf of
13 Alaska and other people could talk about in relation to other
14 forage fish species and birds and mammals and so forth. The more
15 we understand about that as a result of this program, I think the
16 better the legacy that this large body of scientific research is
17 going on right now will have for Alaska. And -- and we're trying
18 very hard to make that happen. And, hopefully this transition and
19 this long-term research kind of reserve fund can be made smoothly
20 and intelligently and contribute to those sorts of understandings.

21 MR. DENNERLEIN: Thanks.

22 MR. McCORKLE: Thank you. Your last chance.

23 DR. FRENCH: Vern.

24 MR. McCORKLE: Yes, sir, Mr. French.

25 DR. FRENCH: If we're short of time, let's skip this
26 one. It's not really a restoration question, but you expressed an

1 opinion about use of hot water, mostly as a not particularly
2 favorable one. In terms of future mitigation, do you have any
3 opinions as to the effectiveness of some of the remediation and --
4 I mean, some of the bioremediation, and mediated -- bioremediation
5 projects that were done.

6 DR. SPIES: Those areas are fairly controversy, that's
7 not an area that I specialize in. I've worked with hydrocarbon
8 degrading bacteria before, and certainly when I visited the Sound
9 in '89, I could see the difference in that, where the Inapol (ph)
10 was sprayed, and whether that was (indiscernible) effect, or that
11 was bacteria, the rocks were a lot lighter, and so I -- there's no
12 doubt that the bacterial action had a large role to play in the
13 breakdown of the oil. The nature system responded certainly. That
14 was really evident in work that they've done and others have shown,
15 and other spills with -- with the natural increase in hydrocarbon
16 degrading bacteria. To what extent the artificial application of
17 that really sped up what nature was -- was doing, I don't is
18 particularly clear at this point.

19 DR. FRENCH: I guess those spots really weren't' big
20 enough to really incorporate into one of the intertidal studies, or
21 were they?

22 DR. SPIES: That was before I became so fully
23 involved. I don't know -- really know -- understand the
24 interactions of went on or the dynamics of how those two things
25 related or didn't early in the spill.

26 MR. McCORKLE: Well, let's that be the last word, and

1 thank you very much, Doctor, we appreciate your presentation.

2 DR. SPIES: I've really enjoyed working with the
3 Public Advisory Group over the last -- particularly over the last
4 year, and I look forward to really coming to as many meetings as I
5 can make, and interact with you all.

6 MR. McCORKLE: So will we look forward, thank you.

7 (Applause)

8 MR. McCORKLE: Is Mr. Loeffler next?

9 MS. McCAMMON: Mr. Chairman, I think it might be
10 appropriate to take a five minute break.

11 MR. McCORKLE: I thought some oxygen would be good. I
12 was going to say, let's let Bob get set up and we'll take a
13 breather and be back in five minutes.

14 (Off Record 2:45)

15 (On Record 2:54)

16 MR. McCORKLE: Ready to begin if you'll come back to the
17 table, we will begin to hear about the restoration program. Mr.
18 Loeffler. We do have to sort of move along because the stork is
19 coming nearer, and Bob is very, very concerned that he won't get
20 finished in time.

21 MR. LOEFFLER: If I get a call, actually I would like a
22 good exit if somebody brings me a message, phone message, and I
23 rush out of the room, you'll all know what's happening.

24 MS. McCAMMON: Should I introduce you, Bob?

25 MR. LOEFFLER: Please.

26 MS. McCAMMON: As an introduction, if you will turn to

1 page 6 of your Restoration Plan, this table is very useful, and it
2 is, as a matter fact, this table will be updated annually in every
3 annual report, and we had hoped that the annual report would be
4 done in time to have it at your place today. It's actually about
5 two weeks from now that it will be there. There will be an updated
6 table. But, this gives you a really good birds-eye-view of where
7 flows the money, and how it's been committed, and kind of where the
8 options are. You know, pretty much everything does flow from the
9 money, and as you can tell from here, we've received \$410 million
10 from Exxon, and over on this side, this side kind of reflects what
11 the restoration plan indicated. These are kind of -- at the rough
12 levels of how the Council foresees spending the \$900 plus million
13 because we do get interest on the \$900 million. And, where kind of
14 the major categories of effort are. As you can see from that,
15 habitat protection is approximately 40 percent of the expenditure,
16 and of that a lot of it has been semi-committed in the form of
17 offers that are still on the table, and we'll go into that in a
18 little more detail after Bob's presentation. A portion of it is
19 for the restoration reserve, which is for future expenditures.
20 Some of it was for reimbursements of past expenses. This is
21 miscellaneous category of adjustments that takes into account
22 interest and court fees and things like that. Up here, the
23 infrastructure improvements that the Sea Life Center in Seward is
24 up to \$25 million, and then the very top category is for the annual
25 work plan. And, the annual work plan pays for research and
26 monitoring, general restoration projects and administration,

1 science management, public involvement, all of those kinds of
2 projects. And, of all these kind of major areas here, that
3 probably is the most open in terms of how it gets spent in the next
4 seven to eight years. And, it's the focus of some of the long
5 range planning efforts that we have ongoing now. And, Bob Loeffler
6 who is the director of planning for the Trustee Council has been
7 kind of spear-heading this year's and last year's work plan
8 planning, which is kind of redundant, and development of a long-
9 range plan for the work plan, and so he now is going to take over
10 and give you a presentation on that.

11 MR. LOEFFLER: Thank you, Molly. What I'd like to do in
12 the next few minutes is go over, sort of, for those of you who
13 haven't followed the process, what the work plan is, the process
14 we're going to use that culminates the Trustee Council decisions,
15 and then for you who have followed the process, innovations for
16 '96, which is our upcoming year, changes in the work plan process,
17 and finally I'd like to go through how we -- how we would like the
18 PAG to fit in, sort of what we think some of your roles are to help
19 us, planning a schedule. So, with that, let me begin. As Molly
20 indicated the work plan process is that portion in the upper part
21 of the table on page 6. That it is -- it is the annual projects
22 funded by the Trustee Council, general restoration, monitoring and
23 research. It is in fact about everything we do here, except for
24 habitat protection. So, it's the -- it's the annual expenditures.
25 Some how the visual impact of some of these things help me
26 visualize, or how much it is, and the fact that Veronica profitably

1 used a variety of books to show you how things worked, influenced
2 me, but each year we publish a work plan from '92, '93, you see
3 different colors, and last year, this is what we published. A
4 draft with all of the proposals in it, for the proposals -- the
5 higher priority proposals recommended for funding and then a final
6 act, the Trustee Council decision -- at the Trustee Council makes
7 their decision. So, that's kind of where we're going in general
8 for '96. This is for fiscal year '95, which is where we're in now.
9 Fiscal year '96 begins October 1st and ends the next September
10 30th. So, that's -- that's the umbrella of stuff that I'm talking
11 about. What I'd then to go through next is in general the process
12 we're going through and innovations from 1996, and, the process.

13 This is general the process, that is, we invite proposals. We
14 say, here's is kind of what we like, here is our umbrella, here is
15 what the Trustee Council can fund, please give us your proposals.
16 And then they'll all come in, we do an evaluation step. Bob Spies
17 runs the independent scientific evaluation to give us the
18 scientific merits of the proposal, but the staff looks at them,
19 Molly looks at them for policy, we also ask you to look at them,
20 and the public looks at them as well. We then prepare a draft work
21 plan -- I'm sorry, the public doesn't, go back in the first stage
22 -- so we evaluate them, scientific policy, you as well, we prepare
23 a draft work plan, which is our recommendation for what should be
24 funded, that goes through public review and the Trustee Council
25 makes a decision. So, that is in general the process. The
26 innovations for 1996, for this year, are as follows, and I hope

1 some -- some of your critique from last year helped manage these
2 innovations, or help us go through them, so I hope you recognize
3 some of them. This year, rather than a collection of individual
4 projects, what I think, we'd like to, or the Trustee Council when
5 they fund a project is going to look at it in its long-term
6 contacts. That is, not just what is it, what is doing this year,
7 but what is it through its completion. What is the endpoint and
8 that is when will it be done, and what will it accomplish,
9 milestones, some interim goals that you can tell it's on track, and
10 the annual cost. So, when you see, for example, we're going to
11 fund harbor seal research, you'll be seeing -- the Trustee Council
12 would be seeing not just, we want to take blood measurements this
13 year, but what -- how long it's going to take before we find out
14 what's constraining the recovery of harbor seals, if that's the
15 objective. And, so you'll see that this is a four year process,
16 it's so much per year, and at the end of those four years, this is
17 what we're going to find out. And so, our work plan this year is
18 not individual projects, but it's project through their full --
19 through their full life. So, that's what we're going to be looking
20 at, and that's a major, I believe that's a major step. A major --
21 . Second, is we're going to go to multi-year funding. That is
22 when we funded a project, the Trustee Council, we expect is fund it
23 with the expectation it will be funded through completion. So, my
24 example of a three year harbor seal project, they'll give the '96
25 increment of funding, but because they will have taken the long-
26 term view into account, there will be an expectation that they will

1 also get the '97 and '98. Now, they will have to review those
2 fundings in those years based on its progress, something -- if the
3 milestone indicates that it's either not making progress, or in
4 fact, we're beginning to go up a blind alley, you'd certainly cut
5 back. If restoration needs change, then they have to change. So,
6 they'll make an annual reassessment, but there is the expectation
7 that if you fund it this year it will be funded through completion.

8 The other innovation, which is important for all of the
9 scientists, along maybe less for PAG, is that previously we've
10 asked people to put in project, two -- three -- two to three pages
11 -- three to four pages, brief project descriptions. This year,
12 when we get proposals in, we want the detailed -- we're asking
13 people to give the detail, the whole project description and the
14 whole budget, so we're going to have all the detail, like you would
15 if you were the National Science Foundation or a regular granting
16 university.

17 And, the last one, is very important to us, but lesser for
18 you, in previous years you've got an interim budget because the
19 Trustee Council has funded the work plan after the beginning of the
20 fiscal year, so this year they're going to do the funding decisions
21 before the beginning of the fiscal year. Now, that probably has
22 very little impact on your work. It has a lot of impact on our
23 work, and we're quite pleased if that's what we're aiming for. So,
24 this year will be different, and the major difference is that we no
25 longer looking at annual collections of projects, but we're looking

1 at the whole program, which will -- we will do annually. Now, with
2 that, if you'd pass out that red book, the invitation. We've done
3 a -- really quickly -- so I believe, Brenda, you asked earlier
4 about -- about how the invitations work. I think it was you, I
5 might be wrong. About whether we just say, well, give us all your
6 proposals or are they targeted, this is what we want. Well, this
7 year, and you notice the publication date is tomorrow, so you're
8 the first folks getting this. This is a draft -- a draft of the
9 long range look at the work plan. It was a draft put together at
10 -- based on the restoration work shop that we had in January, so
11 this is not the Trustee Council's draft, this is draft of about 120
12 public-scientist participants that show -- that worked with us over
13 the long-term, and so this is our draft right now of what we
14 expect. So, before you guys start reading too much, there are two
15 deadlines -- there are two deadlines that are occurring consistent
16 with this draft. First, we want proposals by May 1, based on this.
17 Second, we want people to look at this draft, our first long-range
18 view, and say wait, these prior -- there are things missing, there
19 are things we're spending too much money on. So, two things that
20 are occurring simultaneously, proposals based on this, and new
21 proposals that are not in here, and, second, a first review of our
22 long -- of our draft -- long-term draft work plan.

23 MS. McCAMMON: Bob, they could say that the long-range
24 plan looks great too. I mean, that's an option.

25 MR. LOEFFLER: They could say that's wonderful, right.
26 So, with that in mind, let me go through, as to what sort of

1 influence made us sort think what for our purposes what other roles
2 and -- some of the structure for the PAG. So, there's some fresh
3 ones that we want to PAG to answer. Now, I don't mean this in the
4 sense of limiting what you -- we would like advice on whatever
5 you'd like to give advice on, but there are some things which if we
6 don't get advice we'll be disappointed, and that is, what we would
7 like from the PAG with respect to the annual work plan is informed
8 public review. That is, public review that is scientifically
9 knowledgeable. So, I think this year is a little different than
10 last year, is we are going to try to work with you to get more
11 detailed review of the project proposals, but let me come back to
12 that. And so, what I think we'd like is for individual projects to
13 be able to look at them, are the objectives worthwhile, are they
14 worth the costs, are the things people like and dislike. So that
15 if you look at, for example, a project on -- I don't know what --
16 marine mammals, pink salmon, river otters, you might go, does
17 something strike as the public or from your interest group as out
18 of whack. Second, if you look at the work plan as a whole, is the
19 long-term plan, how we're spending the money, are the priorities
20 appropriate, that is from the perspective of your interest group,
21 is there something major missing, or, is there something receiving
22 too much emphasis? Now, we would like for you to do that in an
23 informed, scientific way, that is, you're clearly not the
24 scientific review, but in fact the knowledge of the scientists lets
25 you do that in a way that we can't get any other way. It's a -- we
26 do get public review other ways. We have public meetings, interest

1 groups speak to us, and while you're a very useful conduit of that,
2 something that I think you can provide, is a knowledge of science
3 that a lot of the people don't have through our briefings, and
4 public review that's informed scientifically. So, the other two
5 things that I have on here are other issues, you know, that we see
6 or you see that come up, and communication, that is, communication
7 from your groups to us and communication from our groups to you.
8 So, that for example, I think the pink salmon program that we do is
9 something that is quite extensive in Prince William Sound, but that
10 it's important that I think some of you who have pink salmon
11 fishermen as your interest groups, help convey that information to
12 them, so that the knowledge -- so that the knowledge goes both
13 ways. So, what we're looking for then, is informed public review
14 of the individual projects, and the work plan as a whole, and
15 communications.

16 So, with that, I'd like to go through, actually, I could
17 probably go through the schedule -- I do want to tell you what is
18 in here. I want to use as an example, when I talk about milestones
19 and endpoints, what that means. So, now if you'll turn to page 23
20 and 24, I'm going to use pink salmon as an example. There were a
21 variety of authors of this, by the way, including a lot of PI's who
22 worked with us. But, I'm turning to pink salmon because -- because
23 I'm more knowledgeable about it than I am some others. If you look
24 at -- at pink salmon on page 23, at the top it has the recovery
25 objective, that was one of the four areas that Veronica talked
26 about that helps -- the fourth, I believe -- that helps focus our

1 restoration, and it says, but we look at pink salmon that were
2 recovered both when populations are healthy, but also looking at an
3 additional indicator of recovery is when egg mortality in oil spill
4 areas match pre-spill levels. So, we're looking at egg mortality.
5 Then here, below, we have the four components of our pink salmon
6 program, and below that we have the previous costs and the future
7 costs. So, I've done part -- part of the endpoints. You begin to
8 see how long these programs will last and what some of the costs
9 are. Let's take a look at the next page, under toxics and pink
10 salmon. Now, under toxics of pink salmon, that is the toxic effect
11 of oil remaining on pink salmon, particularly on the eggs, causing
12 the egg mortality. The first part tells you, and this is more
13 typical throughout this book, the first part tells you how these --
14 how did these projects achieve the objective, and they do so
15 through -- through monitoring and determining the effect of the oil
16 on the eggs. The second, which I will not go through, is the
17 findings. What we've accomplished in the past. And, the third, FY
18 '96 and beyond, is our -- is our endpoint; that is, it is what
19 we're aiming to accomplish in the future. So, for example, we're
20 going to continue to monitor the egg mortality until we find that
21 we can't tell the difference between the oiled and unoiled areas.
22 That's for our monitoring endpoint. Sooner or later we're going to
23 finish the laboratory experiments, to determine whether in fact
24 that egg mortality is an inherent result of -- if we can determine
25 that -- is an inherent result of the initial 1989 oiling. So,
26 that's the endpoint we're looking for is an inherent result. And

1 here we have a time endpoint, FY '98, an accomplishment endpoint,
2 and in the bottom a cost. So, when I talk about endpoints, costs
3 in the long-term program, this is what I'm talking about, so that
4 you can see what we're going to accomplish and what the cost is.
5 So, that's the context in which the Trustee Council is going to
6 make their decisions on the '96 work plan, and that's the kind of
7 information we'd like you to review. Now let me come back to the
8 schedule. In order to help get that review, what I think we want
9 to do is in subsequent PAG meetings set up more focus time for you
10 to talk about -- for you to look at individual projects. So, for
11 those who were here last year, you remember you got this huge
12 packet without much time, and then you went sort of project by
13 project. This year what we'd like to do, is we would like to set
14 up smaller work sessions on individual -- on individual components
15 of the work plan, so that you have a time that's set aside to look
16 at the SEA program, to look at the other ecological components, and
17 so, then when you make your recommendation, it is not just public
18 review, but it's informed public review. So, that's where we're
19 going. So, if you -- the differences from your perspective, I hope
20 are, that you will have much more focus time on components of the
21 work plan, and two, we're looking at the long-term. So, now we go
22 to the schedule.

23 March 24, the red book goes off to the world -- now that you
24 have an advance copy. Proposals are due back -- you can ignore the
25 black asterisk for the moment -- proposals come back May 1, then
26 the third step, as you remember, is evaluation. So, between May 1

1 and June 7th, Bob Spies is going to be doing the scientific review,
2 and the agencies are going to be looking at it as well, and then
3 from the 7th to the 27th we're going to construct a draft work
4 plan. It goes out to the public, public comments are due August
5 1st, and we do -- Trustee Council decisions -- an Executive
6 Director's recommendation, and then a Trustee Council decision in
7 late August. So, that's where we're going. Now, what I would like
8 to do, the asterisk is what we have tentatively scheduled, sort of
9 thought that PAG meetings were appropriate. And, between now -- I
10 think in April, there would be a useful -- a lot of -- let me back
11 up a second. Some of the proposals that are going to come in May
12 1, in fact have been reviewed. Bob Spies is now reviewing -- has
13 just finished a comprehensive review of -- or is finishing the
14 three major ecological components. So, we can do a detailed review
15 of those really prior to May 1. The next PAG meeting, I think,
16 would be useful after our -- after the review of the proposals, and
17 I think then we could take another component and try to do a
18 detailed work session on -- on some of the other components of --
19 the work plan, and then the -- then the third would be similar to
20 what you did last year, looking at the draft work plan for
21 comments, but by that time you will have -- you will have looked at
22 most, maybe not all, but hopefully you will have had work sessions
23 on most in one or two-day meetings in here. So, that's where we're
24 going, and I -- for those of you who were here last year, I hope
25 you see a difference. And, I don't know -- any questions? I
26 guess, actually, sure.

1 MS. McCAMMON: Bob, could you, I think one thing that's
2 really interesting in the invitation that kind of helps focus on
3 things too is, again, and I don't want to put too much focus on the
4 money, but I think it helps structure the debate over emphasis in
5 terms -- in that program overall. And, on page 15 through 22, this
6 table, maybe you could go through that and explain that, that it
7 looks very useful.

8 MR. LOEFFLER: That's part of the projection, the example
9 was pink salmon that I showed you. We forecast what -- starting on
10 page 15 you see from FY '92 through '95 what we've spent on those
11 components. In FY '96 through '98 we've done a three-year forecast
12 of -- of what those components are likely to cost through the
13 endpoint. Now, there are some -- are some important things
14 missing, we expect to come in. But, let's turn to page 22, which
15 is the punch line so to speak. The punch line is the total cost.
16 Total cost that we have right now for FY '96 is almost \$20 million.
17 That's almost \$20 million without a number of -- without a number
18 of proposals that are in the planning stages now that we expect to
19 come in. Last year the Trustee Council approved \$23 million. It
20 is quite likely that we will have more than \$23 million of good
21 worthwhile proposals. It is also quite likely that the Trustee
22 Council will -- but we don't have that much money essentially for
23 this year. If you look for example, I think Veronica went over and
24 Molly just emphasized in that table on page 6 of the restoration
25 plan, we have between 107 and 137 million left for the remaining
26 seven years of -- seven years of work plan expenditures. That

1 comes to somewhere in the neighborhood of \$15 to \$18 million,
2 depending on how you look at it for the work plan expenditures.
3 So, I don't know what the Trustee Council will do this year, but
4 they are quite likely to do less than \$20 million. So, the punch
5 line, sort of the more informed punch line, is that there are --
6 that there's -- that there's going to be competition for scarce
7 resources, and some harder decisions will have to be made. Is that
8 what you were looking for?

9 MS. MCCAMMON: I think that's very accurate.

10 MS. BENTON: I think I have a questions, I'm a little
11 bit confused, and you can probably help me out. This paper goes
12 out tomorrow, we get an advanced copy, and it's the book that goes
13 out that ask people their ideas for projects -- to put forward
14 projects, and yet there are a lot of projects that have already
15 been forward and reviewed. So, is there a difference for public or
16 private, I guess I'm ...

17 MR. LOEFFLER: That there are a number of multi-year
18 projects that are -- three major ecosystem projects are multi-year
19 projects, and the review of them for '95 is probably not that
20 difference from the review in '96, is all I mean. But, okay ...

21 MS. BENTON: And to follow up that, something that was
22 brought up in January as an innovation for '96, at the January
23 annual meeting, was that there would be an RFP component of bid
24 costs for all projects. Is that something that's dropped off?

25 MR. LOEFFLER: No, it's in here. Let me go through it.
26 In previous years the Trustee Council has been -- with the way in

1 which we get money to non-Trustee agencies, is through an RFP -- a
2 request for proposals -- a competitive procurement, after this
3 funding decision. But, as -- as I think Craig said, we don't have
4 any procurement statutes. The only way we can do is a procurement
5 is through an agency. So, once the agency gets funding, what we've
6 done, and that occurs with the Trustee Council decision, in this
7 time, August, we go out for an RFP. That's the way it's typically
8 done. There's an innovation this time. The problem with that is
9 when somebody suggests an idea, an agency kind of takes it over,
10 and it doesn't go for RFP, that's a lot of the way it's criticized.
11 So, last year we did two experiments. This year we're widening one
12 of them, and that is NOAA, the -- one of the Trustee agencies has
13 a -- has authority to do what they call a broad agency
14 announcement, and it is not targeted like a typical RFP, but it --
15 it is -- we have -- they're issuing one as a part of this for all
16 research and monitoring. So, if you put in a -- a private company
17 puts in a research and monitoring proposal, the review process is
18 identical with the Trustee agency proposals. So, the two are sort
19 of mixed together, so to speak, and we have then the ability to
20 pick the best proposal, public or private, that came in either
21 under the broad agency announcement or by a Trustee agency, and the
22 broad agency announcement allows you to go directly to contract
23 negotiations without subsequent procurement. So, for example, if
24 Benton & Associates puts in a proposal under the broad agency
25 announcement, and the Trustees -- Bob Spies says it's a great
26 thing, the Trustees fund it, it can then go directly to contract

1 negotiations with Kim & Associates, rather than a subsequent RFP.
2 So, I think that is an innovation for the private market this year.

3 MR. DIEHL: So, NOAA has no control over the broad
4 agency?

5 MR. LOEFFLER: It's a -- NOAA is using the -- NOAA is
6 doing it on behalf of the Trustee Council and using the scientific
7 review and the Trustee Council review as their review process. In
8 some cases then when NOA does the contract negotiation, it may be
9 given to another Trustee agency for administration, so it may be in
10 fact that Fish & Game will actually be the technical advisor and
11 administer the contract. But, we are using the broad agency
12 announcement as a method of providing competition in the process.
13 Actually Pam had her ...

14 MS. BRODIE: I'd like to compliment the staff for the
15 new forms that you've made. Some things that some of us have been
16 asking for a long time is the multi-year plan goals in terms of
17 endpoint. This is what we want to achieve, this will be the
18 endpoint, this is how many years it will take, this is the total
19 cost. It's taken a long time to get here, I'm really glad to see
20 this because there were a number of years when we -- the Trustees
21 would get into funding a particular project by thinking they're
22 spending a certain amount for a particular year with no knowledge
23 of how many years, or at least not a consideration of how many
24 years it was going to go on. So, I'm really pleased to that, and
25 to see these year-by-year expenditures. If I'm interpretating this
26 correctly, I think this is saying that, since the settlement

1 there's been \$70 million spent.

2 MR. LOEFFLER: Actually in -- the only thing that got
3 onto the table are -- are things that are current, they are current
4 projects. So, if there was a component, for example, of say, you
5 know, marbled murrelets, that has since dropped out, it may not be
6 reflected in the table. So, you use the table on page 6 of the --
7 of the work plan, which has been updated on page, actually 6 of
8 this as well, for those kinds of past funding estimates. But
9 that's a good point actually.

10 MR. BRODIE: And, then does this chart include the pre-
11 settlement funds, too? Okay, because this has always been a sore
12 point with us -- is that I do think since the settlement that we've
13 gotten good accounting of how the money has been spent. And then,
14 for the money that was spent pre-settlement, and Craig was saying
15 after all this, that some of us, and I think it would have been
16 directed at me, that we give him criticisms that the Trustees
17 should have been reimbursing that money, and they couldn't help it,
18 and I think that Craig is right, that we -- that some criticism was
19 misplaced on that. But, we've never felt like we really knew what
20 that money went to, and so, basic questions like how much money has
21 gone to research don't seem to be answerable.

22 MR. LOEFFLER: They are not -- through this process they
23 are answerable post-1992. But through this process not pre, but
24 through others pre.

25 MS. McCAMMON: The state has actually did an audit of
26 their past expenditures from '89 to '92. It was the federal

1 agencies that -- more of a layers to do that, and I know there's
2 been -- Dave, I don't know if you want to respond to that, but I
3 know there's been some discussion on how to do that, but it's been
4 more difficult on the federal side to get that kind of ...

5 DR. GIBBONS: I guess I would go back to ...

6 MS. McCAMMON: Dave Gibbons is with the Forest Service,
7 and Dave was the Acting Administrator for the Trustee Council for
8 two years.

9 DR. GIBBONS: There's one way you can go back, is go
10 back to the work plans from '89 all the way is detailed in there,
11 so you could get at what was spent -- what was authorized to be
12 spent by the Trustee Council that way.

13 MS. BRODIE: But, before there was a Trustee Council.

14 DR. GIBBONS: I mean, there was a Trustee Council in
15 1989, two days after the spill there was a Trustee Council.

16 MR. LOEFFLER: Looks just like this exist for 1989, 1990
17 and '91.

18 DR. GIBBONS: For '89, '90, '91, '92, '93, '94, '95.

19 MS. BRODIE: Thank you.

20 MR. LOEFFLER: So that will give you the -- it probably
21 wouldn't include clean-up expenses though.

22 DR. SPIES: I think the post-settlement Trustee
23 Council kind of, in a sense, reinvented themselves.

24 MR. LOEFFLER: Karl, you had a question?

25 MR. BECKER: If you've finished?

26 MR. LOEFFLER: Sure.

1 MS. BRODIE: Yes, thank you.

2 MR. BECKER: Yeah, you mentioned that there were two
3 experiments done last year on some ...

4 MR. LOEFFLER: On competitiveness?

5 MR. BECKER: Yeah, on some competitive (indiscernible -
6 simultaneous talking)

7 MR. LOEFFLER: The first experiment was what we are
8 using this year, the NOAA's broad agency announcement, and in fact
9 we funded Texas A&M through that last year, but had limited it to
10 a small part of the work plan, as an experiment. The second
11 experiment we did last year, was ...

12 MR. BECKER: Bob, excuse me, what -- and what kind of
13 research was that?

14 MR. LOEFFLER: I believe it is fatty acid signatures for
15 some of the -- for a variety of the research components.

16 MR. BECKER: Marine mammals ...

17 MR. LOEFFLER: The second experiment we did last year was
18 a state RFP process where they did a RFQ -- RFP is what they did --
19 that is the -- for herring disease, the Department of Fish & Game
20 issued a request for qualifications, unpriced technical offers as
21 part of this invitation. Then that came in, then following the
22 Trustee Council, so they had -- so they had someone to put in ideas
23 and following the Trustee Council, that they RFP, so that unpriced
24 technical offers came in as part of the invitation, but an RFP to
25 the qualifying bidders went out following the Trustee Council
26 decision.

1 MR. BECKER: Which projects were they?

2 MR. LOEFFLER: That was 320S herring (indiscernible). In
3 fact, we did not use that this year, in part because it didn't end
4 up speeding things up a lot, and I mean it's still an RFP, still
5 requires an RFP following the Trustee Council decision, and second
6 there's a lot of work.

7 DR. FRENCH: Bob, who controls the distribution list on
8 the BAA's. I have a feeling it's a problem -- an internal problem
9 within the university in terms of my not ever seeing them. But ...

10 MR. LOEFFLER: You mean on who ...

11 DR. FRENCH: Yeah, in terms of who they go out to.

12 MR. LOEFFLER: The BAA is -- it was advertised in the
13 Commerce Daily on March 16th, and I don't know where else it's
14 advertised. However, the University of Alaska is not -- it is not
15 targeted at the University of Alaska because we can fund the
16 University of Alaska without -- without a BAA.

17 DR. FRENCH: Okay, that -- which kind of gets me back
18 to the other question. A -- as we've gone to the ecosystem
19 approach, we got these very large projects, and there are a number
20 of various components, both within and without the university, that
21 are able to provide certain levels of support services for some
22 parts of these components, and I'll use my specific example from my
23 center because I know it the best, but there's a number of dietary
24 components to both marine mammal forage fish and the sea bird
25 forage fish studies, and in this particular -- in my particular
26 case, we could provide a fairly broad level of support services on

1 that, but we couldn't provide a competitive response on the whole
2 project. Is there a way that those -- in this case my center, or
3 in the case of broader perspective other small research
4 organizations, could integrate into those, and if so, how can we
5 most effectively do that? Or, are we solely responsible of getting
6 people together before the response to the RFP?

7 DR. SPIES: A lot of those -- a lot of those large
8 ecosystem studies came out of the annual work shop, so those
9 discussion groups there were kind of the focus and the catalyst for
10 getting people together to make those proposals. And, we don't try
11 to guide that, we just kind of let it happen, so participation at
12 that stage would be most appropriate.

13 MS. McCAMMON: However, I think it's quite possible,
14 John, for some kind of a private entity during -- through this May
15 1 process to say, you're talking about doing this \$2 million dollar
16 a year forage fish proposal, and I would like the Kodiak Center to
17 submit a proposal for X amount a year to do the bioenergetics.

18 DR. FRENCH: Yeah, I guess, that's really what I was
19 asking for, are you accepting partial proposals for part of the
20 areas rather than the whole responses.

21 MR. LOEFFLER: SDS.

22 MS. McCAMMON: Yes.

23 MR. LOEFFLER: And, in fact, grant the Texas A&M funding
24 last year, I think that's sort of what they did.

25 DR. FRENCH: Oh yeah, Texas A&M came with almost a
26 blueprint of what we could have done ourselves, but they beat us to

1 the gun. We didn't realize it was -- being -- going to be needed.

2 MR. BECKER: In developing this schedule, was that done
3 with the coordination and participation of -- of some of the
4 investigators who have done projects for the Trustee Council in the
5 past?

6 MR. LOEFFLER: Only in the sense that it was done in
7 coordination with the Trustee -- the liaisons from the Trustee
8 agencies, and so those liaisons of course are in constant
9 communication with their -- with their PIs. In addition, it was
10 also sort of broached at the work shop in January. So, we sort of
11 did a draft, laid it out at the work shop in January, and so, yes,
12 I guess is the short answer.

13 MS. McCAMMON: I think this schedule actually works
14 really well for researchers because it requires the proposals to be
15 developed in the spring before the field season really kicks in.
16 So, it's actually more beneficial to researchers. The downside to
17 this schedule is that the public review is in the middle of the
18 summer, and, you know, any time you have a public review in the
19 middle of the summer is, you know, I don't want to call it the kiss
20 of death, but, I mean, it's not the best time to have it. But, the
21 only way we could do this and get in sync with the federal fiscal
22 year was by having it at this time, and for that reason, we're
23 spending a lot of time -- we consider the next month to be our
24 primary public comment period on all of this, and we're -- we're
25 scheduling like fifteen community meetings, work shops,
26 teleconferences, a massive mail-out to the mailing group, and we

1 consider that to be the main public comment in the spring right
2 now, because you just can't count on getting a lot of comment in
3 the middle of the summer.

4 MR. LOEFFLER: And, that's also why we put out a draft
5 that people really can comment on. And, in fact, this is some ways
6 easier to comment than it is details of the individual projects
7 that will come out later in the year. So, that's one of the
8 reasons why we put this out now.

9 MS. THOMAS: I was looking at your table, some of
10 these, the funding levels go up and some go down. I was wondering
11 if you could describe how you came up with these cost estimates for
12 the future?

13 MR. LOEFFLER: Well, we really just as the PI who is
14 doing the project or project component what it would take to finish
15 their project, and in some cases -- in some cases they go up, some
16 cases they go down.

17 MR. KING: I really like the way the scheme of this
18 is developing. I think you're really helping us a lot in what
19 we're doing and I assume everybody else that's dealing with it.
20 Congratulations on developing this format. I was -- when I see
21 something like this, I always look for what's the reporting
22 procedure, and these people get all these millions.

23 MR. LOEFFLER: The reporting procedure is -- the
24 reporting procedure is important because that's how we know whether
25 they're on tract, or whether we're pulling money down a productive
26 or a dry hole sort to speak. The reporting procedure comes in --

1 everybody has to do an annual report each year, which is, at least
2 an annual report, that is the kind of reporting that they do is
3 negotiated with the Chief Scientist, or will be, as part of their
4 project proposal. So, if you're doing a three year project, at the
5 end of the first year you need to report on the results, so that we
6 can assess -- so we can assess, you know, whether it's sort of
7 looking good or not, and whether you're on track. At the end of
8 the three year -- at the end of the three years for a three year
9 project, there would be a final report. So, that's it.

10 MS. MCCAMMON: I think the -- the other element that
11 should be kind of discussed that I don't think we've really
12 mentioned is this whole concept of adaptive management, because
13 when the Council makes their funding decisions in August, they
14 don't have the benefit of knowing what their \$20 million dollars
15 this year got them this year, and yet they're already committing to
16 another X million for the next year and on. And, what we've
17 established is an annual work shop that's mandatory for all of the
18 researchers, we had the first one this January, we had about 130
19 people participate in that, it was a mandatory four day meeting,
20 where everyone had to come in and report on the results of their
21 '94 field season. We had, I don't know, ten or fifteen peer
22 reviewers participating in all the sessions giving them critical
23 analysis. A number of the projects went through, I wouldn't
24 necessarily say major revisions, but significant revisions as a
25 result of the kind of discussion and review, and analysis of the
26 data. You know science is not exact, and you have to be able to

1 respond to what you find in the field. You don't know for sure
2 what you're going to see every year for the next three years. But,
3 that's part of the process that's built in, and as a result of
4 that, when the Council funds for FY '96, people will come in in
5 January, their project could -- they may end up having to request
6 additional funds because of something they've found, or perhaps
7 it's going to be scaled back or revised in scope, and the funds
8 will be lapsed or whatever, but it will be modified based on that
9 kind of a review.

10 MR. DENNERLEIN: A couple of observations. I think
11 this schedule, though I'm not a former member, makes a lot more
12 sense of the few of the Council meetings and things that I've
13 tracked. It occurred to me a few things. One, is it helps us, but
14 it also, I think -- if this is a evolving or designed process as we
15 go, it actually gives some reason or purpose to the PAG, in a sense
16 that the public-at-large has a change to comment now, but while
17 summer is a difficult time in Alaska, there is also a Public
18 Advisory Group to help track the public involvement through this
19 process during what would be a difficult time for the public-at-
20 large. I think that it -- it -- this group actually has a little
21 more meaning almost in purpose in that sense, as it helps match up
22 fiscal schedules. My question, Bob, is really one, do I understand
23 what you said, and as I understand this is the staff, the
24 investigators say, we believe this is the program that would make
25 sense. Right, this is the outline of the program that would make
26 sense. Give -- then this goes out and says give us proposals to

1 accomplish this sort -- these categories of research and
2 monitoring. Right?

3 MR. LOEFFLER: And, there is a heading in there called
4 proposals -- something like proposals not anticipated in, what
5 we're calling this draft restoration program.

6 MR. DENNERLEIN: With the caveat that if you have a
7 real good idea or you see a loophole, you're allowed to give your
8 own.

9 MR. LOEFFLER: Yes. If you have something that ...

10 MS. McCAMMON: I caveat that a little bit further than
11 that. What this reflects is what the Council started in '95. If
12 you were to kind of project out completion of those projects, what
13 the PIs and the reviewers thought, but it really doesn't reflect
14 completely what -- I mean, it's kind of a wish list in a way. It's
15 a projection of a wish list, or if we were to continue on the path
16 we're taking now, here's what it would look like. There's some big
17 holes in here that aren't filled. And, when you look at it all
18 together, do you really want to do -- there's some big questions
19 that need to be ...

20 MR. DENNERLEIN: So the job will be after -- after
21 whatever comes in and after review and analysis is the reality of
22 X number of dollars.

23 MS. McCAMMON: Right.

24 MR. DENNERLEIN: And, then given the blue document and
25 the four things we look at, and all of those, here's how much money
26 we have, here's a matrix of projects that get us the most amount of

1 coordinated research, benefit, whatever, that could we -- we could
2 reasonably -- I guess that's what we're suppose to be looking at
3 too, could reasonably be a program that would get us the most
4 knowledge for our money, and then the mechanics of it is that, one,
5 on big projects a big presenter could come in, or a suggestion, a
6 person or a group, University Center Company could submit a piece
7 of this, or like -- I've been in private -- done a lot of private
8 consulting work too, I could call you, and I could call Kim, and I
9 could say would you handle this part, Bob, and would Kim, would you
10 handle this part, and we could make a proposal much as you would do
11 on -- whether it's a Greens Creek mine or, say, you know, we'll
12 handle the public, we'll do this study, we'll do this, and where a
13 project team could respond, right?

14 MR. LOEFFLER: Yes, except ...

15 MR. DENNERLEIN: Okay, except ...

16 MR. LOEFFLER: The only exception is a lot of -- these
17 large projects a lot of them have the three major ecosystem
18 projects, two have yet to be funded, but will come at the next
19 Trustee Council meeting. For argument sake, assuming that they are
20 funded, you have an organization already doing them, and so I think
21 that the extent to which somebody can compete with that, it's not
22 as if it's a blank slate.

23 MR. DENNERLEIN: Okay.

24 MS. McCAMMON: It's not prohibited, but it would be very
25 difficult to come in with a competing ...

26 MR. LOEFFLER: That's right.

1 MR. DENNERLEIN: This fits together a new quilt of
2 project team to take another approach, I understand.

3 MR. LOEFFLER: Right, yes.

4 DR. SPIES: I think to the extent budget is a little
5 lope-sided and as Molly said, it's kind of a wish list. I mean, if
6 everything we're doing now or was funded the way the PIs want, it
7 would be that amount of money. I think you have to balance that
8 with we're going to get new things in, and there's going, obviously
9 those -- those numbers are going to have to come down, anyhow.

10 MR. DENNERLEIN: Right.

11 DR. SPIES: We're going to have some new things in and
12 we're going to have to balance the new against what is already
13 going on and makes some judgment as to which is most valuable, so
14 they're going to probably come down even further given those
15 considerations.

16 MR. LOEFFLER: That's right.

17 MR. DENNERLEIN: Right, yes, for example, and I don't
18 know if this would make any sense at all, Bob, but if -- if we did
19 perceive that, for example, across several lines there was some
20 sort of dip in the last year or two of resources, we might want to
21 say somehow it's worth to look at what happened with what appeared
22 to be recovery and a dip, and if there's not project that looks at
23 that cross correlation, that might be something we would put in.

24 DR. FRENCH: The other thing that's kind of lacking in
25 this, we need to keep in mind, is it has virtually no continuing,
26 or I should say, no new -- general -- what we used to call general

1 restoration-type activities continuing into future years because
2 generally those are year-by-year projects, but it doesn't help
3 earmark any dollars to do that, at least none that I saw.

4 MR. LOEFFLER: Actually, there -- I mean -- a lot of what
5 we call general restoration, is a lot of it is management, but as
6 to the extent that we are funding -- to the extent that we improve
7 the Division of Fish & Game's ability to protect injured pink
8 salmon or sockeye stocks in Prince William Sound and Cook Inlet, we
9 call those general restoration. They're protective in nature.
10 They're not research.

11 DR. FRENCH: I was thinking more like the clam
12 restoration, and the Tatitlek salmon release, and the Chenega
13 salmon release.

14 MR. LOEFFLER: They are all actually in here, yes.

15 DR. FRENCH: Yeah, but those first two that I named
16 don't request any dollars for '96 or beyond. Subsistence 127 and
17 131. The 131 even says continue if pilot project succeeds, but
18 there's no dollars listed for '96, '97 or '98.

19 MR. LOEFFLER: That's I think is -- the reason why 127 is
20 -- those are -- a blank space means amount unknown, it doesn't mean
21 we expect zero dollars, and so I think the implication of amount
22 unknown is just as Bob was saying, is we do expect things to come
23 in and it's going to part of the budget and prioritizing process.

24 DR. FRENCH: That's all the point I was trying to the
25 PAG was too that we should expect some more dollars will be spent
26 on general restoration areas that aren't really encumbered into

1 this bottom line that we see now.

2 MR. LOEFFLER: Agree completely.

3 MS. McCAMMON: What I would like to see is that at the --
4 at a meeting sometime in the month of April that the PAG spends,
5 you know all day looking at this draft plan, and really focus on
6 it. I think that would be very helpful.

7 MR. BECKER: I just wanted to be real about how I
8 understand the schedule. On May 1st, you said proposals and
9 comments, too, that would be public comment on the
10 invitations/draft restoration program. Is that right?

11 MR. LOEFFLER: Yes, and proposals due from PIs, agencies,
12 everybody.

13 MR. BECKER: Okay, and let me think about this -- I'm
14 getting -- have to do fiscal years, so the public would then
15 essentially be commenting on, let's take an example, they would be
16 -- this year we would comment on the fiscal '96 plan?

17 MR. LOEFFLER: Yes.

18 MS. McCAMMON: Which is next summer's work.

19 MR. BECKER: Which is next summer's work, and the
20 proposals would be for '97?

21 MR. LOEFFLER: No, they'd be for '96 and beyond.

22 MR. BECKER: So, we are actually going to be commenting
23 on the same proposals that are going out essentially for RFP,
24 right?

25 MR. LOEFFLER: Yes, I mean, yes, the program in here --
26 the program in here is for '96 and beyond, and the proposals in

1 here are for '96 and beyond as well. And it is compressed, and
2 it's compressed in part so we could get something out for people to
3 comment on in the spring, because people unlike -- because people
4 won't -- won't be here in the summer. Also, it's compressed just
5 because there's only so many months between now and August. So,
6 they are compressing two steps into one, so to speak.

7 MR. BECKER: Right, and is there -- I'm particularly
8 interested in the schedule just from my relationship with people
9 involved in EVOS research. I think Molly has answered part of the
10 question that I'm making a May 1 deadline, it does move people's
11 planning process somewhat out of (indiscernible) but it's still
12 pretty close, and there is not only the field work that has to go
13 on at that time of year, but also the planning and natural
14 preparation for the field work. May is a very busy time for people
15 planning to go out in the field. Is there some reason why the
16 invitation and the draft restoration program doesn't go out, say
17 January 1st, because this only covers five months.

18 MR. LOEFFLER: The reason why it didn't -- I suspect in
19 future years ...

20 MR. BECKER: In future years, it could.

21 MR. LOEFFLER: Yeah, it certainly could.

22 MR. BECKER: Yeah, so this is still playing catch-up
23 with this process that you've ...

24 MS. McCAMMON: Well, there's a fine line here because
25 part -- a good portion of what this based on is what was knowledge
26 that was gained during the January work shop, and, you know,

1 there's this fine line because folks do all their research in the
2 summer, and then start analyzing all of their data in the fall.
3 January is about the earliest they start getting their preliminary
4 results, and so we were pushing it from that end too. If you start
5 pushing publication of this back, you aren't going to get the
6 results and information from your prior field (indiscernible -
7 simultaneous talking).

8 DR. SPIES: We really need an 18 month year to ...

9 MS. McCAMMON: Yeah.

10 (Laughter)

11 MR. BECKER: So, I -- I just want to be -- since I have
12 actually been concerned about this particular process, I just want
13 to be fairly comfortable with the fact that the researches probably
14 had good chance to look at this schedule, and it is the best of all
15 possible world ...

16 MR. LOEFFLER: Most of -- well, I can't ever say it's the
17 best of all possible worlds, but I will also say that most of the
18 researchers knew that the deadline was going be May 1 or
19 thereabouts in January, so that -- it's not this is a surprise.
20 All of us -- they all sort of knew it was coming up.

21 MS. McCAMMON: We told them this last summer, actually,
22 that for this year this what we're looking. So, they've been
23 prepared.

24 MR. DENNERLEIN: It's actually close, close to the
25 best of all possible worlds. I mean ...

26 MR. LOEFFLER: I appreciate that.

1 MR. DENNERLEIN: Research in the summer, analysis in
2 the fall, a forum in January, publication essentially by mid-March
3 and reviewed before the next major field season, it's be hard to
4 tighten it very much without running, you know, moving from the
5 efficient to the reckless. I mean it -- it takes a little bit of
6 thinking and work, I think, to do. I think that's a pretty
7 rigorous schedule.

8 MR. BECKER: I think one of the things that helps that
9 is having a restoration framework and some multi-year funding that
10 essentially people don't have to reinvent the wheel every planning
11 season.

12 MR. LOEFFLER: That's our -- that's part of our goal.

13 MR. DENNERLEIN: And, my last question is, I take it
14 from what Karl just said, that sort of the -- some of the burden
15 here, and your point about a work session, is that if, and there
16 will be adjustments because of things we learn from the workshop,
17 but this is year where we're really going to be recommending multi-
18 years. I mean, we're not picking projects, we're picking a course,
19 a sequence of -- you know, assuming that we're making pretty good
20 decisions, there are several years of money spent and field seasons
21 that we're really talking about when we review this.

22 MR. LOEFFLER: That's correct, and then every year
23 thereafter, you will ask me to do the same thing, but of course, at
24 that point it's, course it's estimates, and in some sense this is
25 a course for adjustments as this is the substance -- some things
26 were set the previous years.

1 MR. DENNERLEIN: Thank you.

2 MR. McCORKLE: Are there any more questions? Yes, Dr.
3 French.

4 DR. FRENCH: I just wanted to add my voice to those of
5 you -- those commending you for the vast amount of work and
6 progress this represents. I think it's a real positive step
7 forward, and I know it took a tremendous amount of work on your
8 part and the staff.

9 MR. LOEFFLER: Well, thank you, and actually I thank you
10 for myself and Sandra, she worked, and Veronica, and Molly and Eric
11 Myers, and also the PIs who worked very hard on this as well.
12 Well, I get one last word though. I would like to leave you with
13 what I think we'll be doing in -- in April. And, that is I think
14 there are two things. One, is doing a focus on some of the
15 portions of the work plan, that's our giving information to you,
16 but then your homework is to -- is to start looking through this
17 document so that you can give feedback to us on the priorities,
18 basically comments on the draft restoration program that we use
19 when shaping the work plan. So, comments on what you think is
20 missing, what you think seems inordinately expensive, and any other
21 comments you want.

22 MR. McCORKLE: Thank you very much for giving us that
23 admonishment to do our homework, as Mr. -- as Mr. Z pointed out
24 earlier this morning, that's one of the commitments we have to
25 make, and it's been extremely satisfying to hear the comments of
26 all of the PAG members, particularly new ones who are also very

1 much on point because as us old-timers, we old-timers have pointed
2 out, we were probably eighteen months into the process and never
3 even had this. So, we are looking forward now. Somehow or other
4 the staff has compressed eighteen months into a year, and so I just
5 say, also, thank you very much for that, and thank you Bob for your
6 presentation. Molly, what's next.

7 MS. McCAMMON: Mr. Chairman, according to the agenda,
8 we're suppose to be taking a tour of the Oil Spill Public
9 Information Center next door at 4:00. However, the public open
10 house really doesn't start until 4:30 so, and I think there's some
11 people who are going to be leaving tonight for the next part of the
12 briefings. I'd like to kind of get your indulgence to go for maybe
13 forty minutes or so, into the habitat section and see how far we
14 can get into that.

15 MR. McCORKLE: Hearing no objections, let's proceed.

16 MS. McCAMMON: Okay. I'm going to pass around this
17 spreadsheet here, and as we mentioned in the restoration plan, and
18 in tables -- the table on page 6, habitat protection is a major
19 tool -- a major component of the restoration program. It is
20 certainly not the only tool, although in all honesty there are --
21 there is a portion of the public that would like to see it as the
22 only tool, but the Council, I think, in adopting the restoration
23 plan, adopted what we refer to as the comprehensive balance
24 approach, which means a mixture of tools, some of everything, you
25 know, not relying totally on one tool or another. But habitat
26 protection is a significant portion of the program. The objective

1 of this program is to promote the natural recovery of spill injured
2 resources and services by removing the threat of additional
3 (indiscernible) impacts and to provide a safety net for injured
4 resources over time. The first step in the habitat protection
5 program right after establishment of this Trustee Council, after
6 the settlement occurred, was to identify willing sellers. Major
7 private landowners in the spill area, primarily Native corporations
8 were contacted to determine if they were interested in
9 participating in the process. At that time a working group was
10 established called the habitat protection work group, to coordinate
11 the review process. The next step of that process was to acquire
12 all the relevant sources of data that could be used to evaluate
13 lands for their benefit to restoration. This resulted in compiling
14 a data dictionary of all resource information, satellite images,
15 database, maps, reports. The Trustee Council arranged for the
16 Nature Conservancy to conduct a work shop with researchers,
17 resource specialists, archaeologists, peer reviewers, others to
18 acquire information on the habitats of the injured species. There
19 were a number of projects that the Council funded early on to
20 acquire specific habitat information where data gaps existed.
21 These were things to increase knowledge about anadromous streams,
22 harlequin ducks, to do further GIS work, things like that. After
23 compiling all of the data on the habitat important to the injured
24 resources, the habitat work group then began the planning process
25 to develop an evaluation methodology, and this was a very complex
26 project, but it forms the basis for analyzing lands in terms of

1 high value, moderate value, low value. With a multi-criteria
2 evaluation method, there were a number of threshold criteria that
3 were used early on that was -- that were designed to be kind of the
4 course filter to reject parcels that didn't meet kind of minimum
5 requirements. These were such criteria as a willing seller,
6 containing key habitats for injured resources and services. The
7 seller acknowledging that the government can only pay a fair market
8 value. Recovery of resources service would benefit from additional
9 protection, and that the property could reasonably incorporated
10 into an existing land management system. So, there had to be some
11 management agency that was willing to take this land on. There was
12 done a detailed evaluation and ranking, examining the linkage
13 between the 19 injured resources and services in each parcel, and
14 a designation was given to the various parcels. These were also --
15 for the smaller parcels these were weighed and multiplied and when
16 all of the parcels were scored, they broke out into parcels that
17 had high value, moderate value and low value. Now, even parcels
18 that were identified as low value overall, within that category
19 probably have high value for certain individual species. So, even
20 a low, what we call a low value parcel isn't -- isn't trash land by
21 any means. I mean, it just meant overall in comparison to other
22 lands that had a lower overall restoration value. There are three
23 portions of the -- of the overall habitat protection process. The
24 first process that was started immediately upon inception of the
25 Trustee Council, was the imminent threat element, and this was to
26 look at parcels -- immediately look at parcels that were threatened

1 by development when the whole process started. This was based on
2 the recognition that key habitats and protection opportunities
3 could be lost during the planning process. So, the first priority
4 was to identify those immediately threatened lands by using agency
5 permitting records, and the evaluation and scoring methodology.
6 That process ended up with three major -- two major and one smaller
7 acquisition. It resulted in the Trustee Council contribution to
8 protecting 23,800 acres in Kachemak Bay State Park, and also more
9 than 41,000 acres on northern Afognak Island. So, those two
10 acquisitions were down under the imminent threat process. In
11 addition, the Council also purchased timber rights on the Orca
12 Narrow subparcel from Eyak Corporation, and this smaller
13 acquisition was just completed actually in January of this year.
14 The imminent threat was kind of the first part of the process. The
15 second part of the process was what we refer to as the large parcel
16 protection process, and these were for parcels of land that were
17 larger than 1,000 acres. And, the idea was to look at large chunks
18 of land that could really look at major watersheds and fairly
19 significant chunks of the ecosystem and protection from that
20 aspect. The Council -- this spreadsheet here shows you the various
21 parcels that, the first three are ones that have been acquired, and
22 the ones that follow are all of the acquisitions that are in
23 various stages of negotiations. And, for almost all of these
24 parcels they're in some -- in some various stage. There are
25 several of them that are close to a final purchase agreement being
26 signed. There are others that are still in the review of the

1 appraisal process, and there is one at the very end with English
2 Bay and Port Graham Corporation, that is still in the preliminary
3 discussion phase. But, I have people here to -- we have maps on
4 the walls of all the large parcel negotiations, and I have folks
5 here to talk and give you an idea of the kinds of things we're
6 looking at in each of these large parcels. And, I would like to
7 begin with Glen Elison from the U.S. Fish and Wildlife Service to
8 describe the three Kodiak parcels that the Council took action on
9 at its November 3rd meeting.

10 MR. BECKER: Molly, what does IO stand for, at the last
11 column there's an I ...

12 MS. McCAMMON: It's an LO.

13 MR. BECKER: LO.

14 MR. McCORKLE; What does LO stand for?

15 MS. McCAMMON: Landowner. That's our requirement of the
16 landowner ...

17 MR. ELISON: Thank you, Molly, and I appreciate the
18 opportunity to visit with the Public Advisory Group to talk about
19 Kodiak. Kodiak is largely encompassed by the Kodiak National
20 Wildlife Refuge, about two million acres. There are a number of
21 very key private landownerships that are dominated by three Native
22 corporations in Kodiak, Old Harbor Native Corporation, Akhiok
23 Kaguyak, and the Koniag Corporation. It's not surprising that
24 those lands involved are relatively small as in proportion to the
25 island. The represent without question the key fish and wildlife
26 habitat on the island, so it was a rare opportunity to engage in

1 these negotiations and acquire some of these lands. What I'd like
2 to do in difference to the work groups time this afternoon is to
3 talk from this handout that I think you just received, so you can
4 follow along easily. Hit the highlights of the agreements and talk
5 then about the high points of the resources that occur on the lands
6 acquired and deal with your questions. See how long my leash is
7 here.

8 MS. McCAMMON: Not very long.

9 (Aside comments)

10 MR. ELISON: I'm going to start with Old Harbor (Aside
11 comments about microphone) Old Harbor was the smallest in the
12 three acquisitions. We acquired 29,000 acres in (indiscernible)
13 surrounding the village. In addition there were about 100 acres
14 representing several (indiscernible) and eyelets (ph) that were
15 also acquired, and Afognak was 3,000 acres of easement lands
16 acquired close to the village and then mid-way going
17 (indiscernible). Outline of the agreement is, at least on the copy
18 I have on the third page at the bottom if you're following along,
19 so for the 32,000 acres on Kodiak itself, in addition there was a
20 very large holding on Sitkalidak Island and Old Harbor agreed to
21 enter into discussions on a conservation easement on Sitkalidak to
22 protect that habitat. They also agreed to enter into discussions
23 with the State of Alaska for a land exchange. The state holds a
24 relatively small portion of the island, in turn Old Harbor owns
25 some land that probably more likely to be managed by the state, and
26 those discussions will ensue in the future. The acquisition price

1 for the area was \$14.5 million, of which 7.5 will be -- I'm sorry,
2 \$7.25 will be (indiscernible) at the initial closing which we
3 expect to be towards the end of April and the balance paid about
4 October 1st of this coming year. The second area I want to talk
5 about is the ownerships of Akhiok Kaguyak villages in southwestern
6 Kodiak. This is the bottom of the first page of your handout.
7 There were eight parcels evaluated by habitat work groups
8 representing about 120,000 acres. The -- in the course of the
9 negotiations, Akhiok agreed to sell to the Trustee Council
10 approximately 77,000 acres in fee and agreed to an easement on
11 43,000 acres. The lands are in this area. In addition to the
12 sale, the federal government and Akhiok agreed to enter into
13 negotiations for a land exchange, which would consolidate the
14 Akhiok landownership in this area, and in turn picking up a large
15 acreage from Kodiak refuge and turn all of these lands that were
16 not acquired fee, would go into ownership of the federal
17 government. It's a win-win for both sides, it's a good management
18 stroke in consolidating ownership. Of the 43,000 acres easements,
19 the land is general managed as a National Wildlife Refuge. There
20 are broad authorizations for public access to the area, and I think
21 its a real boom for the public-at-large with that acquisition. The
22 price for the package was \$46 million. We expect this agreement to
23 close probably towards the end of April of this year. The third
24 part of the package was to deal with Koniag, probably the best
25 known portions of their holding are around Karluk Lake. It is the
26 -- the outline agreement is on page 3 of your handout near the top.

1 In the course of the negotiations, Koniag was offered two options
2 by the Trustee Council, one, was acquisition of all ownerships
3 except the Karluk River drainage and the main stem of the Sturgeon
4 River. Those areas would be covered by a seven year conservation
5 easement. Now, the other alternative was acquisition of their
6 entire ownership. Koniag at this point has indicated that they
7 don't desire to sell the Karluk drainage or the main stem to
8 Sturgeon at the price offered, so we're looking at acquisition of
9 approximately 59,700 acres and (indiscernible) with a seven year
10 easement, 56,000 acres which is the Karluk and the main stem of the
11 Sturgeon River, and during that seven year period we anticipate
12 negotiations with Koniag will continue and hopefully arrive at an
13 agreeable price for acquisition of those lands. Some additional
14 twist in these agreements include a right by the State of Alaska to
15 enforce against the federal government to ensure that the purposes
16 for which the acquisitions were made are carried out in perpetuity.
17 There was an agreement made, which the Fish and Wildlife Service
18 will authorize a lease or permit, if you will, for operation of
19 several weir sites on various locations on these lands,
20 particularly on the Akhiok Kaguyak lands there are four sites that
21 the state will be able to operate weirs indefinitely. The
22 Executive Director is tasked with reviewing the agreements between
23 the state (indiscernible) to ensure that the conservation easements
24 do provide public access that is anticipated, as well as ensuring
25 that the weir site agreements are satisfactory to both parties.
26 Those documents, I think, will very, very soon go to the Executive

1 Director for her review. That's the outline of the deal as far as
2 the land and the money goes. Talk briefly about the resources
3 protected. Kodiak in a nutshell is a very, very rich ecosystem
4 that is driven by the fresh water throughout the area and the
5 marine resources around the parameter. Fisheries are without a
6 doubt the keystone of the area, extremely rich salmon resources.
7 Many of the key salmon streams, particular sockeye systems are on
8 Native lands. Major runs into the Olga (ph) Lake area, Akaware
9 (ph) Creek, Forest Marine Lagoon (ph), and Dog Salmon River all key
10 ownerships of the Akhiok Corporation. Prime (indiscernible)
11 primarily for pink and coho salmon in the Midway Bay drainages,
12 Barren Bay drainage and, of course, over on the Koniag lands major
13 systems in the Karluk drainage. One the premier systems in the
14 state for sockeye salmon (indiscernible) runs into Browns Lagoon
15 and into the Sturgeon River. Herring spawn widely throughout the
16 coastal areas. We show, as an example, the diversity of resources
17 of the nineteen injured species and services that were identified
18 throughout the spill zone. Eighteen of them occurred at high value
19 on the Akhiok Kaguyak lands, the exception being cutthroat trout
20 which don't occur in the area. So, it's from our perspective a
21 very good agreement that provides a wide range of protection for
22 many species and services. I think I'm going to stop there. I
23 could talk for a very long time about the details of the resources
24 there, but in deference to the hour, I'll take questions if that's
25 your desire.

26 MS. McCAMMON: Mr. Chairman, if it's alright, if we could

1 get through most of the presentations, then if there are any
2 questions maybe at the end might be ...

3 MR. McCORKLE: I think that's a good program, let's
4 continue then with presentations, and those of you who have
5 questions you might make notes and we'll try to capture them all at
6 the end.

7 MR. ELISON: Thank you.

8 MS. McCAMMON: Thank you. Next will be Dave Gibbons from
9 the Forest Service to talk about Eyak.

10 DR. GIBBONS: I thought they were going to save the best
11 for last, but I guess their going to put me on. It's good to see
12 a lot of familiar faces. I'm in a different role now, and I'm not
13 sure it's any easier but it's a different role. Eyak -- I'm filing
14 in for Jim Wolfe who has been lead negotiator for Eyak deals, and
15 Eyak has been a very difficult negotiation for many years. We
16 started approximately three years ago with Eyak Corporation trying
17 to reach an agreement that's acceptable both for the protection of
18 resources and services on the Trustee Council side, and the being
19 fair to the Eyak Corporation on the other side. Molly mentioned
20 that it was December 31st I know for a fact when we reached
21 agreement on the (indiscernible) Point acquisition with Eyak, it
22 was about 9:00 o'clock on the 31st, as a matter of fact. And, if
23 I can I'll just show you where it is on a map without -- or shall
24 I take this with me. (Aside remarks about microphone) All right,
25 I'll take it with me. And, of course, the only Eyak map I see ...

26 (Aside comments about map)

1 MR. BECKER: Dave, would it help if I just point to it
2 for you.

3 DR. GIBBONS: Sure, you can point to the visual map over
4 there and I'll try to point to this one. Because that one -- that
5 one doesn't have a lot parcels (indiscernible). The
6 (indiscernible) parcel that was acquired -- the title was
7 transferred on the 13th of January, but the deal was cut on the
8 31st of December, this part right here, it's 2,052 acres. The
9 Trustee Council purchased commercial timber rights only, no public
10 access, no development rights. And, that was closed in mid-
11 January. The negotiations continued on protection on what we call
12 the Orca revised area, which is this peninsula here going down to
13 the Rude (ph) River and over into Simpson Bay. Part of the deal
14 that was -- that was tried earlier with Eyak was a moratorium on
15 timber harvesting on the Orca revised portion until March 1st of
16 '95. This deal was cut in January, we proceeded to try to
17 negotiate the rest of the -- the protection. On March 2nd, I
18 believe, another agreement was reached with Eyak Corporation, this
19 is a limited conservation easement for lands costing \$200,000 for
20 a period from March 1st to May 15th, and what this will allow the
21 Trustee Council to negotiate is further protection in the Orca,
22 along Nelson Bay here in the Orca area, and plus it will facilitate
23 an exchange of timber rights, equal value timber rights for a
24 portion on Bob (ph) Point that was purchased by the Trustee
25 Council, below a visual line approximately right there, and that's
26 identified on that map over there, for equal commercial timber

1 rights in this portion here, you know, goes as far as the exchange
2 will take it, how much board feet here in value to the board feet
3 here. Okay, that was the deal that was cut through a limited
4 conservation easement, and that will be completed by May 15th.
5 Also part of this deal is an expedited conveyance to Eyak
6 Corporation on three sections of land. They are sections 8, 15 and
7 16 here, and this is entitlement that Eyak has that were expedited
8 the entitlement in the conveyance to them for activities in this
9 area. And, that will be completed by July 15th. Now, that's
10 moving on now, you'll see there is some BLM correspondence on that.
11 Okay, that's the Orca revised negotiations that are going on. We
12 also have negotiations going on in the core parcel for Orca, what
13 we call core parcels, this is Power Creek, Eyak Lake and lower Eyak
14 River. The appraisal is due next week on that, which will be given
15 to Eyak Corporation. Appraising the value -- it started about
16 13,000 acres, but due to some withdrawals by Eyak Corporation, it's
17 been reduced from that. I'm not quite sure what the acreage is
18 now, my guess is around 11,000. But, that's -- that's this area
19 here, and that will purchased in fee simple. We purchase total
20 rights, total public access, total development rights and total
21 timber rights, and that's called the core parcel, and like I said
22 the appraisal is due to Eyak Corporation next week. Part of the
23 resolution and, it's been called the concept paper, I believe, is
24 that further negotiations on Eyak will -- will continue in areas
25 not covered by the equal exchange of timber, in this area along
26 Nelson Bay, and also the high value parcels that Eyak owns in Sheep

1 Bay, Port Gravina and Windy Bay, and those negotiations will
2 continue. These are the high ranked parcels of Eyak land, Sheep
3 Bay and Port Gravina, and part of that agreement is negotiations
4 would continue on there for possible habitat protection of some
5 fashion in that arena there. And so, we've got three deals going
6 on with Eyak simultaneously, we've got the Orca, we've got the core
7 and we will have hopefully Sheep Bay and Port Gravina going on. I
8 didn't mention the (indiscernible) Point was purchased for \$3.45
9 million, roughly \$1,500 an acre. So, that's -- that's the value
10 there. I'm not sure what the value of the other ones will be, but
11 basically, it's a complex (indiscernible) part of the state and the
12 Forest Service in negotiating this, and I know Alex loves -- knows
13 Eyak meeting, but that's basically the deal that's going on with
14 Eyak right now.

15 MR. MCCORKLE: Thank you, and do we have one more?

16 MS. MCCAMMON: We have one more, and this is Alex
17 Swiderski with the Department of Law to talk about Shuyak, Chenega,
18 AJV and Tatitlek.

19 MR. SWIDERSKI: Good afternoon, it's been a long afternoon
20 and a long day, and I appreciate everyone's patience. I'm going to
21 try to move through very quickly, I think, all four of these deals
22 are less complicated than the Chenega -- or the Eyak deal, and in
23 some ways less complicated than the southern Kodiak deal. I'd like
24 to start with Chenega, and we have a map here of the Chenega lands,
25 and I didn't actually see this map until I got here this afternoon,
26 and there is definitely some information on this map that is in the

1 process of being negotiated, and it hasn't actually been finalized
2 by any means. At Chenega, though, we have been negotiating with
3 the Chenega Corporation to acquire approximately 20,000 acres in
4 fee simple at Eshamy Bay. Eshamy Lagoon which is this parcel right
5 here, and Jackpot Bay, right here, that's a total of 20,000 acres,
6 and in addition to that, we have been negotiating for a very
7 restrictive conservation easement on an additional 54,000 acres,
8 which is all of the other land that is in yellows with the green,
9 the green slash lines through it. The cross slash lines on this
10 map indicate that this is land that there would not be public
11 access to. That is something that is still being discussed,
12 negotiated with Chenega. That is definitely not a final version,
13 it could be more, it could be less. I'm not sure even what this
14 proposal is, I mean, I recognize some of it, but not every -- every
15 component of it. As I think most people know, the Chenega lands
16 were heavily oiled, and much of it is timber land. The
17 conservation easement that we are discussing is, as I mentioned,
18 highly restrictive. We have discussed the construction of a
19 limited number of lodges in identified areas on the Chenega lands,
20 and that would be the major, if not the entire development that
21 would be allowed there under the conservation easement. There
22 would be public access for non-commercial purposes to the majority
23 of the land, and as I indicated some -- that -- particular lands
24 will be withheld from public access is still being negotiated. I
25 expect that they will primarily surround the village and a few
26 other sites that are particularly important to the -- to the area

1 of Chenega. The Chenega -- much of the Chenega land was identified
2 as high value for acquisition purposes, particularly Eshamy Bay and
3 Jackpot. They're particularly important for the harlequin duck
4 nesting, bald eagle, black oystercatchers, marbled murrelets,
5 pigeon guillemots, harbor seals, river otters, sea otters,
6 anadromous fish, an important resource in both -- particularly in
7 both Eshamy and Jackpot, but also on the other lands. In December
8 of this year, the Trustee Council made an offer to the Chenega
9 Corporation with a ceiling on the purchase price of \$48 million.
10 The purchase price is subject to an appraisal, with the actual
11 purchase price to 120 percent of the value of the fair market value
12 of the appraisal. The -- 20 percent over the appraisal is in
13 recognition of the fact that the Council will not be paying cash at
14 the time of closing, but will be making payments over time because
15 the United States is not able to pay interest, but recognize that
16 money does have value over time. We calculated that an additional
17 20 percent would paid in lieu of making an interest payment. Up to
18 \$10 million dollars of that \$48 million will come from -- may come
19 from other sources, primarily the federal criminal restitution
20 funds. At this point, the major portion of the appraisal has been
21 initially completed by the appraiser and is being reviewed by
22 appraisers from Chenega and the government. The negotiations are
23 proceeding smoothly, and I am confident that we will be successful,
24 and I'm sure Chuck is as well. That's all I have on Chenega.
25 Moving onto Tatitlek. Tatitlek is back here in the corner.
26 Tatitlek did not initially express interest in selling lands or

1 interest in lands to the Trustee agency, but last May came forward
2 and indicated that they were interested. Over the course of the
3 summer of '94 and discussions with Tatitlek, we were able to come
4 up with a proposal that involves actually 12,000 acres includes
5 these lands and 44,000 acres of -- also very restrictive
6 conservation easement lands. The sea lands are outlined and
7 (indiscernible) in red. Heather Bay, Samuel Bay, Galina Bay, this
8 is Whaling (ph) Bay, and Port Fidalgo. This one doesn't really
9 have name, we call it Pt. Fidalgo, and Hell's Hole, these two
10 parcels here. They -- the intention -- I realize I skipped this on
11 Chenega, I'll go back to it in a minute -- would be to manage some
12 of the -- the acquisitions as Alaska State marine parks, that is
13 Heather Bay, Samuel, Galina, Whaling and this one here. These two
14 parcels will be managed by the Forest Service, and with
15 (indiscernible) this is already owned by the Forest Service. The
16 remainder of -- or the -- the Tatitlek acquisition is -- has a
17 green splash on it. That would be conservation easements
18 (indiscernible - coughing) public access to it. That would be
19 managed by the Forest Service -- or Chugach National Forest. Bligh
20 Island would also be acquired. On Bligh Island we would be
21 acquiring a conservation easement, but not public access. Bligh
22 Island is viewed by the people of Tatitlek as being a primary
23 subsistence use area. As with Old Harbor and Akhoik, Glen alluded
24 to, so to speak cross conservation easements among the governments,
25 that is that the United States will enforce these usage by the
26 State of Alaska lands it acquires as marine parks -- I mean for the

1 conservation easement that the United States would in state lands,
2 and similarly the State of Alaska would enforce easements -- some
3 restricts on these imposed by the Trustee Council and the United
4 States Forest Service. Let me back up to Chenega to explain that.
5 The conservation easement land at Chenega will be managed by the
6 Forest Service. The sea lands will be in part state marine park,
7 and in part held by the Forest Service, as part of the Chugach
8 National Forest. The Tatitlek acquisition because of the way it
9 started we were not able to go an appraisal last summer. We will
10 be proceeding to an appraisal this coming summer. Nevertheless,
11 based upon estimates of value, the Trustee Council did make an
12 offer in December to Tatitlek, \$22 million, or a ceiling of \$22
13 million and a price to be determined by appraisal, up to \$10
14 million of that price would come from monies other than civil
15 settlement funds, and that price like the Chenega one is -- will be
16 120 percent of the fair market appraised value, again, recognizing
17 time value of money. The next acquisition I'd like to address is
18 Shuyak Island. That's right here. This is approximately 27,000
19 acres. It's currently owned by the Kodiak Island Borough, actually
20 it's -- technically it's owned by the State of Alaska, and it's
21 been irrevocably selected by the Kodiak Island Borough, and it's
22 anticipated that would conveyed to the Borough. The -- the
23 entirety of this acquisition would be in fee simple. The island is
24 currently comprised of this holding by the Borough, the lavender
25 here is the current Shuyak Island State Park, the blue is the
26 Alexander Baranoff State Game refuge. The Trustee Council

1 anticipates that this acquisition is concluded, this land will
2 become part of the Shuyak Island State Park. The land is -- and
3 it's very similar in some ways to the Afognak Island land, it's
4 Sitka spruce mariculture, it's very important habitat for harlequin
5 ducks, black oystercatchers, marbled murrelets, pigeon guillemots.
6 Harbor seals use it as (indiscernible) disturbance there, such as
7 logging, would be disturbing to sea otters. It's important river
8 otter habitat. It's also important for anadromous fish, and
9 Pacific herring. At Shuyak an appraisal is in a status very
10 similar to that of Chenaga, that is it has been completing. It is
11 being currently reviewed by the governments and by the Kodiak
12 Island Borough. Those negotiations are proceeding well. In that
13 instance, the Trustee Council made an offer in December not to
14 exceed \$42 million. Again, based upon 120 percent of the fair
15 market appraised value. Fair market value is determine by the
16 appraisal. The last acquisition I will address is Afognak Joint
17 Ventures, or Afognak Island. This map essentially covers all of
18 Afognak Island. The proposed acquisition is in two parts, actually
19 more than two parts, it's sort of two different levels of it. The
20 first portion of the acquisition would be the land hatch-marked in
21 red. This parcel -- these two parcels, this and this -- by the
22 way, the Afognak Island State Park, which is the land that we
23 acquired last year, that the State of Alaska acquired with civil
24 settlement monies, is here in lavender, the Seal Bay acquisition
25 (indiscernible). This acquisition would total 49,000 acres. It is
26 anticipated that the vast majority, if it's acquired will become

1 part of Afognak Island State Park. There has been discussion of
2 filling this shore line -- this is Blue Fox Bay (indiscernible)
3 Kodiak National Wildlife Refuge for -- to keep the Blue Fox Bay in
4 one management system there. That total is approximately 49,000
5 acres. In addition, the Council has asked the negotiators to
6 continue discussions with the Afognak Joint Venture to acquire
7 lands here, this parcel -- this parcel here this has been heavily
8 logged, and this parcel, AJV 4, Paramount Bay (ph). The -- these
9 lands also ranked very high for restoration purposes. The -- the
10 values are similar to those for Shuyak Island. Once again in
11 December the Trustee Council made an offer on these lands to be
12 based upon an offer at 120 percent of fair market value, but not to
13 exceed \$70 million. The appraisal has not yet been undertaken on
14 those goals, and we will be appraising those this coming summer.
15 That's all I have, are there questions?

16 MR. McCORKLE: If there are questions on any of the
17 presenters, members should just address them directly, straight
18 through, so we can eliminate the -- the filter, and if you have
19 questions just please sing out now.

20 MR. TOTEMOFF: Mr. Chairman.

21 MR. McCORKLE: Sir.

22 MR. TOTEMOFF: Just have couple of couple of questions.
23 Throughout the documents I see something that says, develop
24 language satisfactory to DOJ. DOJ and DOL could implement
25 enforcement divisions. What ...

26 MR. SWIDERSKI: That -- that is referring to the

1 conservation easement I mentioned earlier, in that the way that the
2 State of Alaska will ensure itself that lands acquired by the
3 Forest Service are managed (indiscernible - coughing) and maximize
4 restoration will be for this -- United States to convey to the
5 state conservation easement in those lands, and similarly lands
6 that are acquired by the state will have a conservation easement
7 held by the United States to allow that enforcement.

8 MR. TOTEMOFF: Second question was, did Akhiok and
9 Kaguyak, I know they're having their special shareholders meeting,
10 has that occurred, and (indiscernible) approval?

11 MR. SWIDERSKI: That has occurred and they have, as I
12 understand overwhelmingly approved proceeding with the acquisition.

13 MS. McCAMMON: And Old Harbor was yesterday, and ...

14 MR. SWIDERSKI: And they also ...

15 UNKNOWN: They also approved.

16 MS. THOMAS: I had a question on this Tatitlek parcel,
17 07.

18 MR. SWIDERSKI: Yes.

19 MS. THOMAS: I know that most of that parcel has been
20 logged, or a good portion of it.

21 MR. SWIDERSKI: That's right.

22 MS. THOMAS: So, what does it mean when you're buying
23 a conservation easement for something that's already been logged.

24 MR. SWIDERSKI: Well, several things. And, interestingly
25 enough, this parcel, even logged ranked high. And, the biologist
26 ranking the parcels thought that if it had not been logged, it

1 would have been one the very highest ranked parcels. But, there
2 are other concerns besides logging, there are other kinds of
3 developments that we would be concerned about and would like to
4 protect against. Again, candidly, the fact that it's logged means
5 that the price will probably be quite low, certainly much lower
6 than it had not been logged, and so I think the way the Council
7 looks at that, is this is a way to acquire land that has high value
8 for restoration, even though it may not have a lot of economic
9 value, it does provide habitat for injured resources at a modes
10 price. There is also some timber on that land that has not yet
11 been harvested. There is some possibility of -- I think at this
12 point it's described as remote, we'll be able to acquire that yet
13 unharvested timber. Yes, Chip.

14 MR. DENNERLEIN: Just a follow up question on that,
15 Alex. As you move forward, the greatest economic value of that
16 would obviously be timber.

17 MR. SWIDERSKI: That's correct.

18 MR. DENNERLEIN: Now, we're buying a conservation
19 easement, at a certainly reduced price because it's greatest
20 economic value is gone. But, if we're going to pay 90 percent of
21 -- you know, if 90 percent of the economic value is gone, why --
22 why would we not try to go ahead and by the fee, than pay a
23 conservation easement when the timber has been harvested and it
24 won't cost us that much to buy the rest of the ground.

25 MR. SWIDERSKI: We would love to be able to buy the fee,
26 but Tatitlek won't sell fee. That's in each, I think in every

1 instance where we are discussing conservation easements, because
2 the sellers aren't willing to sell fee.

3 MR. BECKER: Yeah, Alex, I just a question to clarify
4 something Chip asked. In that cross-hatched yellow area then, that
5 has been logged, am I correct that no unlogged portions are being
6 sold -- any conservation easements in the unlogged portions? Are
7 your strictly buying the logged portions?

8 MR. SWIDERSKI: As in the Two Moons Bay, all of -- I think
9 all of Two Moon Bay has either been logged or the timber has been
10 sold, and there's, as I indicated earlier, a possibility, although
11 I believe it's remote, that we may be able to acquire the timber
12 from the company that's (indiscernible) for that (indiscernible)
13 timber. Now, essentially that -- I think in effect, my expectation
14 is that we're going to end up negotiating for (indiscernible).

15 MR. BECKER: So, it will strictly be the logged over
16 lands, approximately half of that area has been logged over. It's
17 just -- I just find this an interesting precedent that's being set
18 here, and I wonder what percentage of the fair market value is
19 being paid for this land, and I also want to find out if the
20 conservation easements are in perpetuity?

21 MR. SWIDERSKI: Karl, all of the conservation easements
22 I've described are in perpetuity. Percentage paid, if you mean
23 percentage if it had timber on it, you know, timber would be
24 probably 75 to -- and this is just right off the top of my head --
25 75 to 90 percent of the value of the land. So, presumably we're
26 paying some portion of 10 to 25 percent of the value of that land

1 had we -- had we -- were we buying -- buying it in fee simple
2 timber on it.

3 MR. BECKER: And how -- how was the determination made
4 that that is still land valuable to the injured resources and
5 services, that is being purchased?

6 MR. SWIDERSKI: The comprehensive analysis that I
7 described earlier where we had a team of biologist and lands people
8 from -- actually I think we began with -- really with the -- at --
9 report by the Nature Conservancy, that identified parcels for
10 possible acquisition, and then proceeded to take those and put --
11 subject them to an analysis by biologist and land managers, to
12 identify those parcels that had the most potential for restoration.
13 As I understand that process, it involved looking to see how many,
14 or how populated these parcels with the various injured species,
15 their productivity for anadromous fish or the other injured fish
16 species, the cutthroat trout, the trout, dolly varden, their value
17 for recreation of wilderness values. The Two Moon Bay, that
18 peninsula there, and, in fact, I do have with me, and I haven't
19 looked at this before today, but (indiscernible) if you got teal
20 book today, but this volume is available. It was published in
21 November, does -- if we look under Tatitlek, under Two Moon Bay,
22 and maybe I can just go through here and identify the -- those
23 things that were high, just to give you an idea. High value for
24 bald eagles, pink salmon, dolly varden, cutthroat trout, Pacific
25 herring, black oystercatchers, harbor seals, intertidal and
26 subtidal biota, river otters, sea otters, archeological resources,

1 recreation and tourism, which I guess surprises me, and subsistence
2 use.

3 MR. BECKER: Further question to follow up on that. As
4 I recall that Nature Conservancy analysis was done several years
5 ago. That isn't -- that isn't really current.

6 MR. SWIDERSKI; That's right, I think it was done in '92,
7 '93.

8 MR. BECKER: And, several years ago there was
9 considerably more timber on that -- that property, am I to
10 understand that those resources that you just mentioned somehow are
11 better served by the cut over land?

12 MR. SWIDERSKI: No, I don't that would -- I don't think
13 that's the case, and I'm not a biologist. The Nature Conservancy
14 analysis is not what I was just referring to and identifying. What
15 this parcel has been highly ranked for. This analysis was done
16 this past summer, and in -- and recognizing that the -- extent of
17 the cut over out there.

18 MR. McCORKLE: I'd just like to perhaps add a point too.
19 I think we should not that these -- most of these parcels with the
20 conservation easements are purchased with the covenants of that use
21 in perpetuity, and that land will come back. So, just because
22 there isn't a tree there is year, there will be a year there some
23 year, and I speculate that the value of the land will be even
24 greater when that occurs.

25 MR. SWIDERSKI: Chip.

26 MR. DENNERLEIN: Question on the easements on

1 Tatitlek. They are -- did they include public access and no other
2 development.

3 MR. SWIDERSKI: Yes, they do include non-commercial public
4 access, and by that I mean, if you are a commercial kayak guide or
5 hunting guide, you have to get permission from the Community of
6 Tatitlek to take your clients out there. But, for the recreational
7 (indiscernible) you have -- they are proposing public access and
8 then they impose a -- I think they're going to ask us for a permit
9 system, where they can require that private users get permits, but
10 there would be public access to it.

11 MR. DENNERLEIN: And, no other commercial development?

12 MR. SWIDERSKI: That's right. They're not asking for any
13 commercial development, at least they haven't yet.

14 MR. McCORKLE: No commercial use of the land, it says
15 right here, but subsistence.

16 MR. SWIDERSKI: But, no, I think no commercial development
17 in the sense of they haven't ask us to put in for an agreement to
18 allow them to put in lodges or whatever.

19 MR. DENNERLEIN: A lodge in Two Moon Bay.

20 MR. McCORKLE: Yeah.

21 MR. SWIDERSKI: Right, now, there hasn't been any
22 discussion on that, and there are some homesites in Two Moon Bay,
23 and a couple of other places, some other places have, I think
24 primarily in Two Moon, and we're not -- frankly, we're not far
25 enough along that we would really address those. Yeah, Karl.

26 MR. BECKER: She had a question.

1 MR. McCORKLE: Does Pam have a question. Let's try Pam
2 first (indiscernible - simultaneous talking)

3 MS. BRODIE: Thank you. My question also refers to cut
4 of the land. Under the State Forest Practices Act, the owners are
5 required to make sure that their land is re-forested either
6 naturally, sometimes the trees grow back naturally, but if they
7 don't they have to plant. With Tatitlek, is the land growing back,
8 and if not, or if you don't know, does -- is the state taking over
9 the responsibility to do the reforestation, or would that cost
10 still belong to Tatitlek. And, I have another restoration cost
11 that -- I shouldn't say the state will end up, the Trustees will be
12 responsible.

13 MR. SWIDERSKI: That's a good question. I think it's not
14 entirely answered. I can tell you that, for example, Seal Bay
15 there had been some cutting there and in that instance part of the
16 agreement was that Seal Bay would be responsible for compliance
17 with the Forest Practices Act. In the case of Tatitlek, we really
18 haven't to had what I would consider to be focused discussions with
19 respect to that issue. I mean a couple of possibilities are to
20 leave with Tatitlek and the logger the responsibility for
21 reforestation. Another possibility that has been proposed is that
22 the Trustee Council take it on, obviously subject to some work as
23 to what it would cost, as a pilot project, in terms of restoration.
24 Is it possible to identify cost effective reforestation efforts
25 that can be undertaken, in a -- possibly in conjunction with the --
26 there is a project, and I don't know the number, I mean -- do you

1 recall, Molly, where were identifying working with landowners to
2 identify ...

3 MS. McCAMMON: I'll find it. 95058.

4 MS. SWIDERSKI: Identify either cutting plans or
5 reforestation plans that would enhance restoration. Those kinds of
6 things can be -- I don't know if they will be here, but, I mean --
7 I have -- and I don't make these decisions, obviously, but, it
8 would seem to me to be something that might have the potential to
9 give us a fair amount (indiscernible) in terms of restoration and
10 reclaiming this land. But, I don't know the answer by any means.
11 Chip.

12 MR. DENNERLEIN: I got -- if I can just ask one -- I
13 can talk with Glen later on, I would like to know a little bit more
14 -- I guess Kodiak is a done deal, but I'd like to know a little bit
15 more about the (indiscernible) parcel without Sturgeon and Karluk,
16 that -- that acquisition. Other -- I've been over most of this
17 land by water and foot, a good portion of it, and I -- I really
18 commend a lot of the negotiators of the framework of some of the
19 deals. I think that the AKI deal pieces together very well, the
20 mix of where you're going with Chenega, I don't say that just
21 because Chuck is here, I think it's real heads up and it looks like
22 it is a winner for both sides. I mean, it looks good. I -- On the
23 deals that are not completed, or where Pam had a question and Karl
24 and I on how do we participate, input, whatever on something
25 Tatitlek where there are unanswered questions before we're
26 presented with a -- or the Council is presented with a done deal

1 that we either have to dislike or like.

2 MR. SWIDERSKI: I think, particularly with respect to the
3 questions that have been asked about Tatitlek, and Two Moon Bay,
4 the cut over land, you know, I would certainly -- if the PAG is
5 interested in participating in that, in a sense, although there's
6 a lot of work to be done on these deals, a lot of the decisions in
7 a sense, you know, to make offers, have already been made by the
8 Council. But, for example, with respect to Tatitlek getting
9 someone from the Habitat Work Group in here to talk to you about
10 why -- what is it about this process that allowed cut over land to
11 rank -- to rank high. You know, that would be your decision to do
12 that.

13 MR. DENNERLEIN: Well, if it's appropriate I'll just
14 follow up and say this might be for those who are interested, an
15 appropriate little work group briefing, if that's appropriate. I
16 don't know the format, but I think there's some value in -- at
17 least in the conservation constituency that I represent, could sort
18 of learn a little bit and get more comfortable with the deal before
19 it comes forward for, sort of up or down decision.

20 MR. SWIDERSKI: I think that would be -- this would be the
21 time to do that. Okay. Actually, you had a question, too?

22 MR. BECKER: I was actually curious about the McCarty
23 Fiord area, which I don't think we've touched on. Did I miss that
24 one?

25 MS. McCAMMON: Kenai Fiords?

26 MR. BECKER: No, McCarty Fiord as -- like Desire Lake.

1 MR. DENNERLEIN: Yeah, that's the Kenai.

2 MR. BECKER: Is that one that we're going to get to, or

3 is that ...

4 MS. McCAMMON: Yeah, was going to speak to that.

5 MR. SWIDERSKI: Okay, you're going to do that?

6 MR. McCAMMON: Yeah, unless you want to.

7 MR. BECKER: I have one last question regarding Eyak.

8 I notice on that map there that the targeted viewshed analysis is

9 Shepherd Point. Was that the only vantage point looked at in terms

10 of decisions regarding land exchanges and conservation easement

11 purchases?

12 MS. McCAMMON: There were three points that the viewshed

13 analysis was done. We have maps with three points on them.

14 MR. BECKER: Okay, I was going say, I didn't know, but

15 I would think -- usually they do it from more than one -- more than

16 one point.

17 MS. McCAMMON: There were three, and I have some other

18 maps that show -- show that, upstairs too, that I could show you.

19 MR. BECKER: And, I think the map is -- is -- the map

20 is also, you know, it's in an illustrative aid, I mean, it's not,

21 I don't think the map itself didn't define the Orca Narrows

22 viewshed. I mean it's just used as one of the aids to

23 (indiscernible - simultaneous talking).

24 MS. McCAMMON: To determine where the viewshed was.

25 MR. BECKER: Right, I guess though, I assume from

26 looking at that map, that the areas in cross-hatch areas that are

1 sensitive from a particular vantage point from the viewshed.

2 MR. SWIDERSKI: From that -- from that specific point.

3 MR. BECKER: Right.

4 MR. SWIDERSKI: Half mile, of course, is going to change
5 ...

6 MR. BECKER: Exactly, and I guess I haven't taken a
7 close enough look to see where the star is on that map, but is that
8 viewshed area a composite of several different vantage points, or
9 just -- is that map only representing the vantage point from
10 Shepherd Point. And, I guess -- it goes to getting me a better
11 idea as to what land parcels the Trustee Council is possibly be
12 going to exchange or acquire conservation easements on. I can't
13 ...

14 MR. SWIDERSKI: I don't know the answer to this specific
15 question, and it may be right on the text of the map.

16 MS. McCAMMON: I believe it's just visible from Shepherd
17 Point.

18 MR. BECKER: From what visible right from that point is
19 typically the way (indiscernible)

20 MS. McCAMMON: Right, but we do have maps that show it
21 from three other points, and I have those upstairs if you'd like to
22 see those.

23 MR. BECKER: Okay, I guess the last question, this is
24 absolutely the last question, is what part of the core parcel fell
25 out in -- during negotiation process. It went from 15,000 acres,
26 I think, down to 11,000 or 4,000 acres (indiscernible).

1 MR. SWIDERSKI: I know, but I don't think as well as Dave
2 does.

3 MS. McCAMMON: Dave.

4 DR. GIBBONS: Yeah, there's -- there's actually five
5 pieces that fell out. There's a -- I'd have to show you on a map,
6 but there's a part off the Power Creek Road, that's about 238
7 acres, I believe, potential housing. There's a city -- with --
8 water withdrawal on Section 27, I believe, for about 50 acres.
9 There's a section right before the bridge over Eyak River, that's
10 a withdrawal area for potential housing development, and there's a
11 portion on the lower Eyak River, again for housing development
12 again, flat -- flat developable land. And, then there's a power
13 withdrawal for Power Creek, which is less substantial. It's all in
14 there. Those -- those are the five that come right -- right to
15 mind.

16 MR. BECKER: And they all withdrawn by Eyak?

17 DR. GIBBONS: They were all withdrawn by Eyak or the
18 city. The one by the city on there, 14C3 -- entitlement.

19 MS. THOMAS: I just have a question on that last one
20 you mentioned, the Power Creek parcel. Was this in relation to the
21 hydroelectric project?

22 DR. GIBBONS: It's in relation to Whitewatering, Inc.,
23 the permit for developing the hydro.

24 MS. THOMAS: So that if this purchase goes through,
25 that would leave the land still available for this project?

26 DR. GIBBONS: That's correct.

1 MR. McCORKLE: I'd like to about -- address perhaps all
2 of the presenters, by understanding in studying this somewhat in
3 the past, and discussing some particulars with the land appraisers
4 from almost all of these parcels, that if we presume that these go
5 ahead as set forth on these -- on this spreadsheet, with the
6 exception of those who have already gone ahead, that we're pretty
7 much not able to make any new arrangements until the deals are
8 turned down. So, if we haven't brought to point, the Forest
9 Practices Act, or those kinds of considerations, they're really not
10 on the table. And, it might be instructive for us to make a note
11 of that for suggestions in the future, that where we do think that
12 the purchase of logged off land, or other -- land otherwise used,
13 that those -- those practices be part of those negotiations. It's
14 really too late to add it at this point as I understand that.

15 MR. SWIDERSKI: No, not with -- I mean, to the extent
16 we're addressing Tatitlek, well, I would say those issues are very
17 much still on the table.

18 MR. McCORKLE: Oh, they are.

19 MR. SWIDERSKI: Certainly -- what -- who is responsible
20 for the -- for the Forest Practices Act compliance, whether we
21 require additional enhancement activities, in a sense the decision
22 whether or not to proceed with the entire deal, I mean the Council
23 has made an offer, which, of course could be withdrawn, and the
24 Council has made that initial determination.

25 MR. McCORKLE: Well, how -- how realistic is it really to
26 contemplate that additional conditions could be written in, even to

1 the Tatitlek program.

2 MR. SWIDERSKI: I would think that requiring -- I wouldn't
3 expect any particular problem requiring compliance with Forest
4 Practices Act.

5 MR. McCORKLE: Well, then that might be something that
6 the PAG would like to address as a matter of a point of suggestion.

7 MR. SWIDERSKI: Yeah.

8 MR. McCORKLE: Thank you, very much.

9 MR. SWIDERSKI: I think, I mean I can't, you know, I'm
10 just guessing at where they would come from, but in my view that is
11 something that was done in -- being negotiated.

12 MR. BECKER: You know, in a like manner, I would assume
13 that the -- it would be within the purview of the PAG to make
14 comments on particular conditions, such as the purchase of logged
15 over land, and I wouldn't suppose the Trustees who can change their
16 mind whenever they want, would also withdraw that option, or at
17 least change the value of their offer, I mean, I don't think that
18 just because the offers made, it can't reduce that, it can't be
19 withdrawn or modified.

20 MR. SWIDERSKI: You know, some of the offers, and I guess
21 I don't remember right, and I could probably look in here and find
22 it, I have the resolution, some of them do allow withdrawal. You
23 know, certainly, I think, you know, there is some good faith nature
24 to an offer that you make an offer to a corporation subject to an
25 appraisal that's to be conducted that summer, and while it's not
26 legally binding, I think the Council would, only with very good

1 reason simply withdraw the offer.

2 MS. McCAMMON: I think, Alex, another thing that should
3 be noted is that the Council's goals in the large parcel process
4 was to make the -- the greatest attempt to acquire land that's
5 valued as high -- that has high value for restoration purposes.
6 And, so that -- that was the target. But, when you come to
7 actually negotiations with the landowners, you know, if they say,
8 heah, we don't want you to high grade our land, you know. We want
9 to look at a comprehensive package, so in almost all cases, it's a
10 mixture of high, moderate, and low, and even the low value land has
11 high value for a number of species. So, when you look, you can't
12 look at just one individual parcel necessarily, a lot of these are
13 packages, I mean, they're kind of comprehensive. So, when you look
14 at logged over land in Tatitlek, I mean this actually could be one
15 of the better deals in the sense of getting logged over lands that
16 still is ranked high. I mean this is pretty amazing to still have
17 it ranked high even though it has been logged. So, you have to
18 look at the whole package and not at individual segments
19 necessarily.

20 MR. McCORKLE: And, also there is nothing to say that the
21 Trustee Council can't come up with some bucks to do reforestation.

22 MR. SWIDERSKI: Yes, I really need to second what you say,
23 Molly. It's very true in many of these negotiations. We have been
24 advised by sellers, Tatitlek among them, that they would not be
25 high-graded. If we wanted to buy the high value, we were going to
26 have to take -- take others and eventually you come to the point

1 where, well, thanks, but no thanks, or you bite the bullet and take
2 that, and I agree that in many instances, you know, the high value
3 is high value for restoration purpose, but that doesn't mean the
4 low value is without that. I mean, we have already acquired some
5 low value land for restoration purposes, and I'm sure we'll acquire
6 more just because it comes with the high value. So, I mean all of
7 that sort of falls in with into the hopper. So, it's not real
8 black and white question.

9 MR. McCORKLE: If I may, I understand there's another
10 presentation to be made.

11 MS. McCAMMON: I have a very short -- it'll probably take
12 about three minutes.

13 MR. McCORKLE: Perhaps we should -- should defer to
14 Molly, and then see where we go next. Thank you, very much.

15 MR. SWIDERSKI: Thank you.

16 MS. McCAMMON: Most of the -- most of these packages that
17 we've discussed were in the form of offers that were proposed by
18 the Trustee Council at meetings in November and December of last
19 year. There was also an additional resolution that they passed to
20 continue negotiations with Port Graham and English Bay Corporation
21 for possible acquisition of lands within Kenai Fiords Park, and
22 that's that -- the map on the back there. Since the December
23 resolution, a negotiating team was established, and we have had
24 discussions with both Port Graham and English Bay. English Bay is
25 interested in selling all of their lands. However, there's a wide
26 discrepancy in value at this point between what the Council staff

1 believe the value of that land is versus what English Bay would
2 like to see achieved for that. And, at this point we're not close
3 on value, and their not interested in selling just a portion of
4 their land at this time, they want to sell all of it. At least,
5 all of the unholdings within the park. In the case of Port Graham,
6 working with the park service in Kenai Fiords Park, we identified
7 key bays, and key areas that we were most interested in acquisition
8 and had discussions with Port Graham Corporation. They're not
9 interested in selling those high value parcels. They are
10 interested in selling some of their lower value, but these are
11 areas that the Council at this point is not interested in. The
12 talks have been very cordial, and basically we agreed to keep
13 communicating in the future, but at this time there is no actual
14 deal that is coming together on Kenai Fiords. I would expect that
15 we'll just continue communication, and next fall just see if
16 anything has changed during that interim.

17 The other aspect of habitat protection program was that last,
18 let's see, I think January of '94, the Council authorized a small
19 parcel program, and this was for parcels of less than 1,000 acres.
20 As part of that, the Council went out through a public solicitation
21 process last summer for about two months and receive about 250
22 nominations. They had to go through the threshold screening, and
23 after the threshold screening, more than half of them dropped out,
24 primarily because either they weren't in the spill area or had not
25 linkage to injured resources, but in most cases because there was
26 no government agency that could naturally take them over and manage

1 them. It didn't make sense to be -- to go into public ownership.
2 Of the remaining lands, those were evaluated and ranked, using a
3 variation of the -- of the same kind of evaluation process used for
4 large parcels. It was targeted more towards the kind of
5 characteristics you see in small and more strategic parcels, so it
6 was a different kind of evaluation. But, of that, 19 parcels
7 received either high or moderate values on that basis. At their
8 February 13 meeting, the Council authorized the go-ahead for
9 preliminary negotiations on those, as well as parcels that were
10 identified as meriting special consideration. There were some
11 parcels that -- the way the evaluation process was set up, it
12 didn't quite capture the value of those parcels, and so the six
13 Trustees had to agree on which ones were ranked low, but merited
14 special consideration, and they agreed to put five additional
15 parcels into that category. So, right now, there are a total of 19
16 parcels that are high, moderate, or meriting special consideration.
17 In addition, the Council opened it for an month's worth of new
18 nominations, because since last summer there have been additional
19 parcels that have been identified that have gone on the market and
20 sellers are interested now. I know of at least five that have been
21 nominated and reviewed and of those two additional ones were ranked
22 high, and these are at Deep Creek and Soufonka tract (ph) on Kenai
23 River, so we now have about 21 parcels that are under active
24 negotiation. There may be a few more that come through this
25 additional, kind of second round. And, what the Council has asked
26 is that we begin preliminary negotiations with the landowners, look

1 very carefully at them, start getting an idea of what price is
2 going to be needed for these, and come back to the Council with a
3 recommendation on how to proceed in mid-June. And, this was one
4 aspect that I think we will look very highly to the Public Advisory
5 Group to help kind of figure out and sort through these as to which
6 ones are the highest priority for restoration purposes, because if
7 all the landowners were willing to sell and we could reach
8 agreement on value, which is always a sticking point, but if we
9 were, certainly they're -- they are more parcels and the price is
10 going to be lot more than we have money available. So, I think it
11 will be -- what I would like to do is at our April meeting is have
12 a session on small parcels and go through them individually and get
13 some feedback from all of you on what you think, kind of the
14 priorities, some of the priorities should be.

15 MS. BRODIE: When will the Trustees be making decision
16 about this round of small parcels?

17 MS. McCAMMON: Could be around June 15th, or we could cut
18 it for another couple of months at that time. It kind of depends
19 on where things are. But, this is a spreadsheet that shows you the
20 parcels that are in the mix, these are going out for public review
21 in our newsletter, we'll be -- we've made initial contact with the
22 landowners, and these are ones that are under active consideration
23 right now. And, there's some real -- there's some real gems in
24 here in terms of high value to the resources, the services, and to
25 the local communities too.

26 DR. FRENCH: Molly, you probably said it and I missed

1 it, but are you still accepting nominations or not?

2 MS. McCAMMON: Until the end of March -- March 31st, yes.
3 And, then kind of this period closes. People can still submit
4 after that, but they won't be considered in this round, by June
5 15th. And, I guess, the kind of decisions that we have to make is,
6 you know, this is part of what we're looking at and when you start
7 looking at the sheet and this is what you have to consider, and
8 what we're considering now in the next month, is how much money to
9 put in the work plan, how much money is going to be available for
10 small parcels, assuming all of these large deals, and at this point
11 we have to assume the large deals are going to come in at the cap
12 even though they may come in at less than the cap. But, in terms
13 of planning purposes, where -- you know, a lot of this, a lot of
14 the work right now is getting kind of front-loaded. If we still
15 have -- we still have committed to the restoration reserve, it --
16 we definitely end up with a cash flow issue here, and there are
17 choices that need to be made right here. And, one of the things
18 we'll try to do at your next meeting is present it in kind of a
19 graphic way that helps kind of focus all of you on where those
20 choices lie and kind of look for some ideas on what your thoughts
21 are in making those choices.

22 MR. McCORKLE: Is there anything further?

23 MS. McCAMMON: That's it for today.

24 MR. McCORKLE: Are we finished? Oh, another question.

25 MR. KING: I got a question.

26 MS. McCAMMON: Other than the fact we do have an open

1 house. The public has been invited, I know we have couple of the
2 Trustees coming, and there are refreshments that are going to be
3 set up here. And, there's also a tour of the library next door,
4 too.

5 (Aside comments)

6 MR. KING: I just wanted ask Glen Elison what
7 percentage of the old refuge is restored with the purchases he
8 outlined? Does that pretty much put it back together?

9 MR. ELISON: Yes.

10 (Off Record 5:10 p.m. March 23, 1994)

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PUBLIC ADVISORY GROUP
MEETING TRANSCRIPTS
MARCH 23-24, 1995
V. II

EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

March 23-24, 1995

VOLUME II

March 24, 1995

1 and, she is going to go through some of the items that she is
2 working on and answer any questions you might have on those items.
3 So, Traci.

4 MS. CRAMER: Thank you, Molly. Three items that I
5 would like to discuss today is the necessity to audit the funds
6 associated with the joint trust that is currently maintained in the
7 U.S. District Court, in the Court Registry Investment System, and
8 the audit of funds on projects that have occurred over the last
9 four years in which the funds, the joint trust has been created.
10 To date, there has not been an audit, a formal audit on the joint
11 trust. We have been providing the Trustee Council accounting on a
12 monthly basis, but we have not gone in and done a formal audit of
13 the funds. In February we commissioned a firm in Southeast Alaska,
14 Elgee, Rehfeld & Funk, to a review of our trust funds. We were
15 happy to find out that the information that we were providing was
16 accurate -- was correct with the information -- based upon the
17 records that we provided them. It was not a full audit. We are
18 evolving into an audit of the funds themselves. We want to go out
19 on RFP this summer, and when I say an audit of the funds, we have
20 a \$900 million settlement, we have no balance sheet, we have no
21 income statement; we have to do that. The second item that we want
22 an audit to accomplish is a review of the lapse, the unobligated
23 balance from previous projects. In '92, '93 and '94, the projects
24 are complete. We need to ensure that the funds are being reported
25 as available for further appropriations is accurate. In addition,
26 we need to begin the process of a annual compliance audit starting,

1 I think, in '94 to ensure that the funds are being used for a
2 purpose in which they are appropriated. The financial operating
3 procedures do recognize that each of the governmental entities have
4 audit functions. We are confident that the agencies are using
5 those audit functions and the controls that are in place. We want
6 to, however, also do an annual audit to ensure that they're using
7 the funds for the purpose in which they are appropriated. When the
8 Trustee Council says that they want to spend \$100,000 to review
9 harbor seals, we want to make sure that that \$100,000 is being used
10 for harbor seals, and not being used for other purposes outside of
11 oil spill or outside that project. That is one of the things that
12 that we need to do for accountability purposes. The second item
13 that Molly has asked me to talked about today is the budget
14 process. I think you all know that the draft budget -- the
15 detailed project descriptions are due May 1st. In addition to
16 that, we are asking that the budgets come in at that time. Unlike
17 previous years, that will give us approximately two months to
18 review the budget. When we review the budget, we're going to be
19 looking to ensure that they are consistent with the draft -- with
20 the detailed project descriptions, that they are within the terms
21 of the agreement and the MOA, that they are accurate in
22 relationship to cost, and that all sharing of those costs
23 coordination has been taken into account. If you have one -- one
24 survey taking place, you might be able to take advantage of the
25 fact that you've already mobilized some costs to do that survey,
26 and you should -- we have to -- to look at those items, and I think

1 with the budgets coming in May 1st, unlike previous years, we're
2 going to have the opportunity to do that. One area that we're not
3 going into at this point, is looking at each project component by
4 component. Going in and saying, if you're doing five things in a
5 project, what are those five individual costs associated with that
6 project. We haven't quite gone to that level yet, but we will be
7 looking at it in relationship to costs and coordination of effort
8 so that we may be able to find some savings there. The third item,
9 which I'm going to ask Cheri to hand out is a statement that was --
10 has been in effect for the, I think the last six months, well, the
11 last two months as a statement of revenues and disbursements and I
12 think there was a question yesterday about, how much money do we
13 have, and what is our future receipts look like. The report that
14 you're receiving has been adjusted from previous reports, but this
15 is the, what we broadly refer to as the revenues, disbursements and
16 fees report, and the statements attached. It clearly outlines what
17 we have available today if we were to spend all of our money, what
18 we anticipate to have by the year 2002 based upon further receipts.
19 It does not, however, take into account the chart that was in the
20 book that Bob talked about yesterday, of what we expect to spend.
21 You'd have to refer back to that. You'd see we have \$520 million
22 available through the year 2001, but of that \$520 million
23 available, the Trustee Council has programmed over the years
24 substantial expenditures and habitat acquisition and work plan
25 expenditures that will eat up that balance, and it's our role to
26 ensure that the funds are used to its highest potential. That in

1 a nutshell are the three items, the audit, the budget and the
2 revenues and disbursements that Molly asked me to talk about. I
3 don't know if there are any questions. I know you just received
4 the report.

5 MR. McCORKLE: If there are questions, would you please
6 just go ahead and direct them to the presenter, so we'll be able to
7 save a little bit of time. I can lead off with a question, if
8 there aren't any -- with respect to the audit, you discussed
9 problematic compliance audits, I'm really familiar with what those
10 are, who is going to do that?

11 MS. CRAMER: We will be going out for RFP for the
12 audit.

13 MR. McCORKLE: Okay, so they'll be looking for what kind
14 of -- of service provided will you be looking for?

15 MS. CRAMER: At this point in time, we're -- we're
16 still trying to determine what the scope of that audit will be, and
17 to the extent that we are going to go, I think what we're looking
18 at currently is the federal fiscal year '94, the '94 work plan, and
19 each year thereafter going back. I have not in my mind come up
20 with an answer to that question.

21 MR. McCORKLE: Thank you. Anybody else? We have the
22 money expert here. A chance to ask some questions that you may
23 have along the way.

24 MS. CRAMER: Obviously the report is good, huh?

25 MR. McCORKLE: Well, I think you have scored a smash hit
26 -- oh, there's a question.

1 MR. BECKER: Yeah, when you were talking about the --
2 when you were talking about last year's review by that Ketchikan
3 firm, you hesitated to say accurate. You said "correct with
4 information." What's the distinction and why is that?

5 MS. CRAMER: The distinction is that what the firm is
6 they came in and it was this February, not last year, what the firm
7 did is they came in and they reviewed the documentation that we
8 had. We have court documents that reflect how much our fund is at
9 a certain point in time. We have records that have been kept that
10 reflect what we have withdrawn. They did not go in and do an
11 audit. They didn't call the Court Registry Investment System and
12 confirm that the information that I was providing was accurate,
13 they did not review the calculations of interest and fees that the
14 Court Registry Investment System is charging us and providing to
15 us, so, they did simply a review and not an audit. In an audit you
16 would actually go in and verify, go through the minutes to ensure
17 that what the administrative person requested from the court was
18 exactly what the Trustee Council has -- had approved in that
19 meeting. So, they did not do a full audit. They simply reviewed
20 the documentation.

21 MR. McCORKLE: Pam.

22 MS. BRODIE: Are you -- do you work at all on the
23 reimbursement money?

24 MS. CRAMER: The reimbursements that are due the state
25 and federal ...?

26 MS. BRODIE: Pre -- for pre-settlement expenditures.

1 MS. CRAMER: My only role in relation to the
2 reimbursement is to ensure that the balance of the annual payments
3 is accurate, so Exxon gives us \$7 million a year and we give a
4 certain sum to each of the governments, and that amount doesn't go
5 to CRIS -- that's what my role is.

6 MS. BRODIE: Because, it seems to me there was a firm
7 that was auditing them. I don't know what the status of that is,
8 and also I know that in this hot pink book that we got yesterday,
9 estimated future reimbursements are \$26.3 million, and I wondered
10 why three and a half years after the settlement there are still --
11 it's still unknown how much needs to be reimbursed.

12 MS. McCAMMON: Mr. Chairman, if I could -- first of all,
13 the state has contracted with an audit firm, and they have prepared
14 -- they have an audit in draft form, it's not completed, but they
15 have been put in with an audit on their pre-settlement
16 expenditures. I don't -- I'm not sure if the federal government on
17 their side is doing the same kind --. Part of the reason for the
18 state audit is because the expenditures go back into the 470 Fund,
19 and so they have, I believe, taken an additional step in the form
20 of an audit to verify those expenditures. The -- it is known that
21 the \$26.3 million is an accurate number for what is expected to be
22 taken as reimbursements, and I believe, as Craig mentioned
23 yesterday, it's been the governments' view that they look at the
24 annual restoration needs and determine when they will take those
25 reimbursements. They have chosen -- they are entitled to take
26 those now, they were entitled to take them last year, the year

1 before. They have chosen to look at the annual needs and make a
2 determination on when they will take them, but they were entitled
3 to them. These are expenditures that were made prior to the
4 settlement and they're entitled to those expenditures.

5 MS. BRODIE: I understand that, yeah. But -- so, the
6 \$26.3 is the actual number.

7 MS. McCAMMON: That's correct, that's correct. And,
8 these are not numbers that the Trustee Council has any authority
9 over at all.

10 MS. BRODIE: Thank you.

11 MS. CRAMER: I might add though that when we do an
12 audit of the joint trust fund, I think that that is material, and
13 that there may be a desire by the audit firm to look at those
14 reimbursements, but I don't know if they will look at them, or
15 simply recommend that we review them.

16 MR. McCORKLE: Was there another questions? Yes, Chip.

17 MR. DENNERLEIN: You -- obviously, the Council is
18 spending money for a wide variety of projects of different
19 complexity. I mean, example on the board is one you -- you know --
20 you pay somebody for land, and the other demonstration is a very
21 detailed capital project with all sorts of accounts and
22 expenditures. Are you going -- are we going -- is this audit going
23 to track -- will we look at the different by projects expenditures
24 of both the habitat acquisition, the science, capital projects,
25 will there be a system at some point to look at all those projects?

26 MS. CRAMER: What an audit would do is review to ensure

1 that the funds that were appropriated are being used for the
2 purpose in which the Trustee Council requested. What you're, I
3 think, talking about is more in relationship to the budget. When
4 we review it and start putting projects into the little pigeon
5 hole, and this how much we're going to spend for this, that and the
6 other. The audit is really not going to ...

7 MR. DENNERLEIN: It won't go down to the level of
8 detail as to once all the money went to a given projects, it was
9 spent, or ...

10 MS. CRAMER: We can't afford -- I mean an audit -- we
11 can't afford every project to look at and we'll have to make some
12 choices in -- the auditor -- we'll have to make some choices when
13 they respond to the RFP, and there may be some items that we ask
14 them to look a little bit closer at versus some other types of
15 appropriations.

16 MR. DENNERLEIN: Okay.

17 MR. McCORKLE: Thanks, Chip, and also Traci, a good
18 fielding of some tough questions. No doubt when you frame the
19 parameters of the audit, some of those questions can come back to
20 mind, and we appreciate that you haven't quite done that yet, and
21 it will be coming along soon, so we want to thank you in advance.
22 Are there some more questions? Well, thank you very much. Escape
23 quickly, leave the room -- or was there another question, I'm sorry
24 Dave.

25 (Aside comments regarding available microphone.)

26 MR. COBB: Do you have any idea what an audit will

1 cost for a project or a fund of this magnitude?

2 MS. CRAMER: Well, I'm getting a better idea
3 (indiscernible - laughter). In the '95 work plan, there's
4 programmed a \$100,000, I think, \$60,000 on the state side and
5 \$50,000 on the federal side. With that money it's -- I envision
6 we're going to do an audit of the joint trust fund, and we are
7 going to confirm the balances of the previous projects that have
8 been closed out, and ensure that the controls are in place, that
9 the Trustee Council fund is being used only for Trustee Council
10 activities, that the interest that is being accrued is being
11 accrued to the fund and that we are maximizing that interest.
12 That's probably going to eat up our \$100,000. Now, when we start
13 -- we need to start in '95 also a compliance audit on '94, and we
14 can begin some of that. I'm not sure how far we can get with
15 \$110,00.

16 MS. McCAMMON: Mr. Chairman, I -- I think it's fair to
17 say there is a balance between, I mean, we could spend millions of
18 dollars on audits, and I don't think we want to go to that extent,
19 and for the most part, I think what we want to ensure is that all
20 of the figures that we are using are accurate. That we are getting
21 the actual numbers, that the money is being spent properly as the
22 Council ensured, but I don't think we're going to be able to
23 afford, nor even desire to go into the nitty-gritty level with this
24 \$50 for xerox paper really spent, and to that level.

25 MR. DENNERLEIN: And, maybe I can clarify this, and
26 I'll say this -- I'm very interested in the Sea Life project, and

1 I'm -- can't wait to see the presentation, and I like it. The
2 question that I got at was that though it's a good example where,
3 you know, if you send a check to Chenega Corporation, the check
4 went to Chenega, that's pretty simple -- but did the money go there
5 with interest accrued, was it 120 percent payment, did -- did we do
6 the deal. When you contribute \$25 million to a huge capital
7 project that has other components that make it happen or don't
8 happen, where did your interest go? Did it go for the science?
9 You know, how many times in your life and capital projects have you
10 seen, project 300 percent over budget, you know, and we end up, we
11 didn't get the science, but we got the construction, that they
12 needed because the funds actually went over here to build something
13 that was under budget, and we didn't do the restoration part. Or
14 we got a whole bunch of background information on good restoration,
15 but the project never got built because the other funds weren't
16 raised. That's -- that's what I mean by a distinction. Some of
17 these audits are very simple, you either cut the check to the
18 landowner or you don't. But some of them are contributed funds to
19 various kinds of complicated projects, which often in history are
20 the subject of audits that end up on the front page of the Metro
21 section -- as you know. So, that -- that was my -- are we going to
22 be able to pick and chose and just have a good check and balance
23 tracking system for some of these kind of projects?

24 MS. CRAMER: Well, I think that's -- that's important,
25 but what you need to do is you need to catch it before the audit
26 occurs. I mean, we have in place the annual work shop in January,

1 we're requesting that the agencies -- the Trustee agencies --
2 provide, on a quarterly basis, their expenditure activity, on their
3 status reporting. It's important that -- that Molly and that the
4 Trustees have an understanding while the projects are in place that
5 something has gone wrong, that you are not getting what you want to
6 get. That is different than an audit, you know. To me, I see an
7 audit as -- as ensuring that the agencies are doing what they were
8 supposed to do. Whether or not they were accomplishing it -- it
9 could be that they never could have accomplished it, that the
10 Trustee Council's expectations were too high, or any number of
11 reasons, and it's important as we work through each work plan, that
12 the information is provided to Molly and the Trustee Council to
13 find out if you've got a project that is behind, why it's behind,
14 what can we do to make it better, is it -- does it need more
15 resources, does it mean backing up and waiting a year. I mean,
16 those things need to take place during the year.

17 MR. DENNERLEIN: So, thank you. That's a good answer
18 and I'll follow up with project management questions.

19 MR. McCORKLE: Kim.

20 MS. McCAMMON: We do have in place in quarterly project
21 status report for all the '92 through '95 projects, and indicate
22 where they are in terms of final accomplish, report writing,
23 whether there are any problems with the project and we tract those
24 on a regular basis.

25 MR. McCORKLE: Kim.

26 MS. BENTON: I guess my question is as much Molly as --

1 I don't know if Traci works on this or not. I hear a lot of talk
2 about to make sure the money was spent right, to make sure all the
3 funds got to the right people. I'm just curious to know, with all
4 the projects that have gone through in the years, if a project ever
5 came in under budget, and if so, what mechanism there is to return
6 funds?

7 MS. McCAMMON: Absolutely -- and as a matter of fact is
8 of keen interest to us because it's additional money that can be
9 used to fund additional projects. What happens on the state and
10 federal sides is that when the governments go to the court and
11 requests money, on the state side the money from the court gets
12 deposited into a separate account in the general funds, and it's
13 set aside as an Exxon Valdez oil spill fund within there, and all
14 of the interest for that money stays in that account, and this --
15 the agencies basically charge against that account, and if a
16 project comes under, that money stays into the account, and we
17 track that, and then when the next year additional funds are
18 needed, then you go back to the court, that amount gets -- that's
19 in there already -- gets deducted from the amount we need to go to
20 the court and get. So, it does stay in there. We show that in our
21 -- in our planning documents as unexpended -- not even obligations
22 -- unexpended, what's the title of it Traci?

23 MS. CRAMER: Unexpended and obligated funds.

24 MS. McCAMMON: Unexpended and obligated funds lapse, and
25 this is really very important because in '94 we're anticipating a
26 \$2.6 million lapse, and we really want to know if that number is

1 accurate because we want to spend that money. So, I mean, that
2 could buy a lot of small parcels or do a lot of science projects,
3 and things like that. On the federal side, it's done in the same
4 way, theirs inures to an account. They do the same thing; they
5 charge to that account. Whatever doesn't get expended stays in
6 that account, and then it gets rolled into ongoing projects. But,
7 that's part of this audit is to verify that these lapse numbers are
8 accurate. We think they are, but, you know, we want to know
9 because we want to spend that money.

10 MS. CRAMER: The lapse number has been reported has
11 been reported on this statement that was handed out to you, at the
12 bottom, and it's also in, I think, number eight.

13 MR. McCORKLE: If I could just interject a point.
14 Finances are always of great interest to us, we've been asking the
15 little nagging questions for two or three years, and glad to see
16 that we're moving toward a program that will allow us to have a
17 little better information, but I'd like to ask the group if you
18 want to continue working with Traci on these matters, or if you
19 want to move to the next item on the agenda, because of the
20 closeness of time and getting a little bit late start this morning,
21 we might want to catch up some minutes if we can, but if you have
22 more questions for Traci, we certainly do want to give you that
23 time. Dr. John.

24 DR. FRENCH: Well, I just -- just a real -- hopefully
25 a quick question. To what extent do the agencies themselves have
26 external audits going on, and to what extent can you utilize that

1 information to minimize the cost of the Exxon restoration audit.

2 MS. CRAMER: Each of the governmental agencies have
3 audit functions. However, because I think each of them also have,
4 like the State of Alaska, major reductions in funding available,
5 there have not been a lot of -- of focus internal audit activities
6 taking place. I think that the -- each of the governmental
7 agencies are ensuring that the controls are in place, so that -- by
8 controls I mean that they can't just put it into their regular
9 account. So, Molly's description of setting up that separate fund
10 in the state and that separate fund in the federal government --
11 but I -- I have seen very few reviews of the Trustee Council
12 activities on both the federal and state level.

13 DR. FRENCH: I know, that at least our external audit
14 requirements form ONR for negotiating indirect costs were -- more
15 or less random audits of individual projects, and I don't know if
16 that's the case for other agencies or not, but I would think that
17 would be very useful information if it is.

18 MS. CRAMER: There -- there are audit functions, but
19 like I said they have not been focusing on Trustee Council
20 activities.

21 MR. McCORKLE: How are we doing? Anymore questions?

22 MS. CRAMER: I should have cleared out earlier?

23 MR. McCORKLE: Ms. Cramer, thank you, very much. We
24 really appreciate you coming to talk to us today, and now Molly, if
25 you'd care to introduce the next agenda item.

26 MS. McCAMMON: Thank you, Mr. Chairman. One of the major

1 projects that the Trustee Council took action on last year, was a
2 conditional approval of up to \$25 million dollars for the Alaska
3 Sea Life Center project in Seward. The final transfer of these
4 funds is based on a number -- on the project meeting a number of
5 conditions that I basically have to sign off on in the next few
6 months. The project coordinator for the Alaska Department of Fish
7 & Game is Kim Sundberg, and I would like to turn over the
8 presentation to him. I know a number of the PAG members have
9 received extensive briefings on this project, but I thought it
10 would be useful since there are a number of new members and we're
11 trying to bring everyone up to kind of the same level of knowledge,
12 to do at least a -- a short briefing today on the status of this
13 project, so I'm going to turn it over to Kim Sundberg at this time
14 -- and his group. Correction -- your staff, Kim.

15 MR. SUNDBERG: Good morning, Mr. Chairman, members of
16 the PAG. My name is Kim Sundberg, I'm a habitat biologist with the
17 Department of Fish & Game, and as Molly mentioned I'm the ADF&G
18 project manager for the Alaska Sea Life Center project. And, I
19 know that a number of you have been involved with this project over
20 the last year as part of PAG or as attending Trustee Council
21 meetings, but I thought we would take the opportunity this morning
22 to, for the new members to briefly come up to speed on how we got
23 to where we're at, and then we'll also give everybody an update on
24 the project, where's it at right now, and where we're going. A
25 couple members of the project team are here today to talk about the
26 design work: Tom Livingston, with Livingston-Slone, principal in

1 the Livingston-Slone Architects, and he'll be talking about design;
2 and Leif Selkregg, with Leif Selkregg & Associates, who's the
3 project manager for the non-profit corporation, SAAMS, and he will
4 be talking about the operating structure for the facility, and the
5 construction schedule; also, Maurine Simms, also with Leif Selkregg
6 & Associates. Maurine is the permitting and compliance coordinator
7 for the project. She was also instrumental in the getting the EIS
8 prepared, and she'll be talking about some of the permitting issues
9 and housing in Seward. Briefly, the history of this project,
10 actually, the sort of dream about expanding the marine science
11 campus in -- in Seward, goes back to as early as 1975, with the
12 construction of the Institute of Marine Science, University of
13 Alaska facility in Seward. At that time, a number of citizens
14 formed an ad hoc group to -- to work with the university and
15 promote the expansion of the marine science facilities in Seward.
16 That group has continued on and some of those people have become
17 part of the Seward Association for Advancement of Marine Science,
18 or SAAMS, which is non-profit corporation formed in 1990, and they
19 are the primary proponents of the project. They would be the
20 people that would construct it and operate the facility. The --
21 this particular project was formulated during the last year and a
22 half. Primarily, the -- the SAAMS group put forward some proposals
23 to the Trustee Council beginning in 1992, to construct a facility
24 that would provide public education, rehabilitation and research
25 facility. The project was designed by a company called Cambridge
26 Seven & Associates, or the conceptual design of it was put

1 together. They are continuing on as architects of the facility
2 with Livingston-Slone. The project was before the Trustee Council
3 as primarily a public education, rehabilitation and research
4 facility. The Trustee Council said that they would be interested
5 in the research and rehabilitation components of those project --
6 of the project primarily in the research areas. The project
7 underwent a -- sort of a redesign in terms of the concept. It is
8 now emphasizing marine research much more than it had originally
9 been conceived to -- to have. It has about 50,000 square feet of
10 space devoted to marine research, primarily for marine mammals,
11 marine birds and fish, genetics. And, Tom will going through how
12 that's laid out in the facility and the design right now. There
13 are also components for animal rehabilitation. There's a clinic,
14 quarantine areas for doing some animal rehabilitation. This would
15 be primarily to care for animals that are stranded or sick, fix
16 them up and put back out in the environment. It will probably
17 become a regional stranding center for the Gulf of Alaska when it's
18 constructed. And, there's also a public visitation component, and
19 that component is very integral to the overall operations and
20 economics which Leif will be going into to -- to fund the up -- the
21 day-to-day operations of the facility, and, in fact, it's the
22 public visitation and education component that keeps the cost for
23 doing research at this facility extremely low, and we can get into
24 those costs -- Leif will be describing sort of the overhead costs
25 for doing research, but it will be a facility that will be able to
26 do, sort of state-of-the-art, laboratory research on -- on marine

1 mammals, birds, and fish genetics at a rate that's -- that's very
2 low, and that means that more of the dollars will be going into
3 actually conducting the science versus paying for facility and
4 overhead maintenance costs. There are several documents that I
5 think have been passed out. There is the Trustee Council
6 resolution, one of them is the PAG resolution of October 13, 1994.
7 This body passed a resolution a year and a half ago, and -- or half
8 a year ago -- and we'll be going through the items in that
9 resolution to give you an update on how those are being addressed.
10 Also, the Trustee Council passed a resolution on November 2, 1994,
11 which is also before you, and Molly referenced the provisions of
12 that, and we'll go over briefly some of those items. There's also
13 an environmental impact statement that was prepared for the
14 project. That was completed in -- Maurine, help me out, I think it
15 was in October?

16 MS. SIMMS: (Indiscernible - out of range of
17 microphone)

18 MR. SUNDBERG: November 1st was the ROD on that. There
19 are copies of that if anybody wants to take a look at the EIS, it
20 contains a lot of information on the project and on the site, and
21 the environmental issues associated with this project, and social
22 issues, and there was a project description that was prepared
23 September 26, which contains a lot of information also on the
24 design of the project, the purpose, the need, the operating
25 structure, the project schedule, budgets and other things, and this
26 information is available to anyone who wants to have copies of it

1 or take a look at it. I thought briefly, I'd just start out with
2 the PAG resolution and go through some items, in terms of the areas
3 of concern that the PAG raised before and give some updates, and
4 then we'll get into the design and Leif will talk about the
5 operating structure.

6 The first item is that the management structure of the
7 proposed facility and the need to clearly identify the role of the
8 University of Alaska that relates to future use and management of
9 the facility. We're currently working with the University of
10 Alaska on a memorandum of understanding. The draft -- first draft
11 of that was sent to Provost John Keeting (ph) on March 8th, and
12 that memorandum of understanding essentially establishes the
13 relationship between the University of Alaska and this facility.
14 It also gets to the item about the need to name the project in a
15 manner that accurately reflects the facility's relationship with
16 the University of Alaska School of Fisheries and Ocean Sciences, is
17 the last item there. The university has agreed that this facility
18 will be affiliated with the School of Fisheries and Ocean Science,
19 and that is established in this agreement, as is the role of the
20 university in the facility. The university has pledged to fill the
21 chief scientist position at the Alaska Sea Life Center, and that
22 role is spelled out in the cooperative agreement, as -- as are
23 other operating relationships with the University of Alaska. The
24 university is also -- has two members on the SAAMS board, Jerome
25 Komisar, the President of the University of Alaska, and Joan
26 Wadlows (ph) is the Chancellor of the University of Alaska

1 Fairbanks. They're both now serving on the SAAMS board. Leif, do
2 you want to deal with the second item?

3 MR. SELKREGG: Sure. The second item in the resolution
4 is that the membership of the governing board of the facility be
5 constituted in a matter that includes the financial, technical
6 expertise needed to successfully implement the project, as well as
7 to appropriately represent interests throughout the spill area.
8 Just -- in terms of how the actually ownership and operating
9 agreements are structured, the City of Seward owns the site and
10 owns the building, as required by the fund transfer from ADF&G.
11 ADF&G is requiring that the city construct and operate the facility
12 in very specific ways, in terms of a business plan, in terms of
13 project management requirements. There is a subsequent agreement
14 between the city and SAAMS which transfers all those operating
15 responsibilities and all those development responsibilities to
16 SAAMS. SAAMS is a non-profit cooperation. It currently has
17 available 15 members on its board. The board is comprised of
18 representatives from Seward and from Anchorage, and the four most
19 recent board members are, which have been appointed in the last
20 three months, include Dr. Komisar, Dr. Wadlow, Dr. Spies, who is a
21 representative from the Trustee Council, and Tom Toogus (ph) who is
22 in the visitation/tourism industry. There are three more positions
23 to be filled on the SAAMS board. We are currently in discussions
24 with people who bring financial and technical expertise to the
25 board, so we're talking with representatives from banks, law firms
26 and a variety of other sources. I would expect that the other

1 three positions will be filled over the next several months. The
2 -- the non-profit board has hired a professional team to represent
3 them in the technical implementation of the development project and
4 we are in the process now of identifying the executive director,
5 and we will be selecting an executive director for the facility
6 over the next nine months, so that at this time next year there
7 should be the beginning of the staff, which will, in fact, be
8 responsible for the long-term operation of the facility.

9 MR. DENNERLEIN: Mr. Chair.

10 MR. McCORKLE: Yes, sir.

11 MR. DENNERLEIN: For the -- enlightenment of the
12 completely ignorant ...

13 MR. McCORKLE: We have none of them.

14 MR. DENNERLEIN: I'll -- I'll apply for the position.
15 The "we" that keeps being used there is coming from a company, the
16 Department of Fish & Game, who is the -- could you explain a little
17 bit about the "we"? "We" gave the money to so-and-so, "we" did
18 this. I mean, is the "we" Fish & Game, is the "we" Selkregg &
19 Associates, who is the "we" in these different events?

20 MR. SELKREGG: Let me start -- the fund transfer goes
21 from the Trustee Council through ADF&G, as their agency. From
22 ADF&G it's transferred to the City of Seward, from the City of
23 Seward to the project via SAAMS. The reference to "we" is that --
24 I -- probably as result of having worked very together for the last
25 two years to make this project successful. ADF&G's representative
26 is Kim Sundberg, who is representing also the interest of the

1 Trustee Council, Leif Selkregg represents the SAAMS board in terms
2 of following through on responsibilities for project
3 implementation, making sure that we have the proper engineering,
4 construction and operating expertise, Tom's firm with the design,
5 who is not here today, who is town, but was unable to join us is
6 Darrell Schaffelmeir (ph) who is the project administrator, who is
7 actually a SAAMS employee, who holds the contract with the
8 professional team. So, we probably use the word "we" a little
9 loosely because we've been working collectively for a long time.
10 But, the fund transfer is very clear in the agreements, which are
11 structured between ADF&G, the city, and SAAMS are all very
12 carefully laid out so that the ownership and transfer of funds are
13 very clear. They do not use the word "we."

14 MR. DENNERLEIN: Okay, thank you. And, so I
15 understand it is SAAMS, if you were to speak for SAAMS now, it is
16 SAAMS that is creating itself. SAAMS is going out to find its
17 board members.

18 MR. SELKREGG: That's correct. We've been given specific
19 direction along the way by the Executive Director of the Trustee
20 Council, in terms of what the expectation for the composition of
21 the board would be, and we went through a process where the
22 Executive Director submitted a name, and Bob Spies was the proposed
23 individual. The university, Dr. Komisar and Joan Wadlow came from
24 a specific request from the Trustee Council to include the
25 university on the board, and we're now in the process of bringing
26 on the financial and, say, tourism, and other science-related

1 interests onto that board and the three future positions.

2 MR. ZERBETZ: Question. Another Leif question, with
3 respect to selection of the board members, who -- who actually does
4 the appointing of the board members?

5 MR. SELKREGG: The board itself reviews -- there is a
6 process in place where nominations are taken, others -- there's a
7 nomination committee and a review committee of the proposed
8 nominations. The board acts on that as a collective body.

9 MR. ZERBETZ: Thank you.

10 MR. McCORKLE: I think the question that Chip brought up
11 was very good, because the editorial "we" is very confusing, but --
12 as I wondered, do you mind having questions along the way, or would
13 it be better if we kept track of things we wanted to ask and wait
14 until the end, or how do you folks fill about working as we go
15 along.

16 MR. SUNDBERG: It's up to you, Mr. Chairman. We could
17 answer questions as we go along, or we can go through and then we
18 can answer questions.

19 MR. McCORKLE: Well, let's do this. There's another
20 question over here, and then if it's really germane, let's ask the
21 question as we go along, so we don't forget them, but we do need to
22 let them go through the presentation, too. So maybe you make some
23 notes too, but I see there's -- Kim had a question, and did you.
24 Okay, let's take Kim's first and then your's next.

25 MR. BENTON: When you're talking about the composition
26 of your board, I didn't hear anything about a Native interest

1 representative, and I'm curious about that, because I think if
2 you're going to appropriately represent interests in the spill area
3 then a Native interest would certainly important.

4 MR. SELKREGG: One of our board members, Karen Schwartz,
5 does represent Chugach Native interests, and we have solicited
6 additional proposals for representation on the board.

7 MS. BENTON: Thank you.

8 MR. McCORKLE: Next.

9 MR. BECKER: When you speak about funding that you're
10 using right now. Does that include any EVOS funding?

11 MR. SELKREGG: Today, it does not. Currently the funding
12 that we're using is a \$12.5 million appropriation through the
13 Department of Administration, which was the criminal settlement
14 funds. It was appropriated by the legislature in '92. Those funds
15 have been the seed money that has funded the EIS, the design
16 process to date. Those monies will also be used for our first
17 construction package which is scheduled to go out this summer,
18 which is the sea water intake and out-fall system and the site
19 preparation. The EVOS funds will not become available until
20 September, and those funds will be specifically used for the
21 construction of the research component of the facility, and are --
22 as Tom will show you in the design, how that has been clearly
23 identified in the overall project.

24 MR. McCORKLE: Thank you.

25 MR. BECK: Regarding, I guess both the mission and
26 the composition of the board, I'm curious if there is intent to

1 have representation of -- of entities with land management interest
2 or land management authority in the spill area. I can imagine that
3 ultimately the goal of this whole entity is something to do with
4 environmental ecosystem health, and observing the progressively
5 less strong condition of the funding situation, all these different
6 land management entities, and seeing all kinds of novel, new
7 regional groups coming in to try to influence how land is managed,
8 I wondered if this group, in some form, either the SAAMS board or
9 a subset of the SAAMS board is intended to -- to look after the
10 management of the resources in the area, or at least offer opinions
11 on that subject.

12 MR. SUNDBERG: The focus of the facility and the research
13 program there is -- is on, basically applied and basic science for
14 marine mammals, sea birds, and fish genetics. That's the program
15 that's being -- the research program is taking place. The
16 rehabilitation mission will be involved with rehabilitating mammals
17 and sea birds that, you know, come into the facility, sort of
18 opportunistically. And, then there's a public education function,
19 which deals with sort of the window on the sea, window on the north
20 Gulf of Alaska, explain to the public how the ecosystem functions,
21 what the management issues are with mammals and sea birds and other
22 components of the ecosystem, and what this facility is doing in
23 terms of research, interpreting that, and sort of explain to the
24 public or try to interpret to the public sort of what's going on
25 out in the northern Gulf of Alaska. Land management is part of
26 that, I mean, that's obviously land ownership and land management,

1 but there hasn't been a concerted effort to focus a board member on
2 that issue because, primarily what we're trying to -- build the
3 board expertise up with is being able to operate a research
4 institute and a public education institute and -- and have some
5 financial acumen to make sure that, you know, functions as a -- as
6 an entity. So, I think that land management definitely plays a
7 role in that, but it's not a focus of the -- sort of the
8 interpretation program that we're -- that we're anticipating. It's
9 primarily on the animals and their relationship to the ecosystem.

10 MR. McCORKLE: Dr. John.

11 DR. FRENCH: This is another board composition
12 question. I don't -- I'm not sure I remember all the people that
13 are currently on the board, but, is it -- Bob Spies the only one
14 with -- really has strong science and engineering background at
15 this point?

16 MR. SELKREGG: In terms of science background, I think,
17 Bob has -- yeah, Bob has obviously the most immediate. Dr. Komisar
18 and Dr. Wadlow, you know.

19 DR. FRENCH: Yeah, they're both social scientists.

20 MR.. SELKREGG: Right.

21 DR. FRENCH: Oh, well.

22 MR. McCORKLE: Never mind.

23 (Laughter)

24 MR. SELKREGG: There are no -- at this time there are no
25 other scientists on the board. Yeah, the project has had, as you
26 know, John, first, a long time a variety of scientific advisors,

1 A.J. Paul, Mike Castellini ...

2 DR. FRENCH: Oh, no. I think the quality of the advice
3 you've been getting is fine. I'm not questioning that. I'm just
4 hoping that you'll follow through and -- and find at least one more
5 member of the board that has technical expertise to provide
6 technical material -- information for the management of the
7 facility, because it'll be difficult. And, I realize this sole
8 day-to-day management isn't going to be the board's responsibility,
9 but I still think the expertise should be there.

10 MR. SELKREGG: I think it's fair to -- to solicit any
11 recommendations that you might have for individuals to the board.
12 The board is receiving proposed nominations, and please feel free
13 to contact Kim or myself or even Bob Spies in regards to a
14 nomination.

15 MR. McCORKLE: Thanks, John. May I, with your
16 permission, ask that we continue with the presentation. We still
17 have yet to hear from Mr. Livingston, who I know would love to say
18 something about the design. So, hold the questions for a few more
19 minutes and we'll return to the -- to the presentation. Thank you.

20 MR. SUNDBERG: Do we want to keep going through the
21 points in the resolution?

22 MR. McCORKLE: Oh, yes, indeed, I just came to you -- I
23 knew there was one more person to talk, but carry forth.

24 MR. SUNDBERG: I just wanted to make sure the PAG
25 understood how we were trying to address these points. The third
26 one is the role of the University of Alaska in the project, with

1 particular concern regarding the need to ensure that the university
2 does not incur significant, new operation cost liabilities at a
3 time of declining funding resources. These agreements that we've
4 talked about ensure that the university does not have a direct
5 financial liability in -- in the operation of the facility, other
6 than their pledge to fill the Chief Scientist position, and that
7 position may or not incur any cost liabilities to the university.
8 It's envisioned, right now, that that would involve a transfer of
9 an existing position in the university to Seward, but details of
10 that haven't been totally worked out yet. The university has no
11 direct liability in terms of the operation of the facility. The
12 cost of the facility is borne, in terms of the day-to-day operation
13 by SAAMS, and the revenues that come in, and also on grant research
14 support that occurs at the facility through EVOS and other granting
15 entities. So, right now the university has no direct liability and
16 it's not intended to. The fourth item is the need to ensure future
17 Trustee Council project funding is appropriately balanced between
18 ongoing field based ecosystem research efforts, and new laboratory
19 based research efforts the proposed facility would support. I
20 would just point out to the Trustee Council in their November 4th
21 resolution, or November 2nd resolution, stated that consistent with
22 this facility's unique capabilities for marine mammals, sea birds
23 and fishery genetics research, it is the policy of the Trustee
24 Council to concentrate its EVOS funded laboratory research projects
25 and resources at the IMS facility to the maximum extent
26 practicable. Approval any (indiscernible - coughing) laboratory

1 research projects, including the facilities at which they will
2 located, would be based on the resources required for that project
3 and its cost effectiveness, including the cost savings available to
4 the Trustee Council at the IMS facilities as a result of this
5 capital investment. What that means to me is that if this
6 facilities provides a unique capability for laboratory research
7 that can be conducted here and that it can be done in a cost-
8 effective fashion, then the Trustee Council intends to steer that
9 particular research into this facility. If the research can be
10 conducted in another facility, or it can be done better in another
11 facility, then the Trustee Council is not bound to steer their
12 research into it, but I think it's a pledge on the part of the
13 Trustee Council to look at this facility that they are proposing
14 for \$25 million into as a resource that they can use for
15 restoration science. Future Trustee Council projects using the
16 proposed facility would not be given funding priority over the
17 proposed projects based on the location of project activities. I
18 think I just -- I think I just dealt that in explanation of their
19 policy in the resolution. Leif, you want to handle the next one?

20 MR. SELKREGG: The need to reduce or eliminate, to the
21 extent possible, the capital and operational costs associated with
22 the project to ensure successful implementation and operation of
23 the facility. Prior to the funding approval and the process of the
24 agreements that are being structured between ADF&G, the City of
25 Seward, and the City of Seward and SAAMS. SAAMS was already
26 utilizing a fairly rigorous approach to project management and

1 operational planning. With the formal -- formalization of the fund
2 transfer agreement from ADF&G to the City of Seward, if you were to
3 blow away the legal language, what you would find at its core is a
4 very rigorous business plan that has at -- at its core, cost
5 control mechanisms, schedule control mechanisms, and review
6 mechanisms that ADF&G will have over the project on behalf of the
7 Trustee Council. It some -- probably get backs to your question,
8 Chip, of will we know where we are in regards to the investment
9 that the Trustee Council is making in this project. The answer is
10 yes. We have an obligation on a monthly basis to review the
11 project with ADF&G. Our funding requests for the Trustee monies on
12 a monthly basis require approval by ADF&G, and there is a process
13 that make sure that those funds are being utilized specifically for
14 the program it was intended to be utilize for. To do this, we are
15 utilizing the resources of construction managers, we are taking
16 conservative approaches to procurement, and during the operational
17 process, there are a series of operational planning reviews that
18 have to take place, again, with ADF&G and the City of Seward. Very
19 specific reserve accounts are being established for replacement of
20 the facility, for operational net or cushion so to speak, mothball
21 scenario is in place. And, I would encourage those of you who are
22 truly interested in understanding what the restrictions on the
23 project are to take a look at the ADF&G-city agreement and the
24 city-SAAMS agreement. We think that it's very rigorous. It's --
25 it's had a lot of work over the last three weeks, and those are
26 going to -- their about to be approved. In regards to the

1 projections on the operating plant, we have utilized the resources
2 of experts on verifying visitation numbers. We've done that three
3 times. We do it every year. We're going to do it again this year.
4 At the core of the operating plan is revenue generated by visitors.
5 We do not under value the importance of knowing how many visitors
6 are likely to come to this facility. Right now, we're pegging that
7 at about 250,000. Close to half to million visitors already are
8 coming to the Kenai Peninsula, about 400,000 of those are coming to
9 Seward, and that is growing. We've taken our most conservative
10 projections as the basis for the financial projection on the
11 operating plan. Abstracts have been included in the project
12 description. We have complete copies of those studies available
13 for your review. In terms of the operating plan review and the
14 construction budget review, we are now in a cycle. In May we are
15 coming to the Executive Director of the Trustee Council, once
16 again, so that a review can be made of our -- our assumptions on --
17 on construction, our assumptions on operation, that they're
18 consistent with the proposal from last year, and prior to release
19 of any EVOS funding we have yet to go through one more review with
20 the Executive Director on this project.

21 MR. McCORKLE: Group, shall we give these guys some more?
22 We can revise our schedule a bit, and let them have some more time.
23 I realize people began to worry, oh, it's 9:30, we're supposed to
24 stop, but we can -- we can do some things after the public process
25 if that's okay with you, and let them go on without ...

26 DR. FRENCH: I'd like to move we extend their

1 presentation in the program here for what twenty minutes. I don't
2 see where we have an hour's worth of public comments coming up.

3 MR. BECKER: I second that.

4 MR. McCORKLE: Okay, Pam.

5 MS. BRODIE: I do think it's important to have the
6 public comment on time, and I do hope we can -- we can try to
7 finish it -- this by 10:00. Have the public comment go on after
8 that.

9 MR. McCORKLE: Exactly right. We'll take a recess at ten
10 to, so fifteen or twenty minutes or so would be about what we have
11 before we must take a quick break so we start the public process at
12 the stroke of ten, but that gives you a little more assurance that
13 you're going to have a chance to continue on. So, if you would,
14 please, Kim.

15 MR. SUNDBERG: I want to be sure that we have enough time
16 for questions, too.

17 MR. McCORKLE: Well, let's go on through the end of the
18 process, and then we may invite you to stay a couple of minutes
19 after the public process for questions, if we run out, because I do
20 think we've got a little bit of time this morning. Looks like we
21 might have.

22 MR. SUNDBERG: We're available afterwards too.

23 MR. McCORKLE: Okay, thank you, just carry on if you
24 would.

25 MR. SUNDBERG: Thanks. Let's see the next item is that
26 the City of Seward ensure that adequate affordable housing

1 resources are available to the researchers and other individuals
2 who would use the facility, and I'd like to have Maurine Simms make
3 -- make some comments on that. She was involved with the
4 environmental impact statement and they looked at housing.

5 MS. SIMMS: Good morning. I just want to let you know
6 that in the environmental impact statement process began with
7 public scoping and listening to the community and their concerns
8 and their issues, and one of those identified was the affordable
9 house resources in Seward, and if you've ever been to Seward in the
10 summer time, it would probably jump to your mind also. We did a
11 pretty intensive study on that in the impact statement, and while
12 housing is at a shortage during the summer, our overall numbers for
13 the housing indicated 12% vacancy rate. At the time that we did
14 the EIS, however, there was 121 units available in Seward at that
15 time, that were vacant, and in terms of coordinating that with the
16 numbers of people who would be at the facility at one time, there
17 was adequate housing available, and at the university there are
18 four two-bedroom units that are used for the researches that visit
19 the IMS campus, and, which my numbers say that 85 to 100
20 researchers go through that facility in a year's time. So, the
21 projections in the environmental impact statement do indicate that
22 there is sufficient housing. However, we are working diligently
23 with the City of Seward and community groups in Seward to look at
24 some of these issues, and what those effects are going to be on the
25 community, and housing being one of those. There are, at last
26 count, roughly 67 community-based groups in Seward, so public

1 involvement there is not a problem you have it. And, we've been
2 working very hard with Seward Partnership, with planning and
3 zoning, with the Downtown Association, to look at issues like
4 housing and traffic and transportation, tourism, quality of life
5 issues.

6 MR. McCORKLE: Are there questions for Maurine?

7 MR. McCORKLE: Thank you very much.

8 MR. SUNDBERG: Thanks. I'd like to turn it over to Tom
9 and -- for about ten minutes or fifteen minutes, go through the
10 designs of the project, where we're at, and then we can do some
11 questions after that.

12 MR. LIVINGSTON: I'll -- I'll talk quickly.

13 (Aside comments - regarding microphone)

14 MR. LIVINGSTON: This is a -- will be a state-of-the-
15 art marine science research facility, and -- one of the challenges
16 about this project is putting that research on exhibit, and
17 essentially have two projects here. We have a research component,
18 marine research component, and then we have the visitation
19 component, and as Leif said, it's the visitation component that
20 feeds the building, that keeps the operating cost very low, and
21 offsets -- that revenue offsets much of the basic expense of the
22 building. The species that we're -- we're looking at housing and
23 studying are marine mammals, which would include seals, sea otters
24 and sea lions, and then marine birds, which includes many
25 varieties, I won't go into those. Also, there's a fish genetics
26 program that will take place in the science laboratory areas. The

1 reason that the Seward site was chosen is because of -- there were
2 three major factors, the EIS identified many of the -- one was good
3 water. There was very good sea water, readily accessible in
4 Resurrection Bay, and you can't have a marine research lab without
5 good sea water. The other was it's location on a road system and
6 near the population center in Anchorage and Southcentral Alaska for
7 the tourism element, which would bring revenues into the project,
8 and the -- the last one, of course, is access to the EVOS region
9 and to Prince William Sound. So, those three -- three elements
10 really drove the location. We're on the south shore of the Seward
11 waterfront, right in this area, you know where the ferry dock
12 terminal is, you know the boat harbor is up here, downtown is in
13 this area. The -- the project is located next -- right next door
14 to the Institute of Marine Science, the University of Alaska's
15 Seward marine campus is located right here, and also they have some
16 facilities up in this area. This is downtown Seward, Resurrection
17 Bay, this area. We're providing parking, approximately 160 spaces
18 of parking for cars and RVs. We have bus drop off along Railway
19 Avenue in this phase. This is the old railroad depot that's
20 located right here. This part of the site is really off limits for
21 us. It will remain as-is, it's called Ladies Park. It's a
22 historic park, and it's actually the beginning of the Iditarod
23 trail, and, of course, there's the old depot building that will
24 remain. The -- there will be some staff parking provided on the
25 IMS campus -- we'll expand the parking lot that's here now that
26 supports the Ray Building. We'll double -- essentially double the

1 size of that, so staff parking will be provided there. The
2 building that is located in this area, this is the old ferry dock
3 right in here, just to orient you in terms of where you are. This
4 is the main street of -- of Seward, Fourth Avenue. The building is
5 a two-story L-shaped building in this area, and has in -- in that
6 crook it has this habitat rock work and marine tanks for the
7 primary species that will be residing there over a long period of
8 time. So, this is long-term research and habitat for those
9 animals, and the west side of the building then we have marine
10 research tanks and pens for short-term treatment or observation,
11 and scientific research along this edge. There's also a partial
12 basement under the building of about 15,000 square feet, which
13 supports mostly mechanical life-support systems. The -- one more
14 thing I should mention, the intakes for the water system are
15 located in this area, they go out to a depth of about 200 meters,
16 excuse me 250 feet, and the length of those is about 600 feet. The
17 shoreline is very deep, it drops off very steeply. The variance in
18 water temperature and water quality is -- is very small, so we have
19 very high quality water, a good temperature year round. There's
20 also a discharge from the sea water that's reused here. It's all
21 treated, and discharged back into Resurrection Bay, and, of course,
22 it meets all -- all standards and requirements for that. The water
23 comes in really to a -- a large wet well, which is a giant concrete
24 shaft that was built down at this end of the -- of the project, and
25 it's a cyclic, so that operating costs of bring the water into that
26 wet well are very low. From that point, that water is piped and

1 distributed around all the different environments and labs. This
2 is the first floor plan. The shaded -- the brown areas that you
3 see are circulation paths. I've got to move this out, so it won't
4 be such eye cast for all of you. So, these brown areas have
5 circulation. These blue area are the long-term habitats. Ruth,
6 could you -- would you pass -- there's a little -- yeah, there's a
7 little study model that we've got. It's pretty rough. We have a
8 much large model in this, but it's not moveable.

9 MR. SELKREGG: Tom, you want to pass it around?

10 MR. LIVINGSTON: Yeah, just pass it around, if you
11 would. This will give you a sense of the massing and the scale of
12 the project. There's no real detail on this, but it will give you
13 some sense of how it's composed. The building on this floor, on
14 this level, we have an L-shaped building, like this -- this is
15 mostly public in this area, because we have public entrance from
16 this side from the parking lot, from the bus area, and of course
17 from downtown at this side. The public then will go up a couple of
18 escalators to an upper level and circulate through some galleries,
19 you know, then come back down in this area and have an under water
20 viewing experience in -- in this part of the building looking into
21 these pools and tanks through large acrylic panels, basically
22 windows. This part of the building, then, is essentially all
23 science and research. Also, under this part of the building is a
24 basement which includes the life support mechanical systems. We
25 have, starting at the bottom, we have the wet well, which I
26 mentioned earlier, and that feeds then directing into the life

1 support system in the basement. We have a wet laboratory in this
2 area, we have another wet lab here between those. We have a
3 central dry lab which has many various components for -- for basic
4 sort of data -- data processing, you might say, of biological
5 materials. We have dry labs along this edge that support these wet
6 labs. This entire edge of the building has many openings in it.
7 It has doors for people to pass through, it has large overhead
8 doors, for tanks to be moved in and out, for animals to be moved in
9 and out, and that's at the same floor level as this deck, this
10 large, what we call pens and pools deck. This is a large oval tank
11 in this area which will actually have two depths to it. It's a big
12 swim -- sort of a swim mill kind of tank. It'll have underwater
13 viewing potential for scientist to observe and do motion studies
14 for marine mammals that will be in that area. We have these other
15 smaller pools that are -- and these are all sunken. The ones that
16 are colored here are sunken into this concrete deck, then there are
17 many -- there space for many tanks and pens and pools that will
18 just be sort of surfaced mounted, you might say, sitting on the
19 deck that will be portable and moveable based upon the research
20 that's occurring there. Our loading dock is located up in this
21 area. We have a receiving area in the building. We have a play
22 support here. This is a bookstore for the public side. Auditorium
23 -- this auditorium is in a future phase, it's not part of -- part
24 of this current phase of the project. I mentioned the underwater
25 viewing sequence in here in these pools. There's also -- there's
26 also circulation path for animals when they -- when they come to

1 the facility at the service entrance, they'll come down an outdoor
2 path this way, enter the building and really go up -- up a ramp
3 through, really through the rock work that you see in that little
4 model, that rock work is hollow. So, this large rookery
5 rock work in this area has a large core through it, that then has
6 animal husbandry support areas, sort of backstage, you might say,
7 where the scientists and animal husbandry people will have access
8 to each of these habitats and be able to have access to the animals
9 at those areas. One thing I want to point out, as Leif mentioned
10 briefly, we have -- we have the requirement through the Exxon
11 Valdez Oil Spill Trustee Council funds to provide a design, a
12 stand-alone design, if necessary, for the \$37.5 million, which is
13 the aggregate of the \$25 million for the Trustee Council and the
14 \$12.5 million through the legislature. A stand-alone research
15 facility that can function, if necessary, without much of this
16 visitor component in it, and the reason for that is because this is
17 being funded by private fund-raising. You know, we have a great
18 deal of faith and our other expert consultants have a great deal of
19 faith that that money is going to be raised, and will be seamlessly
20 added to the pot of money, so the project continues in a seamless
21 way. The -- the federal government doesn't have that kind of faith
22 in --in development and fund raising, so they wanted to be assured
23 that the project could stand alone, so essentially the building
24 part of the project, all of this, and this deck area, and the site
25 work surrounding that, with the exception of -- of this part of the
26 project, are all within the \$37.5 million project. I just wanted

1 to assure you that that has been carefully thought through, and
2 it's a -- it's a very viable sort of solution to that concern. We
3 don't think it's ever going to manifest itself, but we wanted to
4 prepare in case it does.

5 MR. McCORKLE: Okay, may I ask that we recess for a few
6 minutes. I think as you're turning the page, that might be a good
7 place to stop and, Karl, if you could hold your question, we need
8 to take a couple of minutes break and then there are some public
9 members who have come, we must start at ten, so if you allow, we'll
10 take just a couple minutes break, rush to the coffee pot and back,
11 and the presenters, if you'll just let us have a recess, we'd like
12 to have you come back again, after the public presentation to carry
13 forth. I know Karl's got some questions, and I'm sure other people
14 do too. So, let's stand at recess for about six minutes. Thank
15 you very much.

16 (Off record 9:54 a.m.)

17 (On record 10:00 a.m.)

18 MR. McCORKLE: Also, we'd like to welcome Martha Vlasoff,
19 a PAG member who is joining us now, is going to come sit here in a
20 minute, and we're going to have a number of people make
21 presentations to us. Welcome Martha.

22 MS. VLASOFF: Thank you.

23 MR. McCORKLE: Good to have you here. What we would like
24 to do for those who are going to speak is to, one at a time come to
25 the front table and you'll find there a piece of paper to write
26 your name and address on, and then we would like to know your name

1 and who you are representing, and then we'd like to have you give
2 us your presentation. So, who will be first this morning.

3 MS. VLASOFF: I will be first.

4 MR. McCORKLE: Martha will.

5 MS. VLASOFF: I'd like to say that it's a real privilege
6 to be serving on the Public Advisory Group. I've been coming to
7 the restoration office's meetings for -- this is my second year of
8 trying to be involved with the -- the Trustee Council's process,
9 and the main point that I have tried to bring to the table is, in
10 regards to subsistence issues of the -- the people who live in the
11 villages that were impacted by the oil spill. I would like to
12 introduce some of our group that -- I work for Chugach Heritage
13 Foundation, now, and this is a foundation that provides scholarship
14 for the shareholders and their descendants, and is the main
15 organization in -- in our area for preservation of cultural
16 heritage, and we have representatives from each of the villages
17 that are in our region, and I would like to introduce each of them.

18 MR. McCORKLE: Pleas do, and maybe you can ask them to
19 stand so we can see them.

20 MS. VLASOFF: Helmer Olson is from Valdez, and he is the
21 President of the Heritage Trustees -- Chugach Heritage Trustees,
22 and Helmer is -- is going to speak also, and we'll give him that
23 chance. Bob Henrichs is -- is the chairman for the Village of
24 Eyak, and he's also a commercial fisherman from our region. Don
25 Kompkoff is from Chenega, and he has subsisted and lived a
26 subsistence lifestyle all of his life, and he is working on an

1 Indian education program now to teach the young people the Aleutic
2 (ph) in his village. And, Kenny Blatchford is the chairman of
3 Katousic Native tribe in Seward, and leader in his community. John
4 Moonin is from Port Graham, an elder from our region and I think
5 you probably all know that we have a lot of reverence for our
6 elders, they are the culture bearers. They're the ones who teach
7 us about the old ways, and his wife Dorothy Moonin, and their role
8 in the community is to be the cultural bearers. Velma
9 Kerstofferson is from Valdez, and she is an excellent crafts
10 person. If you -- if we do have a chance, I'd like for you to see
11 some of her work. And, Fiona Sodin is from Port Graham, she is a
12 speaker of the Aleutic language and -- and an elder as well, and a
13 health aid in her community, one of the leaders from Port Graham.
14 And, Jim Sinnett is the program planner for Chugach Heritage
15 Foundation, and has been a big help in -- in the organization of --
16 of the programs that we have over there at Chugach Heritage
17 Foundation. And, then I would like to introduce Dr. Lora Johnson,
18 as she comes through the door, probably looking for parking place,
19 and her brother and her have been working on site -- archeological
20 site identification around Prince William Sound, and our whole
21 region for -- her brother has been working for Chugach Alaska
22 Corporation for fifteen years to identify village sites around our
23 region and Dr. Lora Johnson has been a big help in -- she worked
24 after the oil spill with -- in identifying the archeological
25 resources that were damaged by the oil spill and has been an
26 integral part of -- of our foundation.

1 Right now, I'd like to talk a little bit about my involvement
2 with the -- with the Trustees Council. When I first got involved
3 with speaking with -- with the Science Review Committee back at the
4 church meeting, we actually talked about how important including
5 the Native people, or any of the people, non-Native or Native that
6 were affected by the oil spill, and what came from that was the
7 community involvement project, and the basis of that was if -- if
8 the scientists and the researchers that were working on projects
9 didn't include local knowledge that the equation would never be
10 answered completely, and as -- as the project went along, it -- it
11 got changed quite a bit and revised, and finally ended up being in
12 the subsistence division of Fish & Game, and there will be three
13 positions, half time positions, available to our community members
14 in Tatitlek, Chenega and Port Graham. But, the concept itself was
15 -- was to hire a coordinator from our region to work on the project
16 and to work with those local coordinators. It's a test pilot
17 project and so there is only a few -- few communities that were
18 going to -- to actually benefit through a job position. But, what
19 we'd like to see is the community involvement projects be more
20 directly related to the Native organizations that are within -- in
21 the oil spill impacted communities, and that's the basis for a
22 consortium that we are meeting right now to -- to form. We don't
23 -- we don't want to tell you at this point that it already has been
24 formed and we are speaking for all the oil spilled impacted
25 communities, but we would like to say that we need to have you
26 aware of what -- what our needs are in -- in working as equal

1 partners with the restoration Trustees and with the restoration
2 office. There is no reason for an agency to be speaking for our
3 people. We're capable of speaking for ourselves, and so, I would
4 like for Jim Sinnett to give some background information as far as
5 the consortium that -- that we're -- the projects that we are
6 working on now with Chugach Heritage Foundation.

7 MR. McCORKLE: Thank you. Thank you very much, Martha.
8 Mr. Sinnett, would you care to come to the table. Martha, would
9 you join your delegation at the table. We want to tell you how
10 pleased we are to have you all with us, and what a thrill it is to
11 have so many top-notch leaders who have come all this way to be
12 with us. We're very, very happy about that and hope that you will
13 feel comfortable to address us in any way you wish, and Mr. Sinnett
14 and others who have come, if you'll just sort of sign in there like
15 the old television show is, so we'll know who was here. We need to
16 do that to keep accurate records, and then, Cheri could you assist
17 us with how to take care of that microphone so people will know how
18 to do that, as each person comes to go. It doesn't hurt, so be
19 sure to do it, and so, it's sort of hard to talk to a big group
20 like this, so we want you to be very comfortable about doing that,
21 so we'll now hear from Mr. Sinnett, in just a minute. Thank you
22 very much.

23 MR. SINNETT: For the recorder, my name is James
24 Sinnett, and the last spelling is S-I-N-N-E-T-T. Thank you, Mr.
25 Chairman. Pleased to be here. Actually, I hadn't anticipated
26 being up front here first because, rightfully so, we have council

1 members from each of our communities within the region, and far
2 more aware of the impact that the oil spill has brought to their
3 communities, and particularly the relationship of those
4 communities, Alaska Native communities have had with the EVOS
5 restoration office, and the state agencies. I myself have recently
6 come from the Department of Community and Regional Affairs where I
7 was the Program Development Officer for the department in
8 developing rural programs. And, involved, for example, in last
9 year's statewide rural Alaska conference, where indeed one of the
10 main topics was subsistence and the oil spill and the impact. But,
11 on an organizational level, which was what I was brought on board
12 for, one of the assignments given to me was to help facilitate the
13 communities coming together, working with their regional
14 organizations to assist the communities in the preparation of their
15 projects and applications and communications with the restoration
16 office, and more particularly, while we recognize the -- the
17 importance of the Division of Subsistence and the fine work that
18 they have provided, in one particular project area, as Martha has
19 indicated, the community involvement project was a project that was
20 originally initiated at the community level, and it was anticipated
21 that the community itself would, in fact, be the contractors, the
22 administrators of that process. And, once again without any
23 personalization of the fine agency people that have contributed and
24 helped in the communities, the basic consensus that I have found in
25 meeting with our trustees and village presidents is that it's the
26 community who ought to speak -- be speaking with the restoration

1 office directly through community selected coordinators or folks in
2 the villages. That the comments and the opinions and the review
3 and the evaluations of the communities need not be filtered through
4 an agency, and for those of us who know agencies, we know the
5 filtering process very well. More particularly, we believe we can
6 -- and put some notice on the table, we hope by the May 1st
7 application deadline, that our efforts to bring together a
8 consortium of oil spill impacted unincorporated communities will
9 have borne fruit and that we will cement an application to the
10 restoration office to contract and deliver the community
11 involvement services, because in reality our original service
12 organizations, not only within our region of the Chugach region,
13 but in Kodiak and down the Alaska Peninsula, all our service
14 organizations, we provide the TA. The villages come to us for the
15 technical assistance, but we are handicapped and constrained at
16 this present moment because we're out of the communication loops in
17 a lot of fashion, and we're not able to coordinate those services
18 so that we get the best effect for our communities. Once again,
19 our advocacy and interest is for our communities. The state
20 agencies have a different mission, and this is important, and in
21 the consortium concept that we're -- would put before the Trustee
22 Council for basically assuming all the responsibilities for project
23 95052. (Aside comments regarding phone). In project 95052, we
24 have within our regions all professional expertise and staff and
25 technology to deliver all those services, we believe. Time will
26 tell. But more particularly, we also know the state overhead

1 burden on the projects that a certain amount of money comes off the
2 top of any project for admin and so forth. We believe we'll be
3 able to deliver a more cost-effective service with respect to
4 community involvement than the agencies will, just on a fiscal
5 level, and we believe this is important, and we believe in some
6 small part that the ultimate decision to have pilot communities was
7 really not an effort towards pilot communities, but a lack of
8 fiscal support or financial support for local liaisons or
9 coordinators in the other communities, might be wrong -- I might be
10 wrong. But, we believe in our proposal that we will be able to
11 deliver within the same budget amount, the ability to have local
12 coordinators or liaisons to EVOS in every community rather than
13 just three pilot communities, and we question the concept of pilot
14 -- pilot usually is something that perceives a longer term program,
15 that your building towards. Community involvement is not a pilot
16 approach or a process. More particularly, in that regard, there's
17 probably what five, six, years left in this process before we,
18 hopefully, all disband and the funds have all been allocated and
19 what's available. And, so we're concerned that by the time we get
20 done piloting a demonstration project here, the very purpose of the
21 piloting, i.e. community involvement and better communication with
22 all the communities, has little time to really work. More
23 particularly, this approach to the pilot demonstration project kind
24 of puts our communities at conflict with one another in the terms
25 that some of our communities ask why do they have a liaison to EVOS
26 and we don't. Well, it concerns people to varying degrees within

1 the region, some more though -- so than others. It's still
2 somewhat a devisive issue, and if we are to have a really
3 effective, coordinated effort within our region and within the oil
4 spill region down through the Aleutic region, which is all of the
5 oil spill area, we need to really be able to communicate and
6 coordinate among ourselves. We're more particularly -- once again
7 not to demean the outside universities and scientific institutions
8 that are contributing and providing services within the region,
9 it's very important that the communities themselves have that first
10 hand line of contact, once again unfiltered through a state agency.
11 And, the approach that we hope to put before you does not preclude
12 or limit or reduce, we believe, the involvement of the agencies,
13 and in fact we think it will improve, because they will now be able
14 to more purposely focus on their particular areas of expertise
15 rather than community involvement, which there are at least some
16 who think that's never been the boon or the real area of state
17 agencies, they tend to have a real difficult time with community
18 involvement. We believe that by combining our forces on the
19 regional level with those of our local communities, where we're
20 taking direction from the local communities in the development of
21 our packages, we'll be on a competitive level. There is a real
22 concern in the development of funding applications on the local
23 level as to whether or not, at least on a presentation level,
24 whether we can match in the current situation, the packaging that
25 is done by outside institutions and agencies who want to come in to
26 the region and deliver services, and so for this purpose, the

1 consortium also has an ability to bring the communities back to a
2 competitive level, at least a competitive level, with the outside
3 entities that may apply for funding through the EVOS process, and,
4 if nothing else, we want to be competitive. And, so this in part
5 is also the purpose of moving towards a consortium development. We
6 believe it will improve communication, open liaisons with
7 communities, and, in fact, close that gap that we have between our
8 regional service organization and the state agencies, and the
9 federal agencies that we have to deal with. So, we do look forward
10 to completing our efforts internally within our region, and
11 reaching out to Kodiak and down the line to bring forth the
12 consortium effort and to request the opportunity to put our
13 professional expertise and direct communications with the
14 communities that we have served since ANCSA and the formation of
15 the corporations, since the -- and the IRA councils and our
16 traditional councils that -- all our regional service organizations
17 not only here, but in Kodiak and Bristol Bay, have provided for
18 over twenty years. We're just missing out on a great opportunity
19 to utilize those resources and in a better and more effective
20 fashion.

21 And, just to conclude my remarks, we have met with folks here
22 at the restoration office, we have met with the folks over at
23 Subsistence and DCRA, and they have been more than open and helpful
24 to us in providing information. We -- whatever the outcome of the
25 consortium, whatever the outcome in terms of whether or not the
26 regional service organizations are still able to provide the

1 service that we're called upon anyway to provide to our communities
2 in helping them with their package, regardless of that, whether
3 that comes about, we intend to continue to improve our
4 communication with the EVOS office in one fashion or other,
5 continue improving the service there. Martha has been a very key
6 asset to us in bringing to us the historical, institutional or
7 individual memory, not institutional -- we hope to
8 institutionalize her memory and her experience with the restoration
9 effort, and will be a real asset to us. We intend to work with
10 Martha very carefully so that we don't raise any conflicts of
11 interest between her role as a PAG member and her role within the
12 foundation. That is very important because we don't want to put
13 ourselves in a competitive disadvantage in the future because of
14 that. But, you can be assured that Martha's in communication with
15 all our village council members, and when she does sit before you
16 as a PAG member that she has talked first hand with the community
17 members and Martha, more often than not, will reflect their
18 feelings and approaches to the next four to five, six years of the
19 EVOS process.

20 MR. McCORKLE: Mr. Sinnett, thank you very much. Martha,
21 I see that some additional delegates have arrived. You might
22 introduce them and then bring on your next speaker if you would,
23 and one way to do that would be to borrow Mr. Sinnett's microphone,
24 so that everything will get on the record. Thank you very much.
25 Thank you, Mr. Sinnett.

26 MS. VLASOFF: Yes, I'd like to introduce also Ron

1 Totemoff, they had everyone else stand, if you would, Ron Totemoff
2 from Tatitlek, he's a -- he runs our power plant in Tatitlek and is
3 one of our -- one of the finest hunters of the village. Also, Gary
4 Kompkoff is the President of the Tatitlek IRA council, and I really
5 respect Gary, he has always been a supporter of preserving the
6 cultural heritage of our region, and Tatitlek was the sponsor of
7 the Nuchik (sp) Spirit Camp that we are working on planning for
8 this summer, and it's a two year project that was funded through
9 DCRA to help all of our communities come back together, and
10 preserve what is remaining of our language, history and art culture
11 of -- and also to relearn the subsistence activities that have been
12 lost, not only because of lack of resources directly related to the
13 oil spill, but also the cultururation process that has been going on
14 since the Russians first came to Alaska, and all the inter-
15 generational things that have happened to the Native people. And,
16 also Patti Brown is here. Patti Brown is the Director of Chugach
17 Regional Resource Commission, and she has -- she's directing the
18 project that were funded through EVOS for the clam restoration
19 project and some of the other projects that directly affect
20 restoration of natural resources for our region, and she's -- it's
21 good to have her working with all of our Native organizations to
22 pool our resources so that we can really speak as equal partners in
23 this restoration process. I would call for volunteers that would
24 like to give their testimony at this time from our group. Helmer?

25 MR. McCORKLE: Thank you, would you join us at the front
26 table, and also sign that little piece of paper there, and Martha,

1 perhaps you could help us get hooked up to that microphone. Thank
2 you very much.

3 MR. OLSON: I guess you can hear me, right?

4 MR. McCORKLE: Sure, begin with your name, so we can have
5 that for the record.

6 MR. OLSON: My name is Helmer Olson, I'm the President
7 of the Valdez Native Tribe, also the Chairman of the Chugach
8 Heritage Foundation, among other things, I'm a Housing
9 Commissioner, Chugach Regional Resources, probably on every board
10 there is. I don't -- if missed one I don't know where it's at.
11 Jim could -- probably couldn't -- where Nuchaq (ph) involved,
12 couldn't put it in a better language. Let me go back a little bit
13 to what happened to the Valdez Native Tribe, just a little history
14 there -- you probably never heard of it. In 1969, there was an
15 agreement between the corporations, (indiscernible), even some of
16 the villages around the Sound were involved. They made an
17 agreement, with Chugach actually, they traded 3,046 acres and our
18 tribal status to the oil companies for construction jobs. So,
19 right now, we're trying to get our tribal status back, but, you
20 know, Bruce Babbitt told me, he said, Helmer, it's a tragedy. I
21 says, well, how you going to fix it, and that's the last I heard of
22 it. So, over the years with oil companies and Valdez Native Tribe
23 there, we have this mistrust of anybody affiliated even with
24 boards, advisory boards, or whatever it is, after this incident
25 happened. Whether we get our tribal status back or not is another
26 thing, but we're trying. So, we come up to the oil spill time --

1 has been working very closely with the Valdez Council and
2 everything. We made a lot of proposals, and every time it seems
3 like we were shot down. At this date, actually, they never gave
4 the Valdez Native Tribe the time of day, I could say, and still
5 that mistrust is there, it keeps going on and on. So, this Nuchag
6 Heritage on Hinchinbrook Island came about, and I thought, well,
7 maybe there's a chance we could, maybe the tribe in Valdez could
8 have a part of a home, or someplace they can go and say, okay, this
9 is ours. At least -- see, we don't have an acre of land down there
10 right now. We don't have a home. We pay rent just like everybody
11 else, which is, to me, has never been right. But, so all the
12 villages got together for this consortium between the villages, and
13 forming this operation that's happening out at Hinchinbrook, but as
14 you know it all boils down to the green dollar. I hate to say
15 that, but that's where -- that seems to be where everything comes
16 from. It's -- you know, anybody affiliated with an oil company has
17 anything to with, it hard for me to talk to them. It's just
18 ingrained me over seventeen years, or 1969 since this happened,
19 that I can speak from the heart, but I'm not much on the technology
20 part, like Jim can say his stuff, but I know that this Nuchag
21 project, if it comes about, we can bring all the impacted villages
22 back together, and maybe get our culture and heritage and stuff
23 like that taken care of. You know there was a lady that Thelma was
24 talking one day, you know, they were saying, well, something about
25 the Robin Drydock Act of 1938, well, if you weren't physically
26 damaged, but her point of view, which I could still remember was,

1 maybe physically we weren't hurt, but mentally we were. There's a
2 lot of things happen that you have to be there during the impact,
3 I mean, during what the oil spill was, families were broken up and
4 stuff, but I think some of this could be brought back if all of the
5 villages get together again and say, let's try. We were all hurt
6 at the time. I don't know what else -- more I could say, thank you
7 for your time.

8 MR. McCORKLE: Well, Helmer, thank you very much for
9 coming to talk with us. We really appreciate that, and would be
10 glad to hear the next speaker, if we could, Martha.

11 MS. VLASOFF: Okay. Okay, the next speaker will be
12 Robert Henrichs.

13 MR. McCORKLE: If you'd just begin by signing in and
14 giving us your name, and we're all waiting to hear your comments.

15 (Aside comments)

16 MR. HENRICHs: Okay, my name is Bob Henrichs, my last
17 name is spelled H-E-N-R-I-C-H-S, and I'm President of the Native
18 Village of Eyak Tribal Council, and we're located in Eyak, Cordova,
19 Alaska. There's about five hundred members. We're the largest
20 tribe in Prince William Sound. We're recognized by the United
21 States government, and we're the largest recognized tribe in the
22 Chugach region. Nobody speaks for us. The City of Cordova doesn't
23 speak for us, Cordova District Fishermen's Union don't speak for
24 us. We speak for ourself. Eyak Corporation does not speak for us.
25 They are a completely separate entity. We represent the Natives
26 that live in Cordova. The Eyak Corporation is a company that owns

1 land, and it has Native shareholders. Thirty-seven percent of
2 their shareholders are members of our tribe. They constitute about
3 20 percent of our tribe, they are a minority of our tribe. So,
4 when you talk to those guys, they are themselves, and we speak for
5 ourselves. We're real concerned about -- we feel like we've been
6 left out on oil spill projects. When monies are awarded to people
7 in the Cordova area, they don't hire any Natives, they don't hire
8 any Native boats, and we're not happy about it, and my tribe has
9 directed me to do something about it, and we have begun talks with
10 some of the entities, and we hope this will be resolved. But, the
11 SERVS contracts which were created as a result of the oil spill are
12 handled in Cordova by the Cordova District Fishermen's Union. The
13 Native boats get the table scraps, the core contracts go to the
14 boats from Seattle. This isn't right, and I'm going to straighten
15 that out too. But, we're in support of this consortium concept.
16 I cannot do it without talking to my council -- tribal council --
17 but I feel they will be behind it 100 percent, and we need to
18 change the ways some of these monies are spent. We feel because we
19 are surrounded by the City of Cordova we've been left out of a
20 chance at some of the monies, and we have been, and we have got
21 virtually nothing out of the oil spill, this deal here, and we see
22 monies being spent to buy Native corporation lands, which is fine,
23 but I'd like to see some money spent to restore the damage to the
24 resource, the human resource, because we are the people, and the
25 other Native tribes in Prince William Sound are the ones that have
26 been damaged by this oil spill. It has caused a lot of stress on

1 the members of our tribe. Many of our tribe are having -- in
2 serious financial difficulties. Many of them had -- had to leave
3 Prince William Sound because they could not support their families
4 anymore as a result of the oil spill, and it's caused a lot of
5 stress on our -- the members of our tribe, and we'd like that to be
6 addressed at some point. The restoration -- the damage should not
7 be scoped only towards trees or animals, it should be scoped
8 toward Natives and the residents of Prince Williams Sound, also.
9 That's all I have to say.

10 MR. McCORKLE: Thank you very much, Mr. Henrichs, you're
11 a very persuasive speaker, and I'm glad that you came to be with us
12 today.

13 MS. VLASOFF: Kenny. This is Kenny Blatchford from
14 Seward.

15 MR. McCORKLE: If we could have your autograph there and
16 then repeat your name for the secretary, thank you very much.

17 MR. BLATCHFORD: My name is Kenneth E. Blatchford, B-
18 L-A-T-C-H-F-O-R-D. I'm a 32 year resident of Seward, Chairman of
19 our local Native Tribe, Katousic Native Tribe. We have
20 approximately 550 Native people that live in the Seward area. A
21 relatively -- not a real visible group. I'm alternate board
22 director of the Chugach Native Board, also one of the founding
23 members of the SERVS Board, and also serve as an alternate member
24 on the Chugach Regional Resource Commission. I sit on the local
25 and Fish & Game Advisory Board in Seward as the lone subsistence
26 rep. Even though we live in a -- in an urban setting, they've

1 allowed us to have a subsistence rep, and I'm that rep. And, I'm
2 also a former Alaska Director on the National Board of the Native
3 Fish and Wildlife Society. I'm here today to speak in favor of the
4 consortium that Mr. Sinnett and our President Helmer has spoken of
5 earlier. And, I'm also here to kind of give you my opinion as a
6 tribal leader of a people who aren't really recognized as of yet,
7 but -- but as Helmer once said, we -- we breathe and we bleed and
8 we're there. March 24, 1989, everybody knows that date. What few
9 people know is from April 12 to approximately April 15th, the oil
10 actually hit the shores of Resurrection Bay in Seward. I know this
11 for a fact, I walked the beaches, and I helped collect the animals
12 and basically worked on the oil spill. The -- one of the problems
13 that we have in Seward being such a not -- not a very visible
14 population, we do have 108 local shareholders of the Chugach Region
15 that reside in Seward. The rest are from all over the state.
16 Native people from all over the state, but the common factor here
17 is that they, we all utilize the resources out of Resurrection Bay,
18 and we did on March 24, 1989. What happened to us was that in the
19 process, our population wasn't recognized as being in Seward. Many
20 people didn't even know, still don't know that there's a Native
21 population in Seward, and we have a long history. People were
22 brought there because of the Jessie Lee Home, because of the TB
23 sanitarium, because of the military bases, and because of the
24 longshoring and fishing. And, we have commercial fishermen that
25 reside in Seward, we have business people, Native-owned business
26 people reside in Seward, and we have every day people such as

1 myself. One of the -- again, one of the problems that we found
2 when the EVOS money started coming down was that our needs weren't
3 being addressed. In fact, some of the EVOS money, I believe funded
4 an assistant fire chief's position, which is good. I mean I have
5 nothing against that, but we, as the Native people would like to
6 see some real restoration projects done. Of course, you all know
7 the so-called whale jail that's going to be built eventually in
8 Seward. Some of that money, I'm sure is going to be built with EVOS
9 money, and this is the type of project that -- that we support.
10 Restoration projects -- we currently have a hatchery, a shellfish
11 hatchery, and what we're doing with the hatchery is providing spat,
12 we're growing the spat for the hatchery, not only in the villages
13 in Prince William Sound, but the other 50 to 70 hatcheries in the
14 state. In this hatchery project, we're looking at -- we've grown
15 clams for the first time, from zero. So, what we're trying to do
16 is we're trying to -- to get some money to get the clams reinstated
17 on the beaches that were devastated by the oil spill. We're also
18 looking to try to start a salmon hatchery. One of the things
19 that's happening with the State of Alaska is they're giving away or
20 turning over the salmon hatcheries to private entities, and just --
21 I can only speak as a direct impact on my community, because of
22 this the salmon that are put into -- the fry that are put into
23 Resurrection Bay, the amount has dropped, they've cut it in half,
24 so what we're going to be looking to do is try to bring that amount
25 back up, and we feel this is, this falls right in line with
26 restoration, and we're going to try start a salmon hatchery, just

1 as we started the -- the shellfish hatchery. So, I hope when you
2 see our proposal that you'll look at it favorably, and also the
3 consortium idea. A lot was talked about, you know, the culture and
4 the tradition being brought back together by this Nuchaq project.
5 This -- this is going to happen. Even though it's targeted right
6 now at Aleutic people, Native values are pretty much the same
7 throughout the state. That's the respect of elders, the respect of
8 the natural resources, and the continuation and the furthering of
9 traditional values. I've always maintained that tradition and
10 cultural values does not mean that we, as a people, stop
11 progressing. So, if you keep that in mind when you look at our
12 proposals, I'd greatly appreciate it. And, once again, I just
13 appreciate the chance to speak in front of the group. So ...

14 MR. McCORKLE: Mr. Blatchford, we're very glad you came,
15 and your -- your comments are going to make it much more possible
16 for us to understand your proposal when it does come, and we -- we
17 thank you for that background and for your attendance today.
18 Martha, we have several more minutes available before we run out of
19 time, so you might pick the next speaker for us.

20 MS. VLASOFF: The next -- the next speaker will be Gary
21 Kompkoff, President of Tatitlek IRA.

22 MR. McCORKLE: Could we have your autograph and then your
23 name, please. Thank you.

24 MR. KOMPKOFF: As Martha said, my name is Gary Kompkoff,
25 I'm the Chief of the Native Village of Tatitlek. What I'd like to
26 say is that we, the Village of Tatitlek does support the consortium

1 concept for the reasons that have already been mentioned by the
2 various members of our group here. Also, we are very grateful for
3 the support that the Trustees have given with the Nuchaq Spirit
4 Camp. But today, what I'd like to talk about is related to several
5 of the projects that the Native Village of Tatitlek has been
6 involved with and has received support and funding from the
7 Trustees. With the cooperation of the Trustee Council and state
8 and federal agencies, our village has made much progress toward the
9 common goal of restoring, and where necessary replacing the
10 resources that were damaged by the Exxon Valdez oil spill. To this
11 date, we've established a highly successful maricultural operation,
12 capable of producing shellfish products of the highest quality in
13 the world today. With cooperation of the Valdez Fisheries
14 Development Council, we've developed a highly successful salmon re-
15 enhancement project, and right now in cooperation with the Seward
16 people with their hatchery there, we're pioneering the first
17 successful clam restoration project in Prince William Sound. And,
18 it's been through these efforts that we have just begun to restore
19 the faith and the trust of the Native people in the Prince William
20 Sound area, especially in my village, and the ocean's ability to
21 again produce safe and harvestable subsistence resources. The
22 progress that we've been able to make to this point, however, it
23 will soon be jeopardized if the proposed logging activities in the
24 bay where these projects are located is permitted to happen. I'm
25 talking about the area in Bolder Bay where we have our mariculture
26 project, our salmon re-enhancement project, and our clam

1 restoration project. There are proposed clear-cutting of timber
2 and the development of a log dump site. If these are -- if these
3 activities are permitted to happen, I think we can expect to
4 encounter such problems as erosion and siltation in the streams
5 that will seriously impair the salmon spawning beds. We can expect
6 the activities related to logging to interfere with the natural
7 return routes of the salmon, and we can expect interference with
8 the natural production of plankton and other micro-organisms that
9 are so vital to the growth and survival of the mariculture
10 projects. The Native Village of Tatitlek is adamantly opposed to
11 such activity due to the adverse effects that -- that these
12 activities will have on our project that we all have worked so hard
13 to establish. We strongly urge that the Trustee Council provide
14 for habitat protection in Bolder Bay in order to protect the
15 substantial investments that we all have made up to this point, by
16 purchasing the necessary timber rights adjacent to those projects.
17 And, that's the extent of my comments. Appreciate your time.

18 MR. McCORKLE: Thank you very much, Mr. Kompkoff. It's
19 good to have that background and that information. We have a few
20 more minutes until this part of the public session is over, we can
21 go until 11:00, and we're hopeful that there are a few more people
22 who will be able to speak to us.

23 MS. VLASOFF: Fiona Sodin, is from Port Graham.

24 MR. McCORKLE: Thank you very much, Tiona (sic) to be
25 with us. If you'd sign in your name and tell us what you would
26 like to say.

1 MS. SODIN: I'm Fiona Sodin from Port Graham. I
2 actually was a politician in Port Graham, which I am, for about
3 fifteen years, but I finally found out, even when the committees to
4 make sure they were -- but since, probably 70s I haven't been
5 active, just working for them. I was a bilingual teacher at one
6 time for about ten years, and then I've gone into a community
7 health aid. Hopefully, over this summer, I'll be able to be a
8 practitioner. But, I'd like to give a background on subsistence,
9 and give you an idea of the impact it has on us. It has to do also
10 with the money-making. You know, subsistence is not really free.
11 You have to have money to do your subsistence hunting. You need a
12 skiff which costs money, a motor, which comes with the oar, and the
13 line, and the anchor, and then you need oil and gas. And then, to
14 hunt for bigger games you need a gun, and they cost money, they
15 don't come easy anymore. That's why I bring up the (indiscernible)
16 that we used to have which stopped running in 1989, the people
17 stopped earning money to have a skiff. Everybody used to have a
18 skiff before, but most of them don't. They cannot afford it. And,
19 also a lot of our people are dying of cancer, which we never used
20 to have when we were subsistence hunting and living off the land.
21 And diabetes is another one that's creeping into our villages
22 because of the western food that we buy that are supposedly to keep
23 the color going on the meat, the vegetables. They are cancerous,
24 and it's kind of scary. We really need support from you guys to
25 keep up with our subsistence so our men can do more subsistence,
26 and there's not that many left in Port Graham. We used to have a

1 lot of clams, cockles, bidarkies (ph), which is now vanishing also,
2 and we used to have dungeness crabs, and we can just go out, we
3 didn't know that we were living highly. We cannot get clams in
4 Port Graham Bay anymore. And, if we go to the source, a clam will
5 cost you about -- I mean crab -- dungeness crab will cost you about
6 ten bucks. Of course, when we went after crabs, we used to put in
7 a pot, when we'd get enough in the pot, why we shared with all the
8 people. To us that was just a natural food. We didn't know how
9 important it was to our health. Thank you.

10 MR. McCORKLE: Thank you very much, Ms. Sodin, we're glad
11 to have you with us today.

12 MS. VLASOFF: I don't know if there is anyone else that
13 wanted to speak. If there -- this is Dr. Lora Johnson. She lives
14 in Seattle now, but her heritage lies in our region.

15 MR. McCORKLE: If we could have your signature Dr.
16 Johnson, and then precede -- proceed -- I should say.

17 MS. JOHNSON: Yes, my name is Lora Johnson, the first
18 name is L-O-R-A and then the Johnson, J-O-H-N-S-O-N. I have been
19 working with various groups in our area, well since the oil spill,
20 that's really when things started. I'm an archeologist and at the
21 time of the oil spill, I got a call to come up because the threat
22 everyone was becoming more and more aware of it, so I came up, it
23 was the beginning of April that year, went out and saw the oil and
24 realized the importance of getting together programs to help, you
25 know, protect what -- you know, what was being damages, and since
26 my interest is in archeology, I was interested in the protection of

1 cultural resources. Since then, I have continued to be involved
2 both in oil spill projects, in many different capacities, working
3 both with our regional corporation, also with village corporations.
4 Again, addressing what the impacts were, and also how we can -- how
5 we can resolve what has happened, this type of thing. And, I'm
6 also the secretary-treasurer of our Heritage Foundation, and so
7 we're all working together now trying to address all of the
8 different interests because the -- the Native community is a very
9 complex community in terms of interests and trying to cover --
10 cover everything, trying to bring everyone in together from all
11 different approaches, and trying to -- trying to work towards this
12 healing process, and so I think we're -- we're moving in that
13 direction, and I think that it will be a really good access to the
14 whole region, in terms of protecting our cultural heritage, and
15 just the subsistence livelihood in the area. Again, you know, as
16 a shareholder of Chugach Alaska Corporation, I -- you know, I also
17 support the consortium idea, and again, I think it's really
18 important that we bring it back down to the local level, to the
19 villages, to the communities that -- what we're trying to do with
20 this is to help support the projects at the local level. We want
21 to help bring it together and help facilitate getting these
22 projects going, and keep communication among all groups within our
23 region, and provide a positive support system.

24 MR. McCORKLE: Dr. Johnson, thank you very much for that
25 report. I wonder, does the group have any questions they would
26 like to ask of any of the persons who have spoken today, or maybe

1 Martha, do you want to provide a brief summary, we can go until
2 11:00 o'clock and we have a few more minutes.

3 DR. FRENCH: Mr. Chairman.

4 MR. McCORKLE: Yes, Doctor.

5 DR. FRENCH: This isn't so much a question as a
6 comment. First, I'm very pleased to hear about the formation of
7 this consortium, I think it's a very positive step, and I think
8 the involvement of village members throughout the spill region are
9 very important aspect of the whole process. I do, however, hope
10 that you can reach out to the Aleutic villages throughout the spill
11 area, and not just within the Chugach area. I know that the
12 lifestyles of many of the villagers in the Kodiak region, for
13 example, were severely affected also, and they experienced many
14 similar -- similar problems to you within the Chugach region, and
15 I just encourage you to reach out and make the consortium as broad
16 as possible.

17 MR. McCORKLE: Thanks, John. Yes, Kim.

18 MR. BENTON: I guess I -- I just had a question. While
19 you were doing some talking, I was slipping through this pink book
20 that lists what they anticipate spending on subsistence and
21 archeology beyond fiscal year 1995, and if my numbers are right,
22 it's about \$152,000 to be spent on subsistence for '95, '96, '97
23 and '98, each of those years. No other funding except for a pilot
24 clam restoration, Chenega chinook release, and a little bit of
25 money for harbor seals. And then on archeology, to spend \$80,000
26 for FY '96, '97 and '98, no other archeology projects. My

1 estimations is that isn't going to be enough for you.

2 MR. McCORKLE: Can everybody hear? Maybe you can give
3 her a little bit more volume there. Thank you.

4 MS. BENTON: I'm curious because it does all come down
5 to the dollar. It's the perception of the people who put this pink
6 book together that that's where the dollars are headed. My
7 understanding from what I'm hearing today, is that you may need
8 more. I don't ...

9 MS. VLASOFF: Molly, do you want address that?

10 MS. BENTON: Yes, because they're all zeros straight
11 across the line.

12 MS. McCAMMON: I'm shaking my head. Actually, those two
13 sections, I think the biggest gaps in that document. I think we
14 have a really good handle on pretty much the science. There may be
15 some new projects coming in on the science that we don't know
16 about, but I think we have a really good idea on the science. The
17 two big holes, in my mind, and if you look at the text of that
18 document, you'll see it's in the text, are in the areas of the
19 cultural resources and subsistence. Those are the two areas that
20 we need the most planning and that have the biggest gaps right now,
21 and that's indicated in the text of that document, and by no means
22 is that the expectation of what's there. Those are the only things
23 we absolutely know about, but those areas are the ones that are
24 really going to demand the most work in the next year.

25 MR. McCORKLE: Karl, do you have a question?

26 MR. BECKER: Yeah, Martha, I really appreciate you all

1 coming here today and giving this presentation. Are you going to
2 have a ...

3 MR. McCORKLE: Volume, please, microphone, there you go.

4 MR. BECKER: I appreciate you coming here and giving
5 this presentation today. Are you going to have a written document
6 outlining the scope of the consortium?

7 MS. VLASOFF: Yes. Yes, we're in the process of working
8 on that, and like Jim said, we've already met with Molly, and Fish
9 & Game in regards to our concerns. I've also written a letter to
10 the Governor about my concerns of our involvement, the Native
11 organizations' involvement in the restoration process, and this is
12 something that we will be working on and be able to present to you
13 within thirty days.

14 MR. SINNETT: Thirty days, if not sooner.

15 MR. McCORKLE: Was there another question, Chip.

16 MR. DENNERLEIN: Yes, thank you, Martha. The -- I
17 think I've heard couple of different components as I've listened
18 here. There's -- there's the issue of -- of subsistence and work
19 or study or restoration, the question of how much work will be done
20 about archeology a whole separate issue of local hire, which
21 doesn't seem to necessarily be a project, but a question of whoever
22 does the project do they use a local -- hire a Native boat,
23 whatever, and then this sort of question of community involvement,
24 whatever the specific community involvement project is. So, I
25 guess, my -- my question is are you going to sort of flesh out --
26 there seems to be a package of things that local communities are --

1 are interested in doing, are after, are unhappy about, and it
2 ranges from getting hired to perform community involvement to maybe
3 being a project manager of something to just having services used.
4 Is there -- is the consortium, I guess, going to help us understand
5 sort of the package of that, because there seem to be a number of
6 different components to that?

7 MS. VLASOFF: Right, and I really -- I'm really
8 privileged, I'm blessed to be able to come before you working on
9 projects, and trying to be a voice for the communities, up to this
10 point, and now to see a whole group of people to join together and
11 we're -- we're going to accomplish this together. We're bringing
12 our concerns to you at this point, but the consortium will address
13 all of these issues, and be able to -- be a voice, and as Molly was
14 saying, there is a gap there, and the consortium will fill the gap,
15 and this is what has been needed from the very beginning, but
16 through litigation, or Native people were in litigation. A lot of
17 -- actually whenever you have a disaster, people are going through
18 different stages of grief, first there's denial and shock, and then
19 there is -- at a later point there's anger, and there's all
20 different -- and not all people go through it at the same time, you
21 know, there's different stages of grief. There's many reasons why
22 it's taken us this long to get to -- to the point of forming the
23 consortium on all of the impacted communities. We have written
24 letters from invitation to this meeting to all of the oil spill
25 impacted communities, and I have talked personally with the
26 presidents, as I see them at other meetings, but we didn't have the

1 financial possibility of bringing these people in. We did request
2 that from Subsistence Division of Fish & Game, and this -- this
3 didn't come through in time, but we will, we plan on including all
4 of the oil spill impacted communities in this whole process. One
5 thing that I don't know if you realize or not, but if you look at
6 the map of the oil spill impacted communities, it's also the same
7 group of people that speak the Aleutic language, and only God knows
8 why that happened, but it's an interesting fact, and as people get
9 to the point where they reclaim their cultural identity, all these
10 things start to come together, and we just are, like I said, we're
11 blessed to be able to be a part of the process. I wanted to
12 acknowledge that Marie Lang came in. Marie, will you stand up.
13 Marie Lang is one of our elders, and will be helping us as an
14 advisory person on the Nuchaq Spirit Camp, and we're real
15 privileged to have her as a part of our group. Oh, Miranda Barrier
16 (ph) is a -- works at the Katousic hatchery. Miranda, will you
17 stand up, and she is working on the clam restoration project, and
18 she is also a Chugach Heritage Foundation Trustee. And, I didn't
19 introduce Chuck Totemoff because, of course, everyone knows Chuck
20 in your group because he's been working so long to keep these
21 issues before -- before all of you, and we really appreciate that
22 work that he has done, in identifying the -- the Native concerns on
23 the -- on the PAG for how many years now?

24 MR. TOTEMOFF: At least two.

25 MS. VLASOFF: Two years, that's real admirable.

26 MR. McCORKLE: We're very proud of Chuck as well. He --

1 and I can tell you as a person who has served with him for a couple
2 of years that he represents you very effectively, very well. I
3 notice there is another Totemoff in your group. Are these related
4 people, brothers, cousins?

5 MR. BECKER: Cousins.

6 MR. McCORKLE: Cousins, well, we're glad to have the
7 Totemoffs here so splendidly represented. Chuck is really a great
8 guy, and we're thrilled to be able to work with him. We have come
9 to the end of our time. We're allotted an hour for -- Molly, were
10 you going to ...

11 MS. McCAMMON: I just wanted to make one comment before
12 we, before the group leaves, before we enter if I may, Mr.
13 Chairman. I think what you're hearing here is an expression of a
14 frustration among the villages of the spill area about what I view
15 as the failure of our federal and state laws to adequately address
16 major concerns. This settlement was brought about on the basis of
17 settling the government's, the U.S. government's and the state's
18 claims on damages to the natural resources owned by the people, by
19 the public. Unfortunately, it doesn't deal with the human
20 resources. It doesn't deal with the whole issue of healing the
21 damage that was done to the human resources. It doesn't address
22 the damage that was done to the culture of the Native people within
23 the spill area, and I have talked with a lot of people, and a lot
24 of these in the room here over the last year and a half, and have
25 tried to explain that when they've asked for some kind of
26 accommodation, or some kind of redress to this kind of damage, and

1 had to say, well, I'm sorry, the settlement just doesn't allow for
2 that. It doesn't speak to that. And, you know, trying to answer
3 and explain why, why doesn't it, I think there's a major failure
4 here in our laws that at some point needs to be addressed. I think
5 also, as I mentioned yesterday, when I said that the Public
6 Advisory Group and the Trustee Council are kind of cutting edge,
7 that nothing like this has ever happened before, and it's an
8 evolving creature, that trying to involve local groups, and
9 especially local tribal entities, is also something that's
10 evolving. I think OPA90 started to take that into account in the
11 even of another disaster, and God forbid there not be one like
12 this, OPA90 is looking at that, and, in fact, future Trustees will
13 include tribal entities as Trustees, if there is some kind of event
14 like this again. So, what we're trying to work is tried to see how
15 we can bring along local groups and involve them more in the
16 process. Working within the constraints of the settlement and the
17 laws that we've -- that we're given, and it's -- it's been a
18 frustrating process I know for a lot of members of the communities,
19 and I think the people you see in this room, I mean I am very
20 impressed with their diligence and their determination, and the
21 fact that they are continuing to work within the process, and I
22 hope that within the constraints that we have that we can address
23 a lot of the concerns that you bring about today.

24 MS. VLASOFF: I'd like to say one more thing, that I
25 apologize for not being here when your meetings began, but when we
26 meet with Molly, we identified our days that we were going to meet,

1 and it happens that they coincide, and we weren't aware of it at
2 the time, but I know that we'll have other meetings together, and
3 I will -- I will bring these concerns back to the table each time,
4 and try to represent the concerns of the villages at each meeting.
5 I know I'm a public-at-large member, but this is what's in my
6 heart, and this will always be what's in my heart.

7 MR. McCORKLE: Chip has one more short question.

8 MR. DENNERLEIN: I just wanted to -- and it's a
9 question that maybe -- I would only take the time because the folks
10 are here and I won't get -- we won't get to talk every day. I
11 understand, Molly, what you've said, and I think it's a failure or
12 a gap in the law. I would hope though that -- that maybe we could
13 begin, and the consortium may provide us a way to do this, to look
14 at some places where our laws may allow participation. It may not
15 be that we can fund or do a complete human resource or a complete
16 cultural projects, but just as the Seward Sea Life Center, we're
17 funding a marine science part, there's other money and other
18 efforts being brought to public education, maybe there are ways to
19 sort of contribute, to innovate, to partner -- I -- my own is only
20 a small example, but for three years I -- my wife and I have gone
21 out to western Alaska and taught at a natural resources camp, which
22 is put together by Fish and Wildlife, Calista, Audubon Society. It
23 brings kids all around from the delta, and I participate in the
24 National Science Foundation Review of that because they -- the
25 Science Foundation has a grant, and it was hard for the Science
26 Foundation to understand why they were funding it, because they

1 said, well, are these kids going to become scientists, and one of
2 the things we had to convince them is, well, you're missing the
3 point. These kids are the future leaders of their villages, and
4 they are becoming comfortable with science and culture together.
5 SAAMS deals with science and culture, and I hope that maybe there
6 are some things that we can look at that maybe even, if we can't to
7 everything, there are opportunities for innovation, partnering, to
8 do some things that marry science and culture at the local level,
9 which I think would be good for the future of both the resources
10 and -- and the next generation too. So, that's all -- that's all
11 I want to say. I think there are some models, and maybe if we
12 can't do everything and our laws constrain us, we can be a little
13 innovative and look to piece together some -- some creative
14 solutions.

15 MS. VLASOFF: Excuse me. \$1.5 million was given to
16 Kodiak, the Aleutic Culture Center to developing a museum, and
17 there is a research paper being done by DNR in regards to what are
18 the needs of the villages, in regards to cultural centers, so it's
19 not that these kind of projects cannot be funded, it's just that a
20 thread tied to restoration of natural resources needs to be
21 identified, and so, it is within the constraints of -- of what
22 we're doing.

23 MR. McCORKLE: We'd now like to hear from Chuck Totemoff,
24 who hasn't spoken yet today. We understand that you've got a
25 little sore throat, and we'll forgive you if you squeak a little.

26 MR. TOTEMOFF: Apologize for being late early this

1 morning, but ...

2 MR. McCORKLE: Is there volume over there?

3 MR. TOTEMOFF: But, let me say that I am very excited
4 about what's going on here today. This is exactly what I've been
5 trying to make happen for the last two years anyway that I've
6 served on the PAG. I've tried in a number of different ways to try
7 to bring the Native people of the Chugach region together, and to
8 try to, you know, first of all make aware to the PAG and the
9 Trustee Council and the public-at-large that there is damage out
10 there, and it's -- it has occurred in '89 and it's still occurring.
11 But, you know, the message that I wanted to tell the Native
12 representatives while they're here that I can't tell you how
13 important it is, you know, to come to these meetings, and to
14 testify and to tell the PAG members, and also at Trustee Council
15 meetings, to voice your support for projects and whatever concerns
16 you have. And, one of the things that I've always advocated was
17 direct restoration projects. You know, I think we're all tired of
18 seeing these people come down once a year. You know, we really
19 want to take all of these projects and to actually administer them
20 on our own, and to try to maximize the benefits, you know, while
21 the restoration monies are still here. I think somebody mentioned,
22 we've only got five or six years left, you know. Time is running
23 out on this. But, let me again say that I do applaud all the
24 Native people -- leaders from the region being here, and I hope
25 that you can be here as often as you can. And, I think the PAG is
26 most interested to hear what you have to say, and I think we will

1 get some support out of this group, I hope in the future.

2 MR. McCORKLE: Thank you, very ... Anything else you'd
3 like to add?

4 MR. TOTEMOFF: No, thank you.

5 MR. McCORKLE: Thank you, Kim.

6 MS. BENTON: Something that happened a couple of years
7 ago, I think a year ago, if I remember, the PAG passed a resolution
8 specifying local hire whenever possible, or asking for local hire.
9 For the benefit of our new members and Martha, that might be of use
10 to distribute or have sent out to the members of the PAG, and it
11 probably would fall to Doug, but ...

12 MR. McCORKLE: We did mention yesterday that there's a
13 lot of stuff in our file from things that we've done over the last
14 couple of years, that should be rooted out given to our -- our new
15 members so that things like that that are important, because we
16 have favored local hire where we can, as Chip says, where it can be
17 done, to be -- to be considered. So, I guess what I'd like us to
18 say is thank you very much to those of you who have come to be with
19 us today, we're really glad to have you. We've had a number of
20 people in the past two years come and talk to us, but never such a
21 splendid group of such outstanding leaders. We're really glad to
22 have you. You're welcome to stay for the rest of morning, if you
23 wish, but thank you so much for being with us today.

24 Now, Martha, I don't mean Martha -- Martha come sit down, can
25 we keep you for awhile. Where would you like to pick up on the
26 agenda?

1 MS.McCAMMON: Mr. Chairman we, I think we could go back
2 to the 9:30 item which is PAG operating procedures, travel
3 information, election of officers. Do you want -- were you going
4 to speak to that Chair.

5 MR. McCORKLE: Back to 9:30, okay. PAG operation
6 procedures and travel information.

7 MS. McCAMMON: I'm sorry, I believe we did have the Sea
8 Life Center. We hadn't quite finished with that, I'm sorry.

9 MR. McCORKLE: Oh, yes, by golly, you know, I'd sort of
10 absolutely forgotten about that. Are they still here?

11 MS. McCAMMON: Okay, and they're still here, yes.

12 MR. McCORKLE: We have to -- gotten them too far off
13 schedule. I know that one person had to leave for a previous
14 appointment. I think that was Mr. Livingston. Is he still here?

15 MS. McCAMMON: Mr. Sundberg is still here and Mr.
16 Selkregg.

17 MR. McCORKLE: Good, well, I'm sure they can carry on
18 well. I suppose if you -- we're not going to take an official
19 recess because we're running short of time, but if you want to
20 stand up and stretch or grab coffee, or whatever, this would be a
21 good minute to do that, and we'll really try to go right on as soon
22 as -- as soon as Mr. Sundberg and Mr. Selkregg can get recollected,
23 and I see that Maurine Simms is here still. We're going to take
24 just a minute, just to catch your breath, get organized. And,
25 again, Mr. Sundberg, we have appreciated your letting us sort of
26 hyphenate your presentation. We oftentime don't have as many

1 people coming to talk to us as we've had in this group. It was
2 very difficult to tell how long we might be able to give them. So,
3 we did go a little bit longer than I promised, but we're glad that
4 you could stay.

5 MR. SUNDBERG: No problem, here.

6 MR. McCORKLE: I think we should have began, we have been
7 losing more than I thought.

8 MR. BECKER: I think you called a break.

9 MR. McCORKLE: No, I didn't, but I think it's broken
10 anyway. Well, some folks no doubt need to say goodbye to folks who
11 have come to visit. (Informal break; aside comments) Let's go,
12 let's begin anyway. We're going to continue on with Kim Sundberg
13 and presentation on the Alaska Sea Life Center.

14 MR. SUNDBERG: Well, I'm going to have to play Tom
15 Livingston because he had to go off to Hatcher Pass, and Leif is
16 supposed to be back, but I don't know whether he'll get back before
17 the end.

18 MR. McCORKLE: That's why we've got leaders like you who
19 can do it all.

20 MR. SUNDBERG: So, I'm going to try to finish up with the
21 design, is the little pointer around.

22 (Aside comments)

23 MR. SUNDBERG: Well, I think when we broke last time we
24 were talking about the upper floor of the facility, and I'll just
25 briefly go through where the design is at on that right now. The
26 brown area is the public circulation area. There's some galleries

1 up here. When you come in on the main floor and go up these
2 escalators, and up to the upper floor, the public circulates in
3 this brown area, and some of the features on the upper floor are
4 this row of offices, actually, there are offices on both sides.
5 This is research offices, there's approximately 18 offices for
6 researchers, and husbandry staff in this area. There's a library,
7 this library is intended to be a research library with basically
8 geared towards information on the northern Gulf of Alaska, not only
9 work that's done at this research institute, but other places,
10 published and unpublished information. There's a classroom here
11 for doing lab -- wet lab in the classroom for -- doing -- teaching
12 for students, not only elementary, junior high, high school
13 students here, explaining what's going on in the facility, the
14 marine life, etc. These are administrative offices over here, and
15 the habitat tanks will have access to the public at the -- at the
16 surface level, so the water surface is actually the second story.
17 When you go downstairs, you have those windows you can look into
18 the tanks. The tanks are up to 18 feet deep, so that the water
19 surface is up here, so public can circulate around the tops of the
20 tanks. If it's a bad weather day, they can just be inside this
21 covered pavilion right here and look out -- out this way. And,
22 then the public goes back downstairs and circulates through the
23 under water viewing experience, and out the building. The research
24 offices have their own access up and down to the wet labs and dry
25 labs down below, so they're not intermingled with public
26 circulation pattern, and the public isn't going to be interfering

1 with sort of the day-to-day operations within -- within the offices
2 and labs. But, the public can look down through these windows,
3 down into the wet labs, and out onto this research deck here,
4 through this overlook to basically look at what's going on with
5 research activities at the facility, and they'll be not only some
6 interpretive materials there, science, videos, that kind of thing,
7 but there will also be a lot of volunteer docents in the facility
8 that will be trained to explain what the programs are that are
9 going on there, and interpret the activities that are going on in
10 the facility. I think that's pretty much it for the current
11 design. It's at the mid-design development stage, and the final
12 design development is to be completed in early May and that will
13 have the construction estimates, and the final design development
14 which will then be going through a review by the Executive
15 Director, and others. Then, when approval is met on that, then
16 they'll be going to actual construction drawings, and the schedule
17 -- the current schedule is -- we've mentioned going out with the
18 intake structure, the sea water intake, the wet well and the site
19 work on the site this summer, so the first contract will be let
20 this summer to do that work, and then the building itself will be
21 bid in late summer of this summer, and award for that will happen
22 as in October, early October, and construction would begin
23 thereafter. So, when the EVOS money becomes available in -- on
24 September 15th, the project won't actually be bid until after the
25 EVOS money is -- is in place, and the approval to be met through
26 Molly and with the cooperative with the agreement that ADF&G has

1 with the City of Seward.

2 I'd just like to mention a little bit -- two more about these
3 agreements. We're currently have a public hearing before the city
4 -- Seward City Council Tuesday night on these agreements. Seward's
5 City Council has to adopt these by resolution. This is the
6 ADF&G/city agreement and the city/SAAMS agreement, which detail the
7 oversight for the projects, the city's responsibility to own and
8 operate, maintain the facility for its practical life, insurance,
9 indemnification requirements. The state agreement is some 25 pages
10 long, and the city/SAAMS agreement is about 40 pages long, and
11 they've undergone extensive amount of work by not only the Fish &
12 Game and the city, but the Department of Law, risk management, the
13 attorneys representing the city, and SAAMS, and at this point, you
14 know, represented a lot of thought, I think in terms of providing
15 the kind of oversight to make sure that the project is -- can be
16 built within the budget that's available, and that it can be
17 operated efficiently and in a manner, you know, will be successful
18 in the long term. That's a requirement. The agreements are a
19 requirement of the Trustee Council resolution. There's also a
20 requirement to develop a detailed operating plan, which I'm
21 currently working on with Leif Selkregg, and as he mentioned we
22 should have a draft of that plan available in May. That will be
23 laying out basically, the operating cost for the facility, the
24 staff, the salaries, the job descriptions, the cost of feeding the
25 animals, the cost of utilities. It's a business plan essentially
26 of how -- what the actual costs are going to be, not only when the

1 facility is operating fully in 1998, but before that there's some
2 wrap up costs that -- as the facility is constructed there will be
3 costs incurred with having to bring on staff as we mentioned in
4 1997, and we'll be reflecting those in terms of the funds that are
5 available to fund the wrap up and in the first initial operations.
6 There's also requirements in these agreements for carrying
7 operating reserves, not only for operation and maintenance of
8 equipment that wears out, pumps, painting, kinds of things that you
9 need to have to keep a facility viable in ten to twenty years from
10 now. There will be a reserve set aside for that, but there's also
11 going to be some operating reserves set aside and that are mandated
12 to carry the facility, if there's a bad year in tourism for some
13 unforeseen reason, there's a drop in revenue side, these reserves
14 are available, and their restricted reserves to carry things ahead.
15 There's also a requirement -- Trustee Council to show how
16 mitigating measures are being complied with, considered and
17 implemented the extent practicable, and Maurine Simms being the
18 permitting and compliance coordinator will be preparing a list of
19 all the permits and all the measures that were included in all of
20 the EIS, but all the permits and how those are being complied with.
21 That will be part of the package that will be available in -- in
22 June. There's a requirement for detailing the governing and
23 management structure that clearly identifies the role of the
24 University of Alaska providing scientific leadership at the
25 facility, and ensures the facility is managed so that research
26 activities appropriate serve the Trustee Council's restoration

1 mission.

2 That gets back to this agreement, memorandum of understanding
3 between SAAMS and the university about their role in the facility,
4 and the operating plan will also detail the governing management
5 structure with SAAMS, a non-profit cooperation. The need to
6 operate it and how the organization chart works, and who is
7 responsible under SAAMS and who is responsible under the University
8 of Alaska to facilitate and how that works together. And, finally
9 there's a requirement for annual financial reports and projects
10 status reports. Those are a requirement of the agreement that
11 we've crafted with the City of Seward and those will be provided to
12 keep the Trustee Council and the Executive Director apprised on an
13 annual basis of the financial status and the -- and the status of
14 the project for the foreseeable future. So, with that, if there is
15 any questions, I'll try to answer them.

16 MR. McCORKLE: Thank you, I know that Chuck had some --
17 Karl, pardon me, Karl had some questions to begin with, and if you
18 would just address Mr. Sundberg directly, that will save some time
19 and then Martha will be next. Karl, if you'd begin.

20 MR. BECKER: Has the Trustee Council -- I will have
21 remembered at this time -- the Sea Life Center sent out an update
22 in December of last year, in which they state that the Council has
23 established a policy to concentrate EVOS-funded laboratory research
24 projects and resources at the facility to the maximum extent
25 possible. Is that a policy that the Trustee Council has adopted?

26 MR. SUNDBERG: Yeah, in a resolution that was draft --

1 passed in November 2nd of '94, the -- the statement that the
2 Trustee Council made in its resolution was that in authorizing
3 funding for this project, the Trustee Council adopts the following
4 policy. "Consistent with this facilities unique capabilities for
5 marine mammals, sea birds, and fishery genetics research, it is a
6 policy of the Trustee Council to concentrate its EVOS-funded
7 laboratory research projects, and resources at the IMS facility to
8 the maximum extent practicable. Approval of individual laboratory
9 research projects, including the facilities at which they will be
10 located, will be based on the resources required for that project,
11 and its cost-effectiveness, including the cost savings available to
12 the Trustee Council at the IMS facility as a result of this capital
13 investment." Did you find that?

14 MR. BECKER: Yeah, yeah I did. So, is that a
15 commitment by the Trustee Council to future funding of research
16 efforts in that center beyond the year 2001, and supporting
17 operating costs?

18 MS. McCAMMON: Mr. Chairman, if I can answer that
19 question. It's not a commitment, no. What the commitment is, is
20 that if in the overall restoration -- the overall restoration
21 needs, if there is a need for laboratory work in the fields of
22 marine mammals, sea birds, and fish genetics, that those projects
23 will be concentrated in that facility. There is no commitment that
24 the Council will fund any of those projects. It all depends on
25 proposals that might come forward and future needs. And, there's
26 not a commitment for -- to subsidize or support operating costs.

1 MR. BECKER: Okay, the reason I'm interested in that is
2 -- is that there was a mothball scenario in the event that the
3 public display portion of this was not fundable, in which case, as
4 I understand it, that public display portion is critical to the
5 continued funding of the operations of this research facility --
6 the research portion -- and, if you have a mothball scenario
7 without the public facility part, how then is future research going
8 to be funded and operation costs on that remaining portion?.

9 MR. SUNDBERG: Let me explain a little bit about --
10 there's actually more than a mothball scenario. The agreements
11 that are being drafted between ADF&G and the City of Seward, and
12 the City of Seward and SAAMS have required a scenario of addressing
13 what if there's no visitor revenue. That -- the way that's crafted
14 is there's a reduced -- there's a reduced revenue scenario if
15 there's no public, basically, there's no public dollars coming in
16 from the facility from visitation, and what that does is it reduces
17 the staff of the facility down to the bare minimum to carry
18 research projects. That is not a mothball, that is a continuation
19 of a stand-alone research facility, with a minimum staffing to --
20 to maintain the facility. Right now, that scenario shows an annual
21 cost of approximately \$1.3 million to basically keep the facility
22 open, keep the research projects viable, the animals viable, and
23 maintain the facility. The City of Seward, being the owner of this
24 project, is obligated to operate the facility as a research
25 institute for a minimum of two years after they notify that there
26 is no -- that there no longer is a financial viable operation.

1 They're taking that responsibility on to operate the facility for
2 a period of time when you bring in a financial advisor, see if
3 there is something you could do to change things, to make the
4 project viable, if, in fact, this every happened. And, then in the
5 event that the facility is not -- the city decides at the end of
6 two years that it cannot operate the facility, then there is an
7 option in the agreement, an option only that ADF&G could exercise
8 to take over the facility. We would have the first option to take
9 it over, and operate it as a research facility. If we decide we
10 did not want to operate it as a research facility, the facility
11 would go back to the city, and the reason for that provision is to
12 ensure that the research functions of the facility can be carried
13 out and that the state has the opportunity to maintain those
14 research functions in the event the city decides it cannot --
15 cannot continue to operate it. The mothball scenario comes in from
16 the city's standpoint, if, in fact, they would have to basically
17 get the facility back, Fish & Game decided they did not want to
18 operate the facility and the city decided to mothball it, the cost
19 for that have been estimated to be approximately \$500,000 a year,
20 which would be to provide basic security for the facility, security
21 and a low level of maintenance in the facility to basically keep it
22 from crumbling while the city decided what they were going to do
23 with it. There's been some question about the actual ownership of
24 the facility and the fact that the state -- it has to remain in
25 public ownership because of the public funds that have gone into
26 the facility. So, if, in sort of the doomsday effect that nothing

1 -- that the facility has to be mothballed, it still remains in
2 public ownership, and there isn't basically, the facility is not
3 sold off, unless there's a decision to do that at some point in the
4 future. So, there's reduced -- reduced public scenario and there's
5 a mothball scenario.

6 MR. McCORKLE: Do you have a follow up?

7 MR. BECKER: Yeah, I guess -- I wished these were more
8 than just academic questions. I mean, maybe they're looked at that
9 way, but I look at some of the other projects that have been funded
10 in this state that are currently mothballed, and I think that this
11 deserves serious consideration before any funding is finally
12 approved. Then, I had some other questions as well.

13 MR. McCORKLE: Are the kind that you'd like to have on a
14 one-to-one basis, or are they kinds of things you think would be
15 useful to the group?

16 MR. BECKER: Well, I guess I'd leave that up to the
17 group. I -- I would think some of them are probably useful.

18 MR. McCORKLE: Well, let's have another one, we still
19 have a few minutes left, and then we'll come over to Dave next.

20 MR. McCAMMON: Mr. Chairman, I can assure you, I have to
21 put my signature on this thing, and I'm not going to put my
22 signature on something that I think has even a remote chance of
23 being a white elephant in Seward, and I think the Trustee Council
24 felt that way when they took action to approve this project in
25 November. This -- this project is not going to be -- does not have
26 the future problems, I believe that, for example, the Performing

1 Arts Center in Anchorage, if you want to refer to a problem
2 facility has had, and there are more checks and balances in this
3 than -- than any other project that I know of that the state has
4 funded in the last twenty years. That doesn't -- and I don't take
5 any of your questions lightly at all, Karl, and I think they're
6 very legitimate questions that should be asked and answers should
7 be demanded from them, so I just wanted to reassure you ...

8 MR. SUNDBERG: I would just like to add, Karl, those
9 questions have been asked by the Seward City Council. They want to
10 know what their outside risks are, and the project is addressing
11 those, in terms of not only scenario and looking at what the
12 balance sheet looks like, but also, there's the requirements in
13 these agreements, they're enforceable requirements in the
14 agreements. They can be enforced by court order to ensure that
15 these protections are built into the facility, and I don't know of
16 any other project, as with Molly, that, you know, has this sort of
17 oversight and insurance that -- that the public interest is
18 protected here. One other thing I would add is that this project
19 has had three independent marketing studies done on it, and there's
20 going to be another marketing study done this -- this year with new
21 numbers, and everyone of the marketing studies has shown what the
22 projected visitation rates are to the facility and the project has
23 always used the low end of those numbers, and we've always found
24 that the actuals are higher than what the numbers are we're using,
25 but we're continuing to use the low projects, representing the
26 project of what that can break even at the low projected revenue

1 stream. So ..

2 MR. McCORKLE: Local government.

3 MR. COBB: From the aspect of municipalities, boy, if
4 this was brought to the City of Valdez City Council, I'd be scared
5 to death. Just from the standpoint of putting ourselves out there
6 on the line to commit to a \$1.5 million expenditure. I'm glad to
7 hear that you've got a lot of things in place to protect the City
8 of Seward. Ultimately, if the City of Seward fails, the State of
9 Alaska is going to have to pick up the tab, and -- but, I encourage
10 you to keep putting those things forth, and to work with the City
11 of Seward. I've talked to some of their council people over there,
12 and they do have some concerns, but I think it sounds like you're
13 addressing those concerns, and I certainly hope you continue to do
14 that.

15 MR. McCORKLE: We'll turn to Martha next.

16 MS. VLASOFF: Yes, along the lines of -- I know Molly's
17 been working with our projects, subsistence projects, and one thing
18 that came from the work session this year, was that Molly said that
19 the community involvement aspect of all the research that's being
20 done has to be identified, and I was just wondering what
21 involvement you have had with the Native organization in Seward, as
22 far as their involvement in this project?

23 MR. SUNDBERG: Well, we've gone through extensive public
24 process in the environmental impact statement. We've talked with
25 the Kitichak (ph) Hatchery folks, I think we're aware of their
26 program, and what they are doing there. They're interested in this

1 project. We're working with the Maricultural Technical Center to
2 look at cost savings of combined -- say the fresh water system with
3 the Maricultural Technical Center. Maurine, do you have anything
4 else to add as far as public involvement.

5 MS. SIMMS: I can't recall right now the people that
6 were present in our public scoping meetings back in the EIS
7 process, but we did have representation from the Native community,
8 and that is documented in that environmental impact statement, and
9 I'd have to see who that was.

10 MR. SUNDBERG: Another thing I'd like to point out is I
11 think there's opportunities right now for additional involvement
12 from the Native community in the project. We're still in a
13 planning stage, and particularly in, not only on our scientific
14 work group that we have right now that is active in advising the
15 architects on the design of the research side, but we have an
16 education work group that's involved with the public side and
17 interpretations side, and I think that there's some raw
18 opportunities for involvement -- for additional involvement.

19 DR. SPIES: I think Leif Selkregg also mentioned
20 earlier the fact the Board of Directors had only been on the board
21 for a short period of time, shows interest in getting some Native
22 representation, somehow on this project, and so that's being fairly
23 actively pursued.

24 MS. VLASOFF: I would just say that -- that it's really
25 important to realize the importance of marine mammals in the Native
26 way of life, and since it's such an integral part of our

1 subsistence way of life, I know that if you include the traditional
2 knowledge aspect of -- of the way that Native people have used the
3 -- and lived off of those resources for -- for many centuries, it
4 would just add a wonderful aspect to what you folks are doing, but
5 also opportunities for the local people to be involved and also for
6 job opportunities for those local people. So, I'd encourage you to
7 pursue that.

8 MR. SUNDBERG: Can you give me some specific ideas on how
9 we could do that. Do you have any ideas right now, I mean we can
10 talk afterwards.

11 MS. VLASOFF: Well, specifically, you should be working
12 with Kenny Blatchford who is the chairman of Katousic Native Tribe,
13 and then he can -- he can also relay to you who are the elders that
14 have that knowledge, who are the subsistence hunters that, perhaps
15 can be involved in a oral history project to identify the uses.
16 But, I'd say go to the people themselves, and ask them who are
17 their elders and who would like to be involved in the project.
18 Also, the Chugach Heritage Foundation can help as far as resources
19 of historical information.

20 MR. SUNDBERG: Thank you.

21 MR. McCORKLE: More questions, Chip?

22 MR. DENNERLEIN: (Indiscernible - coughing) and I've
23 spoken a lot today. I'll defer first.

24 MR. McCORKLE: Maybe that one would come closer. Of
25 course, we've got some cord here too.

26 MS. THOMAS: I'd like to go back to this reduced

1 revenue scenario, once again, for a minute. If I'm understanding
2 this correctly that it's the private funds that are going to be
3 used to build the visitor portion of the Center?

4 MR. SUNDBERG: Correct.

5 MS. THOMAS: And, maybe you could address that, just a
6 minute, how it's going and the collection of these private funds,
7 how that is going?

8 MR. SUNDBERG: Okay, SAAMS has retained a professional
9 fund-raising counsel, J. Donovan & Associates. They do Providence
10 Hospital's fund-raising campaign. They've been involved in a
11 number of other projects all over the nation, and in Alaska, have
12 a pretty good reputation for -- for fund-raising. They have begun
13 a capital campaign for the Sea Life Center that involves, basically
14 three components. There's a \$10 million capital campaign to build
15 public side of this, that's underway right now. They're looking at
16 getting \$5 million and primarily from the corporations and
17 foundations within the next twelve months, and another \$5 million
18 over the next three years to fund the capital -- the \$10 million it
19 takes to build the public side of this. The first \$5 million would
20 be basically cash to the project; the second \$5 million probably
21 will be bridge-financed by a bank with \$5 million raised during the
22 longer period to pay back that loan. But the schedule for those
23 funds coming in are to have them available to the project to build
24 basically all you see on these plans within the schedule to open
25 the project in 1998. Then there is a third campaign that's going
26 on to endow three chairs at the facility's -- \$6 million endowment

1 campaign to endow three research positions at the facility. Also,
2 a longer term campaign to occur over the next decade, and that --
3 that campaign will be initiated in the next six months to begin
4 that. The short term needs are to get the \$5 million in grants
5 from foundations and corporations. The fund-raising counsel thinks
6 that that this project is extremely viable in terms of getting the
7 \$5 million. They have had talks with a number of different
8 foundations who are very interested in contributing to it. But,
9 that process is, as I'm learning more and more fund-raising, is a
10 process that takes place over months of talking with these
11 foundations, making them -- giving the information to them, giving
12 them time to study the -- not only the economics, but what the
13 reasons are for the project and what it does. But they're very
14 confident that they'll be able to raise these funds, and that they
15 will be available in time to construct the facility.

16 MS. THOMAS: Thank you. I have just a follow-up on
17 that. If the Center was to get into that scenario, and you
18 mentioned that there would be \$1.5 million of operating cost to
19 keep the research facility still going ...

20 MR. SUNDBERG: Approximately \$1.4 million.

21 MS. THOMAS: Are you saying then that those monies
22 would have to be generated from overhead costs of projects that are
23 funded for that center ...

24 MR. SUNDBERG. Right.

25 MS. THOMS: ... and if so, that would mean if you had
26 an overhead rate of, let's say 25 percent, that you'd have to have

1 several million more dollars of projects funded in marine mammals,
2 marine birds, and fish genetics to support that center?

3 MR. SUNDBERG: Okay, under the pro forma that's operating
4 for the facility right now with 215,000 visitors a year. The cost
5 of doing research at the facility is calculated. There's about
6 50,000 square feet of available research space in this facility.
7 That works out to be 55 cents a square foot in terms of the cost of
8 doing research here, with the revenue that's projected. If that
9 revenue drops to zero, and there is no public revenue coming into
10 the facility from visitors, then -- and assuming that you could
11 convert some of this administrative space, and education space
12 that's going to be used for the visitation site to research space
13 or office space, that brings the available space in the building up
14 to about 16,000 square feet, and at that scenario with the cost of,
15 you know, the utilities, and maintenance and security of about \$1.4
16 million, that brings the research space up to \$2.00 a square foot,
17 and \$2.00 a square foot is sort of a competitive price range for
18 Class A office space in Anchorage, and this is a fully equipped
19 marine lab with running sea water, all kinds of laboratory
20 facilities. A lot of marine labs or laboratory space that I'm
21 aware goes for more like \$3.50 or \$4.00 a square foot, and -- so
22 this facility is still very competitive in terms of providing space
23 even with no visitorship to it. Now, that would mean that the
24 facility would have to go out and actively get people to occupy
25 that space, but from what we've been able to determine from letters
26 of support from outside, there are a lot of scientists are very

1 interested in doing work at this facility because it's one of the
2 only cold water facilities available in the world, and it's going
3 to be state-of-the-art, and so the opportunities to fill that
4 research space, I think are pretty high out there.

5 MS. THOMAS: I have no doubt it's going to be a
6 beautiful facility. I guess what I question is -- is there enough
7 money going towards marine mammals research to fill that space, and
8 if this scenario should come up.

9 MR. SUNDBERG: Well, it's pretty hard to say that
10 certainty with the volume, but marine mammals seem to be a hot --
11 a hot issue now and for the foreseeable future, this facility also
12 has, you know, tremendous capabilities for doing fish research and
13 invertebrate research, and marine bird research. So, and it has
14 flexibility built into it. It's not just married to having only
15 certain types of research done and the ideas behind the wet labs,
16 and a lot of the tanks and pools -- there's a lot of flexibility
17 built into bringing different kinds of research as the research
18 scene changes in the future, which it will.

19 MR. THOMAS: Could I just have one more question.

20 MR. McCORKLE: Sure.

21 MS. THOMAS: One quick one. Right now, the facility is
22 -- the estimate cost is \$46 million dollars.

23 MR. SUNDBERG: \$47.5.

24 MS. THOMAS: \$47.5, excuse me. I was wondering are
25 there any contingencies that have been worked in case of cost
26 overruns?

1 MR. SUNDBERG: Well, the facility will not go into
2 construction unless the bids come back, and they're within budgets,
3 so there will be no commitment to beginning on the construction on
4 the facility unless those bids come back and they are within the
5 budget. If, for some reason -- there's been a number of different
6 estimating exercises done on this facility to refine the design
7 requiring estimates, talk with contractors, general contractors
8 here in Alaska to make sure that the estimates are accurate and
9 continue to be within budget. But, in the eventuality that the
10 bids came in over budget, the building wouldn't begin construction
11 until the -- the facility was reduced down to the size it could be
12 built within the available funds. So, there's that built in.
13 There's also in these agreements monthly oversight by ADF&G on cash
14 flow projections and design changes that may come up during the
15 construction period. At any time, those -- if the facility was
16 experiencing cost overruns, we could, you know, basically stop the
17 flow of dollars into the facility until those were brought back
18 into budget again, so, there's oversight on the construction of the
19 facility to ensure that it doesn't go over -- over budget.

20 MR. McCORKLE: Let's go to Pam and then Karl, and Chip.

21 MS. SIMMS: And, secondly those -- those estimates
22 have been contingency built into them, as a standard practice, so
23 there is a level of contingency in our estimates that are being
24 submitted here, so ...

25 MR. McCORKLE: Pam.

26 MS. BRODIE: I've been reminded on public radio every

1 morning for the last few days that we're around the anniversary of
2 the Good Friday earthquake in 1964, and as long as I've lived in
3 Alaska, I've seen beach front property as being very vulnerable.
4 What happened to Seward in the 1964 earthquake? Did it go -- did
5 the level of the ground rise, or go down, and by how much, and was
6 it hit by a tsunami, and if so, what kind of damage did it sustain?
7 Oh, and will it be insured against tsunamis and earthquakes?

8 MR. SUNDBERG: Yes. We have insurance requirements in
9 the agreement that require both earthquake and tsunami and flood
10 insurance. Incidentally, the insurance requirements on this facility
11 are probably going to be about around \$100,000 a year because it
12 has all risk insurance and insurance for basically anything, and
13 full replacement cost of the facility also. But, the built -- the
14 facility being built down here, and historically, of course, pre --
15 pre-European history, this area was used probably as an area for --
16 Native use of the area. It was used by Russians potentially as a
17 possible ship building area. There's an archeological survey that
18 was done in -- in the EIS that identifies, you know, historically
19 what this area was used for, and then when European history, after
20 the Russians began, this was the shipyard -- or ship landing spot
21 for people coming into Alaska, the beginning of the Iditarod trail
22 was down here, so there was some docks. Then it became -- was
23 taken over by the -- the old Alaska Railroad and became Alaska
24 Railroad yard with docks that went out into the water, and that
25 what was there when the earthquake happened, and when the
26 earthquake happened, the portion of the site that was out in the

1 water -- the docks, there was a piling supported docks, concrete
2 supported docks out here -- slid away in a submarine landslide.
3 But, the upland parts remained fairly intact, but anything that was
4 down in the water slid down and was destroyed by the earthquake.
5 And, over in this area, there was other docks along here and they
6 subsided, this area subsided. This area didn't subside that much,
7 and the geotechnical studies have been done on this up site, say
8 that, of all the places along the water front, it's probably more
9 stable than some of the other portions. There was also some
10 sliding that occurred in this area over here, but at least as far
11 as this side goes, it's -- it's less vulnerable than some of the
12 other portions of the Seward water front. There was a tsunami that
13 came in here, or washed into, you know, portions of the downtown
14 area, that was caused probably by this (indiscernible) that was set
15 up in Resurrection Bay from the submarine landslide, and decided
16 not invulnerable to new seismic activities, but it's being
17 constructed, is a zone four seismic site, and the engineering is
18 going into account for shaking that will be anticipated in a, you
19 know, maximum type earthquake, and there is insurance on the
20 facility for earthquakes and tsunamis. So, it's not without risk,
21 but I don't think there's any part of the Alaska coastline in south
22 central that isn't without some earthquake risks, so ...

23 MR. BRODIE: How do you deal with that?

24 MR. McCORKLE: So, a follow-up, Pam?

25 MR. BRODIE: Yes, an unrelated question, but back to
26 the finances, this facility is receiving, according to the plans,

1 \$25 million from the Trustees. It has already received \$12.5
2 million from the state criminal settlement from Exxon, so that's a
3 total of \$37.5 million which covers the whole thing except for the
4 visitor facility, which is another \$10 million, and you will need
5 certain research funds to keep it operating, some of which are
6 expected to be again Trustee Council funds, although the Trustees
7 passed a resolution saying that they -- I can't remember the
8 wording exactly, but favoring this facility, whereas the Public
9 Advisory Group passed a resolution saying the opposite, that it
10 should not favored, but, of course, the Trustees have the power.
11 Can you say how much money from the Trustee Council on a year-by-
12 year basis, this facility is planning to get?

13 MR. SUNDBERG: Well, the operating pro forma shows
14 revenue of \$250,000 a year for research. It does not say that
15 that's the Trustee Council's obligation, but it assumes that there
16 will be \$250,000 a year coming into the facility on a total revenue
17 stream of about \$3.6 million of research revenue. The Trustee
18 Council has been given first priority in the agreements to conduct
19 its research here, so they come in, they get to do first crack at
20 the facility. As far as SAAMS is concerned in their operations,
21 Trustee Council has first option to use the facility. If they
22 decide that they don't want to use the facility, or a part of it,
23 then SAAMS is free to go out and solicit other research projects
24 from your agencies or other universities or foundations. It is
25 anticipated that the Trustee Council is going to get sort of the
26 reduced rate here, I mean, in fact that's -- that's part of the

1 agreement is that Trustee Council will get because of their capital
2 investment in the facility, they get the lowest research rate in
3 terms of per square footage. If somebody else wants in, Trustee
4 Council doesn't use the facility or part of it, and SAAMS makes it
5 available to, you know, whoever, Scripps or somebody like that. If
6 they come, they probably have to pay a little bit higher rate than
7 somebody else. The answer to your question is right now, it's
8 \$250,000 a year.

9 MR. BRODIE: And, the rest of the \$3.6 million comes
10 from the visitors?

11 MR. SUNDBERG: It comes from visitors, memberships,
12 grants, sales, that's a big -- about 20 percent of the budget is in
13 sales, and that's consistent with other facilities of this type.
14 Those are the major (indiscernible).

15 MR. McCORKLE: Anything further?

16 MR. BRODIE: Thank you.

17 DR. SPIES: Kim, I'd like to just mention very briefly
18 in partial answer to Pam's inquiry is that the current Institute of
19 Marine Science facilities at Seward are in great demand, and there
20 are some extra room there, but it's -- it's kind of signed up for
21 way ahead of time, and so, my overall impression is there's not
22 going to be a problem with -- in fact, may be a financial benefit
23 to the program at the -- to the facility if the Trustee Council
24 research is not taking up space, because that space will be taken
25 by other researchers who are going to have to pay us a little bit
26 higher price, and there's every indication that there is going to

1 be quite a demand for the available space.

2 MR. McCORKLE: Karl, I've seen you writing some questions
3 there, what have you got?

4 MS. McCAMMON: Well, I just wanted to say just to help
5 indicated how the Council viewed prioritization of projects. If
6 there were two projects in front of them, for example SEA program,
7 which is an ecosystem field projects and a marine mammal lab
8 project, at the Seward facility, the marine mammal lab project at
9 Seward would not have any priority or be given any particular leg-
10 up over a field project based somewhere else. However, if there
11 were two fairly identical marine mammal lab projects that came
12 before the Council, it only makes sense for the Council to fund one
13 that was based in this facility that they just invested \$25 million
14 in. So, that's the kind of priorities that the Council will be
15 viewing when projects come forward. But, other projects, just
16 because they're based in Seward, and at that facility, will not
17 necessarily give them any priority over projects.

18 MR. BRODIE: Thank you, Molly, that does make it more
19 clear. You do have some worriers on the Public Advisory Group, and
20 previous Public Advisory Group also had some worriers, and maybe
21 all these financial things are going to work out great and this
22 project might bring in more money than anybody's guessing, it might
23 be more full than anybody's guessing. Meanwhile, some of us are
24 worried that things might work out worse than the projects. Alaska
25 has a history of big projects, some which have worked out, some of
26 which haven't worked out, and when they don't work out, then people

1 try to keep them alive how ever they can, by -- and, so if this one
2 doesn't work out, I think that there will be pressure on the
3 Trustees to put in more money, that might mean changing some
4 policies that are very reasonable policies that they set up now,
5 and there will be pressure on the state to put in more. Maybe none
6 of this will happen, but I think we should recognize that that's a
7 possibility.

8 MR. McCORKLE: Karl.

9 MR. BECKER: Yeah, and I appreciate you explaining
10 that, Molly, because that I think goes to what both Pam and I
11 probably are feeling, and that is, is that as time goes on, even
12 say under the best scenario, I would think that this research
13 center of this magnitude is going to probably be a real attractor
14 for any funding which would otherwise be available to other
15 projects, and I -- or facilities that already are in existence. I
16 think of Prince William Sound Community College, the Prince William
17 Sound Science Center, projects such as the SEA program, and other
18 programs that are in some fashion related to EVOS restoration, or
19 beyond, and I would think -- I just want to say that is my primary
20 concern is that the Trustee Council may be funding under the best
21 scenario if everything works out just fine. A -- a project which
22 will tend to drain possible funding from other meritorious projects
23 in the EVOS region.

24 MR. SUNDBERG: I think also, you know, you could look at
25 it from the standpoint that this project may provide a catalyst to
26 bring even more funds into the Prince William Sound Science Center

1 and other facilities because it's ability to draw more grant funds
2 into the State of Alaska, than may otherwise be available right now
3 because of the lack of facilities. Because we've gotten letters
4 from a number of marine scientists, not only in the United States
5 but around the world, who say, you know, I'd like to work in them
6 -- put a lot of money into handle that facility like this. We may
7 see these people bringing in dollars and programs into the area
8 that would not otherwise come in, and to the extent that the other
9 facilities can take advantage of -- of that additional funds coming
10 in for research and form collaborative relationships through field
11 programs or through other specialized capabilities, the ecosystem
12 modeling at the Science Center is developing the expertise in --
13 you know, it may be a net gain in terms of the available dollars.

14 MR. McCORKLE: Chip, you're next.

15 MR. DENNERLEIN: A couple of questions -- one, who
16 owns this?

17 MR. SUNDBERG: The City of Seward.

18 MR. DENNERLEIN: The City of Seward will own this
19 facility?

20 MR. SUNDBERG: Right.

21 MR. DENNERLEIN: Okay. the -- I will say that I have
22 pretty much confidence that your visitor statistics are going to
23 work out because Princess is going to have a new boat here in '96
24 and they don't know where to put people yet, and there's two others
25 coming. They're the largest in the world fleet. They'll be here
26 in '97. So, I think that the trend -- there may be some questions

1 I have about a 90 or 100 day seasons of visitations, which is a
2 little shorter than Monterey, but I think that -- I think that the
3 visitor statistics are there. The one question that I guess I
4 bring up, and I don't know -- to hedge our bet, and maybe this is
5 to the federal designee and to Molly, one of the things I'm
6 concerned about is that everything we do, that the agency sort of
7 cooperates to hedge our bets to make it work. That it's the best
8 investment, and this facility seems to be ideally suited, tank
9 size, everything else to both the sort of pinopeds (ph) and alcids
10 (ph) and, you know bird research, and I'm a little confused as to
11 how the Fish and Wildlife Service which has a -- a major sea bird
12 responsibility, has spent two years wandering around on their own
13 initiative trying to do alcidariums (ph) in Homer when we're trying
14 to piece together a project that will be successful here, and I
15 guess I raise that as a -- at the same time they're complaining
16 that they've lost their researchers in the field in the maritime
17 refuge. At the same time the National Biological Survey has taken
18 researchers from the Park Service and the Fish and Wildlife
19 Service, and now we don't know if Congress is going to fund NBS,
20 and so I guess as Public Advisory Group, I -- I don't know exactly
21 how to phrase this question to our directors, or my friend George
22 Frampton, but let's get our act together. Smell the coffee,
23 federal budgets will be tighter. I think we can make this work,
24 but we should be very conscious of -- of where we put our emphasis.
25 I mean this expensive alcidarium (ph) in Homer was an invention of
26 the Fish and Wildlife Service, not of the public, and not

1 coordinated through this Council, and so, I -- I don't know if
2 there's a mechanism by us to help influence the agencies that
3 participate in the Trustee Council and participate in marine mammal
4 research and sea bird research to make at least those on-shore
5 activities focus here, so that other communities, Cordova's
6 benefit, that offshore research benefit. It seems that we could
7 use a little work to sort of pull the act together.

8 MR. SUNDBERG: During the deliberations of the Trustee
9 Council, the Department of Interior was very supportive of the
10 project. They saw advantages in terms of the Kenai Fiords National
11 Park and the Maritime Refuge ...

12 MR. DENNERLEIN: Absolutely.

13 MR. SUNDBERG: ... of having this facility in Seward to
14 -- because they haven't had a real solid science program that's
15 been done out of Seward. My understanding of is the alcidarium is
16 sort of on the back burner some place at this point. Talking with
17 some of the researchers down in Homer with the refuge they seem to
18 think that Seward's going to pretty much take care of the public
19 display of sea birds and the interpretation of sea birds, and
20 they're very comfortable with that. But, by all means if NBS wants
21 to step up and, you know, pledge that they want to conduct a sea
22 bird program out of this facility, you know, let's get them signed
23 up to do it. I think we'd be very supportive of that.

24 MR. DENNERLEIN: I won't belabor this, but maybe
25 instead of just the back burner, we can we -- you know, at our next
26 meeting, we can take this a step further, maybe help a little bit,

1 as I say, hedge our bets to some positive scenario, where different
2 parts of the region do fit in because I think that's been a --
3 there's been a lot of money spent on essentially competitive
4 initiatives among agencies that sit on this Council, and I think it
5 has been more than unfortunate.

6 MR. SUNDBERG: Well, in terms of the action on sea birds,
7 Seward sits right in the middle of the action.

8 MR. DENNERLEIN: I agree. This is the right place.
9 In addition, I mean if the state had a tourism, even at looking at
10 that part, I mean on the road system in Arctic alpine is Denali
11 with the front country accessible for visitors, and on the sea
12 coast is Seward, on the rail line, everything else. I think this
13 is winner, but I think that we could maybe create a little more of
14 a picture that helps it, you know, fit in and go along, is what I'm
15 saying.

16 MR. McCORKLE: Karl, did you have some follow up and I
17 over looked that, I'm sorry, I should have asked?

18 MR. BECKER: No, that's fine.

19 MS. McCAMMON: Mr. Chairman, if I can make one comment on
20 that. I think what the development of this project is really
21 highlighted is the need for some -- some more focus on marine
22 research in Alaska and all the various facilities and how they
23 coordinate together, and -- I know the university has attempted to
24 do this somewhat, but they're constrained by a lot of various
25 things such as academic freedom and the individuality and
26 independence of their various units, and ...

1 (Aside comments on bureaucracy)

2 MS. McCAMMON: ... bureaucracy and, you know, whatever.

3 MR. DENNERLEIN: You said that John (indiscernible).

4 MS. McCAMMON: I mean, you've got the facility in Kodiak,
5 you have the Science Center in Cordova, you've got facility in
6 Seward, you've got a \$50 million project, the National Marine
7 Fisheries Services scoping out in Juneau for a new Auke Bay lab
8 there. I mean, all of these things, they absolutely need
9 coordination. I think there are niches and roles for all of these
10 facilities, but it is absolutely essential that all of them go
11 forward in a coordinated fashion, so that there isn't duplication,
12 so that their missions are separate and distinct, but complement
13 each other. And, unfortunately, there's no real entity in the
14 state to kind of be at the top, at the top of the apex, you know,
15 to kind of drive this forward and force this kind of integration
16 and coordination, and I've talked to the Governor's Office about
17 this, about trying to get Fran Ulmer or somebody to kind of lead
18 this initiative of -- but there's no real entity there that
19 actually has any authority over any of these groups to actually
20 force that kind of coordination, other than the fact that if it
21 doesn't happen, I don't think all of these can actually go forward
22 and survive. So, I think it's to everyone's benefit in a long run
23 to have that kind of cooperative working effort, and I would really
24 like to see somehow that go forward, and if the PAG has ideas on
25 how to bring that about, boy, I'd sure be happy to hear them.

26 MR. DENNERLEIN: I'm going to pursue that.

1 MR. McCORKLE: And you left off the splendid NOAA lab at
2 Seldovia that nobody knows about.

3 MR. MUTTER: By the way, Chip, the President and the
4 Secretary of the Interior are going to reinvent the Department of
5 the Interior on Monday morning, so this may be moot. (Laughter)

6 MR. McCORKLE: John.

7 DR. FRENCH: Well, just to carry on where Molly was
8 going. Yeah, I did want to remind everybody that there are major,
9 both National Marine Fisheries and University of Alaska expansion
10 is being planned in -- in Juneau and in Kodiak. But, I think the
11 real point is the one that Kim brought up earlier. We have a
12 tremendous coastline in Alaska, and even if you just stick to the
13 Gulf of Alaska. If we were to superimpose the coast of the western
14 U.S. on that, we'd have at least seven major marine labs around
15 here. There's a tremendous need in terms of good lab facilities,
16 in terms of work that needs to be done, and yeah, it needs to be
17 coordinated. It needs -- there needs to be minimal overlap. There
18 needs to be effective utilization of those facilities. I think
19 there does need to be some overlap because ecosystems varies from
20 Ketchikan to Dutch Harbor. It's not all the same, and doing marine
21 mammal research one place doesn't necessarily preclude doing it
22 other places. The same is true for bird and fish research, and a
23 variety of other intertidal and other marine types of research, but
24 I think that there really is a place for all of these facilities,
25 and I -- I personally think that Kim's right, to start building
26 these facilities will really provide a catalyst to get more marine

1 research, oceanographic research done in Alaska and in the Gulf of
2 Alaska so we understand these systems better. So, we keep harping
3 on little we understand these systems, and we're not really going
4 catalyze it happening unless we get the facilities to make it
5 happen well.

6 MR. McCORKLE: Yes, Chris.

7 MR. BECK: I'd just like to follow on that point,
8 which is -- it's on my -- I've been sitting fairly quietly for the
9 last day and a half. I think I feel sort of like a tourist
10 encountering a whole new world which is this EVOS world, and I have
11 to use the acronym the first time out loud, and my major response
12 as this tourist is to want to -- this has become a cliché -- to
13 say, to change the paradigm in which this activity occurs, which is
14 sort of radical, presumptuous perspective, but what I see is -- is
15 a -- an entity that's allegedly focused on, or nominally focused on
16 restoration, but in fact it has branched out in some necessary and
17 creative ways from that somewhat limited goal to a broader research
18 land acquisition and a variety of other things, which to me are
19 entirely worthwhile, and I would like to say that that's the right
20 trend, but that we need to broaden that further, and one of the
21 main areas would be education, and I could really see this being a
22 catalyst for education in a much more broad and powerful way than
23 maybe it's been conceived now. And, I'm not sure if the physical
24 facility, the budget, the program accommodates that, but I would
25 personally really like to see this \$900 million one-time
26 opportunity be considered from the longest term perspective of how

1 can this funding be used as a catalyst for the long-term health of
2 this ecosystem, and to me that's -- we're doing that to some degree
3 with this effort to date, but -- for example, I could think of --
4 I've been sitting here quiet for a long time, so I have about forty
5 examples. I'll think of two and then be done. All the research
6 that's being done, talking a little bit with Bob and Eric
7 yesterday, it sounds like it emerges in a form, it doesn't
8 necessarily give it the status or the accessibility in the
9 scientific community that it might have. I don't know the details
10 of that, I'm not familiar with those academic circles, but I wonder
11 if this facility might become a conduit for ongoing access to some
12 of that research. And, to me it's more important, probably more
13 dear to my heart would be making some of that information
14 accessible to people who aren't academics who -- I have a master's
15 degree -- it's not going to be accessible to me, most people don't
16 have master's degree, a wide majority of the people who might
17 really influence of this region, aren't going to understand the
18 terms, the subjects in which the science is presented, and I think
19 it would be delightful if this really became something that was a
20 tool so that kids and parents, and people who might have a voice
21 about the politics of the region, end up with a different
22 perspective, and thereby the whole place is healthy for the longer
23 term. So, I could continue in this vein for quite awhile, but I
24 guess it's more just a broad comment, which I think I'd like to
25 lead to eventually some more focused comments on some of the
26 specific programmatic elements of the center, and particularly

1 there are -- the question you asked of Martha, about what
2 specifically might be done with cultural resources. To me, the
3 whole story of the oil spill is one of humanity in the environment,
4 and what happens in that context, and the history of humanity in
5 this environment, and the cultural history in the area, and how
6 people learn to get along, and maybe how they're not getting along
7 as well, to me seems like it ought to be a huge part of the story
8 that the Sea Life Center tells. So, I think there's a whole
9 cultural dimension that strikes me as missing right now. It's a --
10 the educational and research segment is pretty narrow, it's pretty
11 much -- why folks with Ph.D's looking at names that most of us
12 can't pronounce very well. I'd like to see it be a broader one.
13 So, there's my long unsolicited speech for the two days. I don't
14 know if I bought enough credit by being quiet for the last day and
15 half to -- to give such a long speech.

16 MR. McCORKLE: You can have another minute. Thank you
17 very much. James King is coming next.

18 DR. SPIES: Mr. Chairman.

19 MR. McCORKLE: Yes.

20 DR. SPIES: I wonder if I just might make a comment or
21 two to Christopher. Because it's been funded the way it has from
22 the Trustee Council's perspective on restoration of injured
23 resources, there's been a lot of emphasis and the presentation on
24 this is a research facility and how that will be carried out.
25 There is whole other side that was not much emphasized in this
26 presentation of public education, and in fact, this \$10 million is

1 going to produce the exhibits, by and large, that are available to
2 the public, and I think a lot of the motivation for the facility as
3 a whole beyond just the research perspective, is the fact, just as
4 you named, for the whole -- just as you referred to for the whole
5 process. There is a -- I think it's going to be a profound
6 influence on the younger generation in Alaska. So, I think most of
7 them will eventually see it, and appreciate it, and it's going to
8 be done in a way that I'm convinced is going to add value and
9 change people's perspectives in the future about the coastal
10 resources in Alaska. So, I see a great value coming from that side
11 of it, and it wasn't much emphasized today. And, the second thing
12 about the transfer of information from the -- everything that's
13 going on within this -- this whole process, this tremendous amount
14 of research that's being done in the wake of the spill, there is a
15 -- a plan to eventually transfer all of that information to the
16 library at this facility, and have on-line services, and those
17 kinds of things are being very seriously considered. So that's
18 kind of a short answer.

19 MR. McCORKLE: Thank you for bringing that out. That's
20 been one of my favorite thoughts about this project. There are --
21 there's an auditorium, there are classrooms, there are dioramas,
22 there is literature, there is speeches and lectures, so that is a
23 very exciting aspect of that. Now, as advertised, James King.

24 MR. KING: I think I brought this up once before, but
25 I'd like to make an analogy with the, maybe research lab that used
26 to be at Point Barrow. That was a place that was very convenient

1 for people to come and work, and they would seek funding and --
2 from a variety of sources and work in the laboratory at Point
3 Barrow, which otherwise is not a convenient place to work, and I
4 see this as the same sort of thing that is going to draw people, if
5 it can be made convenient, and reasonably -- financially
6 reasonable. I think that's important, but I think the people will
7 come, I'm not worried about the thing having to be mothballed, and
8 so ...

9 MR. McCORKLE: Thank you, any comments from this end of
10 the table, we've -- you've been awful quiet over there.

11 MR. ZERBETZ: I'm accumulating a little credit, too.

12 MR. McCORKLE: Okay, who is to be next. Have we come to
13 the -- the end of our questions for this presenter? If so, thank
14 you very much, ladies and gentlemen, for being with us today and
15 for putting up with our schedule which did grow a little bit beyond
16 our intentions, but we were glad to have you hang around and answer
17 questions. I'm sure that we'll get a chance to hear from you again
18 in the future, but thank you very much for being with us today.
19 Anything else from the group on this aspect of our program? If
20 not, then I guess we should defer to Molly, and the continuing
21 aspects of the -- are we going to go back to operating procedures
22 and travel information and things that are sort of important to
23 folks that have come from some distance.

24 MS. McCAMMON: Mr. Chairman, maybe -- maybe I can also
25 perform a role of -- was it gatekeeper, or -- I think that Bill
26 suggested yesterday. It's 12:25. I -- it depends on what level of

1 detail you want to go into these next items. We could probably do
2 them very superficially in about a half an hour and be completed
3 with the program, or it might be appropriate to take a lunch break
4 and come back and spend a longer period of time. This could be one
5 of the opportunities on some of these things to set up some
6 informal working groups, and then come back at the next meeting in
7 April with some recommendations on some things, such as priorities
8 for '95, and things like that. It kind of depends on what the
9 pleasure of the group is?

10 MR. McCORKLE: Do you have some suggestions that you'd
11 like to put forward with respect to what we might consider for
12 priorities, or is that something we're going to sort of generate
13 from the group? I didn't know if you might have had something
14 prepared.

15 MS. McCAMMON: I don't have anything specifically
16 prepared. I do have two items that I believe are priorities for
17 the next meeting. Now, for the rest of the year, if not
18 necessarily, but for the next meeting, the two priorities, I think
19 are to review the long-range plan, and to review the small parcels.

20 MR. McCORKLE: Well, we'll certainly entertain the
21 pleasure of the group. I guess, what is that, the minds has only
22 the capacity to endure what the rear-end can put up with, or
23 whatever. Are you -- are you ready for lunch, or do you want to
24 finish business and then to play this afternoon. What would you
25 like? What's your pleasure?

26 MR. TOTEMOFF: Mr. Chairman, I favor us getting done.

1 MR. McCORKLE: We have one voice that says we'd like to
2 get finished.

3 MR. DENNERLEIN: I'd second that.

4 MR. McCORKLE: There's two, three, four. It seems to be
5 rather unanimous, so, Molly, then let's carry on with -- with your
6 program. Okay. Mr. Chairman, I'm going to turn it over to Doug
7 Mutter to talk about operating procedures and travel information.

8 MR. MUTTER: Boy, are you lucky because I don't talk
9 much. Basically, I wanted to cover a couple of things. First of
10 all, last -- last PAG meeting we had an attorney come in and talk
11 about conflict of interest because you take votes on
12 recommendations to the Trustee Council on how they should spend
13 money, and there are -- there may be periods where there may be a
14 conflict of interest that you as an individual might have on a
15 project. For example, if one of the projects before the Trustee
16 Council is to put money into the Kodiak Fisheries Center, then John
17 French who is the Director of that, would be expected to discuss,
18 support, debate, but not vote on that particular project. Or,
19 Pamela Brodie had a five acre parcels in the Prince William Sound
20 that was up for review to sell, she would be expected to do the
21 same and not vote on that. So, that's something to keep in mind,
22 particularly the new members, that if you have a vested personal
23 financial interest in a project, then you would be expected not to
24 take a vote on that. The notebooks that we've distributed have a
25 lot of background information, and I'm sure you've had a chance to
26 thumb through that. I'm just calling your attention to roman

1 numeral V, which deals with the Public Advisory Group, but I'm not
2 going to take the time to go through that information, but the
3 Charter is there, the telephone numbers of your peers on the PAG
4 are there, if you want to talk to them between meetings. We've
5 also got the procedures that the Trustee Council has approved for
6 the operation of the Public Advisory Group in that section.
7 There's some other sections that allow you to stick meeting
8 summaries, meeting agendas, copies of newsletters, handouts, like
9 on the small parcel, large parcel process and so on. So, this is
10 a tool for you to use and certainly it's not going to contain all
11 the tons of paper that you're going to get over the next two years.
12 One thing, we do a short meeting summary after the PAG meeting, but
13 the whole meeting is going to be transcribed and a copy of the
14 transcript is available, if you ever want to refer to it, in the
15 library next door here. We don't send those out because that's a
16 big thick wad of paper. I guess the last thing that we wanted to
17 talk about in terms of operating procedures before we go to the
18 election of officers, is travel arrangements since many of you
19 travel, and Cheri handles that, so I'm going to turn it over to
20 Cheri.

21 MS. WOMAC: I already know my voice doesn't carry very
22 well, can you hear me? Basically, I wanted to let you know that
23 when we're planning to have travel if -- I will be in contact with
24 our travel agent, she'll set up your tickets, so it's your
25 responsibility to do your hotel, to reserve your hotel, and if when
26 you do that you could request a government rate, it would be

1 helpful. The state per diem system changed this year from what it
2 was last year. Last year, the members had a set amount that
3 changed with the season. This year, it is primarily covers meals
4 and incidentals. And, if you will make sure to keep all your
5 receipts and turn them in with your travel, which there's a form in
6 this booklet, and I'll go ahead and pass out some later, there's a
7 travel itinerary and your dates -- a place for your dates of travel
8 and where you went, and on the back there's also a place to list
9 all of your receipts and a description of what they're for. The
10 state will reimburse for expenses up to \$30, if you don't have your
11 receipts, but it's really to your benefit if you will keep them
12 all, even if you feel that that taxi ride or that parking ticket
13 isn't necessary, go ahead and keep it and submit it to me and I
14 will make sure that you get reimbursed. Another thing that is
15 covered that was changed this year was the hotel, is now your
16 responsibility to cover your hotel and then submit the receipt to
17 me, so that we can reimburse you for it. Before the bulk of that
18 money was for meals and hotels or lodging and it wasn't really
19 sufficient to cover the hotel fees in the peak season of travel.
20 So, now if you will take care of your hotel and submit that to me,
21 you'll get that full cost back. I have another sheet here that has
22 kind of a nutshell information on the amount of travel or the per
23 diem that's available, \$42 a day for your meals; but that's for a
24 full day of travel, if you start on one day, you will get your
25 hotel for that night, but you won't get a full day of meals and
26 incidentals, it will be pro rated by the time of day that you

1 travel. The same with on your ending day of travel, it will not be
2 the full \$42 for meals, it will be probably like breakfast and
3 lunch. If you have to travel for three hours during the meal
4 period, to be eligible for your travel, for that allotment for your
5 per diem. Also, on the days that we provide your meals, you don't
6 get -- you will not be reimbursed for lunch, I'm sorry. I have to
7 make a note of that in your -- on you PA. Also, in the travel
8 regulations themselves, because they're set up for state employees,
9 it says that your travel needs to pre-authorized, and that, then
10 you submit the forms to the, you know, the person that would be
11 taking care of it. Because you're all from different areas, I will
12 go ahead and fill out the PA and have it for you at the meetings
13 for you to sign, and then at the conclusion of your travel, or if
14 your comfortable at the meeting that you're not going to incur any
15 other expenses, you can just give me your receipt, and then I fill
16 out the itinerary and the explanation part of it, and send it. It
17 cuts out one section where we have to send it to you for signature
18 and you get it back. Basically, the people within Anchorage,
19 because your -- this is your home base, you're not reimbursed for
20 any expenses because your not traveling 50 miles from where you
21 live. There are supposed to be meetings out of our area that then
22 you will be reimbursed for, if they come through. I don't know if
23 we're going to -- if they'll come through or not. If you have any
24 questions, be sure to ask me. I'll also wanted to talk about the
25 list of PAG members, if you -- in going through that see any
26 discrepancies in your telephone numbers, if there's a number on

1 there you don't want published, be sure to let us know, because
2 that list is available through OSPIC to members of the public.
3 Also, if you have a phone number other than your work number, that
4 I can get a hold of you at other times, I will keep that in my
5 roledex and it won't be on the list. I also want to talk about the
6 microphones. You'll notice that there are several of them on the
7 table. The taller standing mikes are for this system. The shorter
8 ones are for the court reporter. All the mikes are live at all
9 times. If you're wrinkling papers or anything, it's going to be
10 picked up the court reporter. I have control of the other mikes
11 and if I turn the volume off when no one is speaking, and then when
12 you start to speak I will adjust it. So, if -- with the lapel
13 mikes, if you could attach them to your shirt so that as you're
14 speaking you're not moving it back forth, then I won't have -- then
15 it doesn't startled you, and I don't get asked why aren't you
16 adjusting this correctly. It also frees up your hands so that you
17 can do the fidgeting and stuff, and also, not to tap on the base
18 of the standing mikes when you're speaking as it carries through.
19 I told -- I felt this was a good opportunity to speak to all of
20 you, because -- about the mike situation. In the future we are
21 hoping to have individual mikes for you. I appreciate that you're
22 so cooperative in sharing the mikes that we do have, and we try to
23 space them so that just two people at time need to share a mike,
24 but in this case where we have presenters up front, we needed to
25 make them more accessible to them. If you have any questions, you
26 can speak to me after the meeting, if you have anything that you

1 feel is beneficial for the group, we can talk about it now.

2 MR. MUTTER: Mr. Chairman, if anybody has questions
3 between meetings, they can call either Cheri or myself, and if you
4 don't like our answers you can talk to Molly, I guess, and we can
5 take care of things that way. So, I don't think we need to go
6 through anymore of how we do business at this point in time.

7 MR. McCORKLE: Thank you. One thing that I could add,
8 just in the benefit of my own skill and training, for our new
9 members, the thing that helped me the most to know what we're
10 really about is to read what -- what's in tab 4A and B, that's the
11 Memorandum of Agreement and Consent Decree. It really says what
12 we're going to do and what we're supposed to do, and more
13 importantly, of course, what the Trustee Council can do. You've
14 heard reference made today and yesterday that there are certain
15 things that we wish we could do, but we can't because we are so
16 stuck to the Consent Decree, but it's a very helpful place, and
17 this a big thick book, and if you're looking for a place to dive in
18 quick, that's -- that's the place to begin, at least, it was
19 certainly was very helpful to me. Anything further on the
20 administrative procedures?

21 MR. MUTTER: The next item on the agenda should be the
22 election of a chair and a vice-chair.

23 MR. McCORKLE: Shall we -- oh, yes, Jim.

24 MR. KING: I would -- use this opportunity to make a
25 request. It's been very difficult for us in the past to know what
26 the Trustee Council has done, sometimes it's in the paper, perhaps

1 in -- in Anchorage and the Juneau paper, so I wonder if you, do you
2 produce a summary of -- of Trustee Council meetings, as you do for
3 our meetings?

4 MR. McCAMMON: Mr. Chairman, what we have for the Trustee
5 Council meetings, we have the transcripts which are verbatim
6 transcripts, and then we also have a summary of meeting notes,
7 which are basically just their approved motions. These are put
8 forward in draft and then their adopted by the Council at their
9 next meeting. We have tried to get onto a more regular fashion in
10 terms of reporting back to you what the Council does. We had this
11 vision a year ago that maybe the Council would only meet four times
12 a year and that those meetings would be established a month in
13 advance, and we would know what was on the agenda. The Council met
14 five times last month, and we still are in a crisis -- in the
15 operating emergency crisis mode, and hopefully, we're getting past
16 that, but it hasn't quite got there. But, I don't know if it would
17 be -- we will definitely make sure you get those meeting notes
18 after they've been adopted by the Council. I'm a little hesitant
19 to send them out when they're in draft form and haven't been,
20 because there have been a few changes made to them once they go
21 through the whole review process. But, I would definitely make
22 sure you get those as part of your packet, or immediately after the
23 Council has a meeting, and maybe we could set up a process where,
24 whatever actions get happened that it gets communicated to you on
25 a regular basis.

26 MR. McCORKLE: We did get those a couple of times last

1 year, didn't we?

2 MS. McCAMMON: Right.

3 MR. McCORKLE: They were really helpful, so if you can
4 work that back into the program, it's really neat. Jim.

5 MR. KING: Well, just any kind of a little report on
6 what the action has been because it's a little embarrassing, people
7 know we're involved and then you get questions, and they're rumors
8 around, and ...

9 MS. McCAMMON: There has been this gap between the old
10 PAG and the new PAG, and -- over the last couple of months we've
11 actually sent a lot of documents to everyone, to both old and new,
12 until a new one was in -- in place.

13 MR. KING: And, the other thing I would like to
14 request is that we have a system for getting notice of when their
15 meetings are because there have been several meetings in Juneau
16 that I haven't heard of until after they've happened, and it's a
17 nice opportunity to go, if they're right in my neighborhood, and I
18 think maybe that's happened to other people. So, I don't know what
19 the best way to find out about those would be, but I -- I would
20 like to know about them.

21 MS. McCAMMON: Again, Mr. Chairman, I think part of the
22 problem has been this gap between old PAG and new PAG.

23 MR. McCORKLE: Interim.

24 MS. McCAMMON: ... Because the old PAG did expire, so to
25 speak, in October. And, I don't mean that literally. (Laughter)

26 MR. McCORKLE: Sort of died and went away.

1 MS. McCAMMON And, again, I mean we have a -- we have to
2 do public notification, and it's been a real challenge to even
3 notify the public about these meetings too, especially when you
4 have five emergency meetings that are mostly held in executive
5 session, over the last month. So -- but I take your recommendation
6 to heart, and we'll try to do a better job of it in the future.

7 MR. McCORKLE: Well, it's just because we're interested.
8 Chris.

9 MR. BECK: Maybe before we proceed into electing
10 chair, vice-chair, I -- I had the question yesterday, and I didn't
11 get quite clear on it, a very general question, how we communicate
12 as a Public Advisory Group with the Trustee Council. And, I --
13 there was one line in what Mr. Wood passed out that says through
14 the Chair. A minute or two of clarification on that subject would
15 be helpful for me, as I think about the responsibilities of the
16 Chair.

17 MS. McCAMMON: Following the meeting, Doug puts together
18 a meeting summary. That meeting summary is placed in the next
19 briefing packet for the next Trustee Council meeting, and at the
20 next Trustee Council meeting there's also a session for a Public
21 Advisory Group report, and the Chair reports on the results of that
22 meeting.

23 MR. BECK: Does this group review what Doug puts
24 together before it goes, do we do that? Is that part ...

25 MR. MUTTER: Right, usually the first order to the
26 business on the agenda to review and approval of the meeting

1 summary. Course that's after, usually after it's been presented to
2 the Trustee Council, but we do make corrections and give those out.

3 MR. BECK: That would -- sound like an scheduling
4 issue to work on. I mean, it's sounds like a hefty responsibility
5 recognizing the diversity of feelings and views on the group for
6 the Chair to pass that responsibility, so that I think that the
7 summary would be really critical -- having this group having a
8 chance to clarify how it's been stated would be quite ...

9 MR. MUTTER: That -- that's one reason that we've gone
10 ahead and maintained a verbatim transcript of the meetings because
11 I -- I cannot capture -- no one can capture all the discussion and
12 present it correctly, so there's been many times where either the
13 whole transcript or excerpts of the transcript of the PAG meeting
14 have gone to the Trustee Council so they can see what the
15 discussion was and how the members felt. So, that -- we'll
16 continue to do that.

17 MR. ZERBETZ: Mr. Chairman.

18 MR. McCORKLE: Sir.

19 MR. ZERBETZ: Thank you, I wanted to ask Molly one
20 question with respect to the Trustee meetings. When you said, I'm
21 dying of curiosity, when you said they had five meetings in one
22 month, and knowing what busy people they are, were there many
23 alternates used?

24 MS. McCAMMON: For the most part they were mostly the
25 Trustees participating. All of those meetings were by
26 teleconference, and they were all dealing specifically with the

1 Eyak negotiations, but they were -- this Council has a high level
2 of commitment and support by the Trustees. For the most part, the
3 Trustees themselves are participating with just a few exceptions.

4 MR. ZERBETZ: Thank you.

5 MR. McCORKLE: Any further questions, yes ...

6 MR. BECKER: Who prepares the meeting report?

7 MS. McCAMMON: For the Trustee Council.

8 MR. BECKER: To the -- yeah, for the Trustee Council,
9 in other words the Chairman's report ...

10 MS. McCAMMON: Either myself or staff, or the committee
11 report from the Public Advisory Group?

12 MR. BECKER: Exactly, yeah, that's what I mean.

13 MR. MUTTER: I do that.

14 MS. McCAMMON: Doug prepares the written summary and the
15 Chair does a verbal report.

16 MR. MUTTER: And, I usually give that to the Chair
17 person and to Molly to review before it goes to the Trustee
18 Council. So, your chairperson will look at that, and make
19 corrections before he presents it -- or she.

20 MR. McCORKLE: John.

21 DR. FRENCH: In respect to the two previous years, I
22 thing that's an important point that the -- we do need to select a
23 Chair who can be an effective advocate for the PAG and the PAG
24 position.

25 MR. McCORKLE: Any further comments? Well if I -- I take
26 it then what I should entertain motions for nominations for chair

1 and vice-chair. Do you want to -- is there a priority here -- the
2 runner up automatically the vice-chair, or how do we do this? Are
3 there rules?

4 MR. MUTTER: Well, I'd suggest you take nominations for
5 the position of the chair, and then take up the vice-chair.

6 MR. McCORKLE: Okay, nominations are not open for the
7 position of chair of the PAG. Pam.

8 MS. BRODIE: I nominate Vern McCorkle.

9 MR. DENNERLEIN: Second.

10 MS. BRODIE: I would like to say that the sort of
11 qualities that I look for in a chair is someone who is skilled at
12 running meetings, who has talent at bringing consensus, preferably
13 someone who has been on the first term, but I don't think that's
14 essential -- and, someone who comes to this group without any
15 agenda beyond -- well, basically someone who can be fair and
16 preferably then someone who doesn't have an agenda beyond good
17 government, and I will say last time that there was only one person
18 in the whole PAG who fit that. I don't think there's anything
19 wrong with having an agenda, I certainly do, but in terms of
20 wanting someone who is fair to all the sides, I often disagree with
21 Vern, but I think that he is fair on all sides, he's dedicated, and
22 that he wants to this to be good government, but doesn't have any
23 particular biases on what we should be doing, so I think he's
24 (indiscernible) for this.

25 MR. McCORKLE: Anybody like to file a minority report?
26 Are there any other nominations. We have just one, we'd like to

1 have a couple or three or four.

2 MR. ZERBETZ: Mr. Chairman.

3 MR. McCORKLE: Yes, sir -- Mr. Z.

4 MR. ZERBERTZ: I move that nominations be closed and a
5 unanimous ballot be declared for the candidate.

6 MR. DENNERLEIN: Second.

7 MR. McCORKLE: It's been moved and seconded that a
8 unanimous ballot be cast. What does the record require? Do we
9 have to have a roll call vote? Or shall we ...

10 MR. MUTTER: Well, I think you requested an unanimous
11 vote.

12 MR. McCORKLE: Well, all in favor of the unanimous vote
13 then please say aye.

14 ALL PAG MEMBERS: Aye.

15 MR. McCORKLE: The opposed, no. (No response) Then the
16 motion is carried, I'm afraid. Thank you very much, Pam for your
17 vote of confidence.

18 DR. FRENCH: Promotion by unanimous consent, you just
19 need to ask for dissent.

20 MR. McCORKLE: Yes, are there any dissenting votes.
21 There being none than we'll consider it moved, and seconded and
22 voted. We now have nominations open for the vice-chair, who is the
23 -- what one breath away from the chair who might often get drawn
24 and quartered by the Trustee Council. Yes, sir.

25 MR. BECKER: I'd like to nominate Martha Vlasoff.

26 MR. McCORKLE: Martha Vlasoff's name has been presented

1 for the position of vice-chair.

2 DR. FRENCH: Second.

3 MR. McCORKLE: It's been moved and seconded that Martha
4 Vlasoff be nominated, and she is. Are there other nominations?
5 Pamela.

6 MS. BRODIE: I haven't check this out yet, but I'd like
7 to nominate John French.

8 MR. McCORKLE: John French has been nominated. Is there
9 a second to that motion?

10 MR. COBB: Second.

11 MR. McCORKLE: Moved and seconded that John French be
12 nominated, and therefore is. We have two nominees, Martha Vlasoff
13 and John French. Chip?

14 MR. DENNERLEIN: Question, if I may, if it's
15 appropriate.

16 MR. McCORKLE: Well, of course it's -- always
17 appropriate.

18 MR. DENNERLEIN: Are there, John and Martha have
19 served previously on the PAG, is that ...

20 MR. McCORKLE: John has served, previously, Martha is new
21 this year.

22 MR. BECKER: Martha has been active, and she's ...

23 MR. McCORKLE: But, she's been in and out of public
24 comment section a lot. Any further nominations.

25 MR. BECKER: Move that nominations be closed.

26 MR. McCORKLE: It's been moved that nominations be

1 closed, is there a second? (The second was not identified) Moved
2 and seconded, all in favor of closing nominations for vice-chair,
3 please say aye.

4 ALL PAG MEMBERS: Aye.

5 MR. McCORKLE: Opposed, no.

6 MR. DENNERLEIN: No.

7 MR. McCORKLE: No.

8 MR. DENNERLEIN: Probably because, is there any chance
9 to speak or am I too late?

10 MR. McCORKLE: We always have a chance to speak.

11 MR. DENNERLEIN: I've just noticed that the nominee is
12 not present, and I just wondered on the protocol of -- sort of
13 army-style of nomination. I'm a little uncomfortable. Martha may
14 well be willing to do it, and she's well spoken and she would be a
15 good candidate, however we vote, but I'm a little uncomfortable
16 that she isn't here. We might inquire if the nominator has -- had
17 a chance to talk with Martha about this.

18 MR. BECKER: No, I wish I had.

19 MR. McCORKLE: What -- what's your view, do you think she
20 would be so surprised?

21 MR. BECKER: I doubt that she would be so surprised
22 that that would be a real inconvenience. I mean -- I don't know,
23 does anybody else have any impression about whether or not she
24 would?

25 MR. McCORKLE: Would anyone like to give a little
26 campaign speech on behalf of these two nominees. Yes.

1 MS. McCORKLE: Mr. Chairman, if I might suggest since
2 there is a chair, it is possible to postpone election of the vice-
3 chair until you've had a chance to talk to people, and then do it
4 at the next meeting, would be another option.

5 MR. McCORKLE: We'd have to have a subsidiary motion, but
6 I guess we could that.

7 MR. DENNERLEIN: I would move just in the interest of
8 fairness and -- that we postpone the election of vice-chair until
9 the two nominees are both present, and they can speak for
10 themselves and acknowledge their interest.

11 MR. BECKER: I second that.

12 MR. McCORKLE: Being as how there is a motion on the
13 floor, what I will do -- I'll accept that as motion to chair or to
14 table the motion until our next meeting if that's satisfactory with
15 the group. So, the motion that is to chair the election of the
16 vice-chair -- to table the chair -- vice-chair until our next
17 meeting. May I have a vote, all -- yes, discussion.

18 MR. COBB: Is there a -- this is time specific to the
19 next meeting, is there a date for the next meeting established yet?

20 MS. McCAMMON: Not yet, but I have a recommendation.

21 MR. McCORKLE: It's coming -- it's coming.

22 MR. COBB: Well, the table is not time specific to
23 postpone -- tables just when you vote to take off.

24 DR. FRENCH: I was going to say I hate to be a
25 parliamentarian, but you can't (indiscernible)

26 MR. McCORKLE: Well, we've been trying to suspend the

1 rules a little bit, so we can get something done.

2 MR. COBB: We'll set the next meeting.

3 MR. McCORKLE: Well, all right then, if there -- really
4 we can't debate a motion to table, so I'd like to call for the
5 vote. All in favor of tabling the election of the -- nominations
6 and elections of the vice-chair until the next meeting to be set,
7 please say aye.

8 ALL PAG MEMBERS: Aye.

9 MR. McCORKLE: And the opposed, no (No response), and
10 motion carries. The nomination and election of the vice-chair will
11 be tabled until our next meeting. We see on our agenda we do have
12 the development of 1995 meeting priorities and schedules. I defer
13 now to -- to the staff to -- to suggest the meeting dates and the
14 two points that you wanted to bring up.

15 MS. McCAMMON: Mr. Chairman, I'm going to have to ask
16 Doug if he has -- since he has to do the notice requirements to
17 these meetings, I would put forward three potential dates for three
18 meetings. There are within your budget, until September 30th,
19 there is funding for approximately five to six meetings, including
20 one at some other location within the spill area, outside of
21 Anchorage. This is actually your first meeting within this federal
22 fiscal year. So, there's a potential for four, at least four other
23 meetings between now and September 30th. Given the fact that we
24 have a long-range plan that is being distributed today, I would
25 recommend there be a meeting on the last week of April, a meeting
26 around June 12th and 13th, and then another meeting in late July,

1 prior to final action by the Trustee Council on the annual work
2 plan. In addition, there would be a fourth meeting to be, which
3 would be more of a field trip/meeting, somewhere at a location
4 within the spill area, and if you wanted to even choose that
5 location today, then we could start working some of the logistics
6 for getting that set up.

7 MR. McCORKLE: So, would you like to read those suggested
8 times again?

9 MS. McCAMMON: Yeah, maybe (indiscernible) maybe you
10 could write them on the -- if we have -- I don't know if we have
11 any?

12 MR. McCORKLE: We have the last week of April.

13 MS. McCAMMON: A marker -- around April 26th, 27th, June
14 12th through 13th, and I'll just throw out July 26th, 27th. Doug,
15 am I out of order?

16 MR. MUTTER: Well, the problem with that from the 21st
17 through -- of April to the 1st is -- I and my back-up will both be
18 out of the state, so if we could either move it up -- move it to
19 May 2nd and 3rd, and up to April 19th and 20th. That would work.

20 MR. McCORKLE: We hear that's good and we hear that's too
21 soon.

22 MR. MUTTER: As long as (indiscernible) taken on the
23 public comment deadline for the PAG. That seems like it's okay.

24 MR. McCORKLE: Of course, what is our notice state, too,
25 do we have to have fifteen days notice?

26 MR. DENNERLEIN: Boy, May 2nd I'd vote for that.

1 MR. McCORKLE: What do you guys think?

2 (Aside discussion among PAG member)

3 MR. McCORKLE: May 2nd and 3rd sounds pretty go at this
4 end of the hall. How about for the rest of you all?

5 MS. McCAMMON: The problem with the first week in May,
6 all the proposals are due here on May 1st. Last year we received
7 180 proposals. This place was chaos, it was a zoo. I don't know,
8 Doug, if there's some way we can have somebody else do the notes,
9 or -- a backup.

10 MR. MUTTER: Well, I could probably appoint somebody.

11 MS. McCAMMON: Appoint somebody to be your backup.

12 MR. MUTTER: I can look into that (indiscernible) I
13 don't know that would be a problem. Certainly, let me check on
14 that.

15 (Aside discussion)

16 MR. McCORKLE: The last week of April seems to be a
17 problem for quite a few people.

18 MS. McCAMMON: Oh, it is a problem?

19 MR. McCORKLE: Yeah, we've got previous meetings and
20 retreats and travels.

21 MS. McCAMMON: The 20th, 21st of April.

22 MR. McCORKLE: A consensus on May 20 and 21, pardon me,
23 April 20 and 21?

24 (Aside discussion discussion)

25 MS. McCAMMON: We're having a public meeting in -- two
26 public meetings, I believe already scheduled in Kenai and somewhere

1 else.

2 MR. MUTTER: For 20 -21.

3 MS. McCAMMON: 20th, 21st.

4 MR. DENNERLEIN: Yes, better (indiscernible)

5 MS. McCAMMON: Okay.

6 MR. McCORKLE: What are those days in the ...

7 MS. McCAMMON: Those are a Thursday and Friday.

8 MR. McCORKLE: Oh, that's good. We can all take off and
9 play Friday afternoon. So, we are hearing then April 20-21 as the
10 next meeting. Is that -- those of you who have brought calendars
11 and have schedules, does that look okay? Are you ready to move on
12 to a June meeting?

13 MS. McCAMMON: Okay, the suggestion is June 12th and
14 13th, June 13th, 14th, sometime right around -- June 12th and 13th?

15 MR. McCORKLE: What days?

16 MS. McCAMMON: It's a Monday-Tuesday.

17 MR. McCORKLE: It's a Monday-Tuesday. Would Tuesday-
18 Wednesday be better?

19 MS. McCAMMON: 13th-14th?

20 MR. McCORKLE: 13-14 which would be Tuesday-Wednesday.

21 MS. McCAMMON: Okay, a Tuesday-Wednesday.

22 MR. BECKER: Is there any option of moving that a
23 little bit a head in June? I'm thinking of fishing season.

24 MR. LOEFFLER: Here's what happens there is that the
25 weekend -- the week before is when there will be a preliminary
26 recommendation for what goes out in the draft work plan. So, if

1 you want to sort of see it before it goes out, it really has to be
2 that week. Because the week before is when we're putting it
3 together and the week after is when we go to the printer. If you
4 don't, if you want to have input before the rest of the staff does,
5 it can be -- well, actually it can't -- if you want to have the
6 Chief Scientist's recommendation, it sort of has to be that week,
7 sorry.

8 MR. McCORKLE: So, are then moving to consensus for June
9 13th and 14th, which is a Tuesday-Wednesday. Okay. July.

10 MS. McCORKLE: July -- July 26th-27th its a Wednesday-
11 Thursday. It could be Thursday-Friday, but sometime that last week
12 of July.

13 MR. McCORKLE: July 26th and 27, Wednesday-Thursday, or
14 it could be Thursday-Friday, and you'll be fishing?

15 MR. BECKER: Oh yeah, hopefully.

16 MR. CHIP: The only week in July I can do it.

17 MR. McCORKLE: Oh, then let's pick something else.

18 MS. McCAMMON: So, July 26th-27th?

19 MR. McCORKLE: Well, if we hear no objections, other than
20 that, John.

21 DR. FRENCH: I was just going to say, for my schedule
22 personally, Thursday-Friday meetings are better than Wednesday-
23 Thursday meetings, but it's not a strong preference. Does anybody
24 feel (indiscernible).

25 MR. McCORKLE: I sort of like Thursday-Friday, but I live
26 here so it's not very difficult for me to get down.

1 MS. McCAMMON: July 27th-28th.

2 MR. McCORKLE: That becomes then Thursday-Friday. Okay.

3 MS. McCAMMON: At that time, I mean following that, the

4 Council is probably -- is scheduled to meet around August 25th to

5 take final action on the work plan. I would suggest then that just

6 given April, June, July, one additional meeting for this year

7 within the field -- somewhere in the field, it could be in Chenega,

8 it could be in Cordova, Homer, Kodiak, Seward, Valdez.

9 MR. McCORKLE: Doug.

10 MR. COBB: Just a question, Molly. Does it make

11 sense to have like June or July meeting in the field, or is that

12 too much paper and stuff we got to do.

13 MS. McCAMMON: I think it's going to be a lot of paper

14 and a lot of resource people advising you, and I would think the --

15 actually the meeting outside is almost more of a field trip and a

16 visitation to see some things, and then probably a chance to have

17 an open house within community, with community members, and then

18 maybe one or two discreet things on the agenda, but be more of a

19 fact-finding or a field visitation type meeting.

20 MR. McCORKLE: Field trips though are really just a

21 little bit more than a lark, because last time our field trip, we

22 actually saw the oil. Those folks who hadn't turned over a rocks

23 ...

24 MR. ZERBETZ: Is this going to be a two day trip?

25 MS. McCAMMON: It's up to you.

26 MR. ZERBETZ; I was just thinking that at that of the

1 year the accommodations in some of those communities are going to
2 be very tight.

3 MR. McCAMMON: That's why it is -- I think it is -- if we
4 could start preparing for it now.

5 MR. McCORKLE: John.

6 DR. FRENCH: I'd like to extend an invitation to the
7 PAG to come down and visit the cultural center and we'd be happy to
8 host the meeting in the tech center, which is a free space.

9 MR. McCORKLE: Sounds good.

10 MR. DENNERLEIN: Go out to Kodiak?

11 DR. FRENCH: Go out to Kodiak.

12 MR. DENNERLEIN: Is there a reason that we also
13 couldn't do this in September?

14 MS. McCAMMON: No, there's no reason at all, I mean
15 September is a perfect option.

16 MR. DENNERLEIN: Because, I mean, tourists are gone,
17 and weather is still -- weather is still -- in Kodiak it's still
18 raining sideways all the time anyway.

19 MR. McCORKLE: Pam, you were -- hand up.

20 MR. BRODIE: I -- I think we should think about first
21 what decisions we're going to need to make and choose our spot
22 based on that. I don't exactly have an idea, I was kind of
23 thinking Prince William Sound, and maybe Cordova or Chenega Bay if
24 that's possible, but I'm not sure.

25 MS. McCAMMON: The Trustee Council -- the Trustee Council
26 is going to be meeting in Cordova, probably in May. So, I mean,

1 you may want to choose another community just -- it's up to you.

2 MR. McCORKLE: Well, I -- course I love Kodiak, I dearly
3 would love to go there, but I think it might be helpful to maybe
4 put this off one month. We can still make some arrangements, and
5 think of where we would like to go or where or where we could do
6 the most good to go, particularly to have a meeting of people in
7 the community that don't know anything at all about us. They want
8 to look at us and see who we are. John.

9 DR. FRENCH: I concur with the chair, it's not -- I
10 don't think -- I wasn't trying to encourage us necessarily to make
11 the decision today, but I did have a very ...

12 MR. McCORKLE: In other words, the offer is open.

13 DR. FRENCH: ... definite reason besides the fact, the
14 cultural center being an EVOS project and being open and available
15 and being the first primary construction project that we could
16 viewing, is that there is a lot of public sentiment about oil spill
17 related things in Kodiak, that I feel is not being heard. I feel
18 that there's a lot of people and a lot of low level resentment
19 about the contraction of EVOS activities into the Sound, and I
20 would frankly like to stretch our perspective back out again, and
21 I think the most effective way to do that is to meet outside of a
22 Prince William Sound community, whether it be Homer, or Kodiak, or
23 whatever. I think it's -- I would like to see us try to rebroaden
24 our perspectives to more nearly the whole oil spill area, because
25 I think there are impacts that are not being addressed, and I think
26 the best way to do that is to listen to the public in those area.

1 MR. McCORKLE: John, it's a wonderful suggestion, But,
2 how the consensus of the group. Shall we -- shall we put this on
3 our agenda for next time, and come with a -- maybe a work group who
4 has some suggestions to make as to where we might spend our time
5 the most profitably on our travels? Yes, Chris.

6 MR. BECK: I was agreeing with your suggestion.

7 MR. McCORKLE: Okay, yes.

8 MR. BECKER: I just wanted to further ask if this could
9 be scheduled sometime in September, preferable toward the end of
10 the month -- is that?

11 MR. McCORKLE: Like that, Jim.

12 MS. BRODIE: For either place, it would make sense.

13 MR. KING: Another thing that's coming up is the
14 P.S.G. is going to be hosting this bird conference in Anchorage
15 sometime this fall. I don't know whether their going to pick
16 September or later. I think I had heard September, but it hasn't
17 been firmed up, but we may want to consider how to -- either relate
18 to that in some way or other, or at least not be somewhere else at
19 the same time.

20 MR. McCORKLE: Yes, Dave.

21 MR. COBB: Also, in September will be the Exxon
22 annual drill in Prince William Sound, which a lot of us will be
23 involved in, sometime around, I believe the 14th to the 16th,
24 somewhere in that neighborhood is the last date I've heard. So,
25 there may be an opportunity, you know, to -- for those who haven't
26 seen the oil response program in -- at it's best, this may be an

1 opportunity to look at that. And, I believe its a two or three day
2 drill.

3 MR. McCORKLE: That's a great idea. I've seen those in
4 the past and they're really spectacular. So, we do have some great
5 options, so if it's -- if it's the will of the group, I think we
6 might ask for volunteers of folks who would like to serve on a
7 little working group. Is that a good way to do that, Molly?

8 MS. McCAMMON: Yeah.

9 MR. McCORKLE: To help us bring some suggestions to our
10 next meeting as to where we might go and what the time schedule may
11 be, because it will be helpful to reserve ahead, if we need to do
12 that, but those kinds of suggestions are quite good. Molly.

13 MS. McCAMMON: Mr. Chairman, if I could suggest, if you
14 recall yesterday in the morning there was the parking lot list of
15 issues. And, what we could do is have just a working group to look
16 at kind of those parking lot issues and add the field meeting to
17 that list, and have the group look through those and kind of
18 prioritize and maybe come back with some suggestions and
19 recommendations, so maybe we could expand the agenda of that
20 working group. Chuck's nodding, looking enthusiastic.

21 MR. McCORKLE: Consensus on that. I had forgotten about
22 the parking lot, to be honest with you. I think it's a great idea,
23 because it's a super list.

24 MR. McCAMMON: Yeah.

25 MR. McCORKLE: Is there any business we need to cover?

26 MS. McCAMMON: That could also include some of the, you

1 know, developing a recommended list of priorities, might as well
2 throw it all in one.

3 MR. BECKER: I'd like some clarification regarding
4 alternates and the selection of alternates. I think that that's
5 particularly important in my case, as I'm looking at the schedule
6 for the next, unfortunately meetings, and I may have to resort to
7 that. I hope I can, at least participate by teleconference in one,
8 hopefully two of those. What's the protocol and how do we go about
9 doing that.

10 MR. McCORKLE: Doug or Molly, can you help us with that?

11 MR. MUTTER: Yeah, basically, the last PAG, we set up
12 a process that is identical to the selection of you as members of
13 the PAG, which means that names were put forward as nominations to
14 serve in lieu of your seat, if you couldn't make, and those went to
15 the Trustee Council for an okay, and they had to submit conflict of
16 interest and bio information and so on. And, they went out to the
17 Secretary because the alternates are expected to vote in your
18 stead, we went through that elaborate process, if you weren't
19 sitting in. Now, that takes a lot of time and effort to go through
20 that process, to do that right now, and I don't know if the Trustee
21 Council was to revisit that, but they approved that.

22 MS. McCAMMON: Part of -- part of the reason I think they
23 chose that process in the past is because you are chosen to
24 represent an interest group, and you personally might want somebody
25 who you feel represents you, but is that person that you choose
26 really representing the interest group. But, it is a very

1 cumbersome process, and what -- it resulted because it is so
2 cumbersome and most people didn't have designated alternates. What
3 ended up happening is the -- this process of proxies, and what we
4 found last year is that if you weren't going to make, you would
5 give your proxy -- people would give their proxy to someone, and
6 often you would end up with one person with five votes. And, I
7 personally think that creates potential problems, also. So, it
8 might be -- this might be something that actually the PAG might
9 want to make a recommendation on and how to deal with the whole
10 issue of proxies and alternates to make something that -- that
11 actually is a little bit more effective and more representative.

12 MR. McCORKLE: Could we put proxies in the parking lot as
13 well, and if -- do I understand that you said that the Council has
14 not yet really decided this year, whether or not they want to go
15 through the secretarial process again for -- for alternates. So,
16 we might need to wait one more meeting on that?

17 MR. MUTTER: It's -- well, that's -- they decided that
18 last time, and it's written in your policies and procedures as the
19 approach. I think the question Molly is raising is do we, that's
20 something the PAG recommended, so you can recommend changing that,
21 and maybe we ought to look at that and decide maybe there's a
22 better way to deal with that, and maybe that should be on the
23 parking lot list for a work group to come up with some suggestions
24 on it.

25 MR. McCORKLE: John.

26 DR. FRENCH: It obviously isn't an official decision,

1 but Craig Tillery was talking about that at the reception yesterday
2 evening, and had a fairly strong position that he felt that
3 alternates should represent what -- each person's alternate should
4 be a specific individual and not just a -- another public-at-large
5 being an alternate for a public-at-large, and also, in his mind
6 that alternate should be present to hear the debate, in other
7 words, not just a straight proxy, and he seemed pretty strong about
8 those points. But, again, he's only one of six members of the
9 Trustee Council.

10 MR. McCORKLE: We did discuss that last year with the
11 idea of having the alternates present, and it became a bit of the
12 problem, budgetarily, trying to find money for people to travel, as
13 I recall, and then we had to add a few more bucks to lunch pot, but
14 I think that that should be looked at again.

15 DR. FRENCH: You know, this was really -- hear the
16 debate for the -- that they were -- that the alternate was actually
17 voting on. In other words, be present at the meeting. In other
18 words, not just to have Dick Eliason say you were going to be able
19 to vote for him, and then you decide that Sharon's going to be able
20 to vote for the two of you, and maybe neither one of you is really
21 to hear much of the debate.

22 MR. McCAMMON: I think the intent is if either you or
23 your alternate isn't there, you don't vote for that meeting, rather
24 than being able to just give your vote to someone else and have
25 them vote on your behalf.

26 MR. McCORKLE: Which then makes it incumbent upon us to

1 remember we've got to have twelve to pass a motion, and there have
2 been times in the past because of weather and other legitimate
3 reasons, when it's been touch and go to keep a quorum. Karl, do
4 you have something?

5 MR. BECKER: Just to pursue this just a little bit
6 farther. Am I correct then that the proxy voting is no longer
7 allowed?

8 MR. McCORKLE: And preferred.

9 MS. McCAMMON: I would prefer -- I personally think it --
10 I did not think it was very -- that really gave a good
11 representation of the Public Advisory Group when you would look at
12 a voting sheet, and it would like there were sixteen votes, and you
13 couldn't tell by that voting sheeting that there were actually only
14 ten people there, and I think that gave a -- it didn't really
15 reflect the actual discussion and debate of the people who were
16 there. One thing -- I mean there -- there are some other options
17 that we could look at. One of the things would be try to ensure
18 that enough people participate. One of the things would be to try
19 to have the meetings teleconferenced, although that is an
20 additional expense, but that's another option, but I think if
21 everyone -- not everyone had a designated alternate. If you really
22 ensure that you have a designated alternate who is available if
23 you're not -- and it -- for each seat if we really went through
24 that process, I think that would make it much more effective. I
25 personally don't think proxies are appropriate for this process.

26 MR. BECKER: Yeah, and I would agree just in general

1 about proxies. I don't -- I don't think they're appropriate
2 either, and that being the case then, maybe we should go through
3 some sort of process to establish some alternates, particularly if
4 -- if the meetings will be concentrated during the summer, which it
5 looks like, you know, the spring and summer. Speaking personally,
6 that presents some difficulty at least for this -- this first year.

7 MR. McCAMMON: And then the question is, are the
8 alternates chosen by the Trustees, looking back at the list and who
9 submitted their names and trying to get, or are the alternates
10 folks that you recommend that don't have to go those, and that's
11 where we look at whether there should be a change in the process or
12 not.

13 MR. McCORKLE: John.

14 DR. FRENCH: Yeah, I'd like to move that we -- that PAG
15 direct the Executive Director, or request the Executive Director to
16 query the Trustees at their next meeting as to whether they wish to
17 change the paragraph 6E of our by-laws dealing with the alternates
18 to members, and I think we should also recommend, or as part of
19 that motion I would also like to recommend that they forego the
20 need to go back to the Secretary of Interior to appoint those
21 alternates. Is that legal, Doug.

22 MR. MUTTER: Well, if you're appointed -- if you want
23 them to vote, they discussed that last time, if you want an
24 alternate to vote, not just sit in here and gather information, you
25 can have anybody sit here and gather information.

26 DR. FRENCH: No, I want them to vote, I want to be able

1 to follow -- to have the responsibility listed under that category
2 MR. MUTTER: Then, they need to go through that
3 process.

4 DR. FRENCH: All the way to the Secretary?

5 MR. MUTTER: Well, that's -- that's the formal part of
6 the process, the Trustee Council.

7 DR. FRENCH: Okay, we'll skip him out of that -- amend
8 it then, I guess we'll just ask that they reconfirm that process,
9 and that we follow -- and I would then propose that we follow that
10 process.

11 MS. McCAMMON: I think the difference is whether you,
12 John French, recommend who your alternate is, who then has to go
13 through the process, or whether ...

14 DR. FRENCH: (Indiscernible - simultaneous talking) in
15 front of you, Molly, but yes, it says I, John French, recommend.
16 It says each -- it says will be submitted to the Trustee Council by
17 each Public Advisory member.

18 MR. McCORKLE: We almost had a motion on the floor.
19 There isn't one now because it hasn't been seconded. Do you wish
20 to maybe restate it ...

21 MR. BECKER: I second it.

22 MR. McCORKLE: Well, let's -- let me ask you to restate
23 your motion, so we know what Karl is seconding.

24 DR. FRENCH: Simply, I guess it would be that we would
25 like to -- we would like confirmation from the Trustee Council if
26 they still approved the alternate -- the method of appointing

1 alternates -- voting alternates as listed in our Charter on 16.

2 MR. McCORKLE: Now, Karl, second.

3 MR. BECKER: I second that.

4 MR. McCORKLE: It's been moved and seconded. Discussions
5 now in order. Chip.

6 MR. DENNERLEIN: To make life easier, since this is a
7 Trustee by-laws ...

8 DR. FRENCH: It's a Trustee approved Charter for us.

9 MR. McCORKLE: It's our Charter.

10 MR. DENNERLEIN: It's a Trustee approved Charter.
11 Instead of -- and I don't know if this is the way to say it
12 appropriately, essentially what John -- as I understand what John
13 wants to accomplish, which I would agree with, is that we would
14 send to the Trustees -- we would send to the Trustees a list of
15 alternates that we would recommend they approve, and that is their
16 policy. So, maybe to make life easy for them, instead of asking
17 them -- we know you gave us these by-laws, do you really mean it,
18 why don't we take the spirit of what John I think wants to
19 accomplish, and I think with which we will agree, and just sent
20 them the list, if that makes sense.

21 MR. McCORKLE: Cut right through the heart.

22 MR. DENNERLEIN: I would move that ...

23 MR. McCORKLE: Do you want to amend, move to amend.

24 MR. DENNERLEIN: I would amend -- a friendly amendment
25 that at the next meeting -- if it's appropriate at our next meeting
26 on the agenda we forward to the Trustees a list of -- of our

1 preferred alternates.

2 MR. McCORKLE: That's really a new motion, I think we
3 should vote the first motion up or down, and have you put your
4 second motion.

5 DR. FRENCH: Implicit in this, is the fact that the
6 first sentence there speaks of a singular, an alternate, in the
7 singular sense, in other words, that you could not know -- you
8 could no longer say any of the Public Advisory -- the public-at-
9 larges would represent you as the alternate.

10 MR. BECKER: It would be a designated alternate.

11 DR. FRENCH: A single alternate. So, I don't think we
12 need to amend the Charter to do that.

13 MR. BECKER: If you would like to withdraw your motion,
14 I'll second -- I'll withdraw my second and we can simplify the
15 process.

16 MR. McCORKLE: What do you say?

17 DR. FRENCH: Sure, that's fine.

18 MR. BECKER: Okay, I withdraw my second.

19 MR. McCORKLE: Okay, Chip do you want to make the new
20 motion?

21 MR. DENNERLEIN: My motion is that we implement the
22 by-laws and that each member of the Public Advisory Group make a
23 recommendation -- come forth with a recommendation for a specific
24 alternate for their -- their position, and that be brought forth
25 approved by the PAG at its next meeting, and forwarded to the
26 Trustee Council.

1 MR. McCORKLE: Is there a second?
2 DR. FRENCH: I'll second that.
3 MR. McCORKLE: It's been seconded by John French.
4 DR. FRENCH: As a matter of discussion and observation,
5 that's one more than is required by-laws. We didn't previously
6 have to approve the within the PAG.
7 MR. DENNERLEIN: Okay.
8 MS. McCAMMON: Mr. Chairman, what I could suggest just in
9 the interest of getting it done more quickly, would be to have
10 staff here, because those folks have to fill out the forms and the
11 conflict of interest and all that stuff, have staff send all of
12 that information to you, that you could send back and as soon as --
13 and we could take on the responsibility of nagging everyone, as
14 well as those not present, and get that list formulated, that then
15 we could present to you so you could look at and then get ready to
16 send it to the Secretary.
17 MR. DENNERLEIN: If I can be allowed to amend my
18 motion it would be that staff nagged us? (Laughter) I would
19 amend my motion in accordance with the remarks of our Executive
20 Director.
21 MR. McCORKLE: Very wise.
22 MR. DENNERLEIN: Let's let the staff forward the
23 paperwork to us and that we respond timely, and that they compile
24 the list.
25 MR. McCORKLE: John, are you seconding?
26 DR. FRENCH: Yes.

1 MR. McCORKLE: Is there any further discussion on this
2 delightful motion. If not, all in favor say aye.

3 ALL PAG MEMBERS: Aye.

4 MR. McCORKLE: Opposed, no. (No Response) And, the
5 motion is carried, and we will implement the procedures as set
6 forth in our Charter, paragraph 16, will assist us in doing that.
7 Is there other business that we should attend today, it's really
8 critical.

9 MS. McCAMMON: I think, Mr. Chairman, just to kind of
10 create this small informal working group to address some of the
11 parking lot issues, and these are -- I think the working group
12 could be folks who are not necessarily in Anchorage, because we can
13 do teleconference, so I don't think we have to limit ourselves to
14 people who live in this community.

15 DR. FRENCH: I'd be happy to volunteer ...

16 MR. McCORKLE: So, what -- we need a list of volunteers.

17 MR. BECK: I was just going to suggest that.

18 MR. McCORKLE: Okay, John has volunteered. Dave has
19 volunteered, I've got your name right there Dave. Are there other
20 volunteers.

21 MS. THOMAS: If I can participate by teleconference.

22 MR. McCORKLE: Thea has suggested she would participate
23 by teleconference. Are there others? We have three. Chris.

24 MR. BECK: I would ask a question, not that I plan to
25 volunteer -- wondering if one of the items on the list, I think
26 added was priorities for the PAG for '95. If the working group be

1 open to receiving maybe comments by mail or by letter of
2 recommendations from other group members as to their personal
3 recommendations on that subject. If -- that's maybe a way to
4 involve a larger group, and be more efficient if that would work.

5 DR. FRENCH: It's probably easiest to take it with the
6 staff and back out ...

7 MR. BECK: Sure, that's fine, so -- so that would be
8 part of this process is we can funnel through Molly recommendations
9 (indiscernible)

10 MR. COBB: Molly, can we, some time in the near
11 future have a complete list of the parking lot issues?

12 MS. McCAMMON: Yes.

13 MR. McCORKLE: We have three volunteers, now that's
14 really enough, but maybe a couple of more would be helpful.

15 MS. McCAMMON: I think we had four.

16 MR. McCORKLE: We have four?

17 MS. McCAMMON: Gordon, John, Dave Cobb and Thea.

18 MR. McCORKLE: That's right, I'm sorry, I forgot you.

19 MR. ZERBETZ: Mr. Chairman.

20 MR. McCORKLE: Sir.

21 MR. ZERBETZ: I was suggesting that others volunteer.
22 I'll be glad to be on it.

23 MR. McCORKLE: Boo. All right, good, we're glad to have
24 you there. And, I will also round it out to make it five to just
25 in and help. Chip.

26 MR. BECK: I have to run, I have a meeting at 1:30

1 that I must attend, so I apologize for having to disappear. I
2 thought I would make it to the end.

3 MR. McCORKLE: Well, we appreciate your coming and
4 joining our group.

5 MR. BECK: My pleasures, it's been very interesting.

6 MR. McCORKLE: And, we'll count on you next time, okay.

7 (Aside comments)

8 MR. McCORKLE: Anything further to come before our group?
9 Chip.

10 MR. DENNERLEIN: Just a quick business question. I
11 understand that we, this is money. I understand that we can't pay
12 for parking and things like that. Travel, we can, but ...

13 MS. McCAMMON: We can pay for parking.

14 MS. WOMAC: Yeah, we can pay parking.

15 MR. DENNERLEIN: We can pay?

16 MS. McCAMMON: Yes.

17 MR. DENNERLEIN: So, we submit.

18 MR. McCAMMON: Parking receipts to Cheri.

19 MR. DENNERLEIN: Okay.

20 MR. McCAMMON: And the parking garage over there is \$5 a
21 day.

22 MR. DENNERLEIN: Okay, and then the second ...

23 MS. McCAMMON: I don't know if we can pay parking
24 tickets.

25 MR. DENNERLEIN: No, I won't get a ticket, well I
26 won't get a ticket I'll give you.

1 MS. WOMAC: No tickets, no towing, no movies, no room
2 service.

3 MR. DENNERLEIN: Okay, and the other ones, this sort
4 of does bring up the question of phone or whatever, not to abuse
5 it, but if there's an issue to work out with Gordon or John, it
6 does make a difference (indiscernible) especially, if John wanted
7 to call me or we, you know, had -- before the next meeting, I saw
8 something in a proposal, I had a science question, or academic
9 question about, I -- you know, I don't think anybody here will --
10 has enough time to abuse long distant phone calls, but, you know,
11 Ketchikan, Kodiak -- is there any way that we can at least have a
12 long distance phone bill, or use of a phone.

13 MR. McCAMMON: I think, you can use the phone here, and
14 we do have an 800 number, and if you wanted to set up a
15 teleconference call, you know, outside of this building, I would
16 call Cheri or Rebecca, and they can set something up, so that it is
17 billed to this number.

18 MR. DENNERLEIN: Okay.

19 MR. ZERBETZ: Mr. Chairman.

20 MR. McCORKLE: Yes.

21 MR. ZERBETZ: There is one other possible quick fix for
22 that. You can now get long distance phone cards, phone debit
23 cards, and it could be issued to some of the people, and that --
24 that's a fairly easy item to control.

25 MS. McCAMMON: That's -- that would be a good -- that's
26 something we can look into, Gordon. That's a good idea.

1 MR. McCORKLE: Pam, did you a cut in on this topic?

2 MS. BRODIE: No.

3 MR. McCORKLE: I want to thank you, Mr. Zerbetz, we
4 appreciate that point of view. Pam.

5 MR. BRODIE: Yes, thank you. I'm not very good at
6 formulating motions, so maybe you people can help me, but I would
7 like to make a motion that we petition the Trustees for a grant
8 program for those representatives of interest groups who need it to
9 be able to have a phone budget to communicate with other
10 representatives in their interest groups.

11 MR. McCORKLE: Is there a second to the motion. Sounded
12 good.

13 MR. DENNERLEIN: Seconded.

14 MR. McCORKLE: It's been seconded a couple of times. So,
15 Pam would you like to debate. Would you like to give us a little
16 lead off discussion here.

17 MS. BRODIE: I just think that, especially because the
18 oil spill region is so broad, and each of us only lives in one
19 place, that it's important that people who have a, for instance,
20 commercial fishing representative who lives in Cordova, should be
21 able to talk to commercial fishing groups in other parts of the oil
22 spill region to keep them informed, and bring back their opinions,
23 and so on for some other interest groups here. And if -- we can't
24 expect that the organizations that they belong to are necessarily
25 willing to pay for those phone calls, and if they aren't, as I mine
26 does, but for those who aren't, they ought to be able to get a

1 little money to cover that cost.

2 MR. McCORKLE: Further discussion, please. Chip.

3 MR. DENNERLEIN: I would just say that this might be
4 one thing we could be tested easy and legitimately looked at with
5 the technology we have now, like a phone debit card. We could
6 decide that a reasonable amount to try to give somebody to use,
7 either to talk to other PAG members or interests groups would be X,
8 and set a limit and say, this is for communication for oil spill
9 PAG business. It might be something that would be a legitimate,
10 easily controlled way. Set a limit as a -- as a little test, and
11 see if it works.

12 MR. McCORKLE: Thank you, other comments, yes, Thea.

13 MR. THOMAS: I have to take off pretty soon, but I just
14 wanted to say I do support that, I think that's a great idea,
15 because I know I would like to be able to poll the people in the
16 other -- the other fishing areas, and so I guess I support that.

17 MR. McCORKLE: Thank you. Any other comments before we
18 take a vote. Doug, would you like to recap -- did you have a
19 little -- couple of notes down there on the motion?

20 MR. MUTTER: The motion, the way I have it is to
21 petition the Trustees for a grant program for members who needed to
22 communicate with members of their interest groups.

23 MR. McCORKLE: Thank you. If there's no other debate,
24 I'd like to call for question.

25 MR. DIEHL: Would that -- would that just cover
26 interest groups and -- what about ...

1 MS. McCAMMON: And other PAG members.

2 MR. DIEHL: PAG members. What about other official
3 business when you're trying to find out stuff, trying to get stuff
4 (indiscernible - out of range of microphone) here, there and other
5 places.

6 MR. McCORKLE: Pam, how did you see that working?

7 MR. McCAMMON: Well, Mr. Chairman,

8 MR. DIEHL: ... from -- who knows, from researchers.

9 MR. McCORKLE: Molly.

10 MR. McCAMMON: Mr. Chairman, you know there is always
11 this balance of things, and certainly the Trustee Council here has
12 an 800 number that's accessible to everyone, and if there -- if you
13 have -- if you want information on certain things -- I mean,
14 certainly, you can always call us and ask us to get information for
15 you. And, you know, I don't know where that -- that balance is
16 between, you know, having communication access and being excessive
17 and -- so I -- you know, I think somehow trying to find that, but
18 certainly, the staff here -- our function is to support the Trustee
19 Council, the Public Advisory Group, and the public. I mean, we are
20 public servants, and so, anyway we can assist you in trying to get
21 that, I think, we do serve that function. So, take us and abuse
22 us.

23 MR. McCORKLE: Well, I'll call up the question then, all
24 if favor of the motion say aye.

25 ALL PAG MEMBERS: Aye.

26 MR. McCORKLE: Opposed, no (No Response) The motion is

1 carried unanimously. The groups are leaving. The quorum has
2 disappeared so we really can't do any other business, so unless
3 there's any other compelling reason.

4 MR. DENNERLEIN: Move to adjourn.

5 MR. McCORKLE: We move to adjourn. Thank you very much
6 for all attending. Thank you for your votes, and we'll expect to
7 see you next time.

8 (Off Record 1:30 p.m., March 24, 1995)

9 END OF PROCEEDINGS

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CERTIFICATE

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

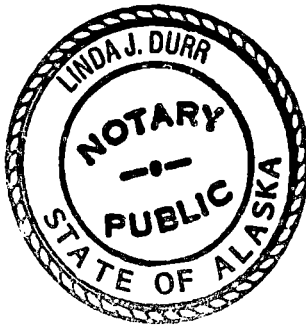
I, Linda J. Durr, a notary public in and for the State of Alaska and a Certified Professional Legal Secretary, do hereby certify:

That the foregoing pages numbered 03 through 407 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council Public Advisory Group meeting taken electronically by LTD Court Reporters on March 23 and 24, 1995, commencing at the hour of 8:30 a.m. on March 23, 1995, 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 Sandra Yates 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 10th day of April, 1995.



Linda J Durr

Linda J. Durr, Certified PLS
Notary Public for Alaska
My commission expires: 10/19/97