

TRUSTEE COUNCIL
MEETING

19 JANUARY 1993

**EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL**

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

**Continuation Meeting of the Trustees Council
January 19 and 20, 1993**

VOLUME I

January 19, 1993
8:00 a.m.

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TRUSTEE COUNCIL MEMBERS in attendance:

State of Alaska

**EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD**
MR. CHARLES COLE
Attorney General

State of Alaska Department
of Environmental Conservation

MR. JOHN SANDOR
Commissioner

United States Department
of the Interior

MR. CURTIS McVEE
Special Assistant to the
Secretary

State Department of Fish
and Game

MR. CARL ROSIER
Commissioner

United States Department of
Agriculture - Forest Service

MR. MIKE BARTON
Regional Forester

United States Department of
Commerce - NOAA

MR. STEVE PENNOYER
Director, Alaska Region

RESTORATION TEAM in attendance

DAVE GIBBONS

Interim Administrative Director, Trustees
Council

PAMELA BERGMANN

Regional Environmental Assistant, United
States Department of the Interior

MARK BRODERSEN

Restoration Chief, Alaska Department of
Environmental Conservation

JEROME MONTAGUE

Director, Oil Spill Impact Assessment &
Restoration Division, Alaska Department of
Fish and Game

BYRON MORRIS Chief, Office of Oil Spill Damage Assessment
and Restoration, United States Department of
Commerce - NOAA

KEN RICE Deputy Natural Resource Manager, United States
Department of Agriculture - Forest Service

MARTY RUTHERFORD Assistant Commissioner of EVOS, Alaska
Department of Natural Resources

PUBLIC ADVISORY GROUP MEMBERS in attendance:

DOUGLAS MUTTER Department of the Interior
Designated Federal Officer

DONNA FISCHER Vice Chairman

PAMELA BRODIE

CHARLES TOTEMOFF

OTHERS IN ATTENDANCE who testified

DR. ROBERT SPIES

CAROL GORBICS

DR. JOE SULLIVAN

CHARLES McKEE

DR. JAMES SEEB

JEFF PARKER, Alaska Sport Fishing Association

CHRIS MOSS, Cook Inlet Seiners Association

THEO MATTHEWS

JIM WOLF

TOM LIVINGSTON

TYLER JONES

PAUL GATES, U.S. Department of the Interior

CRAIG TILLERY, Alaska Attorney General's Office

ALEX SWIDERSKI, Alaska Attorney General's Office

RITA MIRAGLIA

TASHA CHMIELEWSKI

JOHN STRAND

BOB LOEFFLER

JIM CARMICHAEL

KIM SUNDBERG

WALT SHERIDAN

VIA TELECONFERENCE

MARY McBURNEY

CHIP THOMA

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PROCEEDINGS

(On Record at 8:10 a.m. January 19, 1993)

MR. SANDOR: Good morning. This is -- the Exxon Valdez Oil Spill Settlement Trustee Council meeting. Convening as a continuation of our meeting -- last meeting. Present this morning are Charles Cole, Attorney General, State of Alaska; Steve Pennoyer, Director, Alaska Region, National Marine Fishery Service; Michael Barton, Regional Forester, Alaska Region, Forest Service, Department of Agriculture; Curt McVee, Special Assistant to the Secretary, U.S. Department of Interior; Carl Rosier, Commissioner, Alaska Department of Fish & Game; and John Sandor, Commissioner of Department of Environmental Conservation, chairing this meeting as a continuation of the last meeting.

We have a full agenda today and -- so we want to immediately get on with the tasks at hand and we'll begin with the agenda. Are there any additions to the agenda that we would propose? Dave Gibbons, are there anything to add, any Trustee Council members want to add something to the agenda?

MR. COLE: Yes, Mr. Chairman, I do.

MR. SANDOR: Mr. Cole?

MR. COLE: I see nothing there, perhaps it is there, but I don't see it, dealing with the Kachemak Bay appropriation, if that's the term. I would like to see that on the agenda, if, in your view, it is not already there.

MR. SANDOR: It doesn't appear to be there as a continuation item discussed at the last meeting. Why don't we add

1 that to these, again, if there is no objection, any other
2 additional items to the agenda?

3 MR. McVEE: Mr. Chairman?

4 MR. SANDOR: Yes.

5 MR. McVEE: Are we going to consider all of the, I guess,
6 there was six of the -- proposed projects that came before the PAG,
7 Public Advisory Group. There was one that was voted down and there
8 was five that they made recommendations on it and I would propose
9 that we consider all six. That would include the, of course,
10 Chugach Resource Management Agency.

11 MR. SANDOR: I would agree, is there any objection to
12 that? We'll then, add on to the consideration of the work plan
13 proposals, the items suggested by the, by the Public Advisory
14 Group. There are other proposals I believe as well, and -- we
15 could consider those at the same time. We'll begin with Kachemak
16 Bay, then move to 1993 work plan, the -- restoration plan, Public
17 Advisory Group resolutions, and a public comment period at four.
18 Let's have a break at noon, for lunch. Coffee break at ten.

19 MR. COLE: Mr. Chairman?

20 MR. SANDOR: Yes, Mr. Cole.

21 MR. COLE: Can I have an explanation of why we're having
22 a public comment period today. I see no reason for a public
23 comment period today. We're dealing essentially with these 1993
24 projects, plus Kachemak Bay, and those things have already been out
25 to the public, ad nauseam, and is there some reason that we have
26 that, since we're going to be a little pressed for time. I suppose

1 we have to do it, now that it's been advertised but I just wonder
2 whether that's appropriate at every meeting.

3 MR. SANDOR: Any comments on that? Dave?

4 DR. GIBBONS: Mr. Chair, yeah. I put that on there due
5 to the interest of the public on '93 work plan. There was kind of
6 a short comment period last time, and so I just put it on there,
7 the, as a courtesy to the public, that's, I'm the one that put it
8 there.

9 MR. SANDOR: And it may be that after we work till four
10 o'clock, they'll want to say something, I don't know.

11 MR. COLE: Mr. Chairman, let me just say, you know, when
12 we have these things that have been out and advertised, we've
13 received 250 comments, the Public Advisory Group has held hearings,
14 and -- with Valdez and Kodiak, we had comments on this at the last
15 two or three or more meetings and I think we have to have a
16 time when public comment on these things is closed. But, I don't
17 want to be the sole one that objects to it, but I -- I do think
18 that that the end of day and we're tired and we have so much
19 business to do and sometimes I must say that there's little new
20 that the advisory comments.

21 MR. SANDOR: Okay. As you said, it's been announced, so
22 we're probably trapped, but we'll see how the day goes. Any other
23 additions or corrects to the agenda? Yes, Carl?

24 MR. ROSIER: Mr. Chairman, I think we've got one item
25 that probably should be discussed relating to the kinda -- the
26 status of where we are on the executive director selection.

1 MR. SANDOR: Okay. Shall we cover that at the last item
2 or after the Public Advisory Group resolution?

3 MR. ROSIER: That would be fine.

4 MR. SANDOR: Executive director. Any other additions to
5 the agenda? -- assume that that completes the agenda and we'll
6 begin with the Kachemak Bay discussion, continuing from the
7 previous meeting. Dr. Gibbons do you have anything on Kachemak?

8 DR. GIBBONS: Yeah. There was just a handout just a few
9 minutes ago to the Trustee Council from the Restoration Team and
10 the subject, it was sent Friday. But, the subject is the
11 restoration approach special criteria and evaluation ranking for
12 criteria applied to Kachemak Bay parcel. Some background on the
13 habitat protection working group, in regards to the -- to the post
14 that we've taken in regards to official criteria and elevation
15 ranking criteria and it's -- intended to help the -- any activities
16 that you like to do regarding Kachemak Bay.

17 MR. COLE: Mr. Chairman?

18 MR. SANDOR: Mr. Cole?

19 MR. COLE: I move we adopt an alternative B with the
20 additional recommendations of the Habitat Protection Group.

21 UNIDENTIFIED: Second the motion.

22 MR. SANDOR: Moved and seconded. The committee adopt.

23 MR. COLE: As, as an interim procedure.

24 MR. PENNOYER: I don't believe we all have the sheet of
25 music in front of us.

26 MR. PENNOYER: -- I think we may have the sheet of music

1 but haven't had a chance to look at it and I'm not clear what, what
2 it is we're adopting.

3 MR. SANDOR: By alternative B, that's what you're
4 referring to right?

5 UNIDENTIFIED: Yes, sir.

6 MR. SANDOR: Anyone want to explain that at this time?

7 MR. PENNOYER: Mr. Chairman, I might, would somebody
8 explain what the package is that we just got, five minutes ago.
9 Run through it for us.

10 MR. SANDOR: Dave Gibbons, can you, walk this -- ,
11 please?

12 MS. RUTHERFORD: Mr. Chair?

13 MR. SANDOR: Yes?

14 MS. RUTHERFORD: Perhaps I can walk you through a little
15 bit. It was sent out on Friday, but it was late in the day. We
16 have -- the Habitat Protection Work Group had intended for this
17 package to be available to you as part of our February
18 presentation. But, we were advised by the Department of Interior
19 that should they choose to act on Kachemak on the 19th, today, that
20 they wanted to be able to first act on some interim threshold
21 criteria and some interim ranking and evaluation criteria before
22 they felt comfortable with that, so we hurriedly -- and we did send
23 it out late on Friday and put this together and cleared it through
24 the Restoration Team and now it's provided for you. Basically, it
25 is intended to be interim -- criteria until such time as the
26 restoration plan places the permanent criteria, and the Set B which

1 Attorney General Cole was just referring to is the threshold
2 criteria and I think that, probably on page four of the packet in
3 front of you, they are shown there, one, two, three, four and five.
4 Do you want me to go through it in more detail, or would you like
5 a moment to read through that? Maybe if you read

6 MR. SANDOR: Mr. Pennoyer?

7 MR. PENNOYER: At some point, we're going to act on this
8 today and I think the Interior's request is perfectly appropriate.
9 I think we need to know in some detail as to how Kachemak Bay fits
10 some set of criteria that we're going, we agree we're going to
11 adopt. So we need to vote -- the alternatives we have and the type
12 of criteria we might want to use and also, how Kachemak Bay fits
13 those.

14 MS. RUTHERFORD: If you were to adopt the criteria which
15 is set B with the amendments that Attorney General Cole just
16 referred to and are indicated in this memo, and if you were to
17 adopt the evaluation criteria that are also indicated on page five
18 and six -- Kachemak ranked high. In fact, it was ranked the
19 highest of all the interim -- imminent threat parcels that were
20 reviewed.

21 MR. COLE: Mr. Chairman, may I suggest that you go
22 through the options in Set A, Set B and Set C right now, sort of,
23 so, we can all be familiar with what they are and then also, I
24 think we should go through the criteria and the evaluation ranking
25 criteria because if we don't, I think perhaps some of the council
26 members will be a little uneasy about addressing the Kachemak Bay

1 proposal. That's my suggestion, Mr. Chairman. If there is any
2 objection, I'll certainly withdraw it.

3 MR. SANDOR: Please proceed.

4 MS. RUTHERFORD: Mr. Chair, I think what's, if you would
5 like to follow along -- would be helpful is you (inaudible --
6 coughing) back of packet, a table that looks like this. It says
7 table one comparison. It's -- looks like its table one comparison
8 of alternative threshold criteria sets -- set A, B and C.

9 Set A, which is in front of you, imposes the least restrictive
10 threshold criteria. It, it is very similar to set B, with one
11 basic difference, and that is that Four B requires that -- for A,
12 let me go down to Set A -- Four A requires -- indicates that you
13 can address an injured or equivalent resource or service that would
14 benefit from protection.

15 Set B, four B, makes you focus strictly on the injured
16 resource, you cannot then go to the equivalent service or resource.
17 Those, those are the only, Set AB -- Set A and B are very similar
18 in that, that there is a willing seller, the parcel contains key
19 habitats, the seller acknowledges that the government can only pay
20 fair market value and then, Set four, A and B have those slight
21 differences. One focuses strictly on injured resources or service,
22 and one allows you to look at injured or equivalent resources or
23 service. So that's Set A and B.

24 Set C is a much more restrictive criteria -- threshold
25 criteria, and it follows a hierarchical strategy for acquisition
26 and protection. In addition to what's in sets A and B, the

1 proposals, the parcels would need to demonstrate that they contain
2 habitats that are directly linked to recovery of injured resources
3 or services. That's recovery. And additionally, a finding is
4 needed that existing laws, regs., and other requirements are
5 inadequate to provide the level of protection that a proposed
6 habitat action would provide. Additionally, reviews of proposal
7 would need to demonstrate that the expected land uses, such as
8 logging, would indeed threaten resources injured by the spill.
9 Additionally, a demonstration of the parcels much show that failure
10 to act on proposal would foreclose medium restoration objectives
11 and also restoration options other than a protection or acquisition
12 proposal would be inadequate to meet restoration objectives. So,
13 it's, it's much more restrictive. It's hierarchical in nature, and
14 given the fact that you do not even have a restoration plan in
15 place at this time, it's impossible to do with imminent threat if
16 you wanted to act on imminent threat parcels at this time. So, we
17 -- when we sent out these Sets A, B and C to the public as part of
18 the restoration framework supplement, the public responded that
19 they were most comfortable with Set A, which is the least
20 restrictive. It basically opens the door for almost, consideration
21 of almost all parcels.

22 We took that input very seriously however, given the fact that
23 there is no restoration plan in place yet, we felt that a
24 combination of Set A and B would be more appropriate to be a little
25 more conservative than just part opening the doors and so we chose
26 basically, Set -- Set -- like I said, Set A and B are the same

1 except for four. We show Set B and we also added criteria number
2 nine, which is the, that the acquired parcels, property rights, can
3 easily be, incorporated into an existing public management land,
4 public land management scheme. So basically, that's -- we took,
5 primarily what the public wanted with a slightly more conservative
6 bent for this interim period.

7 MR. SANDOR: Are there any questions? Mike Barton?

8 MR. BARTON: I have a couple questions. I don't -- I'm
9 curious as to what discussions you might have had regarding cost-
10 effectiveness and cost benefit.

11 MS. RUTHERFORD: That was not part of the threshold
12 criteria. When we got into some ranking and evaluation, we began
13 to look at that -- find my sheet here -- I'm trying to think on
14 this, just a minute. Dave, do you remember eight?

15 Yeah what, what happened, as we began to look at this imminent
16 threat, we were working with the evaluation of ranking criteria as
17 we went along and we didn't feel that since, since we did not have
18 a draft restoration plan in place, it was difficult for us to
19 analyze the cost benefit, compared to other actions because we
20 didn't have any other in place at this time. So during this
21 interim, these evaluation criteria, the -- not the threshold, but
22 the evaluation ranking criteria do not have a cost-benefit analysis
23 (inaudible -- coughing).

24 MR. COLE: Mr. Chairman. In that regard, doesn't eight,
25 threshold criteria eight deal with that, cost effectiveness? Like
26 to me it does. Page -- looks like it has a number 38 or something

1 there, down at the bottom. It's on table two.

2 MS. RUTHERFORD: Yes it does, except we did not, we are
3 not recommending item number eight as part of this interim
4 criteria. And again, we felt that we couldn't do that
5 appropriately until there is a restoration plan in place. So
6 that's --

7 MR. SANDOR: Any other questions, Mike?

8 MR. BARTON: And what discussions did you have on natural
9 recovery, and the role of natural recovery?

10 MS. RUTHERFORD: Natural recovery was part of the
11 hierarchical discussion and -- we felt that we had gotten in some
12 indication from the public and from the Trustee Council that you
13 did want to pursue imminent threat parcels and we felt that we
14 couldn't, we couldn't look at that, except if we were going to look
15 at a hierarchical approach.

16 MR. SANDOR: Mike?

17 MR. BARTON: Why is it we're considering this today,
18 instead of on February 16th?

19 MS. RUTHERFORD: Again, we had, I had -- the Habitat
20 Protection Work Group and the Restoration Team had intended to give
21 it to you as part of the February 16th meeting, but we did receive
22 a call, or I did receive a call from the Department of Interior
23 saying should the Trustee Council choose to act on Kachemak Bay and
24 in order to facilitate you if you wanted to pursue that, we needed
25 to have this available for your action prior to acting on Kachemak.

26 MR. SANDOR: Curt McVee?

1 MR. McVEE: Mr. Chairman, it was our feeling that --
2 since we have -- the criteria have been developed, you know, we're
3 pending our action, we should to look to that then prior to making
4 that decision on Kachemak Bay, assuming that we're going to do that
5 -- do that today, as we discussed, the \$20 million that's in the
6 budget. And it seems like to us, you know, if we were to call them
7 interim at this point is fine, but that -- that we should establish
8 some criteria which we're using to make that decision.

9 MR. SANDOR: Mr. Pennoyer?

10 MR. PENNOYER: Sir, I fully agree with that. I'm not
11 sure that this discussion has left me completely happy or --
12 feeling secure with the criteria. I understand generally what
13 you've said. I haven't had any time to think about it. Maybe if
14 you went down the list of A, B and C and told me how Kachemak Bay
15 would fit in or where it would or wouldn't fit in with those,
16 variable lists of criteria, I better understand how they would be
17 applied. For example, A, B and C one, willing seller, I guess
18 that's following the criteria we've established for any purchase --
19 use of the funds for Kachemak Bay, anyway. Somebody would have to
20 come back and say, yes, we do have a willing seller and here's what
21 it is and so on. So that would, would apply across the board,
22 they're all the same anyway. And two, how that would fit in, you
23 know, can you march down through the table and show me how
24 Kachemak, how these threshold criteria would apply, whichever one
25 we're going to adopt?

26 MR. SANDOR: Marty, are you prepared to do that?

1 MS. RUTHERFORD: I, I am thinking here. I'm not sure I
2 am prepared to do it. I have, some of material on Kachemak with
3 me, but I don't have all of it. I could --

4 MR. PENNOYER: I guess what I'm saying Mr. Chairman, is
5 that logically what, the question Mr. Barton asked was a correct
6 one. The logical question has, or would also fall, if we're
7 willing to do that February 16th, why don't we do Kachemak Bay on
8 February 16th. So unless somebody can explain here and take me
9 through the detail why the criteria, the threshold criteria -- I
10 haven't had much time to look at it -- works and how they would
11 apply to Kachemak Bay, I'm going to have a hard time combining
12 those two decisions.

13 MR. COLE: Mr. Chairman?

14 MR. SANDOR: Cole?

15 MR. COLE: I thought we did that essentially last time in
16 my presentation, which I would have liked to adopt here and now.
17 Let me just sketch through those if you don't mind. First, we have
18 expressions of the willing seller -- of this property, and
19 certainly we don't intend to acquire it by condemnation or eminent
20 domain, so that's satisfied. Number two, the parcel contains key
21 habitats that are linked to, replace, provide the equivalent of, or
22 substitute for injured resources or services based on scientific
23 data or other relevant information. We went through that as I
24 recall, at the presentation last time. We talked about, certainly,
25 the services provided there were clear, at least in my view. And
26 then we talked about the injured resources in some detail and spoke

1 with the scientific background there. It's in the transcript which
2 we have here. I could just refer you to the transcript and I think
3 that would give us some -- now I have a little concern about number
4 three, I would say that three should be somewhat amended so that we
5 might have the opportunity to purchase the property at less than
6 fair market value. I see no reason why we should be required to
7 pay fair market value if the seller is willing to make a donation
8 of the difference between the purchase price and fair market value.
9 But certainly we have satisfied that. The fair market value which
10 has been appraised as high as \$30 million, but we're in the area of
11 twenty-two. And number four, an injured or equivalent resource or
12 service would benefit from the protection -- and I think in the
13 public comments, which I would like to incorporate here in my
14 remarks, that's an overwhelming satisfaction of that criteria,
15 services, which that provides a way of, by way of -- viewing, and
16 other recreational benefits, gone over that and we know what the
17 injured resources would benefit by giving it this protection of the
18 habitat. It seems to me that those clearly, indeed without
19 question, virtually satisfied. So I would say, would therefore be
20 appropriate that -- we got to adopt these and the interim and as is
21 shown here in this comment, in -- last page by the Restoration
22 Team, page seven, the evaluation of parcel of Kachemak Bay in-
23 holdings were raised the highest of all of the imminently-
24 threatened parcels by those criteria. Thank you, Mr. Chairman.

25 MR. SANDOR: Mr. Pennoyer?

26 MR. PENNOYER: That's the type of rundown I was looking

1 for. I don't remember from the last meeting, exactly all the
2 discussions from the charts that were put on the wall, so I don't
3 recall each resources and resource and all the links and maybe as
4 you said correctly, -- should have that. In terms of the last
5 comment, that Kachemak Bay rated the highest. Is that what this
6 table reflects on page seven?

7 MS. RUTHERFORD: No, that table is not indicative of any
8 kind of a -- prioritization. It -- it actually rated on a weighted
9 score 37.5 and I think the next highest was like a 25. It's, I
10 suppose it is possible, we have not cleared the whole part, package
11 for the February 16th with the Restoration Team and that's, you
12 know, I'm a little unwilling, I mean they may have some comments
13 about our presentation in comparison between Kachemak and all the
14 other parcels, so. But it was, by far and away, the highest.
15 Yeah, it ranks in the highest.

16 MR. COLE: Is there a higher one?

17 MS. RUTHERFORD: No.

18 MR. SANDOR: Mr. Pennoyer?

19 MR. PENNOYER: I wanted -- question I understand and I
20 think Attorney General Cole's run down through the first four items
21 and shown how Kachemak Bay could be made to, or could be seen to
22 fit under, under B -- actually, down that far, Kachemak Bay would
23 fit under C too, as well I think. No, it wouldn't meet the
24 inadequate restoration objectives terms, we haven't done that type
25 of analysis. What else between B and C, would Kachemak Bay not fit
26 under, I mean, -- it doesn't meet Set C-four because we haven't

1 done an analysis about the reg -- other regulations and their
2 adequacy to the restoration objectives. You have not offered a
3 restoration plan, obviously, and -- five, nature and immediacy of
4 expected changes in use will further affect resources injured by
5 the spill. That might be a judgment call, but I would suspect we
6 could say that was true. There is a -- I guess what I'm saying is,
7 it's my impression that at some point of restoration plan, there's
8 nothing under C that we would necessarily adopt that -- well there
9 are because you have the equivalent resources question.

10 MS. RUTHERFORD: There were elements of C actually that
11 we found were more appropriate in threshold criteria and there were
12 a couple of them -- oh excuse me -- in the evaluation criteria.
13 Well actually, there was a couple of them that moving to threshold
14 criteria and a couple of them that couldn't be implemented until
15 there was a restoration plan in place. I can't find my notes or
16 I'd know what --

17 MR. PENNOYER: Mr. Chairman, I guess what I'm sorta
18 asking, when we try and hear it, adoptive interim criteria, A, B or
19 C. It seems to me that -- I'm not sure that's what we're really
20 trying to do -- or are we, there is some elements in C that I think
21 you will probably want ultimately and you could even use now. Some
22 of them in C might even apply right now and -- what makes one set
23 here more appropriate is the interim criteria, I guess, what I'm
24 asking -- I understand under C where it says you got to have a
25 restoration plan in place. We obviously can't do that -- criteria,
26 because that's not available. But, can you highlight for me what

1 the difference is going between A, B and C?

2 MR. COLE: I think on page three where there's an
3 analysis of the difference between Sets A, and Set B and Set C. It
4 spells that out.

5 MR. SANDOR: Any further questions?

6 MR. BRODERSEN: Mr. Chairman?

7 MR. SANDOR: Yes, Mark Brodersen?

8 MR. BRODERSEN: I'd like to have a go at this for just a
9 minute to perhaps give some insight on how the threshold criteria
10 is used. What they're intended for. All they're intended to do is
11 create a pool of parcels that you're going to look at or not look
12 at and they are a yes or no-type decision. Were they going to look
13 at a parcel for habitat protection or not. And so the actual
14 ranking criteria, which will come later, then tell you if it's made
15 it into this pool of parcels you're going to look at, whether you
16 actually want to do something with it or not. And this is why
17 we're trying to not exclude too many, but by the same token not
18 open it up too greatly as first interim parcel -- interim
19 protection look that we were doing with these parcels. They were
20 twenty -- twenty some odd parcels. Just a question of, of this
21 twenty some odd parcels, which one would we want to look at
22 further, and it was not an attempt to say, through the threshold
23 criteria, this is a good decision or a bad decision as far applying
24 habitat protection to it. It was which parcels are going to be
25 looked at with the ranking criteria, and so, one should not make
26 too much of the threshold criteria.

1 MR. SANDOR: Mr. McVee?

2 MR. McVEE: It seems like the way this would work is if
3 we could accept as interim criteria the -- the B set, that what
4 happens then is that we have some basic criteria that we could
5 utilize as we consider proposals for the expenditure for the use of
6 the \$20 million acquisition funds. Assuming that we're going to
7 approve that, which I hope we do today. Without any criteria, then
8 we're operating on a very piece-meal kind of basis and I think we
9 have an opportunity here. There's been some extra work done by
10 this work group to set up some -- some standards, criteria, some
11 process, to put them in place and -- it seems like during this
12 interim period, utilizing the \$20 million that's in the budget now,
13 that we can actually test these criteria, we may want to refine
14 those as we proceed in the next several months. It seems like it
15 would be wise to take that action and have those on the books.

16 MR. SANDOR: Mr. Pennoyer?

17 MR. PENNOYER: Chair, I understand what Mr. McVee is
18 saying and I agree with it, I guess what I am trying to get at, is
19 this action at this meeting, in order to adopt Kachemak Bay, taking
20 a place or -- discussion on February 16th. Are we adopting
21 criteria for the purposes of one proposal here that we then re-
22 adopt for another interim set of things on February 16th, or is
23 what we're doing here going to govern what we do, do we eliminate
24 the need for February 16th meeting?

25 MS. RUTHERFORD: The threshold criteria and evaluation
26 criteria that you'd be approving here is what we would also be

1 recommending you use for the February 16th, it's the same.

2 MR. PENNOYER: Okay.

3 MS. RUTHERFORD: The February 16th meeting though, is
4 very necessary because we will be presenting information, detailed
5 information on the parcels.

6 MR. COLE: Mr. Chairman?

7 MR. SANDOR: Mr. Cole?

8 MR. COLE: My view of that is -- we will continue to
9 refine our thoughts on these criteria, not only in February, but as
10 this process of habitat acquisition continues and we need to see
11 what our experience is in applying it and see if it meets their
12 standards. It is a little difficult to grasp in some respects I
13 admit. But I think as an interim proposal, it meets our needs.
14 Frankly, I think that Kachemak Bay would satisfy set C and all the
15 criteria requirements there because it's -- has to do with injured
16 resources, protection of injured resources, restoration of injured
17 resources, -- and services. I think Kachemak Bay satisfies all the
18 requirements of any set, but I do think that we should at this
19 time, so - hue a middle course and not get the most liberal set and
20 on the other hand, not be too restrictive as we sort of chart the
21 course.

22 MR. SANDOR: Are there any further questions? Chair
23 understands then that this is an interim set that will be utilized
24 also at our February 16th meeting, possibly refined then or at a
25 later date, but this will be the basic criteria that all parcel
26 acquisitions uphold, evaluated, is that right?

1 MR. BRODERSEN: Until we have a restoration plan or you
2 modify them further.

3 MR. SANDOR: And the restoration plan is expected to be
4 completed when?

5 MR. BRODERSEN: We're hoping that it can be totally
6 adopted in December.

7 MR. SANDOR: Of 1993?

8 MR. BRODERSEN: Of this year. A working draft should be
9 out in late March for your consideration and then it takes a while
10 to work through the legal requirements and also public comments.
11 Because they're difficult to plan for.

12 MR. SANDOR: Thank you. Any further questions on the
13 motion on the floor? Call for the question. All those in favor of
14 the motion, signify by saying aye.

15 ALL TRUSTEES: Aye.

16 MR. SANDOR: Any opposition? Motion approved. Any
17 further action on this item needed?

18 MR. PENNOYER: Mr. Chairman. We adopted the criteria B,
19 we haven't actually adopted Kachemak Bay, have we?

20 MR. COLE: Well, I was going to say, is it, did we pass
21 that motion with the understanding that we could pay less than fair
22 market value if the situation arose?

23 MR. SANDOR: I think we need to formalize that.

24 MR. COLE: Well I will so move.

25 MR. SANDOR: It's been moved that -- that the Set B,
26 number 3, which now reads the seller acknowledges that the

1 Government can only purchase parcel property rights at fair market
2 value. Let that be at no more than fair market value?

3 MR. COLE: Not in excess of.

4 MR. SANDOR: Not in excess of fair market value. Is
5 there a second to that?

6 MR. BARTON: I'll second it for discussion.

7 MR. SANDOR: Seconded by Mr. Barton. Do we have a
8 discussion of this motion? Okay. Is there any opposition to that
9 change? Then moved. Number three in Set B is modified to read the
10 seller acknowledges that the government can only purchase the
11 parcel of property rights

12 MR. COLE: not in excess of -- for an amount not in
13 excess of fair market value.

14 MR. SANDOR: In an amount not in excess of fair market
15 value. Any further action that's needed on this? Mr. Pennoyer?

16 MR. PENNOYER: Well we adopted the B criteria, and I
17 think Attorney General Cole gave some good reasons as why Kachemak
18 Bay might even fit C, have we actually adopted the fact that we're
19 going forward with Kachemak Bay. That was expenditure then, I
20 don't believe we have.

21 MR. SANDOR: No we have not. Good question.

22 MR. PENNOYER: I have a question about the criteria then.
23 One more question before we adopt it. I notice here it says that
24 the difference between Set A and Set B is that proposals once
25 benefit the recovery of injured resources, rather than merely
26 providing a benefit to an injured or equivalent resource. How do

1 you promote recovery from preventing some form of perhaps
2 degradation. Is the proposal for Kachemak Bay consistent with that
3 idea? And if so, would you state for the record why.

4 MR. SANDOR: Any response from Restoration Team?

5 MS. RUTHERFORD: As I understood the question, it was the
6 difference between Four A and B, is that -- that correct, Mr.
7 Pennoyer?

8 MR. PENNOYER: As related to Kachemak Bay.

9 MS. RUTHERFORD: Again, four B focuses on the injured
10 resources, not an equivalent, so, yes, there are injured resources
11 and services in Kachemak that protecting it from any kind of
12 logging activity would protect them.

13 MR. PENNOYER: So we're assuming a protection is the
14 equivalent to -- promoting recovery.

15 MR. SANDOR: Mr. Brodersen?

16 MR. BRODERSEN: Excuse me for jumping in here.

17 MR. PENNOYER: Have at it.

18 MR. BRODERSEN: Four, four A -- four B limits you just to
19 the injured resource or service. Four A allows you to also reflect
20 upon an equivalent resource or service and at this point, since
21 these were interim ones, we didn't want to jump into the field of
22 equivalent resources. We figured that that more appropriately came
23 under the plan. You were getting farther afield from items that
24 everyone could agree to in advance to the Restoration plan that
25 would probably appear in the restoration plan. And so, what you're
26 saying earlier, I'm not quite sure follows with what's written in

1 Four A and Four B. Four A, threshold criteria, allows you to
2 consider both, this is to repeat, consider both injured resources
3 and services and equivalent resources and services for those that
4 were injured. Where as Four B limits you just to injured resources
5 and services, and not equivalent resources and services.

6 MR. PENNOYER: Sure, I understand that. I guess what I
7 was getting back at was the discussion we had earlier about the
8 question of whether you're promoting recovery, part protection for
9 the activity that hasn't occurred.

10 MR. BRODERSEN: You are keeping recovery on course. And
11 you're not allowing further degradation to slow that recovery in
12 Kachemak acquisition. Yeah.

13 MR. SANDOR: Any further questions and discussions? Do
14 you have comment?

15 MR. RICE: Point of clarification, the Restoration Team's
16 recommendation was Set B with nine C. Did the motion adopt nine C
17 or just Set B?

18 MR. COLE: Nine C was my understanding. It was the
19 recommendation.

20 MR. SANDOR: Any further discussions?

21 DR. GIBBONS: Mr. Chair.

22 MR. SANDOR: Yes, Dr. Gibbons?

23 DR. GIBBONS: Just a point here, we've been talking
24 threshold criteria the whole time. The recommendation of the
25 Restoration Team is threshold criteria -- Set B and nine C. But
26 also we have a recommendation concerning the evaluation and ranking

1 criteria. And here in discussion here this morning. Those have
2 not been discussed. So that would need to be brought up.

3 MS. RUTHERFORD: Page five.

4 DR. GIBBONS: Page five of your docket.

5 MR. SANDOR: Mr. Pennoyer?

6 MR. PENNOYER: Chairman. You have given us an opinion
7 that Kachemak Bay ranks very high and my presumption is you used
8 these to do that.

9 MS. RUTHERFORD: That's correct.

10 DR. GIBBONS: That's correct.

11 MR. PENNOYER: So, maybe if you just read them, we could
12 have a motion to -- to adopt. Because if we have already, I guess
13 adopted their use, I -- of

14 MR. COLE: Mr. Chairman, actually my motion contemplated
15 the adoption of the ranking criteria too. Unfortunately the chair
16 didn't specifically say that, so, we'll correct that by

17 MR. PENNOYER: Mr. Chairman. I don't know that we have
18 had them actually presented to us. Perhaps we should do that as a
19 conscious action. We discussed at some length the A, B and C sets,
20 but we didn't, I think really go into any detail here. Maybe
21 somebody from the team could just present them to us and we'd know
22 how they were used relative to Kachemak Bay.

23 MR. SANDOR: Marty or Mark?

24 MS. RUTHERFORD: There are eight of them. The first one
25 is that the parcel contained essential habitat sites for injured --
26 excuse me, essential habitat or sites for injured species or

1 services. Essential habitats include feeding, reproductive,
2 molting, roosting and migration concentrations. Essential sites
3 include known or presumed high public use areas. Key factors for
4 determining essential habitat and sites are population, or number
5 of animals or number of public users, number of essential habitats
6 or sites on parcel and the quality of the essential habitats and
7 sites. Number two, is that the parcel can function as an intact
8 ecological unit or essential habitats on the possible are linked to
9 other elements or habitats in the greater ecosystem. Number three
10 is that the adjacent land users will not significantly degrade the
11 ecological function of the essential habitats intended for
12 protection. Number four, protection of the habitats on the parcels
13 would benefit more than one injured species of service unless
14 protection of a single species or service would provide a higher
15 recovery benefit. Excuse me, a high recovery benefit. Number five
16 is that the parcel contains critical habitat for a depleted, rare,
17 threatened, or endangered species. Number six is that essential
18 habitats or sites on parcel are vulnerable or potentially
19 threatened by human activity. Number seven, management of adjacent
20 lands is, or could easily be made compatible with protection of
21 essential habitats on parcel. And number eight is that the parcel
22 is located within the oil spill- affected area.

23 MR. SANDOR: The chair would move for adoption of these
24 for discussion purposes.

25 MR. BARTON: Moved.

26 MR. SANDOR: It's moved and seconded. Discussion on

1 these criteria.

2 MR. PENNOYER: Now again, these are the criteria that you
3 use to evaluate Kachemak Bay and the preliminary

4 MS. RUTHERFORD: That's correct, all of the --
5 descriptions.

6 MR. COLE: So this is to view, one, two. Mr. Chair?

7 MR. SANDOR: Yes?

8 MR. BRODERSEN: Yeah, these were used once a parcel made
9 it through the threshold criteria. The pool that made it through
10 the threshold criteria were then ranked using criteria.

11 MR. PENNOYER: And doing that at Kachemak Bay came out
12 very high, if not the highest. Thank you.

13 MR. SANDOR: There any objection to the adoption of these
14 criteria, as interim criteria. It's passed and finally, any other
15 actions we need to formally approve the allocation of the funding
16 for this

17 MR. PENNOYER: For the record, we have requested that
18 some NEPA compliance be done for this meeting. On the record, was
19 that completed? I think we've seen the correspondence, most of the
20 public record. Maybe we should say how that worked out.

21 MR. SANDOR: Mr. Barton.

22 MR. BARTON: Yes. As you recall, the council asked the
23 Forest Service to take a lead in the NEPA compliance for the
24 federal side on this. The state determined that the proposal was
25 properly categorically exclusioned in the NEPA process, and on
26 review of that finding by the state, we agree with that.

1 MR. SANDOR: Mr. Pennoyer?

2 MR. PENNOYER: Mr. Chairman, at the last meeting, we had
3 a motion relative to how we're going to do with Kachemak Bay that
4 had a bunch of provisions in bringing back the agreements and
5 secondary approval once the system was worked and so forth, rather
6 than just, if somebody could restate that motion, if that's we're
7 going to deal with here, that might be appropriate.

8 MR. COLE: I happen to have it right here.

9 MR. PENNOYER: You happen to have it right there --
10 motion. That's very good.

11 MR. COLE: Do you have an extra copy there?

12 MR. PENNOYER: That's a resolution. Can we get it down
13 to a motion of ten words or less?

14 MR. COLE: Well I think we should -- as I say, sock it
15 in, factual. Treat it lightly. I think that's what sort of does
16 it in this proposed resolution and it makes these findings and ties
17 it in to the criteria that we just discussed.

18 MR. SANDOR: Do we have copies of this resolution?

19 MR. COLE: Maybe we could get copies.

20 MR. SANDOR: Why don't we get copies of this resolution
21 made and

22 MR. PENNOYER: Mr. Chairman. I think that's part of the
23 background, Mr. Cole has said is a background to record of our
24 decision which is appropriate, but I still, the motion in terms of
25 our action item here, and what we're approving was I think seven
26 and a half million dollars⁹ toward

1 MR. COLE: Yes.

2 MR. PENNOYER: and it was stated that that would be
3 contingent upon the arrangements being work out and brought back to
4 the Trustee Council either parcel by parcel or in total, or however
5 document come back to us.

6 MR. COLE: Mr. Chairman. That is in the resolution that
7 we were looking at. That's why I thought we should have it in
8 detail. In written form.

9 MR. PENNOYER: The resolution actually states it.

10 MR. COLE: Yes.

11 MR. PENNOYER: What our action on it is?

12 MR. COLE: Yes.

13 MR. SANDOR: While the resolution is being duplicated,
14 copied, I suggest that we move forward and get back to that item.
15 I did want to lay out a proposed rules of engagement for the review
16 of the 1993 work plan items. This is for discussion on -- part of
17 the fees -- I would propose that the Trustees agree that to have
18 the presentation of the Chief Scientist and Restoration
19 recommendations by Dr. Gibbons, Public Advisory Group
20 recommendations. Now this would be done and stated in sort of an
21 overall summary to begin with and it would be my proposal to go
22 through each of the project proposals, one by one as, as -- as
23 outlined before you with this, these additions. That is, we would
24 state the project number and the project description. Identify the
25 agency or agencies that were involved to confirm the total amount
26 of money that is allocated for that project and then -- verify

1 that, one, there's been a compliance with the Consent Decree. Two,
2 that there was a compliance with the National Environmental Policy
3 Act and three, in determination, Yes or No, made as to whether the
4 project proposal was time critical. That information then, coupled
5 with the Restoration Team's recommendation, chief scientist
6 recommendations and the Public Advisory Group's recommendation to
7 be the basis on which a motion would be made to, to -- either
8 adopt, disapprove or defer action on the project before us.

9 MR. PENNOYER: Mr. Chairman, could you express by the
10 table you're working from, so that we

11 MR. SANDOR: Yeah, I'm using this table. The table
12 entitled, titled 1993 draft work plan, summary of recommendations
13 matrix, prepared by Dr. Gibbons, and the only thing I would have
14 added would be those, those items that I mentioned so there would
15 be, again, project number and title, the -- I've gone through
16 already, identifying the agencies and the amount of money which is
17 involved and then I would ask your approval -- and first of all,
18 each agreement on whether or not this is in compliance with the
19 Consent Decree; second whether it was in compliance with NEPA, and
20 third, if it's time critical. Then with your agreement, I would
21 entertain a motion to either approve, reject, or, or defer. Yes,
22 Mr. Pennoyer?

23 MR. PENNOYER: Chairman, did you elaborate on what
24 compliance with -- Consent Decree means in your view?

25 MR. SANDOR: Well, I think the question of whether or
26 not, for example, the activity involved, a damaged -- resource or

1 services and related to this specific direction and in conformance
2 with the parts of the Consent Decree, that specifically with the
3 question -- damaged resources or services. Yes, Mr. McVee?

4 MR. McVEE: Yes. I have no problems with that process --
5 I guess I am concerned that if we get into a lot of discussion with
6 project by project basis that we won't get through the list during
7 the day. We have been, we have handled discussions on most of the
8 projects, the RT's had the discussion, the PAG's had, had two days'
9 worth of discussions, so, I think if we can, if we can expedite it,
10 we are prepared, Department of Interior is prepared and has done a
11 matrix that we have utilized in reaching our conclusions on these
12 projects and we have a position on each of them. There are several
13 key factors. I think I gave you a copy of that matrix and also our
14 latest statement that we both, like to have both of these documents
15 within the record. There's several key factors that concern the
16 department and foremost was the question of whether each
17 expenditure was necessary to be made prior to the adoption of the
18 restoration plan. The position that the Department of Interior has
19 taken for many months was that restoration implementation activity
20 must proceeded by the adoption of a plan, except where there is
21 action of emergency or time-critical natures required. We will,
22 the Interior has supported and will continue to do so, decisions of
23 the Trustee Council such as proposed funding for habitat
24 acquisition, which is subject imminent threat. And the Department
25 feels strongly how the restoration plan must be finalized before
26 expenditures of non-emergency nature are made. One of the problems

1 unfortunately, it seems like the settlement funds to be viewed by
2 far too many people as a large pot of money available for every
3 interest view of what are worthwhile public works projects. And
4 is, it's either Trustees of natural resource pursuant to provisions
5 of Clean Water Act or representatives of those trustees, I think
6 our mission is to implement the various statutes and court decrees
7 which control how these funds can be spent. Not to simply spend
8 the money for purposes by themselves, which maybe worthwhile, but
9 are not sufficiently linked to injuries caused by the oil spill.
10 The only subject that I feel as of today, which is being addressed
11 in a comprehensive way is the habitat protection and acquisition.
12 We reviewed land offers and we're proceeding with categorization
13 and develop criteria to set priorities. And the other resources, -
14 - the other areas we're discussing are being approached very much
15 piece-meal. The restoration plan will provide analysis of each
16 resource, identifying damage and analyzing injury assessment,
17 restoration replacement, enhancement and acquisition. Examples,
18 the restoration plan should look at recreation in context of the
19 above criteria and develop a strategy of plans. Similarly, it
20 should do for all other resources. Fisheries, both for commercial
21 and sport fishing. Things like you know, this, this is a -- this
22 would be a well thought out process in order to reach conclusions.
23 We reiterate position, express numerous council meetings by
24 Attorney General Cole and repeated last week by some Restoration
25 Team members before the Public Advisory Group. That -- authorized
26 funding for any particular project this year is not to be construed

1 as a commitment to continue funding for later years. Similarly
2 decision, not to fund certain projects, now, is not necessarily
3 indicative of Interior's position, when that project is presented
4 in the context of the restoration plan. We feel like a number of
5 these projects that should fall over and be considered in 1994.
6 The statement goes on, at some more length, but the handout, the
7 statement and the matrix that is presented will be the basis for
8 our votes today and, thinking of presenting at this time, it might
9 be used to, in some way to expedite the process that we're going
10 through. Thank you, Mr. Chairman.

11 MR. SANDOR: Thank you Mr. McVee. We're referring to
12 this legal size sheet, which entitled U.S. Department of Interior,
13 EVOS 1993 Work Program Evaluation Summary -- which I think all
14 members of the Council and Restoration Team have, we should also
15 make sure that members of the public have this as soon as these can
16 be processed and the accompanying letters. Is there any question
17 that any members of the Trustee Council would pose to Mr. McVee
18 regarding this? Mr. Pennoyer?

19 MR. PENNOYER: Mr. Chairman, I don't care which sheet we
20 work off of, we could work off each of them together. Neither of
21 them has the agency or the amount listed, the dollar amount listed
22 on it. Which I'm

23 MR. SANDOR: I'm prepared to summarize

24 MR. PENNOYER: handle each of you got there?

25 MR. SANDOR: Yeah. I would propose handling each of the
26 -- we get to them.

1 MR. PENNOYER: I guess the process Mr. McVee started out
2 saying that we couldn't go through all of them, it would take us
3 too long, but I'm not sure what the alternative is, except to say,
4 project one, and if you have any questions or objections and go
5 just, if they're aren't any, than just pass over it.

6 MR. SANDOR: Mr. Cole?

7 MR. COLE: Well, I have a question to Mr. McVee in light
8 of his presentation. Mr. Chair, may I address to Mr. McVee?

9 MR. SANDOR: Yes, please do.

10 MR. COLE: Mr. McVee, is it the position of the
11 Department of the Interior, yourself, as the Trustee, that here
12 today, that you will vote against each of the projects which in
13 column number seven, DI -- DOI position, you will vote today, is
14 that?

15 MR. McVEE: Yes sir, that's the position.

16 MR. COLE: Mr. Chairman. It would be my view that if
17 such be the case, we should strike off all the -- for further
18 consideration today, all of the projects for which Mr. McVee will
19 oppose, or vote in opposition to. I mean, if that's his position.

20 MR. SANDOR: MR. PENNOYER?

21 MR. PENNOYER: Chair, I guess I'm really troubled by
22 that. I come to the meeting and I've got a list of projects for
23 the first time and some member of the Council is going to vote no
24 on, and I'm not sure, does that mean regardless of discussion,
25 you're automatically going to vote no on these, and that's your

1 instructions and therefore, Mr. Cole was right, we might as well
2 not discuss them because we can't have a consensus?

3 MR. McVEE: Our position is that, you know, there has
4 been considerable discussion on these, that both of the Council and
5 the PAG and the RT and, I guess we could discuss them some more,
6 but -- my feeling, what more is there to say about it.
7 Documentation is in the files, the record. We have -- we have, we
8 have sent them through the public review process. It is -- our
9 feeling is that we are ready to make decision.

10 MR. SANDOR: Mr. Pennoyer?

11 MR. PENNOYER: Mr. Chairman. I'm not sure how that is a
12 decision. Yes there has been considerable discussion, but my view,
13 I don't know, I think because I haven't looked through each one of
14 these and examined them in detail, might differ from yours --, so
15 there's been a lot of public input and a lot of discussion and so
16 forth, I didn't come to this meeting with the idea that we have
17 twenty or more projects that we automatically were going to turn
18 down based on the criteria. You draw conclusions such as item one.
19 Problems with red salmon not directly related to Exxon Valdez;
20 other contributing factors. That might be my personal opinion, but
21 I'm not sure it is. I haven't heard that level of discussion. At
22 least I don't recall it. So you've reached the conclusion of no,
23 based on these comments you've reached out there and yes, there has
24 been a lot of discussion that has lead you to be believe one thing,
25 but if we operate that way, that means if I come to a meeting with
26 my, you know, and settle on a bunch of things, and maybe I have

1 another fifteen others that ought to have no's in front of them,
2 then we just don't do anything? I'm not clear, we're not going to
3 discuss these, we're simply going to accept the fact that one
4 member has reached the conclusion that these projects don't fit
5 without the rest of us having a chance to talk about it. I admit
6 that on a consensus basis, it doesn't make any difference if we
7 talk about it or not, if you're automatically going to vote no on
8 those items, but I would hope that that's not the way we decided we
9 were going to do business.

10 MR. SANDOR: It was the chair's intention and -- before
11 the actual motion to, to adopt, defer or reject -- that we dealt
12 with this question of compliance with the Consent Decree and the
13 NEPA compliance and the time critical because I, I looking at some
14 of the comments now that there in fact may be a difference of
15 opinion that could be reconciled at this meeting, namely that if in
16 fact, the question of compliance, with the Consent Decree and NEPA
17 compliance or time critical is erroneously -- you know, determined
18 in your view that you would, you know, reconsider that, so, my
19 intent to really go through all of these projects and if in fact,
20 Mr. McVee is correct in the conclusion that it wasn't in
21 compliance, either with NEPA or the Consent Decree, is really, we
22 all ought to be opposed to it. And so, but on the other hand, if
23 it could be demonstrated that we are in compliance, then
24 presumably, Mr. McVee might modify his position, but -- what, what
25 he's done has summarized very effectively what the analysis the DOI
26 has reached and -- and pinpointed the areas of reaching that, Mr.

1 Rosier?

2 MR. ROSIER: Thank you Mr. Chairman. I share a little
3 bit of Mr. Pennoyer's concerns here as well with this particular
4 issue. I, and I haven't looked at the list in detail here at the
5 present time, but this casual run through here at the present time.
6 It appears to me that if we're going to see DOI vote as indicated
7 in the -- the last column there on this at this time, it seems to
8 me that we're totally ignoring the large body of public input that
9 has been there. We're ignoring a large body of time and effort
10 that was put into this by the Public Advisory Group on this, and
11 that these people were certainly given the benefit of the legal
12 advice during their deliberations as well and to categorize their
13 views as just someone looking at a pot of money and spending it on
14 worthwhile projects. I don't believe it's a really reasonable
15 approach to this.

16 MR. COLE: Mr. Chairman?

17 MR. SANDOR: Mr. Cole?

18 MR. COLE: My view is that we have limited time and
19 that's the reason, in part, I put the question to Mr. McVee in the
20 fashion which I did. If these are tentative conclusions only of
21 Mr. McVee as Trustee, that is one situation. If it is, his firm on
22 all -- essentially an honorable intent to vote this way, following
23 discussion, then that's another matter and -- so, if that remains
24 his position, I think we should at least first deal with the other
25 projects and then see where we are, but that's just a thought. As
26 such be the case.

1 MR. SANDOR: Mr. Cole. You know, it was the chair's
2 assumption that these were tentative the conclusions as opposed to
3 final, but the chair could be wrong on that. Mr. McVee?

4 MR. McVEE: Mr. Chairman. Suggestion might be to develop
5 -- a consensus list of those which have, have consensus among all
6 of the Trustee Council and pass those off as a motion to get those
7 out of the way; and then to take the second list, it would be those
8 projects which there is -- you know, one member or more that may
9 object to of a -- of a doing a very brief review looking at the
10 NEPA compliance, the time critical, compliance with the court
11 decree, particularly the time-critical element which is the -- a
12 key criteria as far as the Department of Interior is concerned,
13 giving each one of those projects, those proposals on that list a
14 few minutes and then, then putting them to the floor for vote.

15 MR. SANDOR: Well then, if the chair understands indeed
16 then, that -- that the DOI, Department of Interior's position is
17 subject to change with the discussions that are to take place, if
18 in fact the conclusions you reached were -- you found that they
19 were subject to modification.

20 MR. McVEE: I'm willing to listen to argument.

21 MR. SANDOR: Okay. Mr. Pennoyer. Any suggestion?

22 MR. PENNOYER: Mr. Chairman. I'm not sure that's
23 different than going down through the list and if we hit one we
24 want to reserve for discussion, we say reserve. We hit one we want
25 to approve, we all -- we're asked the question, if nobody has any
26 problem with it, we'll just put it on the list. So we end up, when

1 we get to the bottom, rather quickly hopefully, we'll have approved
2 X number of projects and then we'll come back and deal with the
3 others one at time. You're not going to know if everybody agrees
4 it with it unless you ask the question, any how.

5 MR. SANDOR: Okay. Shall we do that, that's essentially
6 what the chair had proposed. Great.

7 MR. COLE: Mr. Chairman, is it my understanding then,
8 we're going through each one?

9 MR. SANDOR: Yes. And then determine whether or not

10 MR. PENNOYER: We may not act, Mr. Chairman, we may not
11 actually have a discussion on it though, if nobody objects or wants
12 to raise a question.

13 MR. SANDOR: Yes. We do have the resolution distributed,
14 can we step back to that. It might be that the Chair deems it
15 significant enough to actually read this.

16 We, the undersigned, duly authorized members of the Exxon
17 Valdez Settlement Trustee Council, after extensive review and after
18 consideration of the views of the public, finds as follows. One,
19 the Seldovia Native Association owns lands within Kachemak Bay
20 State Park, consisting of approximately 23,802 acres and more
21 particularly described in Attachment A. These in-holdings were
22 selected pursuant to the Alaska Native Claims Settlement Act. The
23 timber rights for the in-holdings are held by the Timber Trading
24 Company and the subsurface rights by Cook Inlet Region,
25 Incorporated. The subsurface rights held by Cook Inlet Region
26 Incorporated are not entirely coextensive within the surface rights

1 due to minor exchanges between the State and Cook Inlet Regional
2 Incorporated. Two, the park is within the oil spill affected area
3 and the tidelands adjoining the park inholdings were oiled in 1989.
4 Three, a substantial portion of the park inholdings are threatened
5 with imminent clear-cut logging. Permit applications are pending
6 for the logging of 5900 acres. Additional acreage is also subject
7 to the threat of logging. The majority of threatened lands are
8 coastal land surrounded, surrounding China Poot and Neptune Bays
9 with smaller parcels at the head of Sadie Cove. Logging may
10 commence on these lands during the 1993 season. Four, the park
11 inholdings provide exceptional services to recreational users.
12 Much of the recreational use is concentrated on or adjacent to the
13 park's near shore waters and tidelands including areas which were
14 oiled in 1989. Activities include pleasure boating, sport fishing
15 for silver, pink and sockeye salmon, winter king salmon fishing,
16 recreational dipnetting, clam digging, shrimping, kayaking,
17 crabbing, beachcombing, photography, hiking, mountain bike riding,
18 and wildlife observation. Logging would further impact these
19 services. Five, the park inholdings include important habitat for
20 several species of wildlife for which significant injury has been
21 documented. There is substantial evidence that the park inholdings
22 at Neptune and China Poot Bays are particularly important marbled
23 murrelet nesting areas. The extent to which marbled murrelets are
24 natural recover -- naturally recovering is unknown. Harlequin
25 ducks, a species which continues to suffer injury, nest and forage
26 in the China Poot drainage. Logging would directly affect these

1 activities and hence rehabilitation of these two species.
2 Restoration of black oystercatchers and river otters, which use
3 shore lines adjacent to uplands slated for logging, would be
4 impacted by logging. Harbor seal haul-outs, numerous archeological
5 sites, anadromous fish streams and intertidal and subtidal biota
6 are all found in substantial quantity in the threatened areas and
7 would be impacted. Sea otters in China Poot Bay may be impacted by
8 the increased logging activity. A murre colony on Gull Island
9 which is immediately offshore from the timber harvest area will
10 likely be impacted by the increased disturbance that attends any
11 logging operation. Murres and sea otters were injured by the oil
12 spill and do not yet appear to be recovering. Six, existing laws
13 and regulations, including but not limited to the Alaska Forest
14 Practices Act, the Clean Water Act, the Alaska Coastal Management
15 Act, the Bald Eagle Protection Act and the Marine Mammals
16 Protection Act, are intended, under normal circumstances, to
17 protect resources from serious adverse effects from logging and
18 other developmental activities. However, restoration, replacement
19 and enhancement of resources injured by the Exxon Valdez Oil spill
20 rep -- present a unique situation. Without passing on the adequacy
21 or inadequacy of existing law and regulation to protect resources,
22 biologists, scientists and other resource specialists agree that,
23 in their best professional judgment, protection of habitat in the
24 spill affected area to levels above and beyond that provided by
25 existing law and regulation will likely have a beneficial effect on
26 recovery of injured resource and lost or diminished services.

1 Seven, there has been widespread public support for the acquisition
2 of the park inholdings. Eight, the purchase of the park inholdings
3 is an appropriate means to restore injured resources and services
4 in the Kachemak Bay region. Nine, approximately 7 mill -- 7,500
5 acres of land, identified by an underlined marking on Attachment A,
6 have been specifically identified as having both high natural
7 resources or services values and as being immediately threatened
8 with logging. This acreage has an estimated value of approximately
9 seven million, five hundred thousand to eight million, four hundred
10 thousand dollars. Therefore, we request the Attorney General of
11 the State of Alaska and the Assistant Attorney General of the
12 Environmental and Natural Resources Division of the United
13 Department of Justice to petition the United States District Court
14 for the District of Alaska for withdrawal of the sum of seven
15 million five hundred thousand from the Exxon Valdez oil Spill
16 Settlement Account (Exxon Settlement Account) established in the
17 Court Registry Investment System as a result of the government's
18 settlement with the Exxon companies. These funds shall be paid
19 into the Alaska -- Alyeska Settlement Fund established by the State
20 of Alaska as required in the Alyeska Settlement Agreement, and,
21 together with the interest thereon, used to purchase fee simple
22 title to the park inholdings. Title to the land shall be granted
23 to the State of Alaska for inclusion of the lands in the Kachemak
24 Bay State Park. The use of these funds is conditioned as follows.
25 One, the purchase must be completed by December 31, 1993; two, the
26 total purchase price may not exceed twenty-two million dollars; and

1 three, the park inholdings must be purchased in fee simple title
2 including all time and all subsurface rights. If any of these
3 conditions are not met, the funds shall be returned, together with
4 accrued interest, to the Exxon Settlement account.

5 MR. COLE: Mr. Chairman, I move the adoption of the
6 foregoing resolution just read.

7 MR. SANDOR: It's been moved that this

8 MR. PENNOYER: Second.

9 MR. SANDOR: Resolution and seconded by Pennoyer that
10 this Resolution be adopted.

11 MR. PENNOYER: Mr. Chairman?

12 MR. SANDOR: Yes.

13 MR. PENNOYER: Two questions on the way this is worded.
14 We're asking for seven and a half million dollars to be withdrawn
15 and the purchase price not to exceed twenty-two million. Is it
16 clear where the other fourteen -- other fifteen, other fourteen and
17 a-half million dollars is to come from, or is it an implication
18 that it goes up to twenty-two million, the settlement funds might
19 still pay the full amount?

20 MR. SANDOR: Mr. Cole, do you want to address that?

21 MR. COLE: Well, we have already committed seven and a
22 half million from the Alyeska Pipeline Company -- committed. So if
23 this is adopted, we have then twenty, fifteen million. We then are
24 required to seek from other sources, another seven million dollars.
25 Now what, what are those possible sources? One, appropriation from
26 the treasury of the State of Alaska. Two, the use of some funds

1 from the fifty million dollar Exxon criminal settlement. Those are
2 possibilities.

3 MR. SANDOR: Any further questions, Mr. Pennoyer?

4 MR. PENNOYER: One additional question. Is seven and a
5 half million dollars part of the twenty million dollars were voting
6 for eminent threat later on this, this -- meeting. If we do vote
7 for it. Assuming we have already voted for seven and a half
8 million on it, if we do vote here on this one. But -- is the seven
9 and half then to come out of the twenty million, was that the
10 intent?

11 MR. COLE: Yes.

12 MR. PENNOYER: Thank you.

13 MR. SANDOR: Any further questions. No further
14 discussion, I call for the question. All those in favor, signify
15 by saying aye.

16 ALL TRUSTEES: Aye.

17 MR. SANDOR: Opposed? Motion carried. Resolution is
18 passed unanimously. Let's move forward. And I would like at this
19 time, the approval of the Trustees to, to have comments by the
20 Public Advisory Group recommendations by Donna Fischer, co-chair,
21 followed by chief scientist and Restoration Team recommendation,
22 Dave Gibbons. And -- Donna is co-chair of the Public Advisory
23 Group -- Will be leaving at noon to return to Valdez.

24 MS. FISCHER: Good Morning. Thank you for allowing me to
25 come through early and I know you're busy, I know you've got a hard
26 schedule so I don't want to take too much of your time. I realize

1 that you have the transcripts in front of you. I realize that you
2 may not have had a chance to read them, but a lot of our comments
3 and questions are in the transcript. Before I get started, there's
4 a couple members of our group here that I wish to introduce. Chuck
5 Totemoff, who is a member of our -- Chuck was here, he is around
6 somewhere. Pamela Brodie is a member of our Group, and we have an
7 alternative that sits occasionally for John Sturgeon, Kim Benton.
8 They were here. So, on our meeting of January 6th and 7th, we had
9 approximately fifteen members of our PAG committee. We feel that
10 we had a good working meeting. We continued on, on the 7th till
11 about seven, seven-thirty in the evening before we adjourned. So
12 we did really get into the nuts and bolts of the Restoration Plan.
13 One of the things that was of great concern to the PAG committee
14 was that many members of the committee felt that the appearances
15 that the agencies are funding on-going operations, or even doubling
16 funding -- double funding activities, and we questioned that quite
17 extensively. A recommendation from the PAG is that the Trustee
18 Council have an independent review of this situation in order to
19 ensure accountability and to avoid duplicate or excessive funding
20 for some of the projects. Another concern that we had is that
21 we've already met three times, and instead of our meetings be
22 limited to four, that we wanted to extend them to six and we may
23 even wind up going more than that, as well. February will be our
24 fourth meeting. Also was the handout by Jim Cloud that I think
25 most members do support, or we feel was a good recommendation and
26 hope that you will get the time to read it.

1 MR. COLE: Can I ask a question on that?

2 MS. FISCHER: Sure.

3 MR. COLE: How many members of the Public Advisory Group
4 supported Mr. Cloud's remarks as shown in his letter of
5 January 9th?

6 MS. FISCHER: Okay. This was not brought up at the
7 meeting. This was given later. But, they were, if you'll read the
8 transcripts, there were different things in the transcripts of what
9 we supported that Mr. Cloud has summarized here.

10 MR. COLE: Pretty big assignment. There's probably 200
11 pages here in (inaudible) --. 505 pages is a pretty heavy
12 assignment. Trying to get through these projects. Let me ask
13 another question, if you don't mind answering them.

14 MS. FISCHER: No.

15 MR. COLE: With respect to the so-called double-dipping
16 by state and federal agencies, were you able to pinpoint any
17 specific instances of that, or was it just a general feeling?

18 MS. FISCHER: I believe, Mr. Cole, that it was pretty
19 much a general feeling. But there was some instances where, and
20 I'm just going to use this for example. It's not that I'm picking
21 on them, because Alaska departments were in there as well. But
22 just say, like a, Fish & Wildlife, Department of Interior, where
23 they had, I know, I'm just using examples, generalities here
24 because the Alaska State Department of Environment, different
25 departments did the same thing where in personnel, they kept
26 charging, you know, into the fund. And we felt that those people

1 are already there, but yet they're getting paid over and over
2 again, or the money was in the budgets over and over again. There
3 was some instance in the contractual was quite high and then we
4 found out that some of the departments are doing the contractual
5 instead of it going out, and we felt that could have been reduced.
6 But we do, we did see a lot of duplication in personnel where the
7 monies were high and we felt that the people were already there and
8 the monies could have been eliminated or maybe sometimes some of
9 these projects could have been pulled together jointly, instead of
10 being a separate project. There was several of them that were in
11 the projects that we noticed. Did that answer?

12 MR. COLE: Generally.

13 MR. SANDOR: Any further questions of Ms. Fischer. I
14 guess I will ask a question. Did -- I'm sorry I was not at the
15 meeting, but was there any discussion of the possibility of
16 prioritizing projects. No doubt you must have, known that --
17 recommended fairly quick -- quickly that we have a difficult job of
18 trying to weigh relative merits of projects.

19 MS. FISCHER: Yes, we did, and that was going to be the
20 last thing we were going to do. We were going to go back over add
21 -- numberize -- numer -- add numbers to the projects that we felt
22 would maybe be ranked a little bit higher than others. But we ran
23 out of time, and so we plan to take this up at the 10th meeting.
24 That's where we intend to continue on.

25 MR. SANDOR: I see, so

26 MS. FISCHER: So you will have that by the time you meet

1 again in February.

2 MR. SANDOR: I see, and, and there will be essentially,
3 numerical or some ranking system?

4 MS. FISCHER: Yes, yes. We plan to do a ranking system.
5 Maybe a one, two, three. You know, like one is good and two is
6 mediocre, maybe three, go down toward the bottom, or something to
7 that order.

8 MR. SANDOR: From the Chair's perspective, this would be
9 very helpful to the Trustees.

10 MS. FISCHER: I think that's our first order of business.

11 MR. COLE: Why would we do that if we've already acted
12 upon these and they're essentially history? I mean, it would,
13 seems to me that -- that's sort of waste of time if we act on these
14 today. It wouldn't make any difference whether once we approve or
15 at the bottom or at the top. That would be my thought on that.

16 MS. FISCHER: Well I think when we go back over them, I
17 think what we did was, or -- not, I don't think what we did, what
18 we did was we went through and analyzed, you know, each project.
19 Then we wanted to go back and where I mentioned before. Where some
20 of these projects seem to be duplicates, they would be grouped in
21 as one instead of having two or maybe three different areas.
22 Unless there was some explanation of why it should be divided up
23 and then rank them in that order as well.

24 MR. COLE: Well, we have to deal with these today.
25 Approve them or reject them. I mean it's, any further action by
26 the Public Advisory Group on these projects, unless I don't

1 understand what we're doing.

2 MR. SANDOR: There may be some Mr. Cole, that are not
3 time critical that action will be deferred and

4 MR. COLE: Deferred until when?

5 MR. SANDOR: February 16 I'm told is the next meeting.

6 DR. GIBBONS: Mr. Chair?

7 MR. SANDOR: Yes, Dr. Gibbons.

8 DR. GIBBONS: I just looked at a copy of the agenda for
9 the February 10th, Public Advisory Group meeting, and this is not
10 on the agenda. It, I -- I would assume that if a project is
11 deferred from the '93, that it would fit into the '94, and not pick
12 it up sooner than that because we're -- we're starting the initial
13 phases of '94 now, but -- just, I was not aware that they were,
14 they were going to pick this up on February 10th.

15 MS. FISCHER: It was my understanding that we were going
16 to try and prioritizers -- prioritize these at the last meeting. We
17 ran out of time and you know, that was some of the discussion. If
18 you look at our voting record, you'll see too, where we had a
19 majority vote. Should get some idea to the prioritizing of some of
20 the projects.

21 MR. SANDOR: Thank you. Any other questions of Ms.
22 Fischer? Well, we very much appreciate the work of you and the
23 other members of the Public Advisory Group

24 MR. COLE: Mr. Chairman?

25 MR. SANDOR: Yes, Cole?

26 MR. COLE: Let's -- talk about, if you don't mind, what

1 we're doing. I'm not prepared to go into February and revisit
2 these projects and make further decisions. I don't -- I mean, I
3 think today is the day we make the call. Today and maybe tomorrow,
4 but, but to talk about, Mr. Chairman, -- with deference, you
5 mentioned looking at some of these projects again in February is
6 not exactly what I have in mind.

7 MR. SANDOR: The Chair was simply speculating that it may
8 possibly be a project or two, three, four,

9 MR. COLE: Or five or six.

10 MR. SANDOR: Mr. Barton?

11 MR. BARTON: I wish the Chair would not speculate.
12 (Laughter) I think we need to take final action on these projects
13 today. There's still a lot of work to be done before they can go
14 into the field, and the field season is fast upon us, so I would
15 like to see us take action on the '93 program and work today and
16 finalize it. If there's some emergency or great overriding reason
17 for reopening that at some later time, I can do it. But, I would
18 not like to go into February with one, two, three, four, five or
19 six projects maybe out there somewhere. So, and I think with all
20 do respect to the PAG, in the interest of utilizing their resources
21 that prioritization of these, frankly, would be too late for us to
22 use this year.

23 MR. SANDOR: Thank you. The Chair will cease, desist and
24 stop speculating.

25 MR. COLE: Mr. Chairman, you know, we're three months
26 behind on this now, at least, you know, and the time has come to

1 make some decisions and

2 MR. SANDOR: Amen Mr. Cole. We will proceed that we have
3 just twenty minutes before break and my suggestion that we continue
4 with the agenda and Dr. Gibbons, do you have any remarks at this
5 time?

6 DR. GIBBONS: Yes, I do. If you pull out your draft --
7 1992 (sic) 1993 draft work plan. Some of you, matrix, I've got a
8 few changes to that matrix that I'd like to give you at this time.
9 It's, this one right here.

10 MR. SANDOR: Thank you.

11 DR. GIBBONS: Under the chief scientist's recommended,
12 not recommended column. There was about eight projects that he
13 called enhancement projects that inadvertently got listed as not
14 recommended. So I would like to just give you those at this point.

15 MR. SANDOR: Please do so.

16 DR. GIBBONS: 93004 change not recommended to enhancement
17 project; page two,

18 MR. COLE: Mr. Chairman?

19 MR. SANDOR: Yes.

20 UNIDENTIFIED: I don't follow that, it's either
21 recommended or no opinion. What do you want to put in there?

22 MR. SANDOR: 93004 is changed from not recommended to
23 enhancement project?

24 DR. GIBBONS: Yeah. His wording is -- I'll read it to
25 you. The project may enhance natural resources, but is unrelated
26 to the recovery of injured resources, and he classified that as an

1 enhancement, an E category. Bob may want to speak to that

2 DR. SPIES: Yeah, in my memo of October 8th, which is the
3 draft 1993 work plan, I have more than recommended or not --I
4 ranked projects, plus had a special category and an enhancement
5 category, and Dave's referring to the enhancement category. In my
6 opinion, that the, it was not an injury but it was a (inaudible) to
7 the resource.

8 MR. COLE: Do you recommend it or don't you, I mean, in
9 a -- yes or no?

10 MR. PENNOYER: The, I think Mr. Chairman, that Dr. Spies
11 is saying that if we decide to go ahead with the enhancement, it
12 might be a valid project.

13 DR. SPIES: Right.

14 MR. SANDOR: Categories are summarized in the sixth page
15 of -- Curt McVee's former speech, right?

16 MR. McVEE: Yes. Dr. Gibbons, could you -- I guess as
17 you give those, these to us, could you just identify the chief
18 scientist's rating system on those, think that would be helpful.

19 DR. GIBBONS: Okay. These, mean the --

20 MR. McVEE: Like this one, you rated as an E

21 DR. GIBBONS: Right. I can list the E's. The other ones
22 we have reviewed -- I have reviewed with Dr. Spies and stays there.
23 Recommended, or no opinion or not recommended.

24 MR. McVEE: Okay.

25 DR. GIBBONS: You know, just, just list the ones that are
26 enhancement projects so you're, so you have those. I mentioned

1 93004; the next one 93014 on page two; page three, 93024, Coghill
2 Lake; 93025, Montague Island chum salmon; 93028, wet -- wetlands
3 habitat; 93029

4 MR. COLE: You mean there's two ways of enhancement, is
5 that what you're saying?

6 DR. GIBBONS: Yes. 93029, second growth management
7 enhancement. 93032, Pink and Cold Creek pink salmon restoration;
8 page four, 93042, killer whales; and the last one, page five,
9 93063, survey and evaluation of instream habitat.

10 MR. SANDOR: Actually, Mr. McVee, in your listing --
11 column two conforms to the same thing and is in fact, Dr. Spies'
12 ranking to the, yes sir?

13 MR. McVee: Why don't we, as we go through them, do that
14 --

15 MR. SANDOR: Anything else Dr. Gibbons?

16 DR. GIBBONS: Yes. One, one -- one other thing I'd like
17 to bring up. A memo I passed out to the earlier Trustee Council
18 meeting dated September 11, 1992, was included in the package that
19 was submitted to you and it has been included in the public package
20 previously. It lays out the process that the Restoration Team used
21 to initially screen the restoration ideas and then evaluate all the
22 restoration projects to create our recommendation to you in the
23 blue book. And like I said, I passed it out in a package that was
24 sent to you, but I'd like to just go through it again to make sure
25 that it's understood that, the process that we used.

26 MR. SANDOR: Okay. Let's be sure we all have this. Does

1 everyone have that? I do not have it handy. Do we have extra
2 copies, at least I don't

3 DR. GIBBONS: I'll get some extra copies.

4 MR. SANDOR: That was not given this morning.

5 DR. GIBBONS: That was given in the package that was
6 DHL'd out about -- passed out.

7 MR. SANDOR: Oh, we do have it here. Oh, it's in the --

8 UNIDENTIFIED VOICE: January 12th?

9 DR. GIBBONS: September 11th date on it.

10 MR. SANDOR: Yeah, okay. September 11, oh, it's behind
11 the -- yeah, it's the fourth sheet below the packet. Okay. Got
12 it. Do we all have that? It's the fourth page below the large
13 bound group. That's it. I guess we all have it now. Dave, go
14 ahead.

15 DR. GIBBONS: Okay. I gave my copy to have copied, so
16

17 MR. ROSIER: Here, go ahead.

18 DR. GIBBONS: Thank you Mr. Rosier. The -- the initial
19 projects were received and they were screened under the three
20 critical factors listed on page one and the top of page two. And
21 those, the initial screening criteria were linkage to resources
22 and/or services injured by the Exxon Valdez oil spill. Was there
23 a link. The second criteria, was it technically feasible? Are the
24 technology and management skills available to do it? And the
25 third one, is it consistent with the applicable, federal law and
26 state laws and policies. So that was the initial screening of the

1 ideas, and that kicked out about 300 of them, through that initial
2 screening process. And then the next screening that we did is on
3 page two and three. If there's any questions on the initial?

4 MR. SANDOR: Any questions? I heard none.

5 DR. GIBBONS: Page two and three, if the restoration idea
6 was a damage assessment idea, it was considered under the work
7 criteria on page two which are, was the project previously funded
8 for close-out? Our thought here was if it was funded for close out
9 in 1992, we weren't going to fund it 1993. That criteria. The
10 second criteria, in 1993 close-out project, should we fund it as a
11 close-out project in 1993? If it was funded in 1992 and can we,
12 should we fund it as a close out in '93. The third criteria, is
13 the new, the new project, is there a new project for entry just
14 came to light. We have new information that indicates that there
15 is injury out there that we need to look at. And the fourth, is it
16 a damage assessment continuation project. And an example of this
17 would be the Kenai, sockeye work. Then if the project, the idea
18 was submitted, restoration idea was submitted for restoration work,
19 the criteria on page three were kicked in. The first criteria, is
20 there a restoration end point. Our thoughts here, if it wasn't
21 leading to help recovery, or restore the injured resources
22 services, it shouldn't be done. The second criteria, time critical
23 to the recovery of the injured resource or service. Must it be
24 conducted in 1993. And I'll make a comment here, some of the
25 projects went forward with a 5-1 recommendation. That's our -- the
26 operating procedures of the Restoration Team. And what that means,

1 is five members thought it was time critical and one member thought
2 it was not time critical. So, a point of clarification there.
3 That, that's true with all of these. The third, opportunity lost
4 if not funded in the '93. Was there -- the intent of this criteria
5 was to identify those project ideas that needed some implementation
6 now or the opportunity would be lost. My idea on that would be
7 imminent threat lands, the lands were going to be threatened and
8 injured in some way in 1993 and the last criteria. Does it involve
9 a long-term commitment? Is it committing to long-term funding
10 before a restoration plan. And -- the -- the sheet that we used is
11 the last page. And I just wanted to run through these criteria
12 again for you to make sure, to let you know that we did consider
13 these factors (inaudible).

14 DR. GIBBONS: murre. Are -- are, is the rate of
15 recovery adequate? Harlequin ducks would be another one, you know,
16 are, are, are they nesting again this year. We considered -- do we
17 do it this year or can it defer it to '94. Do we have to do it
18 every year. Some of these questions were the ones that were asked.
19 Thank you.

20 MR. SANDOR: Any further questions? Dr. Gibbons, do you
21 have any additional information to present?

22 DR. GIBBONS: No, I do not.

23 MR. SANDOR: Dr. Spies, I know you're not on the agenda,
24 but do you have any comments you would want to make with respect to
25 your ranking system now? Self-explanatory?

26 DR. SPIES: It's pretty self-explanatory. I might

1 mention that in connection with the, the two projects that were
2 linked to shellfish hatcheries. There's now information among the
3 peer reviewers that's analyzed the -- some of the data available
4 from the NOAA study and state that started outside process that now
5 indicates that there are some -- his opinion is significant reason
6 to believe that there's damage to shelter populations from the
7 spill.

8 MR. SANDOR: Thank you.

9 MR. BARTON: Which ones are those?

10 DR. MONTAGUE: Mr. Chairman?

11 MR. SANDOR: Yes?

12 DR. MONTAGUE: 19 and 20.

13 MR. SANDOR: These are projects 19 and 20. Okay. Well
14 we were going to break in seven minutes. Let's see how many
15 projects we go through in seven minutes. And I would suggest, if
16 the Trustees would agree, that we simultaneously then, do a
17 bifurcate if necessary, and look at both the -- charts prepared by
18 Dr. Gibbons and the chart prepared by Curt McVee and again, follow
19 this sequence, each project. I would begin with Project 93002,
20 sockeye overescapement. This is a project -- the agency is the
21 ADF&G, the amount is \$714.6 thousand, that's, the Restoration Team
22 recommendation is five yeses, no one's. Chief Scientist was a
23 recommendation, right, two. The Public Advisory Group was yes-no,
24 nine-five. No abstentions. And -- it's the Interior's table, in
25 compliance with the Consent Decree, meets the NEPA requirement,
26 it's time critical and you see DOI's recommendations and comments.

1 The way that I would propose to the Trustees at this point, invite
2 some action -- either adoption or defer.

3 MR. ROSIER: Move for adoption.

4 MR. SANDOR: Moved by Carl Rosier for adoption. Second
5 by any second?

6 UNIDENTIFIED: Sorry, I didn't hear that.

7 MR. SANDOR: 9 -- 93002 is moved for adoption by Rosier,
8 seconded by -- by Pennoyer.

9 MR. PENNOYER: I seconded it for discussion.

10 MR. SANDOR: By Pennoyer for discussion purposes, and
11 Curt McVee has a comment.

12 MR. McVEE: We had problems with this project because
13 it's not directly related to the oil spill. The relationship as I
14 understand it, is to a decision of which was made concerning the
15 fate of commercial salmon and that the result of any the
16 overescapement -- problem, that there is no direct connection to
17 the oil spill.

18 MR. PENNOYER: Mr. Chairman?

19 MR. SANDOR: Mr. Pennoyer?

20 MR. PENNOYER: In, commenting on our procedures here, I
21 agree with Mr. McVee that it's going to require some discussion.
22 The whole question of salmon management and many of these projects
23 is going to require discussion. I don't really want to do it
24 twice. I thought what we were going to do is go through here and
25 sort of run down the list, so does anybody have any objections to
26 some sort project, if some of you did, then we defer it and take it

1 up later. Nobody has any objections after a brief discussion, we
2 pass it on and rather than

3 MR. SANDOR: Approve it or just?

4 MR. PENNOYER: And, and approve the package. So we would
5 approve those that nobody had any problems with, and then come back
6 and deal with the one that somebody had a problem with again or
7 later. But if we do it this way, I'm afraid we might discuss
8 things twice and I

9 MR. SANDOR: Oh okay.

10 MR. PENNOYER: I guess the procedure would be on the
11 first ones, does anybody have any objections; if somebody would, we
12 would defer to later discussion. Second one, if you have any
13 objections, move to adopt, second no, no objections or maybe some
14 discussion and then adoption. But I don't

15 MR. SANDOR: Then go back?

16 MR. PENNOYER: Then go back to the ones that we said
17 defer, because otherwise I think we'll do it twice.

18 MR. SANDOR: -- do we, at some point, to -- so 93002, an
19 objection?

20 UNIDENTIFIED: Yes.

21 MR. SANDOR: So we defer. 93003, pink salmon egg to pre-
22 emergent fry survival in Prince William Sound. Mr. Pennoyer.

23 MR. PENNOYER: Mr. Chairman, I don't know if we've got to
24 adopt it or make a motion to get it on the floor, for discussion,
25 I had a question about that one, for, besides it was unanimously
26 recommended by the Public Advisory Group, recommended by the Chief

1 Scientist and Restoration Team. My question is -- it deals with,
2 with fry tagging and I know we've heard a lot of comment from the
3 PAG group about not funding items that are already funded. I know
4 we have a fry-tagging program in Prince William Sound for forecast
5 purposes and perhaps Mr. Rosier could elaborate on why this is
6 different and that program is not just simply substitute funding.

7 MR. ROSIER: Well I believe that this particular project
8 goes beyond this, the fry tagging that goes along with the, with
9 the forecasting work that's going on there. It's a project that is
10 specific to the oil, oil-damaged systems, if I'm not mistaken. And
11 this is, this is work in addition to what's going on as far as pre-
12 emergent and is restricted to the oil damaged systems.

13 MR. COLE: Mr. Chairman?

14 MR. SANDOR: Yes?

15 MR. COLE: But it doesn't just fund the project later on
16 the forecast project done?

17 MR. ROSIER: No, it does not.

18 MR. COLE: Mr. Chairman?

19 MR. SANDOR: Yes Mr. Cole?

20 MR. COLE: Is this a normal, normal agency function?

21 MR. SANDOR: The agencies involved here is ADF&G, and
22 NOAA, at 686 -- is NOAA or ADF&G wants to comment. Is this a
23 normal agency function, Mr. Rosier?

24 MR. ROSIER: Yes. In terms of the function, it -- it
25 probably is a normal agency function, but in terms of the intensity
26 on which we're sampling here, I think that's -- that would not be

1 the situation. In other words, we would not be doing these systems
2 necessarily if it had not been for the oil spill damage.

3 MR. COLE: Mr. Chairman, the reason I ask, there has been
4 public comment that takes the view that this is something which
5 NOAA should -- is doing as far as this normal agency --
6 appropriation.

7 MR. PENNOYER: Mr. Chairman, as long as Mr. Cole asked --
8 we are not managing pink salmon, so the management part is not a
9 normal process, and we don't have any funds for doing the genetic -
10 - oil contamination work that is outside of this process.

11 MR. COLE: Is that the same -- is true at the Alaska
12 Department?

13 MR. ROSIER: Yes, Mr. Chairman, that's correct.

14 MR. SANDOR: Is there any objection to adoption? There
15 being no objection, 93003 is adopted. 93004 -- documentation,
16 numeration and preservation of genetically discrete wild
17 populations of pink salmon impacted by EVOS in Prince William
18 Sound. Let's see, the Department of Interior is a no. Is this to
19 be deferred?

20 MR. McVEE: Yes.

21 MR. SANDOR: Project 93005, cultural resources -- this
22 too is a project proposed for negative vote by the Department of
23 Interior, not time critical, this is to be deferred?

24 MR. McVEE: Yes.

25 MR. SANDOR: Project 93006, site-specific archaeological
26 restoration -- and you have both charts before you, is there any

1 objection to adoption?

2 MR. COLE: I, I want to object at this time to -- let's
3 see, six, seven, eight, the archaeological projects and discuss
4 them as a group.

5 MR. SANDOR: Projects six, seven, eight and nine. Is
6 that correct, six, seven, eight and nine?

7 MR. COLE: Yes. Well let me look at nine, that's public
8 information.

9 MR. SANDOR: Six, seven and eight?

10 MR. COLE: Well let's -- I think we should put -- nine --
11 nine is not as necessarily an archaeological project.

12 MR. SANDOR: No.

13 MR. COLE: So I'm talking about six, seven and eight to
14 be deferred in my view and to be discussed collectively at the same
15 time.

16 MR. SANDOR: Six, seven and eight to be deferred from
17 discussion later collectively. 93009, public information,
18 education and interpretation. No -- Department of Interior to be
19 deferred?

20 MR. McVEE: Yes.

21 MR. SANDOR: 93-10, reduced disturbance near Murre colony
22 showing indications of injury from the EVOS is unanimously not
23 recommended and has to be --

24 MR. COLE: We dealing with ten?

25 MR. SANDOR: Yes. Move along.

26 MR. McVEE: DOI's list on page four, we separated out the

1 projects not recommended by --

2 MR. SANDOR: Okay. That's unanimously recommended, are
3 we deferring discussion -- or not approving? Deferring discussion.
4 93011, develop harvest guidelines to aid restoration of river
5 otters and harlequin ducks. DOI defers, or objects, so we defer,
6 and we'll take a break for twenty minutes.

7 MR. PENNOYER: Well, we approved one anyway. (Laughter)

8 (Off Record at 10:00 a.m.)

9 (On Record at 10:20 a.m.)

10 MR. SANDOR: May we reconvene please. Have we stopped
11 the speculation? Okay -- well, moving on -- to project 93022 is
12 that it?

13 MR. COLE: No we're 12.

14 MR. SANDOR: Nope. Excuse me, 93012.

15 UNIDENTIFIED: Really do know what's going on.

16 MR. SANDOR: 93 - 12. Okay, genetic stock identification
17 of Kenai River sockeye salmon, DOI opposes no, we defer. 93014 is
18 deferred.

19 MR. COLE: Hold it just a second.

20 MR. SANDOR: Okay. 93015, Kenai River sockeye salmon
21 restoration, DOI no, is deferred. 93016, Chenega Bay chinook and
22 silver salmon, DOI no, is deferred. 93017, subsistence food safety
23 survey and testing. Is there objection to these, acceptance of the
24 project 93017, subsistence restoration project ADF&G, NOAA, at
25 \$360.6 thousand?

26 MR. COLE: May I have a moment, please?

1 MR. SANDOR: Sure.

2 MR. BARTON: I think we ought to discuss.

3 MR. SANDOR: This is, should be discussed. Need to defer
4 for discussion and 93018, DOI opposes no, deferred for discussion.
5 93019 -- not recommended, so that's deferred. 93020 not
6 recommended, is deferred. 93022 -- 93022, evaluating the
7 feasibility of enhancing productivity of murre by using decoys,
8 dummy eggs and recording of murre calls to simulate normal
9 densities at breeding colonies affected by EVOS and monitoring the
10 recoveries of murre in the Barren Islands. Department of
11 Interior, Fish & Wildlife Service, \$281,000 --

12 MR. PENNOYER: We defer it.

13 MR. SANDOR: It has been opposed by Pennoyer. It's
14 deferred, deferred. 93024 restoration of the Coghill Lake sockeye
15 salmon stock. DOI recommends deferral. 93025, Montague Island
16 chum salmon restoration, DOI recommends deferral.

17 MR. PENNOYER: Mr. Chairman?

18 MR. SANDOR: Yes, Mr. Pennoyer?

19 MR. PENNOYER: Anytime, going down this list, if DOI
20 wants to change their mind and discuss something ahead of time, it
21 would be alright with me.

22 MR. SANDOR: 93026, restoration of wetlands, DOI commands
23 deferral. 93028 --

24 MR. COLE: '26 was wetlands.

25 MR. SANDOR: '26 was -- deferred. I'm sorry;

26 MR. COLE: '26 was deferred?

1 MR. SANDOR: Deferred, yes.

2 MR. PENNOYER: I guess all the projects not recommended
3 by the Restoration Team.

4 MR. SANDOR: Yeah.

5 MR. COLE: '25 is deferred, '26 is deferred, is '28
6 deferred?

7 MR. SANDOR: 93028, restoration of wetlands, Department
8 of Interior recommends deferral, or no deferral. 93029, second
9 growth, DOI no -- deferral. 93029, Prince William Sound, second
10 growth management, okay, that one is no as well, deferral. 93030,
11 Red Lake Restoration, DOI deferred. 93031, Red Lake mitigation for
12 red salmon fishery, DOI deferred. 93032, Cold. -- Pink and Cold
13 Creek pink salmon restoration, DOI deferral. 93033, harlequin duck
14 restoration monitoring study in Prince William Sound, Kenai and
15 Afognak oil spill areas, ADF&G project, at \$717.9 thousand. Is
16 there any objection to that project?

17 MR. COLE: I'd like to talk about it. I'm not objecting
18 it, just would like to talk about it.

19 MR. SANDOR: Later, deferred. Okay. Do you want to talk
20 about it now?

21 MR. COLE: Short discussion.

22 MR. SANDOR: How about we try that, just to break the
23 monotony. (Laughter) So, is there a motion for discussion
24 purposes that 93033 harlequin duck restoration monitoring studies
25 in Prince William Sound, Kenai and Afognak oil spill area, ADF&G
26 lead agency of \$717.9 thousand. Is there a move for adoption?

1 MR. PENNOYER: I move to adopt.

2 MR. McVEE: Seconded.

3 MR. SANDOR: Moved by Pennoyer, seconded by McVee.

4 Discussion. Do you have questions on -- Mr. Cole?

5 MR. COLE: Well, I used somewhat as a guide for these
6 comments, how much is this project?

7 MR. SANDOR: \$717.9 thousand.

8 MR. COLE: Well the Chugach National Forest group takes
9 the view that that 25036 says that it's not necessary for this
10 project for a stable population, other comment is that the
11 harlequin ducks are really growing in size and therefore, this
12 project is not warranted. Other comments are, it's a very
13 expensive project to determine what is already known about damage
14 to harlequin ducks. So, I mean, could we have a response to the
15 public comments?

16 MR. SANDOR: Are there any comments from the lead agency
17 or other agencies with respect to questions that were raised in the
18 course of public comments?

19 DR. MONTAGUE: Mr. Chairman?

20 MR. SANDOR: Yes, Dr. Montague?

21 DR. MONTAGUE: Is it on?

22 MR. SANDOR: Yes.

23 DR. MONTAGUE: Okay. In regards to, I might have
24 misunderstood you, but did I hear you say that the population is
25 growing?

26 MR. COLE: I'm saying that that's what people, who in the

1 public comment say. I haven't made a separate study of that. I'm
2 just seeking response to the public comments, to the public
3 comments.

4 DR. MONTAGUE: In the area that we've studied, as you
5 know, there's been reproductive failures of, at least within that
6 portion of the oil spill area and presumably other parts of the oil
7 spill area, that the populations are not growing. In regards to
8 the cost, it is an expensive project. A smaller project that was
9 done in 1992 has had some financial difficulties from tight
10 budgeting and feel this is justified for the work that's being put
11 forward.

12 MR. COLE: I guess the question is this. I mean, we, we
13 know that there has been some damage to harlequin ducks. We know
14 that the oil spill caused it, and I take those as a given, I don't
15 think there's any dissent from that. What do you need to study in
16 light of that known information? Dr. Spies wants to comment, I
17 think.

18 MR. SANDOR: Dr. Spies?

19 DR. SPIES: It really depends on what the Trustee Council
20 would like to see in terms of the certainty of the criteria and as
21 they move outside of Prince William Sound in relation to habitat
22 acquisition. A lot of the expense of this project is, is working
23 out on Afognak Island and the outer Kenai Coast, where we've ear-
24 tagged harlequin ducks and trying to tie them back to injured
25 resources. So it depends on your opinions, collectively, as to, as
26 a Council as to how much certainty you need in order to perceive

1 whether it's just enough to say there were damage to Prince William
2 Sound. If you one more certainty when you just -- move outside
3 Prince William Sound. This is the kind of cost involved in
4 obtaining for the harlequin duck.

5 MR. SANDOR: Yes, Steve Pennoyer?

6 MR. PENNOYER: Yeah, Mr. Chairman, I was trying to think.
7 If I'm not mistaken here, originally the ADF&G component was Prince
8 William Sound and Afognak? And you added the Kenai component at
9 our request for about \$200,000 so, we asked the -- proposers to
10 actually add the Kenai component, and the reason of the \$700,000 is
11 because of the request we had that it be extended to Kenai. And I
12 don't know if we ever signed off on the fact that we were happy
13 with that expansion, but we did request it.

14 DR. MONTAGUE: Mr. Chairman, could I further address some
15 of the --

16 MR. SANDOR: Yes.

17 DR. MONTAGUE: We agree that documenting in western
18 Prince William Sound, that there is another year of reproductive
19 failure isn't particularly the key component and very little effort
20 is being devoted to that in this project. The primary aspects of
21 the project were that we were comfortable with the description of
22 what habitats the harlequins used in western Prince William Sound,
23 and one aspect of this project is to see other areas in Prince
24 William Sound that have similar habitats, can we just extrapolate
25 that information to it without actually studying it. But the outer
26 Kenai coast and Afognak was considered that whatever we found, the

1 habitats were enough different there that the findings from western
2 Prince William Sound would not be applicable, so that if we were
3 interested in purchasing habitats to support harlequins in Afognak
4 or the outer Kenai Coast, that we wouldn't have the information
5 suitable to do that.

6 MR. SANDOR: Curt McVee. Yeah, McVee?

7 MR. McVEE: I think that we did have, mentioned here,
8 that we did have considerable discussion along the expansion of
9 this project, at one of our, at one of our latter meetings and that
10 -- that aspect of that discussion was relevant to the habitat goal
11 -- three goals in the project that was relative to that goal and we
12 felt, it felt like, or feel like that this -- project is needed --
13 in order to support the habitat protection live acquisition.

14 MR. SANDOR: Attorney General Cole?

15 MR. COLE: What I'm having trouble with is what are we
16 going to study out in, out in Afognak Islands, that's what I'm
17 struggling with. -- harlequin ducks out there, what are we going
18 to look for when we study harlequin ducks out there?

19 DR. MONTAGUE: Mr. Chairman?

20 MR. SANDOR: Yes?

21 DR. MONTAGUE: I think I can help with that in -- just
22 picking an arbitrary example, say that -- in western Prince William
23 Sound, harlequins nest on a twenty degree slope at 100 foot tree,
24 in particular species, in, within 100 yards of an anadromous
25 stream. I mean those are just arbitrary examples, but it would be
26 to find those characteristics on Afognak and the outer Kenai Coast

1 that would say, yes, this is harlequin nesting habitat.

2 MR. COLE: Where harlequin ducks nest, the, the habitat
3 of which harlequin ducks nest, is that what we're looking for in
4 Afognak?

5 DR. MONTAGUE: That's the primary purpose, but we also, -
6 - I mean, that's where most of the cost is, but while we're there,
7 we want to see if the reproductive failure we've seen in western
8 Prince William Sound is also occurring --.

9 MR. COLE: For essentially \$1 million.

10 MR. SANDOR: Mr. Pennoyer? Do you have a question or
11 comment?

12 MR PENNOYER: Yes, Mr. Chairman. We have -- the Chair
13 or somebody, I guess Mr. McVee made the famous all-bets-are-off
14 statement that if we approved something here, still after the
15 restoration plan is done, we're going to come back and look at it.
16 I notice this project is going to be conducted from '93 to '95 and
17 we're funding authorization for the one year. What do we lose if
18 we don't do that this year and the corollary is what do you lose if
19 we don't do the additional two years' of work?

20 DR. MONTAGUE: Mr. Chairman. The outer years of the
21 projects is mentioned here are, I don't know if arbitrary is the
22 right word, but it's depending on the findings of '93. Presumably
23 that it may well be possible to adequately describe the habitats in
24 that year and in fact, in our discussions for '94, we're, we're not
25 looking so much as to -- conducting the same project in '94 to that
26 degree, and the only reason that we would, would be if it was

1 unsuccessful in '93.

2 MR. SANDOR: Mr. Cole?

3 MR. COLE: I hate to take this time, but it's a million
4 dollars, and it maybe more than a million, it may be a million and
5 half to two, but don't we already know where harlequin ducks nest?
6 I mean is that something that we don't have a pretty good sense of
7 at this time? I think that somebody by this time would know where
8 harlequin ducks nest, number one, and number two is, do we really
9 need to spend a million dollars to find out that they nest some
10 place different on Afognak, then they do in eastern Prince William
11 Sound. I mean, this seems to me we're sort of getting to what are
12 we really studying now and henceforth, with this money.

13 MR. SANDOR: Dr. Montague, do you want to comment?

14 DR. MONTAGUE: Yes. Well, relative to harlequin nesting,
15 it probably be surprising, but it was virtually unknown anywhere
16 else in the world or in any other investigator's or projects. This
17 was the first project that really dealt with harlequins and, and
18 the findings on the ten or so nests that we found on this project
19 were basically all there, all that's known in the world about this
20 harlequin nesting. And, and the habitats in Afognak and the outer
21 Kenai Coast are very, very different than, I mean, I guess they're
22 similar in some ways, but quite a bit different than western Prince
23 William Sound, and the Restoration Team and the peer reviewers felt
24 that the probability of selecting lands on Afognak for harlequin
25 habitat being incorrect was pretty high on the current data.

26 MR. SANDOR: Any further comments or questions? Mr.

1 Barton?

2 MR. BARTON: Are we being asked to approve \$717,000 for
3 the entire two and a half to two and three-quarter year period, or
4 is this just the -- what it's going to cost in '93?

5 DR. MONTAGUE: Mr. Chairman, it's for '93.

6 MR. BARTON: And what would future year cost be projected
7 to be?

8 DR. MONTAGUE: Well again, if we succeed in '93, the '94
9 costs would simply be to finish analyzing the data and preparing
10 the report. You know, if there was a total failure, you could see
11 a project this big again if you wanted to look at Afognak and the
12 outer Kenai Coast. One aspect of this project that probably
13 wouldn't -- many as -- none of it maybe required, but another
14 aspect of the project is to verify if the reproductive failure is
15 due to oiled mussel beds or some other cause, so that aspect we
16 hope to finish in '93 and actually, we hope to finish all of it in
17 '93, except for the analysis and write up.

18 MR. SANDOR: Mr. Penn -- Mr. Pennoyer?

19 MR. PENNOYER: Mr. Chairman, I guess since everybody
20 recommended, honestly recommended it, my assumption is they all
21 felt it was critical to do it this year. And I haven't heard your
22 comment on that.

23 DR. MONTAGUE: Mr. Chairman, -- since the species is
24 playing such a prominent role in the habitat selection process that
25 we felt that for the restora -- when the restoration plan is done
26 that this information -- to the extent, as quick as possible needs

1 to be available or the habitat acquisition process could be delayed
2 on the receipt of this information. Plus, the har -- this
3 reproductive failure in harlequins three or four years after the
4 spill and the cause of it, we're only looking at it in harlequins
5 and maybe one other species, but it's the key to the injuries into
6 a lot of other systems and species as well, so --

7 MR. COLE: What other systems and species?

8 DR. MONTAGUE: Well, if indeed we find that the
9 harlequins aren't reproducing because of the oiled mussel beds,
10 then the extent the full area where these mussel beds occur, we
11 could assume that the same problem is occurring there as occurring
12 with all species that eat, that eat the mussels, which would
13 include river otters, wide range of sea birds, and other sea ducks,
14 and could be indicative of chronic oiling injury in lower trophic
15 levels and invertebrates as well.

16 MR. SANDOR: Are the black, excuse me, beg you pardon?

17 MR. BARTON: Well, well on the last point, why wouldn't
18 we just look at the oiled mussel beds and make that determination?

19 DR. MONTAGUE: Well the reason is, well we know the
20 mussel beds are oiled and we know its not hurting the mussels, so,
21 it's only, its affect on other species is really of concern. If it
22 wasn't affecting others, we'd leave them.

23 MR. BARTON: Have we not looked at other species, though?

24 MR. SANDOR: Wasn't the black oystercatcher one of them?

25 DR. MONTAGUE: Yeah, that was the other species. You
26 know, we have, those are the two primary indicators, currently.

1 MR. BARTON: Mr. Chairman?

2 MR. SANDOR: Excuse me -- Mr. Barton?

3 MR. BARTON: One other question, is there some reason why
4 we think the nesting habits of the harlequin are different outside
5 of Prince William Sound than they are inside Prince William Sound?

6 DR. MONTAGUE: Yes, we think so because the topography,
7 the terrain and vegetation are different. So, we know they're
8 nesting there because they're there. But the same type of
9 conditions we're seeing in western Prince William Sound, for the
10 most, don't exist there. So we know they're using something else
11 there.

12 MR. COLE: Mr. Chairman?

13 MR. SANDOR: Mr. Cole.

14 MR. COLE: Well if such be the case, why worry about
15 where they're nesting. I mean, you know, they're nesting in
16 habitat, they're nesting in Afognak Island. What do we need to
17 know more specifically than that -- first -- and second, why does
18 it cost three-quarters of a million dollars to find out where
19 harlequin ducks are nesting? That's the trouble.

20 DR. MONTAGUE: Mr. Chairman. Well on the first point,
21 basically, you could be buying habitat that you thought were
22 providing protection of harlequin nesting and may not be at all.
23 That's, that's primary the answer to the first question. Then --
24 second is, one of the logistics of working in the relatively
25 exposed areas on western Kenai Coast or eastern Kenai Coast and
26 Afognak area is more expensive than western Prince William Sound

1 and

2 MR. COLE: How many months will you be in the field. I
3 mean, you know, just figure it out. It's about \$200,000 a month if
4 it's four months.

5 DR. MONTAGUE: It's actually not, I don't think that
6 long. It's more like two and half, three.

7 MR. COLE: \$250,000 a month studying where harlequins
8 nest in Afognak. I tell you, that seems like an awful lot of
9 money. Maybe I don't understand what the costs are -- seems like
10 a lot of money.

11 MR. SANDOR: Dr. Spies?

12 DR. SPIES: It all comes down to how, how specific do you
13 want the information. You know the, the, what we found in eastern
14 Prince William Sound so far is that the harlequin ducks is nesting
15 along side anadromous streams, fairly far up the streams, close to
16 the stream, usually under a log, or something like that, close to
17 the stream, and you think, you know, the terrain is quite a bit
18 different but they're probably also -- nesting in, along side
19 natural streams in Afognak as well, although the exact habitat may
20 be a little bit different. Now if that's enough information, you
21 feel comfortable making decisions on that, then we don't need it.
22 But if you think more specific information -- habitat -- that's not
23 the cost of -- more specific.

24 MR. COLE: It's \$10,000 a day, \$250,000 work in 25 days
25 a month, \$10,000 a day.

26 DR. SPIES: We're talking about ship time (inaudible)

1 pretty expensive.

2 MR. SANDOR: Any further comments or -- Mr. Pennoyer?

3 MR. PENNOYER: Well, I share Attorney General Cole's
4 concerns about the amount we spend on any of these projects
5 relative to what Dr. Spies said about how exact you want to get
6 because obviously you could try to get so exact on some of these
7 stock separation, projects, you could spend unlimited amount of
8 money. However, I notice the Restoration Team unanimously
9 recommended this, and Dr. Spies thought it was an acceptable type
10 of project. I'm not sure, does the RT wish to comment?

11 MR. SANDOR: Restoration Team comment, anyone? Jerome?

12 DR. MONTAGUE: I would ask that, perhaps Marty is chair
13 of the Habitat Working Group. do you have anything to say about
14 Habitat Working Group needs for this information?

15 MS. RUTHERFORD: Well just briefly. I, I -- as chief
16 scientist Spies indicated, I mean, it all depends on your comfort
17 level. We are going to, we are currently, our level of information
18 is presumptive. We are assuming best professional judgment that
19 given information about Prince William Sound, harlequin nesting
20 habitat that -- you know, we're extrapolating, so, if you are going
21 to need something more specific, this is the kind of project you
22 need to fund. If you are comfortable with the presumptive habitat,
23 then, then we probably don't need to do it.

24 MR. PENNOYER: Mr. Chairman?

25 MR. SANDOR: Mr. Pennoyer?

26 MR. PENNOYER: Well since the RT voted unanimously for

1 this project, our assumption is that you had some feelings about
2 whether we should be comfortable with it or not because I haven't
3 seen the data. I have no way of judging my own comfort level and
4 telling you ahead of time. My assumptions that when you went
5 through the project and looked at them. You thought, one, this was
6 needed information and two, the type of work being proposed is
7 probably the type we needed, and third, that the cost wasn't
8 totally out of line. My assumption is that the RT looked at each
9 one of these projects from that stand point and viewed it on
10 unanimous recommendation, you had some feelings about Dr. Spies'
11 comfort level or mine, and about what we're doing way out here.
12 So, my assumption has been all along that you've done that type of
13 vetting.

14 MR. SANDOR: Chair has a question, just to confirm. Dr.
15 Spies, your ranking system is two, three and four. Two was the way
16 this was ranked may help in restoration of injured species through
17 management actions -- this one provides a better understanding of
18 the nature and injury. Three was project has a low probability of
19 contributing to recovery. Four, project is inappropriate for a
20 restoration program as it will not contribute to recovery of
21 injured resources and as I, I went through this listing of
22 projects, I found two is the highest ranking which you had given
23 any project, and that I interpreted this as meaning that insofar as
24 a relative ranking of these projects. You felt comfortable with
25 recommending that, is that a reasonable conclusion that I reach?

26 DR. SPIES: Yeah, I felt pretty comfortable -- with the

1 size -- again, it comes back, it's kind of a chicken and egg
2 question as to what kind of specific information you need to make,
3 decisions on habitat and this -- some game. We know we've got,
4 what, \$600 million left and (inaudible) some stage, how specific
5 the information and how do you want to spend all the money. Do you
6 want to have an endowment, or do you want to do something else with
7 it. You're going to have to cut back on the science at this time,
8 so, I'm trying not to make policies for you, but I'm comfortable
9 with the, with the approach to produce information that you think
10 you need (inaudible).

11 MR. SANDOR: Would the, did any of the peer scientists
12 reviewed, scientists review, look at this project (inaudible --
13 coughing)?

14 DR. SPIES: Yes they have and -- we, in fact, plan a
15 workshop on harlequin duck in the near future anticipating that if
16 you approve this, we're going to have look very carefully at what's
17 been done up to now and with that the field work to -- make sure
18 this is on track as far as (inaudible) dealt with levels certain to
19 have injury and the level of information that come out of
20 (inaudible).

21 MR. SANDOR: Thank you. Mr. Pennoyer?

22 MR. PENNOYER: Chair, I never heard an answer for RT as
23 to why they unanimously recommended this. Apparently, thinking our
24 comfort level leading this type of project.

25 MR. BRODERSEN: Chair?

26 MR. SANDOR: Mr. Brodersen?

1 MR. BRODERSEN: May I address that please. My comfort
2 level on harlequins and protection is not very high at this point,
3 so I naturally extrapolated that you're comfort level also would
4 not be. But I would like to take a couple moments to go through
5 why my comfort level is not very high on this point. As Dr.
6 Montague was saying, prior to investigations here in Alaska, very
7 little was known of harlequins. I think there was one nest in
8 Iceland that's been found, and maybe on B.C., I forget exactly
9 where it was, essentially, no nest at all to characterize habitat
10 nesting characteristics. At this point, we don't know whether a
11 sixty-six buffer strip along the stream is adequate, a 100 foot
12 buffer strip, whether we need 1,000 acres on the side, at what
13 elevation these things nest. Is it above treeline, is below
14 treeline, is it in the scrub timber? These are all questions that
15 I think that we need to be answering before we go out and willy-
16 nilly start buying habitat to protect these species. We may find
17 we don't need to buy any habitat at all to protect them -- that it
18 needs to be focused. We need to spend a few dollars now, to be
19 able to focus our major purchases later on to protect this species
20 and as I say, at this point, we don't know. The habitat
21 characteristics in Prince William Sound are quite a bit different
22 than they are in Kenai, which is also different than it is in the
23 Afognak. We need to find this out before we go spending money
24 willy-nilly.

25 MR. COLE: Mr. Chairman?

26 MR. SANDOR: Mr. Cole?

1 MR. COLE: Of course, I disagree with the fact that we
2 have any intentions of any kind to spend money willy-nilly. I
3 don't think any of us here sitting at this table, making these
4 decisions, have the slightest thought of spending money willy-
5 nilly, certainly with respect to the acquisition of habitat. Did
6 anybody in the Restoration Team or the Public Advisory Group say,
7 hey, here's \$10,000 a day, expenses on this project. What really
8 troubles me is, if this is the level of analysis that, that is
9 developed by the Restoration Team for these projects and the Public
10 Advisory Group on all these projects, then I have substantial
11 concerns. I mean we have a finite amount of money and I think
12 that, that before we say this is a good project, you know, give us
13 some information, we have to make a balance of how much money we
14 can afford to spend on finding out just exactly the type of terrain
15 that harlequin ducks nest in on Afognak Island. Three-quarters of
16 a million dollars, maybe more the next year, could be a million
17 dollars. And it's very troubling to me that we could be thinking
18 about spending \$10,000 a day for that purpose now. Maybe I don't
19 understand the world of economics or what things cost, but I mean,
20 I'll wasn't exactly born yesterday and it strikes me, this ungodly
21 sum of money to be spending for that purpose. So, that's the way
22 I feel, sorry gentleman, but

23 MR. SANDOR: Any other comments, Dr. Gibbons?

24 DR. GIBBONS: Yes, Mr. Chair. I remember we had
25 extensive discussions on this and we discussed extrapolation to
26 Kenai and to Afognak and how comfortable we were and some level of

1 comfortability and the price, the price came high. We reduced it
2 down to around \$500,000, and as it has been mentioned here
3 previously, you added the Kenai back and upped it up to \$7,000 --
4 \$700,000 so, we, the Restoration Team felt comfortable with, with
5 a level that was reduced from \$700,000, looking at Afognak, Kodiak,
6 and trying to extrapolate to the Kenai. So just to point of, I
7 remember the discussions. We've had a lot of discussions on this
8 project. Part of, part of the cost -- being related to coastal
9 habitat is, you get up in Shelikoff Straits, I don't care when
10 you're there. You need a boat that cost you, you know, quite a bit
11 of money a day, so there, I don't know, three to four thousand,
12 five thousand a day right there in the boat, so that, that's the
13 cost, a lot of the cost.

14 MR. SANDOR: Thank you Dr. Gibbons, and Mr. Pennoyer?

15 MR. PENNOYER: Mr. Chairman, then the original cost
16 before we added the Kenai was the \$506,000?

17 DR. GIBBONS: That's correct.

18 MR. PENNOYER: And you were comfortable with that to
19 start with, until we added, you know.

20 MR. BRODERSEN: Mr. Chairman?

21 MR. SANDOR: Mr. Brodersen?

22 MR. BRODERSEN: Comfort, I'm not sure is quite the right
23 word. We tried to strike a balance between what we thought was the
24 very minimum that we could do in terms of getting this information
25 and the cost of the information, but I would feel a lot more
26 comfortable doing the whole thing in terms of its credibility, but

1 one does have to make decisions, and we made the decision to be a
2 little less comfortable than the \$500,000 and try and extrapolate.
3 That also then gives you the opportunity in later years if you've
4 discovered that by taking the lower level you've messed up, you can
5 go back and get it. Money once spent is gone. It, it was the
6 attitude on this. One other point to go back to Attorney General
7 Cole's comment on the cost per day. A rough rule of thumb,
8 whenever you run these programs is that for every day in the field,
9 you need to spend roughly five days in the office preparing for it
10 and then once you get back taking care of the information that you
11 have, and so, if you look at the budgets that are in here. A large
12 part of this is salaries for individuals both preparing to go and
13 then demobilizing and taking care of the information once they get
14 back.

15 MR. COLE: Mr. Chairman?

16 MR. SANDOR: Mr. Cole?

17 MR. COLE: I'm going to vote no on this project as
18 originally placed before us and I've listened carefully. I've
19 considered the view of the Restoration Team, Public Advisory Group,
20 but I'm not satisfied that this is a wise expenditure of our money
21 and therefore, not being comfortable with that -- my conscience --
22 I'm duty-bound to vote no. I vote no.

23 MR. SANDOR: Okay, we move on then to 930

24 MR. PENNOYER: Mr. Chairman?

25 MR. SANDOR: Yes, Mr. Pennoyer?

26 MR. PENNOYER: Is it deferred then or do we just write

1 that one off?

2 MR. SANDOR: Well, I've marked it deferred.

3 MR. COLE: But I would like to that when this meeting is
4 over, if there is some provisions to this project that falls in
5 less expenditure of money, I would reconsider it from that
6 standpoint. It strikes me that three -- four thousand or five
7 thousand a day boats are a little bit rich out there. I mean, I
8 remember boats out there in Prince William Sound and charters
9 pretty fine boats that were substantially less than \$5,000 a day
10 and -- anybody really take -- the court say a hard look at that
11 type of cost.

12 MR. SANDOR: Okay, the Chair's marked this as deferral,
13 unless there is other comments, Mr. Rosier?

14 MR. ROSIER: Go ahead Curt

15 MR. SANDOR: Curt, Curt McVee?

16 MR. ROSIER: I'll follow Mr. McVee.

17 MR. McVEE: I guess I, I can't relate to the costs on
18 this and I think a lot of our projects probably do appear to have
19 high costs. This was -- this was discussed by the PAG, I thought,
20 but they, similar to us, had some problems dealing with that, but
21 there, there are only a very few species which will serve as a
22 basis, a linkage, and these are species that use the uplands that
23 were damaged by the oil spill will serve some part of the linkage
24 to land acquisition. The habitat protection and the harlequin
25 ducks are one of that roles and the others certainly is the marbled
26 murrelet. There maybe something else I'm missing, but those are

1 the two primary ones. River otters possibly. So, it seemed to me
2 like that -- that a, if we do not have enough information, you
3 know, to, to address, and this is the question, to address -- the
4 protection of those habitats, but are utilized by those species,
5 then we, we necessarily have to go get some further information,
6 and that's kinda where I come from, but the RT has said that, that
7 -- we don't have, apparently we don't have enough information. We
8 should go get some more. In terms of costs, I'd be delighted if it
9 could be done with less costs.

10 MR. SANDOR: Mr. Rosier?

11 MR. ROSIER: Yes, Mr. Chairman. I'd like to have a
12 little better understanding here, I notice that the to -- personnel
13 was one of the major costs that's involved here on this -- almost
14 \$300,000 is involved in personnel costs, and I'm not sure that --
15 what this might not have been the type of thing that certainly the
16 Public Advisory Group is in effect speaking to -- duplication. Can
17 you give me a little bit better understanding in what all's
18 involved in the personnel costs of this project. Are we, are we
19 talking new people or what are talking about associated with this
20 two hundred -- \$298,000 -- here?

21 MR. SANDOR: Dr. Montague?

22 DR. MONTAGUE: Mr. Chairman. -- As you know, the
23 Department had, did not have any harlequin programs -- prior to the
24 oil spill so -- indeed, all aspects of this project are -- are new
25 additional people and they're currently onboard from projects
26 approved from '89 through '92. In terms of -- a number of field

1 camps I have the detailed budget here, we could look it up, but I
2 believe that this would involve three centers of operation. One in
3 the Kenai Coast, one in Afognak, one in Prince William Sound, which
4 they would have several camps associated with each center, and each
5 camp would have three or four people in it. And so, during the
6 field season, I believe there is approximately 25 people, 20 to 25
7 people that are involved, in the analysis stage there are
8 approximately four.

9 MR. SANDOR: Thank you. Any further comments or
10 discussion, Dr. Gibbons?

11 DR. GIBBONS: Yes. I heard Mr. Cole say that he would
12 feel more comfortable with this project if it was reduced in cost
13 and perhaps one, one way to do that would be to remove the Kenai
14 portion, if this is acceptable, back to about \$500,000 of the
15 original proposal. Would that -- you know, be more in line with
16 what you are, you're thinking?

17 MR. COLE: Mr. Chairman?

18 MR. SANDOR: Mr. Cole?

19 MR. COLE: Well, not necessarily. When I hear in three
20 or four thousand a day boats out there, I mean, it just strikes me
21 that, that maybe this whole thing is too rich, maybe we're trying
22 to be too fine in our analysis. Maybe we don't need to take this
23 all the way out there with twenty five people in the field, looking
24 at these, I don't know, but, I, I mean we have the public keep
25 telling us, you know, first there's too many agency, or agencies
26 working on this detail. You know, don't study these problems to

1 death, the public tells us. Those happen to be my own views as a
2 matter of fact. You know, at some point, you know, we have to, you
3 know, just get out there and start getting it done and cut off the
4 study. I agree that the harlequin ducks is one species that we
5 should look at carefully for those reasons, but I think the project
6 is rich. I don't think we need 25 people in the field, -- you know
7 you can say, what's he know about it and it's a legitimate
8 complaint or observation but, you know, I just have the sense that
9 this is just costing far too much and it may be the case where the
10 other project to get the information we need to get on, on, ongoing
11 with the restoration plan itself. It just really troubles me,
12 gentlemen. Projects are costing an awful lot of money.

13 MR. SANDOR: Any further comments or questions? The
14 Chair indicates this is to be deferred and not really reconsidered
15 unless it is amended. Project 93034, Department of Interior, Fish
16 & Wildlife Service, 165.8, Pigeon Guillemot colony survey,
17 unanimously recommended, no objection from the Interior. We've got
18 a -- any objection to its adoption?

19 MR. ROSIER: I object.

20 MR. SANDOR: Objected to by Carl Rosier. Do you want it
21 deferred?

22 MR. ROSIER: Yes, please.

23 MR. SANDOR: Deferred then. And project 93035, potential
24 impact of oiled mussel beds on higher organisms; contamination of
25 black oystercatchers breeding on persistently oiled sites in Prince
26 William Sound, and this -- has approval with Interior, unanimously

1 recommended -- is there any objection to the adoption of 93035?
2 93035 is adopted, approved. 93036, recovery, monitoring and
3 restoration of intertidal oil -- intertidal oil mussel beds in
4 Prince William Sound and the GOA impacted by the Exxon Valdez Oil
5 Spill -- the lead agencies -- NOAA, Interior, National Park Service
6 at 404.8 thousand; no objection by Interior, is there any objection
7 to the approval of 93036?

8 MR. COLE: Can I just have one moment, please?

9 MR. SANDOR: Yes.

10 MR. COLE: I have no objection.

11 MR. SANDOR: No objection --

12 MR. ROSIER: Mr. Chairman, I don't have any objection,
13 but I would like, like to question here, this is obviously one of
14 the key areas that I think is going to be with us for a period of
15 time and certainly we know that we still got oiled mussel beds out
16 there and, and in substantial quantities. I guess I'm not clear on
17 where we're in fact, headed with this. Again, I guess the same
18 questions are raised here that were raised with -- Attorney General
19 Cole was raising about this. We know we've got it and is this
20 going to lead us to a restoration project that's in fact going to,
21 you know, gives the treatment method something that we could do
22 with the oil problem or is this again, are we, are we looking at
23 studying the, studying here on this as Mr. Cole characterizes on
24 his.

25 MR. SANDOR: Can anyone comment on that?

26 MR. MORRIS: I will try, Mr. Chairman.

1 MR. SANDOR: Yes, please do.

2 MR. MORRIS: I think there's, there's two concerns we do
3 have and the first is, can we do anything about these oiled mussel
4 beds. We started this past year to do some manipulations of the
5 beds, removing some of the layers of the mussels and seeing if and
6 then letting the area wash and seeing if it helped accelerate the
7 removal of this oil -- to placing of the mussels -- we, if, if we
8 find that this works, then we may have a solution to the problem --
9 certain of at least the hot spot areas. If we find it doesn't work
10 and we, we confirm that these mussels are really a problem to
11 higher trophic levels, we have to bite the bullet and decide
12 whether we're going to live with the problem or do something on a
13 larger scale and I think that's where we're heading with this
14 program.

15 MR. SANDOR: Any further questions?

16 MR. ROSIER: Thank you.

17 MR. COLE: Mr. Chairman?

18 MR. SANDOR: Mr. Cole?

19 MR. COLE: Taking a leaf out of the Interior's book, is
20 there any reason that could not defer this until the adoption of
21 the restoration plan?

22 MR. SANDOR: Anyone? Byron Morris, do you want to
23 respond to that?

24 MR. MORRIS: Well -- we would just be that much farther
25 down the road in figuring out what to do with a continuing problem
26 we feel is time critical because we do recognize the problem needs

1 to be resolved. I'm not sure the restoration plan itself is going
2 to help us that much with this study -- it's, it almost has one
3 foot on, on restoration and one foot on further treatment of
4 pollution.

5 MR. SANDOR: Any further comments or questions? Once
6 again, is there any objection to the approval of 93036? If not, it
7 is approved. 93038, shoreline assessment, ADEC, ADNRR, U.S. Fish and
8 Wildlife Service, NOAA, DOI, ADF&G. 520.7 thousand. No objection
9 indicated from the Interior. Is there any objection to this --
10 shoreline assessment project, 93038?

11 MR. McVEE: Mr. Chairman?

12 MR. SANDOR: Mr. McVee?

13 MR. McVEE: I have a question to ask was the NEPA
14 compliance, has that been done, or is it needed?

15 MR. SANDOR: Mark, do you want to

16 MR. BRODERSEN: Mr. Chairman, DEC proposed to NOAA that
17 this be a categorical exclusion and they concurred in that finding.

18 MR. McVEE: Thank you.

19 MR. SANDOR: NEPA compliance has been made. Any
20 objection to this project? It is approved. 93039, Herring Bay
21 experimental and monitoring studies. And ADF&G projects a 507.5
22 thousand, no objections indicated, unanimously recommended. Is
23 there any objection to this project? It is approved.

24 MR. COLE: Can I have just a moment, please?

25 MR. SANDOR: Yes, Mr. Cole.

26 MR. COLE: What is the fundamental purpose for this

1 study? You can answer to that Mr. Chairman.

2 MR. SANDOR: Well I shall defer to Dr. Montague and --

3 DR. MONTAGUE: Mr. Chairman, this project has two
4 components. First of all, as you remember, I'm sure you all
5 remember the \$17 million coastal habitat project that was closed
6 out in 1992 -- documented wide areas of damage to the injury to the
7 coastal habitat, coastal habitats and one of the most intensively
8 areas, one of the areas most intensively studied in showing some of
9 the greatest injury was Herring Bay, and that one thrust of the
10 project is to continue to monitor the recovery at Herring Bay.
11 One, to -- we have seen some improvement and -- but a lack of
12 improvement there would be very indicative that we need to carry
13 out more active restoration measures in wider area. So it's, it's
14 very focused in that regard, just to Herring Bay. And second,
15 there was an aspect of the project that was to look at various ways
16 of artificially encouraging the colonization of fucus. At our '94,
17 some of our '94 discussions, we had some information to indicate
18 fucus was recovering at an acceptable rate. Is Dr. Spies here?
19 Bob, is the information sufficient at this time to -- should we
20 still go ahead in your mind with the fucus recolonization work or
21 is recovery sufficient?

22 DR. SPIES: -- is, our latest information recovery has,
23 is starting, but has not completely occurred. Now, if you wish to
24 follow the -- this recovering tidal zone, the point of no recovery,
25 then probably another year or two would be required -- objections
26 are that -- another two to five years will be required, or it be

1 (inaudible) inter-tidal zone to return to pre-spill conditions.

2 MR. COLE: Well -- may I ask a question, Mr. Chairman?

3 MR. SANDOR: Mr. Cole.

4 MR. COLE: What -- why can't we defer this then till next
5 year and see how natural recovery develops in 93? If it is really,
6 naturally reoccurring?

7 DR. SPIES: That, that could be done. I mean, you could
8 lose a year's of information, but you know, it's may not lose a
9 lot. It's going to take two to five years.

10 MR. COLE: That's number one, and number two, is Dr.
11 Montague talked about Herring Bay, but as I look at this proposed
12 project, you're talking about assessing the shorelines of, impacted
13 shorelines of Prince William Sound and the Gulf of Alaska, the
14 principal areas are Knight, LaTouche, Evans, Elrington, Green and
15 Disk Islands in Prince William Sound, Tonsina Bay, Windy Bay,
16 Chugach Bay and the Gulf of Alaska. Well, I mean it's a, pretty
17 broad assessment, -- oh '39?

18 MR. SANDOR: '39, sorry.

19 MR. COLE: Shows you, I don't -- but how about '38?
20 That's the one -- continued to trouble us. (Laughter) I think
21 the -- of it was, the trouble on '38.

22 MR. SANDOR: Ah, so we're on '38.

23 MR. COLE: Well I mean, we skipped one, I'm sorry

24 MR. SANDOR: That's okay.

25 MR. COLE: But I, you know, do we really need to survey
26 all the shorelines in this year? Let's see where we are.

1 MR. SANDOR: Mr. -- Chairman -- I'm going to ask Mark
2 Brodersen to comment

3 MR. COLE: And why couldn't we wait till next year as
4 part of the restoration plan to take another look at the shorelines
5 to see how they're coming naturally?

6 MR. SANDOR: Mr. Chairman, well, this, we have been doing
7 the -- The Chair will outline at least his perception of this
8 project '38, shoreline assessment then. There has, as you know,
9 been shoreline assessment in each of the years following the spill
10 itself and, of course, the project, the clean-up work that was done
11 last year, up at the shoreline assessment cleaned the shorelines to
12 the state and federal standards described for clean up. Both the
13 federal and state on-scene coordinator and the agencies involved,
14 you know, did not say, the areas were entirely clean from the
15 standpoint of potential damage to, to resources and so this project
16 will do the shoreline assessment again, essentially looking at all
17 or most of the same sites and -- and actually determine as a result
18 of the activity of the storms and so forth since the clean-up work
19 was completed last year, if in fact, if there's, you know, what's
20 the status of the oil spill indicated. There may or may not be any
21 activities to do but that is, that is a "clean-up action to be
22 done." On the other hand it continues and brings to closure, I
23 believe, the work that was done, you know since '89 in shoreline
24 assessments in -- and subsequent clean-up work. There were a lot
25 of questions raised about "how clean," was it clean when the
26 project, the clean work was terminated last July and, again, the --

1 both the federal and state position was that they there were
2 cleaned to state standards and federal standards but, not "entirely
3 clean." I think from my perspective of environmental conservation
4 that it is essential that this assessment continue and continue
5 along the same lines that was done sequentially following the spill
6 of March of '89 and would be a serious mistake not to do that.
7 Mark, do you want to add something to this?

8 MR. BRODERSEN: Well I think you covered it very well.
9 I just need to bring people's comfort level up from where we ended
10 last year. We cleaned it until we said it was clean, but not free
11 of oil, and at this point, we need to go out and see if Mother
12 Nature hasn't really finished the job for us and if she hasn't,
13 there maybe isolated pockets that we need to treat. I would hope
14 we don't find that, but we need to see if that's the case or not.

15 MR. SANDOR: In the water, I could buy that, but you
16 know, like the oiled mussel beds -- conclusion that was reached in
17 the clean up process that -- the oil, the mussel beds themselves
18 would be just raised, cleaned and then reset. The oiled mussel
19 studies, I guess, one of the optional treatment was to do stripping
20 in the oiled mussel beds and try to allow -- the wave action
21 perhaps to get under the mussel beds themselves. Anyway

22 MR. COLE: Mr. Chairman?

23 MR. SANDOR: Yes?

24 MR. COLE: I'd like to ask a question. First, are we,
25 we're studying mussel beds, aren't we? That's a separate issue?

26 MR. SANDOR: Well, but I'm just saying that the degree of

1 clean-up was not universal in the -- in this -- this shoreline
2 assessment will work at the whole thing again.

3 MR. COLE: What troubles me is in, we're shore -- in
4 shoreline assessment, the last three years, shoreline assessment
5 this year, then next year we'll say, well, you know, we'll have to
6 see what happens next year, I mean and how it's going. Is this the
7 last year for this, or, do you contemplate another assessment next
8 year? That's question number one. And number two, what cleanup
9 activities can we justifiably do, even if we find some continued
10 oiled beaches?

11 MR. SANDOR: Well, number one, I would hope that -- as a
12 result of this shoreline assessment, this would indeed show that
13 nature's continued it's restoration work and that this may not be
14 continued. Number two -- I don't, I don't know that there would be
15 any clean-up work that might have to be done, perhaps except in
16 subsistence areas. I know in some of the clean-up work that was
17 done last year and the year before, that there was tidelands and
18 what not that had to be cleaned up in areas that -- or -- were
19 subsistence and what not. But more importantly, or equally
20 important I think, the comfort level and I think the people would
21 be reassured that, indeed, this natural recovery process is
22 occurring, so, --

23 MR. COLE: I'd like to make one other comment Mr. Chair.
24 We know the public says don't overlap these studies, and if we're
25 studying subsistence areas as we think we were in these projects,
26 then, you know, we can't, should not be in any event overlapping,

1 but if it's recognized we're paying \$500,000 for a comfort level of
2 the status of the oiling on the beach of Prince William Sound, I
3 personally not prepared to vote against it, but I think that this
4 is another example that we're getting pretty far out on studies and
5 not leaving much to restoration -- but let's go on. Thank you.

6 MR. SANDOR: Okay, for 93038, that's been approved.

7 UNIDENTIFIED: Yes we've done '38.

8 MR. SANDOR: 93039 is, without objection is approved?
9 And moving on to 93041, comprehensive restoration monitoring
10 program phase 2; monitoring plan development, NOAA, \$237.9
11 thousand, no objection from Interior. Is there any objection to
12 this project?

13 MR. COLE: What are we monitoring this time?

14 DR. MORRIS: Excuse me, I anticipated the question, Mr.
15 Chairman?

16 MR. SANDOR: Alright.

17 DR. MORRIS: This is to complete the development of the
18 monitoring plan that will become part of the restoration plan. In
19 1992, we con -- we had a project which was to design the conceptual
20 design of the monitoring plan. Phase 2 is to go from concept to
21 reality with, with a plan, a document that requires input. So
22 that's all this is. It's a con -- it's mainly -- money for a
23 contract to complete the development of the natural recovery long-
24 term monitoring plan in conjunction with the restoration plan.

25 MR. SANDOR: Any further questions? Are there any
26 objections to 93041, comprehensive restoration monitoring. There

1 being no objections, that project is approved. 93 --

2 MR. COLE: Let me ask this question.

3 MR. SANDOR: Yes?

4 MR. COLE: I'm just troubled. Are we -- is this in
5 addition to the million five for the restoration plan -- and how
6 does it fit to the restoration plan?

7 MR. SANDOR: Mr. Morris, would you -- hold any -- number
8 the Restoration Team address that question?

9 DR. MORRIS: Monitoring is intended, monitoring of
10 natural recovery of resources and services is intended to be a comp
11 -- an integral component of the restoration plan that the Trustee
12 Council will adopt. It's intended because it hasn't been adopted
13 yet or approved, designed. This particular thing will be the
14 technical document that supports the restoration plan in how the
15 monitoring component will be implemented in future years. Did that
16 answer the question?

17 MR. COLE: Are we monitoring by virtue of this plan any
18 injured resource, the recovery of any injured resource?

19 MR. MORRIS: We intend to be and in some subsequent
20 years, this particular project is not, cond -- any field work and
21 monitoring the work shops and data gathering.

22 MR. COLE: Are you designing a process for the monitoring
23 component of the restoration plan?

24 MR. MORRIS: Okay. Yes, we are. But it's -- it's
25 essentially a supp - it'll be a supplemental to the restoration
26 plan itself. The restoration plan funding -- the restoration plan

1 is not intended to include the technical monitoring plan and so for
2 the funding for the development of the restoration plan does not
3 include this.

4 MR. COLE: This is an addition, an addition to the -- or
5 supplement to the work on the restoration plan?

6 MR. MORRIS: Yes.

7 MR. McVEE: Mr. Chairman?

8 MR. SANDOR: Mr. McVee?

9 MR. McVEE: Will this get at the question, coming out of
10 this investment, will get at the question of which resources need
11 to be -- continue to be monitored relative to the rate of recovery
12 and also, as to how often monitoring should take place. Every
13 year, every other year, every five years, is that one of the
14 elements that will be?

15 MR. MORRIS: Yes, that's what's is intended to do. What
16 resources should be monitored, and how often, to what level of
17 detail. What most cost-effective ways to combine and coordinate
18 the different monitoring components.

19 MR. COLE: Mr. Chairman, what does Dr. Spies say about
20 this?

21 MR. SANDOR: Dr. Spies?

22 DR. SPIES: I think it -- it's, if the Trustee's wish to,
23 to -- move ahead with monitoring recovery of natural resources.
24 This is, this is the plan to do it and what we have now is a
25 collection of different studies of which you, many of these are
26 represented in the current work plan, and this is an attempt to

1 collate those together and move forward into monitoring natural
2 resources.

3 MR. SANDOR: Mr. Barton?

4 MR. BARTON: Mr. Chairman, I think this is one of the
5 most important components of the restoration plan and -- I think we
6 ought to move ahead with it. I think it probably can save us money
7 over the long-haul, so I full support this study, and it may well be
8 in addition to the funds that we've set aside for the restoration
9 plan, but I think it's a good investment.

10 MR. COLE: Okay. Thank you.

11 MR. SANDOR: Any further comments or questions? Any
12 objection to 93041. It is then approved. 93042, recovery
13 monitoring of Prince William Sound killer whales injured by Exxon
14 Valdez oil spill using photo identification techniques. It's a
15 NOAA project, 127.1 thousand, four to two vote on the Restoration
16 Team, recommendation by chief scientist, unanimously recommend by
17 the Public Advisory Group. Is there any objection to this 93042
18 project?

19 MR. COLE: Isn't this the third time that's come back
20 before us? I don't like to think I'm getting weak, but I don't
21 object to it.

22 UNIDENTIFIED: We skipped it in your

23 MR. COLE: If they don't get it done, we'll come back
24 every year till we get it done --

25 MR. SANDOR: There being no objection, the project is
26 approved. The third time is a charm, perhaps. 93043, sea otter

1 population demographics and habitat use in areas affected by the
2 Exxon Valdez oil spill, Department of Interior, Fish & Wildlife
3 Service, 291.9 thousand. Five to one, Restoration Team vote.
4 Chief scientist recommends with a reduced budget, --

5 MR. ROSIER: Recommend deferral.

6 MR. SANDOR: ... Public Advisory Group looked at the
7 contracting, and Mr. Rosier recommends it be deferred, deferred.
8 93045 - survey, excuse me.

9 MR. PENNOYER: I'd add, certainly if anybody, if any
10 council member is going to say no, as the Interior memo does, then
11 we would defer, but -- do I, can I ask why we're deferring this
12 one?

13 MR. ROSIER: Mr. Chairman, in my mind, at this time, I'm
14 just not willing to, to really -- understand what this project is
15 about and I think we need some further discussion on it.

16 MR. PENNOYER: Thank you.

17 MR. SANDOR: And we'll have that opportunity for
18 discussion later today. 93045, surveys to monitor marine bird and
19 sea otter populations in Prince William Sound during summer and
20 winter. Department of Interior and Fish and Wildlife Service
21 unanimously recommended. Previously approved by Trustee Council
22 Advisory Group, I guess. Don't quite understand that comment -- no
23 objection by Interior, yes? Curt McVee?

24 MR. McVEE: Yes. I believe we took up this up at the
25 last meeting and we did approve funding for it because it was a
26 project which had to start first of March.

1 MR. SANDOR: Oh, okay. So we are reaffirming it. Well,
2 obviously, we've already authorized so, I guess without objection,
3 we'll continue to approve that project. Approved. 93046, habitat
4 use, behavior and monitoring of harbor seals in Prince William
5 Sound, Alaska. ADF&G, \$230.5 thousand -- no objections indicated,
6 Dr. -- Mr. Pennoyer?

7 MR. PENNOYER: Well it's simply a question and I think
8 we've done something on harbor seals monitoring, population size,
9 habitat work every year of the spill, have we not or have we
10 actually skipped a year?

11 DR. MONTAGUE: Mr. Chairman, we did not fund this work in
12 1992 with the idea that we could skip a year and we'd look at it
13 again in '93.

14 MR. PENNOYER: Thank you.

15 MR. SANDOR: Notice the Public Advisory Group says look
16 at more local involvement. What local involvement is there going
17 to be in this project? Jerome, do you -- have a comment?

18 DR. MONTAGUE: Yes, Mr. Chairman, the principal
19 investigator on this project does work right closely with the local
20 people and has a good reputation for that. I think the issue the
21 Public Advisory Group raised was to be absolutely certain of it,
22 but not only did we come out with a final report, but that all the
23 villages that could potentially benefit from this information as to
24 whether their subsistence resources are recovering or where they're
25 doing better and where they're doing worse, it should be considered
26 as part of the project and, and we will do our best to accommodate

1 that.

2 MR. SANDOR: Mr. McVee?

3 MR McVEE: Chairman. If I've got this acronym right PTT
4 is a part-time temporary, or some sort of thing? Is that right?

5 DR. MONTAGUE: Where do you see it?

6 MR. McVEE: --

7 MR. SANDOR: In the blue book,

8 UNIDENTIFIED: It's page 187.

9 MR. SANDOR: I'm wrong, okay, well.

10 DR. MONTAGUE: Discussion - platform transmitters.

11 MR. SANDOR: Okay. Is there any objection to this
12 project?

13 MR. COLE: Are we dealing with?

14 MR. SANDOR: 93046, habitat use, behavior and monitoring
15 of harbor seals in Prince William Sound, ADF&G \$230.5 thousand.
16 There be noing (ph) -- there being no objection, the project is
17 approved. 93047, subtidal -- subtidal monitoring, recovery of
18 sediments, hydrocarbon-degrading microorganisms, eelgrass
19 communities, and fish in the shallow subtidal environment. This is
20 NOAA and DEC, ADF&G, project is one million, 8.8 thousand dollars.
21 The Public Advisory Group says look at reducing costs. Can someone
22 elaborate on the Public Advisory Committee's recommendation that
23 costs of this project be reduced and responded to it, Dr. Gibbons?
24 DR. GIBBONS: Sure, yes. I was present. I think their
25 thought when they looked at the price tag of one million dollars
26 that it was very, very high and that -- the, we should look at

1 reducing the cost. That's, that's basically what I got out of it.
2 They said a million dollars was very, very expensive for the
3 monitoring subtidal environments.

4 MR. COLE: Mr. Chairman?

5 MR. SANDOR: Mr. Cole?

6 MR. COLE: Is there -- how does this key to shoreline
7 monitoring, this project that we went through with number 45?

8 UNIDENTIFIED: '38?

9 MR. COLE: No.

10 MR. SANDOR: The shoreline assessment?

11 MR. COLE: The shoreline assessment.

12 MR. SANDOR: This -- is -- more detailed and scientific.
13 Mark?

14 MR. BRODERSEN: Mr. Chair, the project '38 looks
15 primarily at oil present on the high intertidal and super-tidal
16 areas of the beaches whereas this looks at the recovery of the
17 marine organisms and the oil present in the subtidal regions which
18 is below the surface level of the water and is much more geared
19 toward natural recovery rates of those organisms in those areas.
20 There's, there's not correlation between the two projects.

21 MR. SANDOR: Mr. Pennoyer?

22 MR. PENNOYER: Mr. Chairman, write up implies that we not
23 do this in '92. We skipped the year, and now we're picking it up
24 again. So this is one we dropped from last year because we didn't
25 have to do it every year, now we're coming back and seeing where
26 the oil has gone in the interim.

1 UNIDENTIFIED: That's right.

2 MR. SANDOR: Well this is -- was done two years ago, but
3 not -- last year?

4 UNIDENTIFIED: Right.

5 MR. PENNOYER: That's one of those we made a judgment
6 call, we didn't have to do every year, so we're skipping a year and
7 coming back.

8 MR. SANDOR: Any other questions, Mr. Morris?

9 DR. MORRIS: May I make another comment? Yes -- it is --
10 on the face of a large budget for it, but I must remind you it's
11 five different projects essentially combined under one, one title,
12 and we no longer have the technical service for hydrocarbon
13 analysis, so these costs have to support the analysis, the chemical
14 analysis of the samples that they are, they are taken as well,
15 rather. We use to have up to a \$2 million program just for
16 chemistry, so.

17 MR. SANDOR: Any further comments or questions?

18 MR. COLE: Yes. Why does it cost a million dollars?

19 MR. SANDOR: Mr. Morris, can you -- take a crack at that?

20 MR. COLE: Well let me ask this question. Is this a one-
21 year project?

22 DR. MORRIS: Yes, for the field effort. We will be
23 requesting some funding for data analysis around October of '94
24 plan.

25 MR. COLE: About how much?

26 DR. MORRIS: 217,000.

1 MR. SANDOR: In '94?

2 DR. MORRIS Yeah.

3 MR. COLE: So, between now and the first of October, say,
4 this is a one million dollar project, is that right?

5 DR. MORRIS: Yes.

6 MR. COLE: And when we, why, answer if you don't mind,
7 why is, what's the expense of a million dollars for this project?

8 DR. MORRIS: Well, without referring to the detailed
9 budget sheets, as I said, there are five proj -- subprojects within
10 this. Two NOAA projects, two Alaska Department of Fish & Game
11 projects and one Alaska Department of Environmental Conservation
12 project. The, the NOAA component is, for the two studies includes
13 logistics of the, of the vessel to take the sediment samples and to
14 collect the -- the subtidal fish species that we're looking for
15 hydro -- continued hydrocarbon exposure, and it'll be a contract
16 vessel. We haven't --

17 MR. COLE: What is the estimated amount of the contract?

18 DR. MORRIS: Total cost is a hundred and -- what?

19 UNIDENTIFIED: (Inaudible)

20 DR. MORRIS: I have 185,000 total contractual detailed
21 budget, obviously, but the vessel, estimated vessel cost is

22 MR. COLE: I would say between 150 to 200,000, is the
23 rest essentially labor?

24 DR. MORRIS: No, a lot of it is -- hydrocarbon analysis.

25 MR. COLE: Is that analysis going to be done December, or
26 October on or is that going to be done between now and October?

1 And while I'm at, did the Public Advisory Group ask these types of
2 question.

3 UNIDENTIFIED: They did ask, look at reducing cost, they
4 didn't raise the question of cost.

5 DR. MORRIS: The part, part one of this project for 1993
6 has a total cost of 325,000 including 160,000 for contractual which
7 is 70,000 for vessels and 90,000 for chemistry analyses, plus
8 personnel costs that, it's in general administration is about a
9 \$325,000 project. Part two, is, is the microbiology component, the
10 extent to which hydro -- hydrocarbon degrading bacteria are still
11 present or dominate in the sea floor sediments and that's a \$75,000
12 component, mainly a contract to the University of Alaska -
13 Fairbanks to do that type of work.

14 MR. COLE: 70,000?

15 DR. MORRIS: Yes. Part three is the Fish & Game
16 component studying the Eelgrass beds which was, which is conducted
17 through '91 as part of coastal habitat and then suspended in '92
18 shallow, subtidal primarily focusing on, on Eelgrass beds which
19 shows evidence of injury through '91. That's a \$252,000 project of
20 which \$230,000 is contractual to the University of Alaska -
21 Fairbanks. Part four is

22 MR. COLE: Excuse me, what is the University going to do
23 for \$230,000?

24 DR. MORRIS: I'll turn that over to Fish & Game,
25 (inaudible)

26 MR. SANDOR: Dr. Montague?

1 DR. MONTAGUE: Yes -- this project -- in 19 -- Byron
2 indicated through '91, we had several subtidal projects. Shallow
3 and a deep -- bentic (ph) project, -- some of the more important
4 injuries were in -- the shallow subtidal habitats and this wasn't
5 carried out in 1992 because we felt it could go a year without a
6 new look, so we looked at it in 1993 and our primary concern is
7 that, the injuries that we've seen in the shallow subtidal are very
8 likely to have wide-scale ecosystem food chain effects and as such,
9 feel that it couldn't wait -- so in terms of what they're going to
10 be doing, they'll be looking at a few select areas -- to monitor
11 the recovery.

12 MR. COLE: How many?

13 DR. MONTAGUE: I'll have to look, I'm sorry, I don't know
14 that.

15 DR. SPIES: I believe it's a --

16 UNIDENTIFIED: It's not very many.

17 DR. SPIES: -- four or five sites in each oiled and
18 nonoiled areas?.

19 DR. MORRIS: This project was, Mr. Chairman, was
20 substantially paired back in 1990 and '91 to, to just a few select
21 controls in the oiled sites and this would be the sites they would
22 be proposing to revisit in -- this coming field season.

23 MR. SANDOR: Question, Mr. Morris. What was the cost of
24 the project in that year? The last time, any idea, do you remember
25 -- recall --

26 DR. MORRIS: I, I really don't off the top of my head.

1 DR. MONTAGUE: Mr. Chairman, I believe (inaudible - no
2 microphone).

3 UNIDENTIFIED: I would -- why the University of Alaska
4 selected?

5 DR. MONTAGUE: As you know during the injury assessment
6 litigation sensitive phase, none other projects were conducted by
7 the competitive bid. They were selected because of their expertise
8 and -- I guess the reason we're still proposing that is that
9 they've developed the expertise, they've been doing it all these
10 years, but there's nothing to preclude competitive bidding except
11 that there probably isn't it time to develop a RFP and issue it in
12 time for this field season.

13 MR. SANDOR: Any further questions?

14 DR. MORRIS: There's two more parts to it, should I just
15 complete it?

16 MR. SANDOR: Yes, Please.

17 DR. MORRIS: Part four, is, is examining continued
18 exposure to rockfish. It's a Fish & Game project. The total cost
19 of the project is \$133,000. About \$83,000 of that is contractual
20 for their vessel charters and aircraft charters and for chemical
21 analysis of tissue analysis of the samples, not hydrocarbon
22 analysis.

23 MR. COLE: Whose vessel?

24 DR. MORRIS: I beg your pardon?

25 MR. COLE: Is Fish & Game vessel? Separate -- contract
26 for a different vessel? Is that it?

1 UNIDENTIFIED: It's \$40,000.

2 DR. MORRIS: I believe it's contracted. And then part
3 five is, is the other non subtidal fish species that we've been
4 monitoring the exposure of hydrocarbons, through hydrocarbon
5 metabolites in the bio, mixed function oxy -- levels and
6 histopathology, mainly of fish such as flathead sole, yellow
7 flounder, key components of the benthic, subtidal community. It's
8 heavily -- salary -- the total cost of the project is 218,000 of
9 which 131,000 is in salary to the research team of about seven
10 people for anywhere from two to five months of their time during
11 the year. The only other comment I have on this project is this,
12 is this was, and will remain to be a marine spill and most of the
13 oil that we haven't recovered from the beaches went into the marine
14 environment and this is the only project that Swedish studies we
15 have that looks at noncommercial aspects of the marine environment
16 in terms of continuing exposure from oil pollutants.

17 MR. SANDOR: 69,000. Excuse me. ADEC component of this,
18 Mark, what, what, and that for the hydrocarbon degrading
19 microorganisms, how, how is that project to be done, component?

20 MR. BRODERSEN: Mr. Chairman, DEC in the past has
21 operated as the contractor -- word I'm looking for -- contractor.
22 We've act, acted as the overseer of this project. The University
23 of Alaska has actually carried it out. We've been the conduit for
24 money to the University of Alaska to do projects and give an
25 oversight of the project to make sure that they have fulfilled
26 their contractual obligations. So it's not done in-house.

1 MR. SANDOR: University of Alaska unit what? What unit?

2 MR. BRODERSEN: I think, southeast? I think it's marine
3 sciences, but I'm not sure, they operate out of Fairbanks and
4 Seward.

5 MR. SANDOR: Okay. Mr. McVee. Excuse me.

6 MR. McVEE: Yes, a couple questions. Notice that the '93
7 budget is the million. '94 out year proposal Court is, is, almost
8 a million 956,000, then a proposal would go into '95 -- are, are
9 these proposals designed so that if we were to cut off funding,
10 Council could make a determination at the end of '93 -- say based
11 upon the monitoring plan, that we did not need to do the '94, '95,
12 is, is the design such that it can be cut off in the information --
13 that was accumulated in '93 would be available, and I guess the
14 other question is, is the sampling technique all diving or is
15 there, is there other methodology that's being used to collect the
16 samples?

17 MR. SANDOR: Jerome or Byron, can you respond to that?

18 DR. MORRIS: To a depth of about 20 meters, we have used
19 divers to collect sediment samples. Beyond that we use grabs --the
20 eelgrass component would be all divers. Those are the only two
21 diving components. The subtidal fissures use trawls and other
22 types of nets for collection. Of the out-year components, this
23 project could be stopped. We asked people to envision what the
24 work would be, but this is very iffy. This is the kind of project
25 we wouldn't -- probably not do every year anyhow, but we was given
26 guidance and we proposed to do it every two years. We could stop

1 it and just tell them to work up to date and give us a report at
2 any time.

3 MR. SANDOR: Any other questions or comments? Attorney
4 General Cole.

5 MR. COLE: What did the University of Alaska do for
6 what, as I recall, was eighty thousand?

7 MR. SANDOR: What is it University of Alaska, Seward,
8 Fairbanks or DEC at the sixty-nine thousand? What are they to do?

9 MR. BRODERSEN: Yes. The -- the piece that University of
10 Alaska has that DEC is overseeing is they're looking at the numbers
11 of hydrocarbon-degrading bacteria in the sediments. This is a very
12 cheap method of quickly determining the likelihood of there still
13 being oil present in sediments. This is a method that was
14 developed early on in the spill to try to cut down on the total
15 number of hydrocarbon analyses that had to be done. You can tell
16 relatively cheaply on a given sample whether you need to do a
17 hydrocarbon analysis or not. Hydrocarbon analysis for one sample
18 is between six and seven hundred bucks. You can do the same
19 analysis with microbes, less than a hundred dollars -- I forget
20 what it is -- and that then tells you whether you need to then to
21 do the hydrocarbon analysis on that sample. You can do a much,
22 much wider sampling also than you could if you were to be limited
23 strictly to the hydrocarbon analyses.

24 MR. SANDOR: Any further comments or questions on this
25 project? Is there any objection to this project or its funding at
26 the one point zero zero eight -- one million eight point eight

1 thousand dollars? -- It's one point zero zero eight point eight
2 thousand -- one million eight point eight thousand dollars. Is
3 there objection to this approval totally at that funding level?
4 The project is approved at that total funding level with the
5 admonition, I guess, that for God sakes try to save money
6 (indiscernible -- laughing) questions.

7 MR. ROSIER: Mr. Chairman.

8 MR. SANDOR: -- As well as the Council. Yes, Mr.
9 McVee, you had questions?

10 MR. McVEE: No.

11 MR. SANDOR: Oh, Mr. Rosier.

12 MR. ROSIER: Yes. A question there -- you were quoting
13 a one point zero zero point eight budget. The blue book shows a
14 one point zero zero seven. That's a hundred thousand somewhere
15 here on this.

16 MR. BRODERSEN: That's a hundred dollars.

17 MR. ROSIER: Oh, that's a hundred dollars.

18 MR. BRODERSEN: It's rounding here, sir.

19 MR. ROSIER: Okay.

20 MR. SANDOR: Okay. I did that late in the evening, I
21 think, but I lost a thousand dollars (simultaneous laughter). I
22 stand correction again.

23 MR. BRODERSEN: In this version here, which is the
24 original spreadsheet, it shows it eight, and there it's seven.

25 MR. SANDOR: Oh.

26 MR. BRODERSEN: It depends on the rounding convention that

1 you use for you to get a total to a seven or an eight.

2 MR. SANDOR: Oh, okay. I'm sorry. Anyway, it's one
3 million -- seven. (Simultaneous laughter) 9305' -- let's see.
4 Yeah, 93050 was not recommended, so we go to 93051. Habitat
5 protection information for anadromous streams and marbled
6 murrelets. This is a U.S. Fish & Wildlife Service, ADF&G,
7 Department of Interior, Fish & Wildlife Service project at the one
8 million one hundred and seventy-nine point eight -- unless I
9 screwed up. And that was unanimously recommended by the Public
10 Advisory Group -- well, the chief scientist recommended removal of
11 channel-typing, and that was echoed by the Public Advisory Group.
12 Dr. Spies, do you mind explaining that or just reiterating?

13 DR. SPIES: I didn't see the channel-type at this
14 stage would provide that much more information that would be needed
15 for restoration. It's (indiscernible -- out of range of
16 microphone) expensive (indiscernible) -- a hundred thousand dollars
17 at least (indiscernible).

18 MR. SANDOR: What would that do to the cost of that
19 project?

20 MR. BRODERSEN: Mr. Chairman.

21 MR. SANDOR: Yes.

22 MR. BRODERSEN: \$363,000.

23 MR. SANDOR: I beg your pardon?

24 MR. BRODERSEN: \$363,000.

25 MR. SANDOR: Would be the total or is that --

26 MR. BRODERSEN: Would get a reduction.

1 MR. SANDOR: So the total would be
2 MR. BRODERSEN: I don't have the total price on it yet.
3 MR. SANDOR: Okay. So, less, with the channel-typing
4 of three sixty-three. Is there an objection to the project with
5 93051, with the understanding that that is to be reduced with the
6 removal of the channel-typing. So it's one point seven nine, minus
7 three sixty-three, I guess.
8 MR. ROSIER: Eight sixteen point eight, I think.
9 MR. SANDOR: Any objection to that project?
10 MR. COLE: Could I have just a moment. One of the
11 public comments say the oppose the radio telemetry aspect of this
12 project. Would somebody like to comment on that for me?
13 MR. SANDOR: Who's in a position to comment on the
14 radio
15 MR. COLE: Unnecessary and expensive.
16 MS. BERGMANN: Mr. Chair, the radio telemetry portion of
17 this project was added by Fish & Wildlife Service at the
18 recommendation of the peer reviewers. To date, the nests for
19 marbled murrelets have been found primarily by dawn watches, and
20 the peer reviewers felt that it might make sense to look at a
21 feasibility study of actually doing radio tagging of marbled
22 murrelets to try that as a technique to replace or supplement dawn
23 watches. So it was in response to the peer reviewers.
24 MR. COLE: Dr. Spies.
25 MR. SANDOR: Dr. Spies.
26 DR. SPIES: This is directly analogous to the question

1 of harlequin ducks. How much information you need to feel
2 comfortable making decisions about habitat. Again, this is one of
3 two species that links to upland habitat. This is an attempt to
4 get more specific information on the nesting habitat of marbled
5 murrelets, which we know by now has been associated primarily in
6 other areas, and to some extent has been sponsored by the Trustee
7 Council in Prince William Sound and Naked Island on old-growth
8 forest, and you know, this is an attempt to go out and get clearer
9 information along those lines.

10 MR. SANDOR: Yes, Mr. Cole.

11 MR. COLE: Is this not a threatened species in the
12 Northwest.

13 MS. BERGMANN: Yes.

14 MR. COLE: I mean, where, outside of Alaska is it not
15 -- does it exist and its habitat, whatever, and it's not a
16 threatened species.

17 DR. SPIES: British Columbia, I think there's quite a
18 few marbled murrelets. Of course, they don't have the same laws
19 that we do on endangered species.

20 MR. COLE: But there's no other place in the

21 DR. SPIES: I'm not an ornithologist. I would defer
22 to (indiscernible -- out of range of microphone).

23 MS. CAROL GORBICS: My name is Carol Gorbics with the
24 Fish & Wildlife Service. I don't know the exact answers to your
25 questions but Prince William Sound has approximately a hundred or
26 three hundred thousand marbled murrelets, and it is considered one

1 of the largest areas, concentrated areas, in the world for marbled
2 murrelets. We don't have that same kind of information Kodiak-
3 Afognak. We know they also have lots of marbled murrelets. But
4 numbers have declined since the early '70s, even in Alaska, but we
5 don't feel they're as threatened as they are in the Pacific
6 Northwest at this point.

7 MR. SANDOR: Mr. Pennoyer.

8 MR. PENNOYER: Mr. Chairman, two questions on this. This
9 project is sort of divided into two parts. I'm not sure exactly
10 how they relate to each other. They are different people using
11 different information bases, although the final results may well
12 have something to do with habitat, is there some split in the cost
13 between the murrelet nesting part and the stream habitat
14 assessment?

15 MS. BERGMANN: Mr. Chair?

16 MR. SANDOR: Yes, Pam.

17 MS. BERGMANN: Yes, there is. The marbled murrelet
18 habitat piece, I might also say, is divided into two pieces. One
19 using the traditional dawn watches to try to verify the different
20 types of nesting habitat that are in Prince William Sound at Naked
21 Island, which is where all the studies have focused to date, and
22 then looking at other places in the Gulf of Alaska. And then
23 there's also the radio telemetry piece of that. The marbled
24 murrelet piece, which is part B in the detailed budget, is \$301,000
25 for Fish & Wildlife Service, and additional \$222,000 for the U.S.
26 Forest Service to go in and do characterizations actually of the

1 habitats that Fish & Wildlife Service personnel would be finding
2 that marbled murrelets are actually using. So the murrelet piece
3 of that is about \$523,000. The part C is the habitat information -
4 - that's the channel-typing. Jerome, I'll let you talk about the
5 other piece of the budget.

6 DR. MONTAGUE: Mr. Chairman, the stream habitat
7 assessment was a project that was ongoing since last year, since
8 1992, to look at actually walking a number of the streams to
9 determine their value as anadromous streams, and despite what many
10 of us have been led to believe, this project indicated that fully
11 sixty percent, if not more, of the streams they found as anadromous
12 streams were not in current catalogs of anadromous streams,
13 primarily because most of these were originally taken from
14 topographic maps and aerials surveys, and many of the streams they
15 found were not on these maps or in aerial pictures.

16 MR. PENNOYER: Mr. Chairman.

17 MR. SANDOR: Mr. Pennoyer.

18 MR. PENNOYER: So then \$600,000 is going to salmon work?

19 DR. MONTAGUE: I believe it's only \$335,000.

20 MR. PENNOYER: Where did the other \$300,000 go to then?

21 MS. BERGMANN: Channel-typing.

22 MR. SANDOR: Channel-typing.

23 DR. MONTAGUE: That part was the channel-typing, which
24 yes, would go to -- certainly would be involved with salmon if you
25 went ahead with it.

26 MR. SANDOR: Mr. Pennoyer.

1 MR. PENNOYER: One follow-up. You say you did this
2 stream survey project in '91, '92? Do we have to do it

3 DR. MONTAGUE: '92.

4 MR. PENNOYER: This is -- okay even on odd cycles, we do
5 it this year and then discontinue it.

6 DR. MONTAGUE: I believe that we'd be comfortable with
7 the sites, certainly on Afognak, after this year.

8 MR. SANDOR: Any other comments or questions?

9 MR. PENNOYER: Mr. Chairman.

10 MR. SANDOR: Any -- Mr. Pennoyer.

11 MR. PENNOYER: One last follow-up then. So we have about
12 \$300,000 in salmon stream surveys and \$363,000 in channel-typing,
13 and five hundred and something in murrelets. What is the channel-
14 typing that we're being asked by some people to drop? What's the
15 value of it?

16 MR. COLE: What is channel-typing, for the benefit of
17 the uninitiated?

18 MR. RICE: Mr. Chairman, channel-typing is basically
19 a -- a system of identifying through sometimes remote sensing,
20 i.e., topo (ph) maps, air photos, with some ground-truthing, the
21 characteristics of a stream. You know the width of a stream, the
22 length, different -- it's divided up into different segments, from,
23 you know, the slopes from the banks as they come, basically what
24 the watershed is like, and it gives you some information about the
25 value of that stream to primarily anadromous fish, but certainly
26 all fish species that use the stream.

1 MR. COLE: What does this have to do with the Exxon
2 Valdez spill? Why are we getting this study in connection with the
3 spill? Is this not sort of a normal agency function to find out
4 where the anadromous streams are in Prince William Sound or
5 Afognak?

6 MR. RICE: Mr. Chairman, a great deal of work has
7 already been done on channel-typing within Prince William Sound.
8 The Restoration Team felt there was some value in having this
9 information in order to allow us to project a value of other areas
10 to various -- stream value to habitat protection mechanisms or
11 possible enhancement activities. If we did not walk every stream
12 within the spill area, we would still have a body of knowledge that
13 we could use for determining relative values.

14 MR. SANDOR: Any further comments or questions? The
15 Chair asks for a motion on the floor to move approval of an
16 adjustment to the proposed project as written, reducing at least
17 the channel-typing, perhaps something else, and then -- the Trustee
18 Council's proposal -- motion.

19 MR. PENNOYER: You're looking for a motion, Mr.

20 MR. SANDOR: To approve some project. I presume we do
21 not want to -- the total project. If you want to do the total one,
22 go ahead, but I thought we'd agreed to at least drop the channel-
23 typing.

24 MR. COLE: Mr. Chairman?

25 MR. SANDOR: Yes.

26 MR. COLE: Why are these projects related? This

1 survey of the anadromous streams and these murrelets. That's
2 throwing me a little bit. What's the relationship in the singular
3 projects?

4 DR. MONTAGUE: Mr. Chairman, primarily it's simply
5 because they were all projects that supported information needs of
6 the habitat protection process.

7 MR. PENNOYER: But they are -- Mr. Chairman? But they
8 are separable, if we wanted to do that?

9 MR. COLE: But is there -- then if you say that, is
10 there no other projects? I thought we'd discussed a number of
11 other projects this morning which have to do with habitat
12 protection. What is it that distinguishes these two projects and
13 brings them together as distinguished from the other ones. That's
14 what I'm troubled about.

15 DR. MONTAGUE: Mr. Chairman, I see your point. Indeed,
16 there are other projects that are providing information to the
17 habitat group, and all the projects here were initially discussed
18 as separate projects. In the case of the harlequins, it was
19 already an existing project that any particular combinations or re-
20 administration was deemed to be counter-productive, but in this
21 project it -- there was, certainly with the habitat -- the stream -
22 - the channel-typing and the stream walks, certainly very closely
23 related -- murrelets less so. The reason they were combined was
24 the desire that some cost savings could be achieved.

25 MR. COLE: Mr. Chairman.

26 MR. SANDOR: Mr. Cole.

1 MR. COLE: You propose stream walking as part of this
2 anadromous fish project? I'm not sure I

3 DR. MONTAGUE: Mr. Chairman, yes. That's -- that's what
4 stream habitat assessment is. I mean, not in its entirety, but
5 it's a major part of it.

6 MR. COLE: The question is why don't we do that type
7 work first by channel-typing, find out what information we get from
8 the channel-typing, aerial surveys and all this type of thing, and
9 then when we get done with that, then perhaps next year say, well,
10 we didn't get enough information on stream number 135 and we'd
11 better walk that stream. That's just a thought. The channel-
12 typing seems to me would be an expeditious and relatively
13 inexpensive method to acquire that would contrast with walking the
14 stream.

15 DR. MONTAGUE: Mr. Chairman, I see what you're saying,
16 and there was certainly a lot of discussion of that, but as I've
17 indicated that what the stream walks have shown is that we really
18 didn't have a very good idea of the full extent of the anadromous
19 streams, and having the channel-typing information -- I'm not
20 comfortable, and I believe the peer reviewers weren't comfortable,
21 that that would eliminate the need for the stream habitat
22 assessment.

23 MR. COLE: Last question -- how many streams are we
24 talking about walking?

25 DR. MONTAGUE: Mr. Chairman, I can't answer that right
26 now, but we'll have the answer as soon as possible.

1 MR. COLE: You know, about ten or a hundred -- two
2 hundred?

3 DR. MONTAGUE: I believe it's in the hundreds.

4 MR. BARTON: Mr. Chairman.

5 MR. SANDOR: Mr. Barton -- excuse me.

6 MR. BARTON: Is not the stream walking really the
7 ground-truthing for the classification work?

8 DR. MONTAGUE: Mr. Chairman, yes -- to call it ground-
9 truthing would assume that you're doing most of the work using
10 another method and you're only looking at this to test the accuracy
11 of it, which isn't exactly the case where it's wide scale and we
12 feel that there isn't a replacement for that activity.

13 MR. BARTON: I'm just going to say, Mr. Chairman, that
14 we've used the stream classification system for many years in our
15 fisheries, and I believe the state has done likewise on a number of
16 streams in a number of areas around the state. We have it a
17 valuable tool in planning fisheries enhancement projects and -- I'm
18 ambivalent about the inclusion of the classification work, mainly
19 because the Public Advisory Group seems to have problems with it,
20 but I can tell you we have found it a valuable tool over the years.

21 MR. COLE: The walking?

22 MR. BARTON: No, the classification assisting, which
23 includes some walking.

24 MR. SANDOR: Any other comments or questions?

25 MR. PENNOYER: One more.

26 MR. SANDOR: Yes, Mr. Pennoyer.

1 MR. PENNOYER: On the concept of not funding ongoing
2 work, I am aware of the fact that the Prince William Sound
3 Management & Research Center walked streams and done escapement
4 surveys for thirty-three years since statehood, and some are more
5 extensive than others, but some areas quite extensively, and how do
6 these two programs mesh then? Are we doing the same things we've
7 done before or are you seeking new areas, walking farther upstreams
8 or -- ?

9 DR. MONTAGUE: Mr. Chairman, I probably don't -- no, I
10 don't have the information to answer your question as correctly as
11 you'd like. Certainly, that we have not walked the streams, I
12 would say, even within one or two percent as extensively as we have
13 in this project, and it's because of that that we found this error
14 rate of about sixty percent.

15 MR. PENNOYER: Thank you.

16 MR. COLE: Mr. Chairman, just walking hundreds of
17 streams in Prince William Sound and Afognak and Kodiak gives me a
18 lot of pause. How far do you walk up these streams? Two or three
19 miles? How far up -- ?

20 UNIDENTIFIED VOICE: 'Til you meet a bear.

21 (Simultaneous laughter)

22 MR. SANDOR: Start walking with the bears

23 DR. MONTAGUE: It sounds inordinate, but on the other
24 hand they're able to walk these number of streams. I mean, you
25 think about that, it's less than a thousand dollars a stream.
26 Usually, it -- again I'll try to get more information for later

1 discussion -- but the intent is basically to walk the streams to
2 where anadromous fish no longer use them, and you have to remember
3 that the major anadromous streams that, you know, large streams
4 visible from the air, aren't being walked. I mean, knowledge is
5 already known on those. These are the smaller streams for which we
6 don't have information, so we're not talking about streams where
7 you walk them for fifty miles.

8 MR. SANDOR: Any further comments or questions? Mike
9 Barton.

10 MR. BARTON: Yes. Just let me say to Mr. Cole that
11 most of the streams, I believe on the public lands within the
12 Sound, have already been classified. So how much more work would
13 be necessary on those streams, if any --

14 MR. SANDOR: Any further comments or questions? Is
15 there any move for adoption in whole or in part or a recommendation
16 that this be deferred?

17 MR. PENNOYER: Mr. Chairman, I'm not sure what we're
18 going to do with it if we defer it from our conversation here so
19 far. I'm still not sure from the discussion that the channel-
20 typing is something that we need to do now versus later on, and I
21 haven't heard a very definitive answer to that so far. Some people
22 seem to think that channel-typing and ground-truthing with walking;
23 others seem to think the walking survey is the primary tool we're
24 using and channel-typing is something you could do later or when
25 you get around to it. So, I'm sort of left up in the air. I think
26 we should perceive as an aspect of this, but I'm lost to say how

1 much.

2 MR. COLE: Well you're an expert in this area from
3 NOAA, what do you think? (Laughter)

4 MR. PENNOYER: I haven't done much channel-typing.

5 MR. COLE: I mean, the lawyer doesn't

6 MR. PENNOYER: I've done a lot of the stream walking, Mr.
7 Cole, but I haven't done much channel-typing, so I can't tell you
8 how much you have to do.

9 MR. SANDOR: Dr. Montague.

10 DR. MONTAGUE: Mr. Chairman, Mike Barton hit on a topic
11 that I'd wished I'd expressed straightaway, and that is that the
12 stream habitat assessment is entirely conducted on private lands.
13 It's not being done on public lands. And it's on the private lands
14 that our information is poorest.

15 MR. SANDOR: (Indiscernible) give another option. Is
16 there a motion for adoption? Adoption in whole or in part --
17 deferral?

18 UNIDENTIFIED VOICE: Mr. Chairman.

19 MR. SANDOR: Or do you want to go to lunch? (Laughter)

20 MR. PENNOYER: Mr. Chairman, I'll move we adopt
21 everything but the channel-typing, and hold that over, defer that
22 until somebody gives us a better explanation of why we have to do
23 it now.

24 MR. SANDOR: Moved that the project be adopted, less
25 the channel-typing. Is there a second.

26 MR. ROSIER: Second the motion.

1 MR. SANDOR: Seconded by Rosier. Any further
2 discussion? Any objection?

3 MR. COLE: Object -- to the stream walking on private
4 lands.

5 MR. SANDOR: An objection -- for deferral then later
6

7 MR. COLE: And let me say this, until there is more
8 definitive information available of how many streams we're talking
9 about and in what areas.

10 MR. SANDOR: Okay.

11 MR. PENNOYER: Mr. Chairman.

12 MR. SANDOR: Yes.

13 MR. PENNOYER: Could I offer a substitute motion

14 MR. SANDOR: Yes.

15 MR. PENNOYER: ... to go with the murrelet part and defer
16 the other two parts until further information is presented, to get
17 us something.

18 MR. SANDOR: Please state the motion. Please state the
19 motion.

20 MR. PENNOYER: The motion is that we proceed with the
21 murrelet part of the project and defer the part on the channel-
22 typing and stream walking until we receive further information.

23 MR. SANDOR: Is there a second?

24 MR. McVEE: Second.

25 MR. SANDOR: Seconded by Curt McVee. Any objection to
26 that.

1 UNIDENTIFIED VOICE: I object.

2 MR. SANDOR: There's objection by

3 MR. PENNOYER: Best defer the whole thing and go to
4 lunch.

5 (Simultaneous laughter)

6 DR. MONTAGUE: Mr. Chairman.

7 MR. SANDOR: Yes.

8 DR. MONTAGUE: Dr. Spies has a

9 MR. SANDOR: Dr. Spies, you have some thought?

10 DR. SPIES: I can't answer Attorney General Cole's
11 question about how much have been walked or how many propose to be
12 walked, but I do know that the peer reviewers that looked at this
13 and what's been done over the past year in Prince William Sound
14 were very high on this project and the value it has. It's
15 relatively cheap for the amount of information you're getting.
16 You're getting long, additional upstream portions and upland
17 habitat described. You're getting additional streams. You're
18 getting actual corrections to topographical maps. It seems to me
19 that that's pretty basic information for making decisions on
20 habitat purchase, so I would recommend that part of it.

21 MR. BARTON: Mr. Chairman.

22 MR. SANDOR: Mr. Barton.

23 MR. BARTON: I move adoption of this project, minus the
24 stream classification.

25 MR. SANDOR: It has been moved that this project be
26 adopted minus the stream classification. Is there a second?

1 MR. COLE: Can I ask before we move the question,
2 what would we be doing then?

3 MR. BARTON: We'd be doing the murrelet study and the
4 habitat assessment work -- the stream habitat assessment work.

5 MR. PENNOYER: Stream walking.

6 MR. COLE: Stream walking.

7 MR. PENNOYER: Is that the motion on the floor?

8 (Simultaneous laughter and talking)

9 MR. COLE: I might change my mind.

10 (Simultaneous laughter)

11 MR. COLE: Does Mr. Cole second or anyone else
12 second?

13 MR. McVEE: Second the motion.

14 MR. SANDOR: It's been second. Is there any objection
15 to that?

16 MR. COLE: Let's talk about it this afternoon.

17 (Simultaneous laughter)

18 MR. SANDOR: We will defer to lunch. I would ask that
19 we return at 1:15, and we'll critique the process by which we're
20 following and whether to continue.

21 (Off Record at 12:15 p.m.)

22 (On Record at 1:20 p.m.)

23 MR. SANDOR: Mr. Barton was here.

24 MR. PENNOYER: I've got some questions -- an answer from
25 the RT.

26 MR. SANDOR: Sure.

1 MR. PENNOYER: Dr. Gibbons where in this document does it
2 summarize the total amount requested by agency for the approved --
3 at least the initial group of approved projects? Is there a
4 summary in there somewhere? I couldn't find one in the paperwork?

5 DR. GIBBONS: It's not in this one itself, but it is in
6 the detailed budgets that were passed out, and I can get that
7 xeroxed out of that detailed budget.

8 MR. PENNOYER: Well, it's not urgent, but if you get a
9 chance before we finalize this, I'd like to have some comparison
10 where we end up -- maybe not in the individual decisions but I'm
11 interested overall what impact we're having.

12 MR. SANDOR: Now, let's call the Trustees -- the
13 meeting of the Exxon Valdez Oil Spill Settlement Trustee Council
14 continues, and as I said just before lunch that I felt it would be
15 appropriate to spend just several minutes, a few minutes, to
16 critique what we've done so far and what we plan to do the rest of
17 the afternoon. See if we're -- if we want to continue the process
18 we're following or modify the process in any way. The Chair's
19 intent was to simply continue down this list, go through the five
20 projects that the Public Advisory Group had suggested, and -- and
21 other projects that might be proposed, and then begin again with
22 each of the deferred projects for reconsideration, and the
23 presumption was that all these deferrals, and specifically, I
24 guess, the Department of Interior's position that was indicated as
25 no on many of these projects that the rationale for them either be
26 discussed and Curt McVee would either reaffirm or change the

1 position. But as to the process that we're following and what
2 we've done up to this point, is there any comment, suggestion from
3 any member of any change that we should do, any expectations of --

4 MR. PENNOYER: Yes, Mr. Chairman, we've only got about
5 six more to go in the process in the way we were doing it, and then
6 we'll be done, and presumably we'll decide whether we're going to
7 start over again and how we start over.

8 MR. SANDOR: Okay.

9 MR. PENNOYER: We only have about six, excuse me, that we
10 have to consider for deferral or approval.

11 MR. SANDOR: Okay, then shall we begin again with
12 93051, and determine if nourishment has somehow found some solution
13 to action. Do we want to defer 93051? Adopt, approve it in total,
14 or approve it in part?

15 MR. COLE: Mr. Chairman, nourishment has prompted
16 more questions.

17 MR. SANDOR: Nourishment has prompted more questions.
18 Let's mark that as deferred, and 93052 is identification,
19 protection of important bald eagle habitats. That was not
20 recommended. Moving to 93053, hydrocarbon data analysis,
21 interpretations and database maintenance for restoration and NRDA
22 environmental samples associated with the Exxon Valdez oil spill.
23 The recommendations for action. Is there any objection to the
24 adoption of 93053, which is led by NOAA, and is a \$105.5 thousand.

25 MR. COLE: Mr. Chairman?

26 MR. SANDOR: Yes.

1 MR. COLE: How does this relate to the analysis being
2 done by the University of Alaska, these hydrocarbon analyses? Is
3 there any way to put these analyses together? Why not do them all?
4 Is that not feasible and why?

5 DR. MORRIS: The only analysis, to my knowledge, that
6 the University of Alaska is performing is ultraviolet fluorescence
7 screening on the sediment samples. You could ask somebody involved
8 with the coastal habitat program. I'll correct that if I'm wrong.
9 The -- with the termination of the technical services run program,
10 which did all the damage assessment hydrocarbon analysis samples
11 and farmed it out under contract to qualified laboratories, all the
12 analyses that remain to be done in this program are being conducted
13 by the NOAA (indiscernible) lab.

14 MR. SANDOR: Any further comments or questions?

15 MR. COLE: Yes. Are you saying that the University
16 of Alaska is not doing any hydrocarbon analysis in any of these
17 projects?

18 DR. MORRIS: They were never an approved -- they never
19 applied or were approved as a laboratory to conduct any analysis
20 for the damage assessment or restoration projects that we're doing.

21 MR. SANDOR: Any further questions? Is there any
22 objection to the approval of this project -- 93053? The project is
23 approved. 93057, damage assessment, GIS geographic information
24 systems. What is that -- GIS? 93057 was unanimously recommended,
25 ADNR, \$67.5 thousand. Is there any objection to the approval of
26 this project? The project is approved.

1 MR. COLE: I would like to raise a question. You
2 scooted along fairly fast there.

3 MR. SANDOR: Yes.

4 MR. COLE: Well, it says this project provides
5 baseline information repository for shoreline, oiling,
6 Environmental Sensitivity Index, shore type, ownership, salmon
7 streams -- now what salmon streams are we talking about. In the
8 first place, I mean, I -- you know, are you going to put your
9 shoreline information, your study this summer, does that go into
10 this project? If so (indiscernible -- mumbling), then are the
11 salmon streams that you're talking about, the walking, the streams,
12 go into this project?

13 MR. SANDOR: Marty, can you answer that question?

14 MS. RUTHERFORD: I'm sorry, I wasn't following. Could
15 you repeat that again, Attorney General Cole?

16 MR. COLE: Well, it says this project provides
17 baseline information repository. That's the central function for
18 statistical analysis of mapping in support of damage assessment
19 projects scheduled for completion during this last budget period
20 and for final databases and project documentation, repository
21 storage and distribution and dissemination. And then among the
22 information, the groups of information which is to go to this
23 repository is salmon streams and -- for example -- and shoreline
24 oiling. Is this the project where the information's already
25 collected, or it is for information which will be acquired this
26 summer like from walking those salmon streams if we approve that

1 project, and DEC's oil shoreline monitoring.

2 MS. RUTHERFORD: Both actually. It has been --
3 historically it has been the repository and analytical analysis,
4 GIS effort, for the natural resource damage assessment studies, and
5 it would continue for the '93 projects, so it would be the
6 completion of ones that are already ongoing, and then for those
7 that are going to be starting up this summer as well -- continuing
8 this summer.

9 MR. COLE: -- finish this by September 30, '93.

10 MS. RUTHERFORD: Pardon? I -- what was that?

11 MR. COLE: I said this was supposed to be finished by
12 September 30, '93. Yeah, I thought we were talking about both.
13 This is just the damage. This would be just for those being
14 completed now, but it would be building on what they've gotten in
15 previous years.

16 MR. COLE: So next year, we'll essentially do the
17 same.

18 MS. RUTHERFORD: Next year we'd be moving just into
19 restoration GIS, which is 93062. They've separated out the natural
20 resource assessment GIS project from the restoration GIS project,
21 which is 93062.

22 MR. COLE: So, as I understand it then, walking these
23 streams would be done and so forth. That information will be
24 collected in raw data forms by Fish & Game or whomever, and then
25 given to the Natural Resources to plug into the final form. Is
26 that the way it's designed to work.

1 MS. RUTHERFORD: I don't know about that particular
2 project, but some projects the agencies do the work themselves and
3 some projects the Alaska Department of Natural Resources GIS
4 program does that program for them.

5 MR. COLE: Mr. Chairman, what I'm getting at is I
6 continue to see how these things mesh together, and whether we
7 could do some consolidation of what we're doing. We continually
8 hear that from the public and the advisory group. Can't we do some
9 of these projects together, and I -- I -- maybe we can't.

10 MR. SANDOR: Mr. Barton, do you have a comment.

11 MR. BARTON: Well, Marty answered my question, but I
12 would like to comment. I would anticipate that the stream
13 assessment would go into the GIS database though. I'm a little --
14 it seems to me we've just got one GIS database, even though we have
15 two projects. Is that correct?

16 MS. RUTHERFORD: That's correct.

17 MR. BARTON: Yeah, in GIS. But, you know, I think our
18 intent back in the beginning of this effort was that we would have
19 a single GIS repository from which all the agencies then could
20 draw, and that they would cover all the studies that needed that
21 type of service, and we'd put several hundred thousand dollars into
22 GIS in the early stages of the damage assessment process, and this
23 is really just winding down the damage assessment GIS database and
24 beginning to then incorporate in project '62 the restoration

25 MS. RUTHERFORD: That's correct.

26 MR. BARTON: ... GIS. So the distinction in my mind is

1 nonexistent.

2 MR. McVEE: Mr. Chairman.

3 MR. SANDOR: Mr. McVee.

4 MR. McVEE: We have a GIS work group, and I assume
5 that that work group is one that's responsibility is to monitor
6 this whole effort and see that this project and damage assessment
7 project is integrated within the other projects, and the other
8 projects within this project. And I guess we haven't had a report
9 from that work group to know how things -- I guess maybe the
10 question is -- the work group funding is not included in this
11 budget, that's a separate item in the administrative budget, isn't
12 it?

13 MS. RUTHERFORD: Yes, that's a separate item.

14 MR. McVEE: Maybe we can talk about that a little bit
15 more when we get to administrative budget.

16 MR. SANDOR: Any further comments or questions? Is
17 there then any objection to 93057, damage assessment GIS, ADNR,
18 \$67.5 thousand?

19 MR. COLE: Can we combine them with '62?

20 MR. SANDOR: Can we combine it with '62?

21 MS. RUTHERFORD: I don't think there'd be a problem
22 with that.

23 MR. SANDOR: Can we combine it with some savings?

24 MS. RUTHERFORD: -- (Inaudible -- laughter) Mr. Chair.

25 MR. SANDOR: Well.

26 MR. McVEE: Mr. Chairman.

1 MR. SANDOR: Yes.

2 MR. McVEE: We may have a problem combining it.
3 Interior is saying no on '62. One of our problems with that is
4 that we have not had a report from the GIS work group. We set up
5 the work group. We have not had a report from them how it is
6 working, and so on. But I would have no problem combining, if we
7 approve that, if some later date you can get that report and
8 ultimately have an efficient process and a good product, to my
9 view.

10 MR. SANDOR: Well, let's jump to 93062, which is the
11 restoration GIS. Again, DNR at \$138.4, which --

12 MS. RUTHERFORD: Mr. Chairman.

13 MR. SANDOR: ... that's on page 216-217. Why --

14 MS. RUTHERFORD: Mr. Chairman.

15 MR. SANDOR: Yes.

16 MS. RUTHERFORD: The only thing that I was thinking
17 was, after I said there could be no savings, is -- we set this
18 figure reflective of the work plan that we were recommending to the
19 Trustee Council. If, in fact, the work plan is cut back
20 significantly, then perhaps it is possible to have some savings in
21 the 93062 project. So, I guess that is not beyond the realm of
22 possibility here.

23 MR. COLE: Mr. Chairman.

24 MR. SANDOR: Yes.

25 MR. COLE: I thought that this -- that the view
26 expressed by the Chairman, that can we make a savings if we combine

1 '57 and '62 by the very fact of combination, not whether we can cut
2 back '62 in absolute terms.

3 MS. RUTHERFORD: I'm aware of that Mr. Chair, and I --
4 my initial reaction was no, and then I rethought and I -- the
5 savings could be in '062 because if the restoration activities
6 associated with the '93 work plan are not as great as we had
7 anticipated then, we probably could have some savings, but it would
8 be in this particular project, not the other one.

9 MR. PENNOYER: That's not a result of combination; that's
10 the result of elimination of some projects?

11 MS. RUTHERFORD: That -- that is correct.

12 MR. SANDOR: Well, looking at these together is there
13 some proposed action by the Trustees to approve these jointly with
14 some targeted savings?

15 MR. BARTON: Mr. Chairman, I move that we combine '57
16 and '62, and that '62 be revised in accordance with the actions we
17 take today regarding the program of work to reflect any savings
18 that might accrue from that.

19 MR. PENNOYER: Second.

20 MR. SANDOR: Motion by Barton, seconded by Pennoyer.
21 Is there any objection to that? Those two projects are approved
22 with that condition and understanding. Then 93059 and 93060 had
23 already been approved by the Trustee Council because they were time
24 critical, so I presume there is no further action needed by this
25 Council today. 93063 --

26 MR. COLE: Excuse me -- help again. Have we approved

1 -- you say -- '59 now?

2 MR. SANDOR: Well, '59 and '60 was previously approved
3 by the Trustee Council.

4 MR. COLE: '59 and '60. What about '61?

5 MR. SANDOR: That's just where we're going now. 93061,
6 new data acquisition. This is U.S. Forest Service and Alaska
7 Department of Natural Resources at \$535,000. DNR proposes action
8 on this list is to be deferred for discussion. Move to 93063,
9 survey and evaluation of instream habitat and stock restoration
10 techniques for anadromous fish. That's unanimously recommended.
11 Dr. Spies has an E, and there is no objection. Is there any
12 objection to approval of 93063, survey and evaluation of instream
13 habitat and stock restoration techniques for anadromous fish.

14 MR. COLE: May I have a moment please?

15 MR. SANDOR: Yup. This is ADF&G at \$59.4 thousand.

16 MR. COLE: How much?

17 MR. SANDOR: \$59.4 thousand.

18 MR. COLE: This is to design salmon spawning habitat
19 restoration and enhancement project. Is that information not now
20 reasonably known?

21 MR. SANDOR: Dr. Montague?

22 DR. MONTAGUE: Mr. Chairman, this project was funded in
23 1992 and was not funded for a close-out, and the goal of the
24 project was to fix streams throughout the oil spill area that could
25 benefit from some sort of an enhancement action. You know, a
26 waterfall here that a fish pass could be put in, and open up

1 upstream areas to anadromous fish use. And the equipment that was
2 placed into the field in 1992 was not intended to be removed
3 because it was planned that the project would carry on in 1993.
4 The project did not pass the Restoration Team's review in 1993, so
5 this aspect is simply to go out and get the data collection gear
6 that's been left over the winter and to analyze the results of
7 that.

8 MR. SANDOR: Any further questions or comments?

9 MR. COLE: Well, one of the project's goals is
10 supposed to do is to review existing literature and databases to
11 determine preliminary restoration techniques for specific sites and
12 identify sites where field studies are needed. You know, that's
13 what caught my eye. Isn't that the type of information that's
14 already known by the agency?

15 DR. MONTAGUE: Well, it's known through this project, and
16 basically what it's saying is that they will be reporting on that,
17 which are the results of this project. But, no, the agency did not
18 have a full assessment or much of an assessment at all of which
19 areas could benefit from this kind of work.

20 MR. COLE: Mr. Chairman, it also says collect
21 additional field data if necessary to develop. I just mention that
22 in light of Dr. Montague's comment that it was only to go to the
23 field and collect the weirs.

24 DR. SULLIVAN: There's a equipment out there that's
25 taking measurements over the winter that needs to be retrieved, and
26 you'll get data with that when you bring that equipment in. They

1 are not just weirs.

2 MR. SANDOR: Thank you. Any other comments or
3 questions? Any objection to the approval of that project? Project
4 is approved. 93064, habitat protection fund, ADNR, FED. This is
5 a \$20 million critical habitat acquisition, and had unanimous
6 recommendation from the Restoration Team. The chief scientist
7 recommended. The Public Advisory Group requests review before
8 acquiring parcels, ten-yes, no-one, abstentions-two. Can someone
9 who attended that meeting sort of -- what's that about. I assume
10 they're talking about the individual parcels. That's right, that
11 they want to review each of the individual parcels. Is that --?

12 MS. RUTHERFORD: That's correct, Mr. Chair. They just
13 wanted the same presentations to them as we're going to be making
14 to you on individual parcel analysis when we have those available
15 before monies are expended from the fund -- this fund.

16 MR. SANDOR: If the process is as outlined with the
17 interim things we've already approved.

18 MS. RUTHERFORD: Exactly.

19 MR. SANDOR: Any comments or questions? Well -- any
20 objection to the adoption of 93064, habitat protection fund. This
21 is the \$20 million minus the seven and a half now. If not, this is
22 approved. If the Trustees agree, then we will move to the Public
23 Advisory Group projects, and who may -- yeah I see -- I guess a
24 point of clarification, Curt McVee, on these Public Advisory Group
25 projects, you indicate no NEPA compliance, no time critical, and a
26 proposed no. Do you propose deferring this for discussion or would

1 you want to suggest that we have presentations by the Public
2 Advisory Group? What -- I guess -- well I would ask all the
3 Trustees, I guess, what your wish is. Shall we go over each one of
4 these, one by one. It seems like that might be a starting point.
5 Since we are now at the end of the other list, but the Chair is
6 open to suggestion of where we go from here. Curt -- Carl?

7 MR. ROSIER: Mr. Chairman, if I might -- I'm very
8 uneasy with going through these projects one at a time at the
9 present time. I think the position taken by the Department of the
10 Interior this morning has tainted the projects, the process, here
11 today. I understand that I think that Mr. McVee is an honorable
12 individual. He meant it when he said that he would truly consider
13 these projects. Most of the projects though, you sort them out
14 into the class of projects that are involved, the ones that have
15 been pointed to by Interior is a challenge to the commercial
16 projects, those involving basically the commercial species and the
17 recreational species, I might add, that are important to a very
18 large number of Alaskans. From my standpoint, this is
19 unacceptable. We dealt with this same policy question this last
20 year. We moved ahead with projects, we did our projects, we
21 carried them out, and I felt that we had a good program underway.
22 But Interior's onslaught against this, and the position that they
23 took right off the bat this morning on this, leads me to believe
24 that the process is not working. From this standpoint, Mr.
25 Chairman, I would really like to see some assurance that we are, in
26 fact, looking at these things objectively, because I think that the

1 decision that's been -- we make our decisions at the present time
2 based on the individual merits of the single vote being able to
3 determine whether we go forward or not, and I think we will see the
4 defeat of the projects associated with the commercial aspects, the
5 group of people in Alaska that was the most impacted by the oil
6 spill, most impacted by the oil spill. For this reason, Mr.
7 Chairman, unless I can, in fact, have some assurance that we are in
8 fact willing to in fact vote on this -- the final approval of these
9 as a package, Mr. Chairman, it's my feeling that the project --
10 excuse me, the process is flawed to the point that I cannot
11 continue here today. Thank you.

12 MR. SANDOR: Mr. Pennoyer.

13 MR. PENNOYER: Clarification -- what do you mean as a
14 package?

15 MR. ROSIER: I mean all projects from 93002 to 93063.
16 Those would be voted on as a package and no project would go
17 forward until such time as we had voted on these package for
18 recommendations for '93.

19 MR. COLE: It's all or nothing. Is that what saying?

20 MR. ROSIER: That's correct.

21 MR. McVEE: Mr. Chairman.

22 MR. SANDOR: Mr. McVee.

23 MR. McVEE: Yes. Our position isn't, you know,
24 against commercial interests. Our position is that -- is that
25 unless the project is time critical, there's some reason need to do
26 it right now to gather critical information or to protect damaged

1 resources, that there should be no expenditures until we have the
2 restoration plan in place. I guess my feeling is if anything's
3 been flawed, it's been the fact that we haven't had a restoration
4 plan. We haven't had something to test all of our decisions
5 against to know that we are making wise decisions, that we've got
6 the proper balance between the various interests, between the
7 various resources, and I feel like we've taken the right steps,
8 particularly the habitat acquisition where we have done the
9 analysis, we've the criteria, we've got a process set up, and that
10 -- and that I feel like that there, you know, we can make good
11 judgments. On many of these others, it seems like we're
12 approaching them very much in a piece-meal way, and we will vote
13 against those that are not of an emergency nature and that -- that
14 don't need to be done right now, can wait until there is a
15 restoration plan in place. It's very likely that they will
16 reappear, and I think they probably should if they fit the criteria
17 within that restoration plan, but the time is now to move forward
18 with the restoration plan and develop the balance between the
19 programs.

20 MR. SANDOR: Mr. Pennoyer.

21 MR. PENNOYER: Mr. Chairman, I agree with Mr. Rosier with
22 some of the concerns I have with the way we started off this
23 morning, but I'm not sure I understood still what his position is.
24 We have a series of projects that we've worked with over a
25 considerable period of time here and broken down into a couple of
26 separate sections. First of all, there are a whole gamut of

1 projects that were initially not recommended by the Restoration
2 Team, and most of which did not come forward to the Trustee Council
3 when we sent our package out to public review. We sent the package
4 out to public review, we broke it down into two parts. One part
5 where the part had been approved by the Restoration Team, and the
6 other part were restoration projects not recommended by the Team.
7 Now, we've got a third part which are new projects recommended by
8 the PAG at the -- at their last meeting. Is Mr. Rosier's position
9 we approve the whole of these or none of them>

10 MR. ROSIER: That's correct at this point.

11 MR. PENNOYER: Mr. Chairman, I don't think I could go
12 along with that.

13 MR. SANDOR: Mr. Barton.

14 MR. BARTON: Mr. Chairman, I feel a sense of
15 frustration as well, but I -- I can't go along with an up or down
16 vote on the entire package. I mean, these projects have their
17 individual characteristics and the merits of each one I think need
18 to be evaluated. So, I object to dealing with them as an entire
19 package.

20 MR. ROSIER: Mr. Chairman.

21 MR. SANDOR: Mr. Rosier.

22 MR. ROSIER: If I might -- I think we've had a good
23 process up to the situation this morning. I think that we have
24 looked at these very objectively over the -- over time. Nothing
25 has really changed in my mind, perhaps it has in some people's
26 minds as related to some of the projects that are underway. The

1 determination was made that damage had occurred, and I'm not sure
2 what evidence is there after a review by the Restoration Team, a
3 review by the public, a review by the Public Advisory Group that
4 says that the projects which Interior has said do not qualify at
5 the present time is in fact a fact, and it's a situation in which
6 we're ignoring basically, as I see it, the advice that's been given
7 to us by the public, by our own PAG -- we're going our own route.
8 And we went through this same discussion last year over this, and
9 the decision was made to move ahead. At this time, in my view,
10 we've got a situation in which the process is being aborted by one
11 agency, and that's their prerogative. I don't disagree with that.
12 But it's also my prerogative not to go along with that.

13 MR. COLE: Mr. Chairman.

14 MR. SANDOR: Mr. Cole.

15 MR. SANDOR: My view is that, first, with respect to
16 the announcement by Interior this morning as to how they would vote
17 as shown in their written materials was I think designed to be
18 helpful to the process rather than to be obstructionist about it.
19 Because it furnished us at the outset of an expression of views
20 which was designed, I think, to save time in the process. We each
21 of us could have done that had we had fixed views on certain
22 projects. As to whether they have decided to vote appropriately on
23 these twenty-plus projects, that's another matter, and also whether
24 it was appropriate to make up their mind before there's any
25 discussion here is also another matter. Although, certainly, we
26 have had a lot of materials to review and have reviewed to guide us

1 in making our decisions today, but I think, Mr. -- Commissioner
2 Rosier -- that we really should as a matter of discharging our
3 legal responsibilities as Trustees is to go through each of these,
4 and if we had a full up and down vote, well we might be, I think,
5 acting appropriately as Trustees. I -- I would urge you to reflect
6 upon that and also urge Mr. McVee to keep an open mind on the
7 singular projects as we go through them. I think it would be
8 unfortunate if we got hung up here at this stage. Everybody's put
9 a lot of work into this, including ourselves, and we really should
10 make the final vote today on each project. Thank you.

11 MR. SANDOR: Mr. McVee, you did change your mind on
12 93062. I guess the thing that bothers me about Interior's position
13 is that we should wait until the restoration plan is in place, as
14 you put it. And that isn't going to happen until December of '93,
15 which would mean that we would -- you know, that was the
16 astonishing revelation last month that it's going to take that
17 amount of time because of the NEPA process. If we did the clean-up
18 work on the Exxon Valdez -- you know and follow up other
19 activities, nothing would have happened. Surely, you don't
20 literally mean that we ought to wait until this NEPA process which
21 is most -- much of it's bureaucratic and tied up into long delays.
22 We've got to get on with the job of restoration of damaged
23 resources and services, do we not?

24 MR. COLE: Mr. Chairman, can I have further thing
25 before we get a response from Mr. McVee. He might say no.
26 (Laughter) I'll take another pass at it -- but look (simultaneous

1 laughter) -- while we did tell, you will recall, Judge Holland and
2 the public that one of the reasons for settling when we did was so
3 we could get on with the restoration process. We made some
4 representations to the public, we made some representations to the
5 court that we wanted to get on with the restoration process. And
6 I realize that you've said that only the time-critical projects
7 should go on at this time, there's a lot of leeway in that, but as
8 we go forward to collect data to be infused into the restoration
9 process, in my view we should proceed to collect that data
10 expeditiously in order to have it available to serve in the
11 formulation of the restoration process. Now, I would simply in
12 addition to my earlier remarks ask you to consider that as you
13 reflect, if you will, upon your position.

14 MR. SANDOR: That better states the thing, because
15 there's a lot of activities that aren't directly related to
16 restoration but it's important to get the answers so we can move on
17 this restoration. And I'm not sure I even understand what is time
18 critical and not time critical in that regard, but anyway, I'm not
19 even sure we're going to get the restoration plan in place by '93.
20 We've been promised things before and invariably there's another
21 slippage of two or three months. Excuse me -- go ahead.

22 MR. McVEE: I guess there's probably a fine line there
23 -- a grey line -- on what is time critical, what's not time-
24 critical, and there certainly can be differences of opinion on
25 that. But I guess -- and we're going to have a draft plan before
26 December that certainly is going to give us another step forward in

1 terms of providing some guidance and help determine what kind of a
2 -- what kind of balance is proper, what kind of a balance is best.
3 It certainly won't provide all the answers, but it's going to
4 provide more of the answers. The problem seems to us that we
5 should proceed that there is imminent threat, there's emergency
6 nature, we need to study information, and if we don't do it
7 something bad happens, that we should proceed with those, but those
8 that -- those projects that those things aren't going to occur that
9 can be legitimately postponed 'til after the restoration plan is
10 put in place, it seems to us that they should be. It seems to us
11 in terms of investing the public's money that we would remiss if we
12 did not do wisely, if we did not do it after we have a plan, after
13 we have some documents, some guidance, that has been tested. I
14 guess public opinion, the public input, that put -- to pick out
15 projects here and there, so if these are good projects, we should
16 move ahead. It's a piece-meal type of approach, and as public
17 officials, we're really remiss if we do it that way.

18 MR. ROSIER: Mr. Chairman, I don't disagree with much
19 of what Mr. McVee has to say there at the present time. However,
20 in terms of the written materials presented to us this morning by
21 Interior, I'm not sure that was the thought process that went into
22 saying no to the commercial projects. That's what truly concerns
23 me at the present time. We have strong support for most of those
24 projects from the public, and I grant you any of these things
25 should be evaluated against a plan at some point. The fact remains
26 that we are talking about projects that are specific to the

1 resources that were in fact injured. It's a simple link, and from
2 my standpoint it's a situation in those projects that have anything
3 to commercial have, in fact, been targeted, and I guess part of
4 this, I guess, is the frustration at the process because we've been
5 talking about a plan for sometime. The plan is now a year or two
6 years away actually from implementing anything under the plan, and
7 many of the projects that Interior has said no to, in writing, are
8 projects that have made this determination on -- you know -- last
9 year, to move ahead on these, and now, based on no additional new
10 information, we're in fact looking at terminating these under the -
11 - under the comments that were put forth by Interior.

12 MR. SANDOR: Mr. Pennoyer.

13 MR. PENNOYER: Mr. Chairman, wouldn't what Mr. Rosier
14 stated constitute a loss, a threat to our data continuity meeting
15 the restoration -- so we did something last year. You couldn't
16 just terminate it this year and start it up again next year. So,
17 I guess, the point I'm making, it seems to me we're going to go
18 back and (indiscernible) project by project anyhow unless you veto
19 that process. Isn't it appropriate you go back and do that, have
20 these arguments relative to individual projects. We don't think
21 they're all the same to all projects, and I think we're
22 generalizing. But at the end, if it's still there, we either vote
23 for the package as a whole or we don't. I think you made that
24 statement when we started, that you would reserve judgment package
25 until it was done. Maybe we should just go ahead here and do them
26 project by project and see where we come out. I don't -- Mr. McVee

1 hasn't said he's going to automatically say no to the whole twenty
2 or twenty-two or whatever it is, and I'm not sure you would say
3 after each of these projects that each one of them meets all those
4 criteria. So maybe we should go back and try it and see where we
5 end up at. I think we're going to do that anyhow. We talk a lot
6 about the process ahead of time, and still end up going back
7 through them when we're done.

8 MR. SANDOR: Mr. Rosier.

9 MR. SANDOR: Mr. Chairman, on the motion, I did exclude
10 the project 93064 for the very reasons that Mr. McVee outlined
11 earlier. We've had a process. This is the habitat protection
12 fund, and the reason I did that was for the very reasons that Mr.
13 McVee outlined, that we in fact do have a process here that we've
14 been working through, we've got the criteria place, and we're
15 making our decisions based on that at the present time. I agree
16 that there's some vagaries out there as far as most of the other
17 projects are concerned, but I saw significant inconsistencies this
18 morning in terms of the discussions over the individual projects,
19 and that in itself coupled with Interior's position statement early
20 this morning really disturbs me.

21 MR. SANDOR: Yes, Mr. Barton.

22 MR. BARTON: I still don't understand Mr. Rosier's
23 motion. Your motion is to approve project '2 through '63?

24 MR. ROSIER: Yes, that's correct.

25 MR. COLE: Well, Mr. Chairman?

26 MR. SANDOR: Yes.

1 MR. COLE: I -- I must say that's not the way I
2 understand it. Mr. Rosier has said that, as I understand it, we
3 went through them individually at the end of the day, there would
4 be one vote on his motion that we approve --

5 MR. ROSIER: The package.

6 MR. COLE: ... all sixty-three, sixty-two or
7 whatever, sixty-three, and it would be an all-or-nothing vote. If
8 we vote against his motion, you know, we would not have any
9 projects. We would either not have any projects or we would have
10 every proposed project. Is that the vote?

11 MR. ROSIER: That's correct.

12 MR. COLE: That's his motion. And I -- you know,
13 I've, you know, I couldn't proceed on that basis because that
14 might, you know, require us to -- well, first it would thwart the
15 Public Advisory Group process, number one, because they didn't
16 approve them all. Secondly, it would thwart the public process
17 because there's a lot of public comment in here opposing some of
18 these projects, not all of them but some of them, and it would just
19 thwart that entire process. And a lot of the public, if you read
20 these comments, have done an awful lot of work on these projects
21 and put in a lot of time, and it just wouldn't be right. On the
22 other hand, I don't think -- I mean, I can't conscientiously
23 couldn't approve every one of these projects that's there. Let me
24 say this about the perceived inconsistencies this morning. You
25 know, I have pangs of conscience myself about approving some of
26 those projects, and I realize that there may be some inconsistency,

1 but underneath some of that was the conclusion that maybe it's just
2 best to let some of these projects go through without putting the
3 microscope and the guillotine to some of them, so there's a lot of
4 uncertainty in many of these projects. But in my particular view,
5 I rely on your judgment, that of the other members of the Trustee
6 Council -- I have a lot of reservations on a lot of those projects
7 I didn't vote against and I relied upon my fellow Trustee Council
8 members. So I think it would be inappropriate to have an all or
9 nothing vote. But, on the other hand, I would again take this
10 opportunity to urge Mr. McVee to keep an open mind and allow us to
11 go through each one of these projects and hopefully we'd get
12 through them by tomorrow night. (Laughter)

13 MR. SANDOR: Not to prolong this discussion, but as I
14 understand it -- the understanding of myself and others, the next
15 Public Advisory Group meeting is going to be laying the groundwork
16 for '94 projects, is that right? So we'll be developing '94
17 projects and probably have a '94 package of projects by August of
18 '93, right?

19 DR. GIBBONS: We have to have that -- Mr. Chairman, we
20 have to have that (indiscernible -- coughing) both state and
21 federal authorization to expend funds for the fiscal year starting
22 October 1st, '93.

23 MR. SANDOR: And since we have to have the '94 project
24 package ready by August of '93 and the restoration plan isn't to be
25 out until December of '93, we would still -- it's an amazing thing
26 how much we've done without a restoration plan. You must have

1 asked yourself is the million dollars that we've been spending on
2 this restoration plan been worth it.

3 MR. COLE: That's another subject that we have yet to
4 address. (Simultaneous laughter)

5 MR. SANDOR: So anyway, well, can we -- so that
6 confirms our -- the indeed we are now moving forward with the '94
7 projects without even having a restoration plan, so -- which we're
8 going to be living with for quite a while. It is the, I guess,
9 would Mr. Rosier and Mr. McVee agree to review these projects one
10 by one with an open mind.

11 MR. COLE: I move for a recess.

12 MR. SANDOR: Recess?

13 UNIDENTIFIED VOICE: Second.

14 MR. SANDOR: Second. 'Til two thirty? Recess.

15 (Off Record at 2:15 p.m.)

16 (On Record at 2: 30 p.m.)

17 MR. SANDOR: While we are reconvening -- while we are
18 reconvening, the transcriber reminds me people who speak from the
19 audience should get to the mike or else their words will not be
20 etched in the public record, and thus totally ignored.

21 We always lose one person.

22 MR. COLE: Let's see, Mr. McVee, you say you're
23 authorized to act through tomorrow? (Simultaneous laughter) Or is
24 it just till they take the oath.

25 MR. McVEE: No, it's through tomorrow, but I've got to
26 have a little time to clean out my desk and sort some papers.

1 MR. SANDOR: Mr. McVee is retiring tomorrow at close of
2 business, not because he's been asked to but because he's got
3 thirty-eight years of service and has paid his dues.

4 MR. COLE: God, and then some. (Simultaneous
5 laughter).

6 MR. SANDOR: Anyway, we wish him well. It might be
7 well while we're waiting, I was told that even though the 1994 work
8 plan is going to begin being developed next month and the
9 restoration won't be in its final form until December of 1993 or
10 '94 perhaps. There'll be a draft of the work plan when, Dr.
11 Gibbons?

12 DR. GIBBONS: Yes. It will be to the Trustee Council
13 May 16th, a draft of the restoration plan and environmental impact
14 statement.

15 MR. SANDOR: I suppose if we're smart enough we'll
16 approve that plan on the spot, save \$800,000, and get on with it,
17 but somebody will say, no, you can't do that. It makes sense.
18 Anyway, I guess there's a -- I don't know why an environmental
19 assessment would be --

20 MR. COLE: Mr. Chairman, could we send the sergeant-
21 at-arms after Mr. Pennoyer?

22 MR. SANDOR: I suggest a state trooper. (Simultaneous
23 laughter) Well, I guess, for the Trustees that are here, well,
24 we're going to do several things when Mr. Pennoyer gets back, and
25 that is recapitulate what we've done and where we're -- the process
26 that we're going to follow. It -- just as a matter of interest, is

1 there some spokesperson for each of the Public Advisory Group
2 projects, or a single person to present this, or, Dr. Gibbons, are
3 you to make the presentations on behalf of the Public Advisory
4 Group or what?

5 DR. GIBBONS: That wasn't clear. I was hoping that the
6 Public Advisory Group would make their presentations themselves.

7 MR. SANDOR: Ms. Fischer had to go back to Valdez on
8 the noon flight. Pam is here but, I don't know, but she's probably
9 -- are you prepared to -- no.?

10 DR. GIBBONS: Maybe Doug Mutter and I can do that. The
11 recommendation package from the PAG is included in your package,
12 and there's comments out in the public there that documents their
13 recommendations.

14 MR. SANDOR: Okay, so anyway, that'll be done between
15 Doug and yourself, but back to the issue at hand before we recessed
16 -- it has been proposed that we continue through these projects one
17 by one, and then Mr. Rosier had proposed an up or down vote on what
18 work we complete. Could you restate that?

19 MR. ROSIER: Yes. Thank you, Mr. Chairman, yes. I
20 certainly don't want to leave anyone with the impression apparently
21 that I poorly stated it earlier, left a number of questions
22 hanging, but at least hanging in some people's minds about what I
23 really meant, but I'm talking about the package that comes out
24 after we have gone through these on a one-by-one basis, that we
25 would have, in fact, an up or down vote at that time.

26 MR. SANDOR: And what would be the consequences of a

1 down vote.

2 MR. ROSIER: A down vote would mean that the projects
3 would not go forward.

4 MR. SANDOR: None of them?

5 MR. ROSIER: None of them.

6 MR. SANDOR: Is that acceptable to the Trustees?

7 MR. PENNOYER: Well, Mr. Chairman, that concept of not
8 sending anything forward is not acceptable to me, but I'm not sure
9 in this consensus process wherein exactly -- I'd remind Mr. Rosier
10 the ability to vote no if he wants to vote no at the end of it. I
11 guess the package's acceptability as a whole --

12 MR. COLE: Mr. Chairman, I still don't understand Mr.
13 Rosier's thought because I spoke with him very briefly during the
14 recess, and I recall you said that you personally would not vote
15 for all of these projects.

16 MR. ROSIER: That's correct.

17 MR. COLE: So, I'm -- I say I'm a little bit in the
18 dark as to how you would have to vote. Let's just say we had a
19 vote here and we all approved every other one. I mean, all -- we
20 rejected all the odd numbers and voted in favor of all the even
21 numbers --

22 MR. BARTON: That makes about as much sense as what
23 else (Simultaneous laughter).

24 UNIDENTIFIED VOICE: I'm gonna second that. (Simultaneous
25 laughter)

26 MR. SANDOR: That's right -- all projects.

1 MR. COLE: I mean, we could go to the corner bar and
2 roll dice, which I always thought was better than going to the
3 courtroom, but (Simultaneous laughter) -- there was much
4 greater predictability, but just suppose that -- you know -- how
5 would you propose to vote at that time? What was your all or
6 nothing, up or down vote do? And surely you wouldn't say

7 MR. ROSIER: Well, it would depend upon the debate
8 during the course of the individual reviews in terms of my making
9 my -- a determination of whether I could in fact support the
10 package or not.

11 MR. COLE: Well, what would be your motion, for
12 example, at the end? Would you

13 MR. ROSIER: I think the motion is to accept the
14 package?

15 MR. COLE: That we approved?

16 MR. ROSIER: Yeah.

17 MR. COLE: Just the package we approved?

18 MR. ROSIER: That's correct.

19 MR. COLE: Not the pack -- not the ones that we did
20 not

21 MR. ROSIER: No.

22 MR. COLE: Alright. Well, that's --

23 MR. SANDOR: You accept that even though all the
24 projects were approved, it could all be vetoed at that point and
25 none go forward?

26 MR. COLE: Or he would say, all of those which we

1 unanimously approved, i.e., all the even numbers, we could -- if
2 one person voted no on that, they would all be rejected.

3 MR. PENNOYER: Mr. Chairman.

4 MR. SANDOR: Yes, Mr. Pennoyer.

5 MR. PENNOYER: Mr. Rosier's saying he has to like the
6 package on balance before any of them will be approved, so he'll
7 look at the balance when it's done, and then decide whether he's
8 going to vote that, even though it's not all the projects, whether
9 that package that he sees there is -- is okay. Right?

10 MR. COLE: Well, Mr. Chairman, I'm willing to proceed
11 on that basis. I just think that we just wouldn't work.

12 MR. BARTON: What are going for odds-evens?

13 MR. COLE: Good as anything.

14 MR. BARTON: Let me just say that no going forward with
15 the package for this summer field season is just unacceptable to
16 me. I don't know what process is going to come up with it, whether
17 it's odds and evens, or ups and downs, or

18 MR. SANDOR: Corner bar.

19 MR. BARTON: ... corner bar, rolling dice, but we, I
20 think, would be irresponsible to not go forward with a package for
21 this summer's field season.

22 MR. McVEE: Mr. Chairman.

23 MR. SANDOR: Yes, Mr. McVee.

24 MR. McVEE: Our position -- Interior's position has
25 always been to, you know, consider each project on its individual
26 merits, and I think that's what we should do. We may have, we may

1 take a more stringent position than the other Trustee Council
2 members do on the tests that we put the proposal to, but be that as
3 it may, I think that, you know, is a prerogative of individuals on
4 the Trustee Council.

5 MR. COLE: I propose that we just start down the
6 list.

7 MR. SANDOR: Okay. We shall start down the list
8 beginning with -- is it the pleasure of the Council to begin with
9 the Public Advisory Group grouping or start with 93002.

10 MR. BARTON: Mr. Chairman.

11 MR. SANDOR: Yes, Mr. Barton.

12 MR. BARTON: Could you just briefly run through the
13 ones now that we have to discuss. Just identify them by number.

14 MR. SANDOR: 93002, 93006, 93007, 93008, '9, '10, '11,
15 '12, -- yeah --

16 MR. PENNOYER: It would be easier to identify the ones we
17 passed.

18 MR. SANDOR: The ones that were passed were -- the ones
19 that were passed are 93003

20 MR. COLE: Excuse me, why don't we just keep going
21 the way we were going, if you don't mind. What about '4 and '5.

22 MR. SANDOR: They were deferred.

23 MR. COLE: Okay, '4 and '5.

24 MR. SANDOR: And everything on the next page was
25 deferred. Everything on the next page down to '32 was deferred.
26 The harlequin duck was deferred, but -- '33 and '34 deferred. '35

1 approved. Everything on the next page approved except '43.

2 MR. COLE: Please. What did we do with '34. You
3 read so fast, I --

4 MR. SANDOR: '34 was deferred. '35 was approved.
5 Everything on the next page from '36 from '47 was approved, except
6 for '43 which was deferred, and on the next page '50 and '51 was
7 deferred. '52 was not approved, and all the rest were approved,
8 except for '61, which was deferred. And then we were just
9 beginning the Public Advisory Group projects, and -- I thought it
10 might be of interest to do those rather than go back to the
11 beginning again to see what the public has generated. Is there any
12 objection to that?

13 MR. PENNOYER: Mr. Chairman, I think the Public Advisory
14 Group projects fall under some of the same criteria we applied to
15 the others for deferred, and I notice that Interior has no next to
16 each one of them. So if we follow our past -- past, we would defer
17 those as well.

18 MR. SANDOR: Is that your proposal? Okay, so each of
19 those are deferred. Okay. So we begin with 93002, sockeye
20 overescapement, ADF&G, \$714.6 thousand. Mr. Pennoyer.

21 MR. PENNOYER: Mr. Chairman, I notice that there are at
22 the bottom of that page another two projects 93012 and 93015 that
23 also have -- are on the Kenai River, and each of those has a no
24 from Interior as well, and the aggregate of all those is about a
25 million, nearly two million dollars for Kenai River work. It seems
26 to me that there's a basic question here is, one, how does Kenai

1 work relate to the criteria that we've selected in terms of
2 relationship to injured resources and the spill, lost
3 opportunities, emergency work, complimenting present work or
4 something. Perhaps, rather than just look at the one project, we
5 could get some discourse on why the Kenai River sockeye studies,
6 you know, any type of restoration is sockeye studies at this time
7 are appropriate things to undertake before we get a restoration
8 plan. And then each of these projects has different pieces of
9 sockeye studies, and Interior said no on all of them, so maybe it
10 might be possible to get some discourse as to why Kenai sockeye are
11 logical things to be studying at this stage and why these studies
12 at this point in time are logical to approach. The total's about
13 two million dollars.

14 MR. SANDOR: Does Jerome or Carl want to address that.

15 MR. ROSIER: Yeah, I might introduce it then, Mr.
16 Chairman, and then have Jerome follow on here, because I think this
17 is one of the areas where we know that -- that the results of the
18 spill there in '89 that resulted in the closure of the commercial
19 fishery placed a substantial number of sockeyes in the lake system,
20 well over the escapement goal. While the escapement goal had been
21 exceeded on a couple of years prior to that, this was the third
22 year and it appears that that particular year was kind of the year
23 that broke the straw -- was the final straw in terms of the lake
24 carrying capacity on this. We've seen the smolt out-migrations as
25 a result of that -- that '89 escapement, overescapement -- shrink
26 to virtually, well, to a very small number. As a result we're

1 looking at '94 and '95 salmon returns to that particular system as
2 -- in all probability -- being extremely low. The problem seems to
3 have been restricted to the Kenai system. There will be other
4 systems within the Cook Inlet area that we hope will be fishable to
5 one degree or another, and in order to provide a fishery for those
6 people that were impacted or are being impacted by what we see as
7 a major reduction in the -- and probably no fishery at all on Kenai
8 stocks -- we're looking to have the information in hand to be able
9 to manage those runs and in such a manner that we can provide for
10 the opportunity and still protect the resource for the Kenai. And
11 these projects, I believe, in total are aimed at that very -- that
12 very scenario.

13 MR. SANDOR: Any further questions?

14 MR. COLE: Well, Mr. Chairman, does anybody know why
15 Senator Eliason voted against this project. I'm trying to find it
16 in the transcript. He's knowledgeable about these salmon matters,
17 and I just wondered what his thought was. We just got these
18 transcripts this morning.

19 MR. SANDOR: Was anyone present at the Public Advisory
20 Group meeting that can recall this? Pam -- Yes.

21 MS. BERGMANN: Mr. Chairman. If he was the fellow
22 sitting on that end of the table, about where you were.

23 MR. COLE: I see Mr. King voted against it too.

24 MR. SANDOR: Mr. Pennoyer.

25 MR. PENNOYER: Sir, in terms of at the time of the Exxon
26 Valdez oil spill, we have a situation where, as I understand it the

1 Kenai escapements were much larger than desired three years in a
2 row, the third year of which was Exxon, and I don't know that we
3 have any direct cause and effect versus the oil spill and other
4 management occurrences. Would you comment on that. Do we believe
5 that the third year because of the spill set something off that
6 wouldn't have happened based on the other two overescapements as
7 well?

8 MR. ROSIER: Well, I think -- and that is what I was
9 referencing when I say that the third year appears to be the year
10 that probably -- or may have at least broken the camel's back so to
11 speak in terms of the productivity of the lake system and the
12 ability of the lake system to (indiscernible). To give you a
13 specific answer, I don't believe we can have a cause and effect.
14 I don't believe that information can be back in hand on this. But
15 I can certainly -- from the first smolt out-migrations, as I
16 recall, certainly from the first year of a large overescapement was
17 pretty good, in fact, it was very good. The second year was
18 falling and after the third year it fell clear off of the charts in
19 terms of that smolt out-migration. But, black and white, yes or
20 no, as to the -- to the Exxon Valdez, we know that we did not have
21 a fishery, we know that we put a lot of extra fish in there, into
22 that lake system, and -- and we know that -- we are pretty sure at
23 the present time that we're looking at a major reduction in terms
24 of commercial operations and that special measures in effect are
25 going to have to be taken. In fact, harvest the returns in Cook
26 Inlet in both '94 and '95.

1 MR. PENNOYER: Follow up questions -- so in '94 and '95,
2 but not this summer?

3 MR. ROSIER: Not this summer, we are basically --

4 MR. PENNOYER: Will it be a good return this year?

5 MR. ROSIER: Fair return this year, about three and a
6 half million which is about average for Cook Inlet.

7 MR. PENNOYER: But, please Mr. Chairman, can I just talk.

8 MR. ROSIER: By yourself.

9 MR. PENNOYER: These projects are basically all centered
10 around -- I have been going to Kodiak -- they are all centered
11 around the ability to better manage Kenai River stocks within Cook
12 Inlet. So in fact, you're looking at, if you get a reduced Kenai
13 River return in '94 that this year you would have the technology or
14 techniques perfected so that in '94 you would be able to manage
15 more discretely to keep pressure off Kenai while being able to
16 harvest Susitna.

17 MR. ROSIER: We would hope so, that certainly has been
18 the intent of the program right from the very beginning.

19 MR. PENNOYER: So in your view then it was time critical
20 to have these restoration techniques in hand prior to the '94
21 season. I'm trying to establish how -- what you are doing relative
22 to a creation of a restoration plan. I guess what you are saying
23 is that if you wait until the restoration plan, you won't have the
24 techniques, the years -- you'll start to get your bad returns, you
25 won't be able to react to them. Is that...?

26 MR. ROSIER: Basically that is correct. I mean, under

1 the present system we are looking at not having a plan in place
2 until the '94 year. You would be fielding field programs at that
3 time and collecting information off the extremely weak return in
4 '94. So at this point, if we don't proceed with the program, we
5 will not have the information in hand to deal with the '94-'95
6 situation.

7 MR. PENNOYER: Mr. Chairman, I still think we need to go
8 back to individual projects and talk about both from size and what
9 they are doing or purporting to do relative to what a normal agency
10 mission might be. But, Mr. Rosier's comments seem directly the
11 antithesis of what Interior's comments -- the rationale is for
12 writing no down. I wonder if you might have some comments from the
13 Interior as to why they disagree with that summary that Mr. Rosier
14 is presenting.

15 MR. SANDOR: Curt.

16 MR. McVEE: It's -- I guess the no is -- it's really,
17 I guess a policy call, it's not -- it's not direct damage to
18 resources by the oil spill, its a policy call whether -- where we
19 should make an investment where there is indirect effect. I guess
20 the other questions -- the question I have also is that -- is that
21 we made investment in '92 in the overescapement issue -- I don't
22 know what was done prior to that, if there was anything done prior
23 to that, and the question is if we were not to authorize funds this
24 year -- what kind of a loss does that represent?

25 MR. COLE: Mr. Chairman.

26 MR. SANDOR: Mr. Cole.

1 MR. COLE: I found what Senator Eliason says about this
2 project and Mr. King too, but he's of the view, pretty much as
3 follows. He said we know there was overescapement, said we spent
4 \$800,000 determining that and his view is why don't we put the
5 \$800,000 or \$700,000 into a restoration program now. I mean, is
6 there a response to that?

7 MR. PENNOYER: Mr. Chairman, I think that is what we are
8 -- i think the agency is prepared to do. Their restoration project
9 has improved management in the absence of some other technology
10 that would seem to be appropriate.

11 MR. ROSIER: That's correct.

12 MR. PENNOYER: The stocking of Kenai is an option of
13 what's been considered but never managed to pull off.

14 DR. MONTAGUE: Mr. Chairman can I add a few things to
15 that. That '12 and '15 are primarily related to restoration
16 through better management. Project number 2, the primary focus on
17 that project is to find out what exactly is the limiting factor in
18 the rearing lake to prevent recovery. So you can -- you can better
19 manage -- the better management is to basically protect the service
20 and to allow adequate numbers of fish to return to the Kenai while
21 still providing a commercial fishery. But in the end, we have to
22 know what was in the rearing lakes or what continues to be in the
23 rearing lakes that are preventing recovery, and to really restore
24 the Kenai, we have to restore the rearing lakes. So, that's
25 primarily what Project No. '2 is doing and '12 and '15 are directed
26 primarily at determining redirecting fisheries effort away from

1 areas where it might catch Kenai-bound fish. So those two projects
2 are primarily, as I have said, to protect the service provided by
3 the commercial fishing there.

4 MR. McVEE: Mr. Chairman.

5 MR. SANDOR: Mr. McVee, please.

6 MR. McVEE: If the service is commercial fishing, we
7 have a number of legal actions that are filed by commercial
8 fishermen against Exxon. There is a problem, I guess, on how do we
9 deal with restoring that service for there are those private
10 actions. Are we -- how far should we go, I guess, is the question.

11 MR. SANDOR: Any response to that, Carl?

12 MR. ROSIER: Well, I guess that's an arena, I guess
13 that, lawyers and judges would have to decide at some point on
14 this. I think that the linkage is certainly there in terms of the
15 injured resource on this, and I think that -- speaking to Mr.
16 Cole's question there, earlier -- his statement earlier, the idea
17 of restoration, I think, has certainly got different connotations
18 for different people. I think that certainly Senator Eliason was
19 thinking in a little different terms. I don't know, but I would
20 suggest that he might be thinking in a little bit different terms
21 than what restoration actually is. Having dealt with extensive
22 hatchery programs and enhancement programs and so forth, during his
23 stint in the legislature, but, you know, that is not where we are
24 really at, in my estimation, as far as the Kenai is concerned at
25 the present time. I think generally we have tried to maintain that
26 system as a -- you know, as a pretty much a wild stock system and -

1 - and I think that the long-term benefits of the Kenai and the
2 benefits to the people that were impacted as a result of the spill
3 is going to come from the philosophy of an improved management
4 system there. I think that's why there has been basic support for
5 these projects. Strong support from the public at large on this is
6 because of the fact that may -- this is a stock separation issues -
7 - the importance of the Kenai system to them as both individually
8 and as a group and to the economy of the entire region is such that
9 they are willing to come forth and support the projects that are on
10 the table here at the present time.

11 MR. SANDOR: Mr. Cole.

12 MR. COLE: Let me see if I understand it. We're spending
13 a million dollars on this project.

14 MR. ROSIER: It's \$200,000.

15 MR. COLE: Well, on this particular one, to determine how
16 to improve the salmon runs in the Kenai River, is that it?

17 MR. ROSIER: No.

18 MR. COLE: What is it?

19 DR. MONTAGUE: Mr. Chairman. Right now we're limiting to
20 project number '2?

21 MR. SANDOR: Yes.

22 DR. MONTAGUE: Okay, project number '2 is the project
23 that makes the smolt count. So, in 1993 it will be that smolt
24 count that indicates whether the collapse that we saw this year has
25 continued and there's -- hope that is not the case, but I think we
26 are all reasonably sure that that will be the case.

1 MR. COLE: Where we can -- we're spending a million
2 dollars to count smolt?

3 DR. MONTAGUE: Okay, \$700,000.

4 MR. COLE: Well, it's \$200,000 here as I look at this
5 chart.

6 DR. MONTAGUE: Okay, that was in 1992.

7 MR. COLE: \$250,000, October '92 to February '93.
8 \$244,000 plus another \$714,000, add those up and what do you get?

9 DR. MONTAGUE: But the count --

10 MR. COLE: But where are we counting these smolt?

11 DR. MONTAGUE: Okay.

12 MR. COLE: It sounds like to me it's a lot of money to
13 count smolt, that's where I am having trouble, but maybe it costs
14 that much money to count smolt.

15 DR. MONTAGUE: Okay, the smolt count's primarily in the
16 Kenai, but also on -- in one of the Kodiak systems and an equally
17 expensive, the other half of the project, is what we term
18 limnological work and that is what is going on once the eggs are
19 laid until they leave the lake that determines their survival and
20 that's the linchpin in them recovering, so that's what that project
21 does. It does not get more fish into the system. That's what the
22 other two projects do.

23 MR. SANDOR: Mr. Pennoyer.

24 MR. PENNOYER: Chairman, I still think you sort of have
25 to take all three of these projects in some type of concert. I
26 guess, if we need to go back to the individual ones, I will here in

1 a minute, but each of these is specified as being a four year
2 duration and the total between all of them is -- for this year
3 alone is about one and a half, about two and a half million
4 dollars. So, we are talking about a ten million dollar investment?
5 That order of magnitude over a four or five year period of time?

6 DR. MONTAGUE: Let me address that somewhat. First of
7 all, in terms of a reduction in population size, we anticipate this
8 as perhaps a 95% reduction over pre-spill and in that regard is by
9 far the biggest injury anywhere in the oil spill area. Secondly,
10 it will affect more people and a larger economy than any other
11 injury. So, with that in mind, we view this -- dealing with this
12 problem as being one of the highest priority and the fact that
13 unlike any other injury, we know that it is going to happen in '94,
14 so that the time -- in terms of defining time critical, there are
15 no other projects in here that would meet the concept of time
16 critical more than these projects. In terms of the longevity, the
17 smolt counts we believe we can cease in 1994, assuming that
18 everything goes right. That what we found is that our work in the
19 lakes is correlating so well to the smolts that are outgoing that
20 we may well be able to drop the smolt counts and just use the lake
21 portion. And the second aspect of determining what the limiting
22 factor is, once we determine that, there is no need to carry it on.
23 So that the long term outlook for number '2 would only be the work
24 in the lakes that's used to estimate the outgoing smolts. Projects
25 '12 and '15 would need to be carried out every year where
26 escapements are forecasted to be poor and that you have to direct

1 fishing effort away from them. So, those projects, perhaps in a
2 reduced effort or if some aspect of them doesn't prove to be
3 worthwhile, '12 and '15 -- every year that we have a collapsed
4 fishery and a very poor return, logically those should go ahead.

5 MR. SANDOR: Mr. Pennoyer.

6 MR. PENNOYER: Mr. Chairman. It's very clear from work
7 in Cook Inlet that they need better ways to forecast, better ways
8 to separate stocks on a real-time basis in the Inlet, better ways
9 to estimate the run strength as it enters the Inlet. All of these
10 things are things you currently do. You currently smolt the Kenai,
11 you currently do limnological work, have done some in the past.
12 You currently do stock separation in Cook Inlet, maybe not in all
13 the ways you want to but you do it, and you currently -- as I say -
14 - estimate the number of smolt. You have a project in here to
15 increase the accuracy of the hydroacoustic adult counts in the
16 river, you're already doing that. I mean your dialing off the
17 machine you actual want, but you are estimating the counts and if
18 I remember correctly they are fairly accurate.

19 DR. MONTAGUE: Mr. Chairman, in 1992 we bought, the
20 Trustee Council purchased the new equipment so it wasn't very good
21 prior to that. It is good now.

22 MR. PENNOYER: But you have -- well, what's '015,
23 increase the accuracy in pursuit of escapement monitoring by
24 supplementing hydroacoustic equipment in the Kenai River.

25 DR. MONTAGUE: No, that is that project, I agree, but I
26 am just saying that, as I understood your question, you had

1 indicated that it was good prior to initiating these projects and
2 I responded that it was reasonably adequate, but it is not nearly
3 as good as it is now. I understand the point of your question and
4 I guess the quickest and most accurate response is that our
5 expenditures in all of these areas have increased every year since
6 '89. Not only has there not been a reduction, there has been an
7 increase on what the agency spent doing these things that you have
8 indicated.

9 MR. PENNOYER: This whole two and a half million -- Mr.
10 Chairman -- this whole two and a half million dollars then is a
11 whole new work, it doesn't take into account any of your basic
12 program that you already have?

13 DR. MONTAGUE: I don't know if it doesn't take into
14 account, but our -- what we are already spending to do that is
15 added to this and what we had budgeted every year to do this is
16 being added to this, to the total cost. I guess some specific
17 examples is, for instance all the principal investigators on these
18 projects, at least the two management projects, are not charged to
19 the program. I mean, they are the agency management biologists
20 that, you know, were charged with the management of the Kenai
21 system so they are not being recharged here. There is a number of
22 the management related projects in Prince William Sound and so on,
23 that again the principal investigators are not on the Trustee
24 Council payroll.

25 MR. COLE: Mr. Chairman.

26 MR. SANDOR: Mr. Cole.

1 MR. COLE: How much longer is this study time to go on
2 before you begin to say we have collected enough information from
3 this as I say '89, '90, '91, what '92. Now you want to do it in
4 '93. That's five years. When does the time come at which you say
5 we have collected enough information? Let me say this, it's not
6 the problem of we recognize it's an important resource and fishery,
7 we recognize it affects a lot of people. That's not the problem.
8 I think, while recognizing that, the problem then becomes when are
9 we going to do something about it and that's what's troubling me.
10 I imagine it is troubling everyone. Furthermore, I see where Mr.
11 King says he thinks the whole problem was over fishing going back
12 to '82, but I will defer to Mr. Pennoyer, he's the fisheries man.
13 But those are just the things that troubles this -- with this --
14 these projects that I have and I think Senator Eliason has it. I
15 think you need to stop studying and get on with the business.

16 DR. MONTAGUE: Mr. Chairman. Particularly relating to
17 '12 and '15. I guess it has been hard to get the point across that
18 those projects are getting on with it. In fact, that they have
19 been getting on with it since last year, and what those projects do
20 are more what we term hard restoration than they are data
21 gathering. '12 and '15 as they are carried out in '94 and '95
22 during the years and beyond when we anticipate this poor return, is
23 purely implementation, it's restoration implementation, it's not
24 data gathering waiting to be used somewhere, this is exactly where
25 it will be used, you know, in day-to-day shifting of the fisheries
26 and ensuring that those fish return. So in terms of hard

1 restoration, you'll not get much better. The only other potential
2 hard restoration that can be done would be if we find what it is in
3 the lakes that are preventing recovery. For instance, you know, if
4 fertilization will help, if decreasing the populations of
5 phytoplankton will help. Those are hard restoration actions to be
6 conducted in the waits, but in terms of restoring the Kenai,
7 there's only those two options, the hard restoration in the lake
8 and the better management of the harvest.

9 MR. McVEE: Mr. Chairman.

10 MR. SANDOR: Mr. McVee.

11 MR. McVEE: Are '02 and '12 and '15, are they stand
12 alone projects? Can any one of them be accomplished without the
13 approval of the other?

14 DR. MONTAGUE: Mr. Chairman. They are pretty seriously
15 linked. Certainly '12 and '15 is using three methods to separate
16 the stocks. One of those three is the one derived in '12. Project
17 number '2, certainly the counts of the outgoing smolts are key to
18 how we manage that fishery that year. For instance if our '93
19 smolt counts were fantastic, then we would know that in 1996 we
20 would not have to do '12 and '15, so they are interrelated in that
21 way. So, the only part that isn't interrelated is that what's
22 going on in the lakes is less related to '12 and '15 than the smolt
23 counts in '2.

24 MR. SANDOR: Mr. Pennoyer.

25 MR. PENNOYER: On '15, Dr. Montague, actually is three
26 parts, one is doing parasite and genetic stock identification and

1 the scale growth patterns, especially GSI stuff in '12, and it is
2 also to improve the escapement counts in Kenai and to try to
3 improve your test fishing on the Anchor Point line. At least those
4 are the three objectives stated in '15.

5 DR. MONTAGUE: Well that's correct.

6 MR. PENNOYER: And I guess I don't completely understand
7 those because upon the hydroacoustic equipment you have crews, and
8 people in the river, right now monitoring escapement, and you did
9 buy a new piece of equipment that has already been purchased for
10 you by this funding from this program. So, I am not sure what part
11 of that budget at some seven hundred and some thousand dollars goes
12 into crews that are already on site, I assume, for escapement
13 monitoring on the Kenai. And as far as their Anchor Point line
14 test fishing, are you also trying to buy new sonar equipment for
15 that, is that part of this project?

16 DR. MONTAGUE: Mr. Chairman. The second question is no.
17 That -- the sonar is employed from vessels. It is not stream
18 sonar, and that is rented equipment for each year that it is used.
19 In terms of the crews and the cost on the sonar if they were
20 counting the adults in the Kenai, all the people that are normally
21 associated with counting using the sonar, the old sonar, and
22 counting the incoming adults are still there. The only thing added
23 is the volume of the data is -- I don't know whether it is orders
24 of magnitude or -- in any case, it's a lot more than we had been
25 conducting -- collecting prior to getting this new equipment. So,
26 the additional effort is for analyzing a lot more information.

1 MR. PENNOYER: Mr. Chairman.

2 MR. SANDOR: Mr. Pennoyer.

3 MR. PENNOYER: But it is still \$700,000, so it is more
4 than just analyzing some new information. Is the transect then a
5 contract, cause it says in here in '93 you're going to do some type
6 of hydroacoustic transect at the Anchor Point line. Is that what
7 a lot of this is -- a contract for that, or -- I'm asking how you
8 get up to \$732,000 for more information for a sonar counter you've
9 already purchased.

10 DR. MONTAGUE: Okay. We're talking about project '15.

11 MR. PENNOYER: That's correct.

12 DR. MONTAGUE: Okay, well the sonar information was only
13 part of it. You know, I couldn't say exactly how much more of the
14 sonar counting is being taken over by this project in terms of
15 costs, but it also had a very large costly component where the
16 increased number of test fisheries and the attempted application of
17 these three methods of separating the stocks and -- Dr. Seeb, is
18 there anything you could add to this to further explain exactly
19 what '15 is doing and what the roles of project '12 and '15 are?

20 DR. SEEB: I'm responsible for project '12 and I am not
21 sure I understand the question. Project '12 depends on '15 for the
22 collection of field samples for laboratory analysis. Maybe you
23 could restate the question for me.

24 DR. MONTAGUE: I wondered if there was anymore you could
25 add to what's going on on project '15 that would explain the cost.
26 If you don't, I -- don't need to go on right now.

1 MR. COLE: I have a question -- maybe I can come up with.
2 What is the Department of Fish & Game's -- excuse me you may want
3 to stay there -- is doing on the Kenai River other than these three
4 projects? Do you understand what I mean? Other than these three
5 projects '2 and '12 and '15, as part of the normal agency function
6 of the Department of Fish & Game, is it doing anything down there
7 in the Kenai River, or is this the only projects it has on the
8 Kenai River, these -- this '93 studies?

9 DR. SEEB: Charlie, I am the wrong person to answer that,
10 I am a lab scientist. There's -- I have visited the Kenai a few
11 times in the past twelve months and there are the standard Fish &
12 Game staff assigned to the river, there are many additional new
13 people that are operating boats and sonar equipment and collecting
14 genetic samples for me, so it's -- I think a large scale effort
15 involving a lot of new people to get new data to better manage the
16 river.

17 MR. SONAR: Mr. Pennoyer.

18 MR. PENNOYER: I guess Jerome -- what I was pointing out
19 in project '15 was there is a charted \$71,000 personnel cost and
20 that's not just new data obviously, processing data to sonar -- are
21 those mostly people in test fishing boats that are collecting
22 samples in the fishery for genetic stock identification, or are
23 those stream surveyors or --

24 DR. MONTAGUE: I wouldn't say it was mostly involved
25 making all the test fishing. You know, in terms of staff time for
26 the size of the project, you know that's approximately three full-

1 time equivalence -- you know, 250,000. Is that the cost you
2 indicated for the personnel was \$200,00.

3 MR. PENNOYER: \$271,000.

4 DR. MONTAGUE: \$271,000. I need to look at the detailed
5 budget.

6 MR. PENNOYER: Okay.

7 MR. SANDOR: Mr. Rosier, did you have a comment?

8 MR. ROSIER: No I don't believe so, not at this point.

9 MR. COLE: Could I get an answer to my question? What
10 precisely of these three projects is the Department of Fish & Game
11 plan on doing in the Kenai River or lake this summer. Here's what
12 I am getting at.

13 DR. MONTAGUE: I understand. I know we certainly have
14 sport fishing components for doing creel (ph) surveys and so on
15 from that. We have the regular management meetings where people
16 are pulled together and various local boards are -- provide their
17 input into the decisions and sharing of the data with those groups
18 to arrive at the department's management actions. Carl, I -- are
19 you aware of other things that go on there?

20 MR. ROSIER: As I understand this at the present time
21 will continue. We are currently operating a sonar counting station
22 there. That sonar counting station will continue to be operated
23 under state general fund dollars. We also have the test fish
24 operations in the Inlet itself which we are enumerating the fish
25 coming in. As I understand it, the difference here now is instead
26 of the nets we are talking about an acoustical technique, but we

1 would continue to use the nets as a comparison to the acoustical
2 technique in the Inlet. This is looking at fish coming into the
3 general area. So, this is -- in addition to this ,I mean, there is
4 also the normal management costs that go with the fishery in Cook
5 Inlet, a major part of which, in fact, is associated with the Kenai
6 River. So, it's not as if we're not spending a lot of dollars. We
7 have a sizeable staff down there, and we are talking about
8 expansions in most of the programs here and looking at new
9 technology or improvement of the technology that we've got. We
10 hope that it is an improvement of the technology that we've got,
11 certainly in that system, in preparation for '94 and '95.

12 MR. PENNOYER: Well, one more question on this, on '15 --
13 '15 does under your offshore assessment program -- say purchase of
14 offshore hydroacoustic equipment will be necessary in order to meet
15 these goals. So, based on last summer and this summer's, I guess
16 contractual hydroacoustic survey you're going to want to purchase
17 hydroacoustic equipment next year out of this program?

18 DR. MONTAGUE: Well the hydroacoustic equipment we
19 purchased in '92 was for the Kenai River, it wasn't for the vessel
20 based --

21 MR. PENNOYER: I understand, but this says for the
22 offshore you will want to purchase hydroacoustic equipment, so that
23 would be a future expenditure. This summer you're doing the
24 research to see which type of hydroacoustic equipment and then you
25 come back and ask to purchase the unit?

26 DR. MONTAGUE: Mr. Chairman, I believe that this project

1 in '93 would purchase the equipment.

2 MR. PENNOYER: That's part of this expenditure that you
3 listed here?

4 DR. MONTAGUE: Yes.

5 MR. McVEE: While we're talking about '02, '12 and '15,
6 I guess all at the same time here, if -- I guess - except that
7 there is a relationship between the red salmon population and the
8 Kenai River and then -- it appears to me at least then '12 and '15
9 will expand the identification, data gathering to look at the whole
10 upper Cook Inlet fishery -- gather data for the management of the
11 upper Cook Inlet fishery which expands it far beyond the concept of
12 damage to the Kenai River. What I read about the upper Cook Inlet
13 fishery, doesn't have that linkage to the oil spill. It seems to
14 me like that would more of a ongoing program, the department to
15 handle that part of it.

16 MR. SANDOR: Mr. Rosier.

17 MR. ROSIER: Yes, thank you Mr. Chairman. I think at
18 this point, we are talking about developing the information to, in
19 fact, manage for the Kenai River itself. All of Cook Inlet is
20 ultimately part of this, but the focus of the program is, of
21 course, is on collecting the information, having the technology in
22 place to, in fact, manage for the Kenai River because that was one
23 of the (indiscernible) impacted.

24 MR. SANDOR: Mr. Pennoyer.

25 MR. PENNOYER: Mr. Chairman, I don't think you can
26 separate management of the Kenai from management of other stocks in

the Cook Inlet -- currently -- so I think this project is set out to try and do that because if you have a body of sockeye out there it's difficult not to fish on them just because they might be Kenai in there. You want to be able to segregate your harvest rate appropriately to the stock as they enter the Inlet. So you need stock separation, you need some estimate of the abundance of the various stocks, and, of course, some estimate of what your escapement strategy is going to be. I guess next year if we got a good return back, you just take the sonar counter equipment, count yourself fortunate, and regret it all -- that it's not being affected. I don't think we have a final evaluation of the effect of the spill on the stock and probably won't have until we have some returns and then we still may not know the effect of the spill versus the effect of the overescapements that occurred prior to that. Whether it's the straw that broke the camel's back or not, I don't suppose we will ever know, but if, in fact, the Kenai was damaged by -- indirectly by the spill, I think the basic question Mr. McVee answered is the correct one. Is indirect resource damage going to be something that we want to look at. The second question is whether these programs in total on their expense, relative to the program being carried out by the agency, are the appropriate level. But if you answer the indirect question in the affirmative, and you're not willing to take the risk on having a negative run next year, that when it comes you won't be able to respond to -- and you're probably warranted with doing type of real-time restoration program. But, I have no way of evaluating whether it's

1 -- the level is the appropriate one or how it interacts with
2 existing programs. That's just something you'll have to ask the
3 agency and go with that. I have no way of separating that.

4 DR. MONTAGUE: Mr. Chairman, simplistically speaking,
5 minus projects '12 and '15, we have considerable reason to believe
6 that our management strategies would not be sufficient to protect
7 and provide a return to the Kenai. And, so to meet appropriate
8 return to the Kenai, we would have to have a wide scale closures
9 that would very negatively affect stocks that were not injured and
10 by rights should be fished by the sport and commercial entities
11 that use those resources. But without being able to do that, to
12 separate these stocks, we've never had to do that. We never had to
13 manage that specific to the Kenai before. So, there would be
14 negative consequences again to those stocks that weren't injured
15 and the services that weren't injured by what we're going to have
16 to do to protect the Kenai.

17 MR. SANDOR: Any further comments and questions upon
18 either '02, '012 or '015? Yes, Mr. Pennoyer.

19 MR. PENNOYER: One last question. As a refresher in
20 terms of damage, you're looking for new smolt equipment, but I
21 presume the smolt equipment you think you have now is good enough
22 to have predicted this damage was going to occur. I don't know
23 what improvements you are going to make here, but can you give me
24 some feeling for how good your estimates are of the damage that
25 occurred, the reduction in smolt migration for example. How good
26 you think that information is, and can you give me an idea of what

1 the relative magnitude is?

2 DR. MONTAGUE: Yes, first of all we are not proposing any
3 new smolt equipment here. I think -- in fact in '94 we propose not
4 even using the smolt counts, but the magnitude of the injury is
5 that -- the '89 spill year produced three million smolts. The
6 average survival is on the order of ten to fifteen percent. You
7 know -- you know very unheard of survival would be thirty percent,
8 so thirty percent would be a million fish returning in 1994. Our
9 escapement goals are 400,000 to 700,000. So, say 600,000. That
10 would allow 400,000 fish to be caught and that is assuming unheard
11 of survival. More likely there will be barely the escapement poll
12 somewhere between 400,000 and 700,000 which would allow no sport or
13 commercial fishery. Now the returns from 1990 which was not an
14 overescapement year, produced less than a million smolts, and at
15 best, we probably wouldn't, even minimally, meet the escapement.
16 So we would have -- assuming a thirty percent survival, which again
17 is unheard of, we would only have three or four hundred thousand
18 return which is below the minimal escapements. So what that
19 indicates is that the rearing lakes have experienced a collapse
20 that even returning escapements to the proper level are still going
21 downhill. And, we would not be at all surprised to see a
22 reduction, perhaps into the hundred thousand range following the
23 current decline we're seeing -- in Coghill Lake -- is a good
24 example of when these sockeye systems collapse and they can
25 collapse completely. And, so 1990 is even worse than the previous
26 years and I hope that addresses this.

1 MR. SANDOR: Mr. Pennoyer.

2 MR. PENNOYER: I apologize, but Dr. Montague, you said
3 you are not planning on doing anymore smolting, but project number
4 92002 says expanded smolting enumeration proposed for lower Kenai
5 River, increased mark and recovery effort, coded wire tagging of
6 smolts in the Moose River, and a smolt project in the Russian River
7 system. You've expanded your smolting considerably under that
8 project.

9 DR. MONTAGUE: Okay, I see your point on expansion, but
10 I guess I was interpreting your question as a whole new approach
11 that we hadn't done. The Russian River, we have never looked at so
12 we don't know that it wasn't similarly affected, so the reason for
13 that addition was to see if it affects everything or just Skilak
14 and Kenai Lake. You also asked a question a few minutes ago on the
15 accuracy of them. We believe they're certainly the best we've ever
16 had and even if they were all by fifty percent, which is much
17 higher than any of us suspect, the story is pretty much the same.
18 Exxon was also very concerned with the results of these smolt
19 counts and hired a consulting firm to participate with Fish & Game
20 in those smolt counts. As best as I've understood, they were in
21 agreement with the finding. Although I don't think there is any
22 written determination of that.

23 MR. COLE: Mr. Chairman. Are you going to do some studies
24 on this project on Kodiak Island too?

25 DR. MONTAGUE: Project '2.

26 MR. COLE: Why -- as part of this project are we doing

1 studies in Kodiak?

2 DR. MONTAGUE: Because the same thing that happened in
3 the Kenai happened in the Red Lake system.

4 MR. SANDOR: Any further questions or comments? Is
5 there a motion or action on 93002, 93012 or '15, all or individual?
6 Mr. Barton.

7 MR. BARTON: Mr. Chairman. This discussion has been
8 very enlightening. But, I note that the Restoration Team and the
9 chief scientist and the Public Advisory Group, each recommend all
10 three of these projects, albeit the Public Advisory Group thinks
11 the budget may need be looked at. I move that we adopt or approve
12 all three of these projects '2, '12 and '15.

13 MR. PENNOYER: Second.

14 MR. SANDOR: It was moved by Barton and seconded by
15 Pennoyer that Project '2, '12, '15 be adopted. Any discussion?

16 MR. COLE: I have a comment.

17 MR. SANDOR: Mr. Cole.

18 MR. COLE: I would like to say in response to Mr. Barton's
19 comment that the action of the Restoration Team, the Public
20 Advisory team, if he so intended, but it's not determinative for
21 me. I think we're required to exercise independent judgment and I
22 -- you know, that's what I intend to do with respect to all of
23 these and to ask hard questions if I am not satisfied with the
24 presentation.

25 MR. BARTON: Mr. Chairman.

26 MR. SANDOR: Yes.

1 MR. BARTON: It was not my intent to not exercise
2 independent judgment, but I found those considerations were
3 helpful.

4 MR. SANDOR: Thank you. With respect to the budget
5 concerns -- the motion does not address that, and are there any
6 suggestions on the part of the agency that that's to be dealt with
7 in some way?

8 DR. MONTAGUE: Mr. Chairman. We realize the budgets are
9 very big for all of those three projects. We're making every
10 effort to reach a management precision heretofore unknown in the
11 department and to do it in a period of two years. And, certainly
12 if we were looking at having an answer in a decade it would be a
13 lot slower and probably overall less cost, but to try to have
14 something ready by '94 it is problematic, but I would promise and
15 would get back to the Trustee Council on the results of going back
16 within the agency, taking a hard line with the personnel on those
17 projects and doing everything in our power which is pretty much
18 what we want to do to reduce these.

19 MR. SANDOR: Mr. Pennoyer.

20 MR. PENNOYER: Mr. Chairman. I think these are very
21 expensive projects. Now, for a period of four years and three
22 years, they are going to amount to a lot of money. Course, if they
23 don't come up with injury or some of these prove to be dead ends,
24 we presumably wouldn't continue them. However, this is a large
25 complex system, and it is a fairly significant budget item with
26 Fish & Game's budget anyhow -- and I don't have any time to look at

1 the detail budget in any detail, so perhaps if people wanted to do
2 that, we can request it at the next meeting the Department of Fish
3 & Game come back with a spread on what the detail budget is
4 relative to the budget currently being expended on -- Cook Inlet
5 management research -- and we can better see how those -- and
6 that's not in any way saying that I think there's a problem, its
7 just might set everybody's mind at ease and perhaps lay a better
8 foundation for the '94 budget consideration.

9 MR. SANDOR: Is there any further comments or questions
10 on the motion on the floor? Yes, Mr. McVee.

11 MR. McVEE: Yes, I still have some problem with the
12 relationships related to oil spill. Recognizing that the
13 overescapement was a result of a decision that was made. Maybe,
14 you know, we learned something there that there was, well maybe
15 other alternatives than this potential exist, or is about to occur,
16 other ways of handling the overescapement problem -- is in fact as
17 we go through -- you know, you find out more information -- that it
18 is determined -- that that is a fact. I guess, we saw -- time
19 critical, we felt '02 and '15 were time critical, that '12 was not
20 time critical, it was not something that couldn't be postponed
21 until after restoration plans. Those are my comments at this
22 point.

23 MR. PENNOYER: Maybe we should take them one at a time.

24 MR. SANDOR: Yes, your comments suggested that you
25 would prefer taking them one at a time.

26 MR. McVEE: Yes.

1 MR. SANDOR: Would Mr. Barton agree to taking these
2 projects one at a time and the second Mr. Pennoyer?

3 MR. BARTON: I would agree, let's just take them
4 (indiscernible - laughing).

5 MR. SANDOR: Then project 93002, is there is no further
6 discussion on project 93002, is there any objection to project
7 93002?

8 MR. COLE: I object.

9 MR. SANDOR: Okay. On project 92012, which is stock
10 identification of the Kenai River sockeye salmon, and is there any
11 objection to that project?

12 MR. McVEE: I objection.

13 MR. PENNOYER: Mr. Chairman, before you go any farther
14 with this, can I inquire as to the nature of the objection in terms
15 of whether it's the size of the budget or the indirect effects that
16 we are deciding upon is appropriate or consider that -- that could
17 lead us down to some of these further projects and the direction we
18 want to go. Is it the indirect affect of all -- to these people,
19 is its cost, is it what's proposed?

20 MR. COLE: You mean people, you mean me?

21 MR. PENNOYER: Well, no, Mr. McVee objected to '12 too,
22 so before I raise this -- (indiscernible - simultaneous talking)
23 we need to talk about.... we need to start with '02.

24 MR. SANDOR: Let's start with '02. Mr. Cole do have
25 thoughts on it.

26 MR. COLE: I have a comment. Well, I guess I'm inclined

1 to defer to the professionals in the area, in the subject matter
2 area that is under consideration, but I have concern about the
3 cost, and I have concern about where the resolution of the problem
4 is going to be, and it's not clear to me that spending this money
5 is going to resolve the problem, and I guess that's troubling.
6 It's not troubling enough to maybe vote against the project,
7 because I don't know that much about it, so I'm inclined to go with
8 the agency that's specializing in it. So those are the two
9 questions -- fundamentally two insofar as overescapement, we do
10 know that there was overescapement before the Exxon Valdez and
11 while the Exxon Valdez may have been the straw that broke the
12 camel's back and that's not the sole cause. So -- this is not a
13 flashing green light, so -- that's why I asked the question of Dr.
14 Montague, so are they going to look at costs and then come back and
15 try to do something on that. That's a reservation I had.

16 DR. MONTAGUE: Mr. Chairman. Can I offer one short
17 thought. This was a thorny issue in the '92 work plan and was
18 brought up as a policy issue requiring Trustee Council decision on
19 these same grounds of whether the secondary effect was legitimate
20 for Trustee Council attention. And, in fact, that decision was
21 that it was, and projects '2, '12 and '15 were indeed approved in
22 1992 by all six of the council members. I guess I am wondering
23 about policy decisions being not held to.

24 MR. SANDOR: The question -- is not of being held to,
25 is it being -- you know, are you going to be doing this in '94,
26 '95, '96 and -- is there light at the end of the tunnel? And

1 again, I said I would prefer to defer to the specialist, but bear
2 in mind that there was some concern of the Public Advisory Group as
3 well -- some individuals who are knowledgeable in this area. Mr.
4 Cole.

5 MR. COLE: First, your remarks replicate mine, number one,
6 and you chose to vote in favor of it. I had the same view, and I
7 chose to vote no, harboring those same thoughts. But, in addition
8 to that, when we went through this in '92 as I recall, there was
9 caution, reservation, hesitation then. You know, we sort of crept
10 out way through this as I recall at that time. And, my vote is
11 consistent here today with what I generally think we should be
12 doing and that is getting on with restoration, and I think the time
13 for study has got to e over at some time and I, just let me add one
14 little note, that the cost -- you know, when we -- you know, we
15 have troubles getting over the shoals and these projects in '92,
16 then we come back and here's this big project -- you know, laid
17 before us again and, you know, I would say you could give us a
18 little help maybe in keeping the cost down, because I think all of
19 us -- at least many of us, have a sense this is -- you know, maybe
20 its a gut-edged project down there, and there is concern galore in
21 these public comments here about this agency, you know, feathering
22 their economic nests. You see it time and time and time again.
23 And so, I -- just sort of get to the point where -- you know, I
24 just drop off the other side. And if we could see what we are
25 doing down there, I think it is a very important fishery. A lot of
26 people use it. I think we ought to restore it, we ought to give it

1 all the help we can, but we ought to get on with the restoration,
2 and we ought to do it in an economic fashion. That's what's
3 troubling me, and that's why I voted the way I did.

4 DR. MONTAGUE: Mr. Chairman. Again, just wanted to
5 reiterate that '12 and '15 are getting on with the restoration.
6 But back on number '2, I guess the way we view it is that this
7 fishery could remain collapsed throughout, you know, a decade. We
8 will assume that we will have gotten on with the restoration, money
9 could be spent and this most injured resource remains unrestored.
10 And then, until we know how to restore it, we can't, so which would
11 be the most unwise decision. Have your money spend and not have
12 this most injured resource restored?

13 MR. SANDOR: Mr. Rice, do you have a comment?

14 MR. RICE: Mr. Chairman, there's been a great deal of
15 concern expressed both by the public and the Trustee Council on the
16 cost of projects. And, while the Restoration Team had very brief
17 project proposals to deal with, we had a detailed budget which
18 didn't really give us as good a feel for whether the project was
19 within bounds or not. But, what the restoration team is planning
20 to do is, once the Trustee Council approves the project to go
21 forward, is request a very detailed study plan which will be going
22 for peer review and with the Restoration Team review and the peer
23 review of this detailed study -- we feel that we will have a much
24 better handle on the requested budget.

25 MR. SANDOR: Ms. Bergmann.

26 MS. BERGMANN: Yes, Mr. Chairman. I would like the chief

1 scientist to comment on -- Jerome's statements that he has made
2 several times about the salmon -- the red salmon being the most
3 injured resource that we are dealing with here.

4 MR. COLE: Before we do that, let me respond to Mr.
5 Rice.... I mean, how come we don't have that data now. We're
6 called upon to act on these things and make decisions on these
7 projects. And now you say, well we really not -- don't know if
8 that's the cost data and the Restoration Team says well, we're not
9 sure but that's what it will cost and its an economically
10 reasonable budget request. I mean, now it's a little late for
11 starting to look at that. It's very disturbing to me. Very, I am
12 having -- frankly trouble with keeping my composure.

13 DR. MONTAGUE: Mr. Chairman.

14 MR. SANDOR: Dr. Montague.

15 DR. MONTAGUE: I think the point Ken was trying to make
16 was that there were already in place opportunities and real
17 opportunities for reducing costs, and that the primary way in which
18 that would be done is that, you know, as we talked about in one of
19 the projects earlier is that some of the findings just coming in
20 now indicate that maybe some aspects won't be necessary in '93.
21 So, that type of information would be used to alter projects. And
22 further, the full-scale peer review of each and every project is
23 done during a detailed project description stage. And, we deemed
24 and still deem that that would be improper to have wide-scale paid
25 peer review of these various projects and review over their costs
26 for very specific reductions until the Trustee Council had approved

1 which ones went ahead because -- you know, it's probably -- perhaps
2 Bob can correct me, but \$100,000 to \$200,000 cost for the peer
3 review contract to review all of these detailed project
4 descriptions.

5 DR. SPIES: I just might comment that the peer review
6 process does not -- cannot help you with your problem of trying to
7 compare what might be normally agency management function with
8 proposed extra costs associated with the injury -- this information
9 is not provided in the budget -- in the detailed budget. The
10 reviewers have no way of making those -- in the past to make those
11 (indiscernible - out of range of microphone).

12 MR. COLE: Mr. Chairman. Let's keep on this because this
13 is fundamental. Are these numbers sort of outside numbers? Or is
14 that what we're saying -- you're giving us a proposed budget that's
15 the maximum numbers that we're dealing with?

16 DR. MONTAGUE: Mr. Chairman. I think there are very
17 reasonable estimates, I would not categorize them as being maximum
18 estimates.

19 DR. SEEB: Mr. Cole. I can address project '12, and I
20 think my comments are probably accurate for '2 and '15 as well.
21 These are ongoing projects, and we submit to the RT detailed
22 budgets, including the costs of very small items down to paper
23 clips. So, these aren't new projects with new budgets attached to
24 them. They were submitted last year as four year plans -- number
25 '12 was -- and, we have done budgets and redone budgets numerous
26 times for the RT detailing personnel, contracts, very specifically.

1 DR. GIBBONS: Mr. Chair.

2 MR. SANDOR: Yes.

3 DR. GIBBONS: I guess my point of view here -- that
4 these would be maximum budgets. I would not expect to see numbers
5 come in that were greater than these when the detailed study plan
6 is compared.

7 MR. SANDOR: They are then the outside?

8 DR. MONTAGUE: Mr. Chairman. Do you want to address that
9 remark?

10 MR. BRODERSEN: I was going to refer to them as a cap,
11 would be my thinking on them. If I may, Mr. Chairman, I'd like to
12 address a little bit more as to the general discussion here. We've
13 developed this in a fairly short time period, trying to shift from
14 oil year to federal fiscal year, which I am sure we're all happy
15 about doing, but it has meant a time crunch. So, there hasn't been
16 all the time that we might have liked to have asked every single
17 hard question that you all are asking. We've asked most of these
18 questions ourselves. Along that same line, the detailed study
19 plans are time-consumptive and staff-consumptive and we would
20 prefer not to develop those for projects that Council does not
21 approve, at least in concept. And so, what's been done is this
22 three-pager has been developed, what is believed to be an accurate
23 budget has been developed, that our intent, as Mr. Rice was saying,
24 was to go back after you had approved the project in concept, get
25 a detailed budget for peer review, look even closer at the -- see
26 if detailed -- detailed project, and then a detailed budget also,

1 and then look at those much closer for the ones you would actually
2 approve, so that we weren't expending settlement funds on projects
3 for this detailed review that you would not approve in concept.
4 And, I've always looked upon these numbers that you would be
5 approving here as a cap, unless we've made some egregious blunder,
6 in which case we would have to come back to and say we needed
7 another \$100 or something like that.

8 MR. SANDOR: Mr. Pennoyer.

9 MR. PENNOYER: Mr. Chairman, just -- again to try and get
10 at this, because I think an awful lot of this is around -- centers
11 around -- if you get by the indirect concept, and we did last year
12 although we all had a little doubt (indiscernible - simultaneous
13 talking). We had questions. Once you get past that, then I think
14 you're talking about whether these are the appropriate projects,
15 the approximate mix and the appropriate cost. These projects hit
16 the question of management of Cook Inlet on a number of different
17 levels. There's things like smolting in the Russian River, there
18 is a level that you might or might not have to do. It might help
19 you understand the system, but then again it might not. It might
20 take you a lot of years to do it. Test fishing in Cook Inlet may
21 or may not pay off, it would be nice to have. Stock separation
22 could, and it's probably pretty much of an adamant need. Improved
23 escapement counting on the Kenai, you said before was adequate.
24 Probably was, now it is better, but I'm not sure how much more you
25 have to do. Smolting in the Kenai River -- I'm not sure how much
26 more you've got to do with that. So, it certainly might come down

1 here to a decision as to whether you think within these three
2 projects there's some type of priority. If you've got two and a
3 half million dollars, is all that an absolute necessity to make
4 this system interact? And, if you can't design a Cadillac, is a
5 GMC going to be better than what you've got now? I've seen no
6 prioritization as to whether some of these are adamantly needed.
7 Tagging -- coded wire tagging of smolts in Moose Creek -- I don't
8 know what it costs, maybe its \$40,000 for a team to go out there
9 and seine or whatever you're going to do to put a trap in, but is
10 that a real necessity? What -- how much of this do you have to
11 have?

12 DR. MONTAGUE: You've indicated a few areas that --
13 offered some questions -- you know, what the Russian River -- is
14 one major aspect of the sport fishery on the Kenai, and it could be
15 dropped, it could be dropped. But, concern during some of the
16 previous Restoration Team meetings raised just that question -- you
17 know, the rest of the Kenai is affected, but what about the Russian
18 River and its system, and based on those responses we've put this
19 aspect of the project in there. But, not as critical, I would say
20 it is not as critical because the....

21 MR. McVEE: Mr. Chairman.

22 MR. SANDOR: Mr. McVee.

23 MR. McVEE: I was convinced that through the
24 discussions that '02 -- that we still wee attempting to identify
25 whether we had an overescapement problem, and assuming I got by the
26 linkage to oil spill, that seemed legitimate that we need to find

1 out if we have a problem. It seems like that we have to establish
2 that fact before we proceed with the aspects of '12 and '15. So,
3 we go on into management data and the management process, but if we
4 don't have a problem of overescapement, then those projects are
5 unnecessary. I think we need to establish that first.

6 MR. SANDOR: Mr. Pennoyer.

7 MR. PENNOYER: Sir -- are you saying that you've got to
8 do '002 to decide if you had a problem. I thought '002 was to do --
9 a chronology to describe better in the system the type of
10 management you should have in terms of escapement patters and that
11 sort of thing. Isn't your problem going to be your adult return
12 and the continued smolting and so forth. Is all that knowledge
13 necessary to decide you have a problem. Maybe you better explain
14 to us what the problem is.

15 MR. MONTAGUE: Mr. Chairman. What we might term to
16 injury assessment aspect of project '2, isn't to try to decide
17 whether there was an overescapement problem, but the fact that the
18 great numbers of young fish resulting from '89 precipitated this
19 downward slide, we're comfortable with. What we don't know is what
20 is the limiting factor that is preventing recovery, and that's the
21 key question that's being asked by our project. So, if you know it
22 was an overescapement causing this, how can you restore it. You
23 can't do that until you see what is the factor that's limiting that
24 restoring. Why haven't they bounced back? I mean 1990 was very
25 adequate escapement, by no means an overescapement, that resulted
26 even poor survival than the previous year, so that's the limiting

1 factor we need to determine.

2 MR. McVEE: Maybe a follow up question. How does the
3 factor of say, you know in terms of smolt survival, how is the
4 factor of water temperature enter the picture? You know, seasonal
5 water temperature on a given year where it might be colder or
6 warmer than it normally is. Is that kind of one of the things that
7 we -- one of the factors to identify or to find out if it
8 influences survival?

9 DR. MONTAGUE: Mr. Chairman on that -- I'm sure you're
10 referring to other parameters than just temperature, but indeed,
11 temperature and cloud cover do affect smolt survival and
12 production. Never before indicated elsewhere as being that
13 variable from year to year to cause the kind of declines that we've
14 seen. The resource to date, has more indicated -- a problem that
15 zooplankton are being for the young fish to survive on, but they're
16 not being able to get them for a couple of reasons. One,
17 zooplankton appear to be, as I've mentioned in previous meetings,
18 able to get their food supply at the surface during a very short
19 period of time. Because the overescapement ate so many of the
20 zooplankton that the phytoplankton are extremely abundant, so the
21 remaining zooplankton don't spend much time at the surface where
22 the sockeyes can feed upon them. And, proving that right now,
23 that's just a hypothesis, and proving that would be key in
24 restoring the species.

25 Another area that we would be looking at is that there's
26 a time when the zooplankton are full of eggs, and the availability

1 during that very short time period, we believe, is the most
2 important factor in determining fry survival. So, if it's not
3 simply escaping the fish, then we thin it's escaping it during that
4 critical period when the eggs are there, so those are the two areas
5 where we expect to find our answers at this time.

6 MR. SANDOR: Yes, Mr. Cole.

7 MR. COLE: Sort of a point -- when did we start working on
8 the '93 work plan?

9 MR. SANDOR: I can't answer that question -- can anyone
10 on the Restoration Team? Dr. Gibbons?

11 DR. GIBBONS: I think we solicited public comments in
12 the spring of '92.

13 DR. MONTAGUE: May 1st of 1992.

14 MR. COLE: Secondly -- what's sort of troubling me a
15 little bit is when we're working with these numbers, we find out
16 now for the first time this is not necessary -- not necessarily,
17 and I chose those words carefully, what the project will cost, but
18 a cap on what the projects are, and I'd much greater comfort level
19 if we were dealing with what we thought was a reasonable accurate
20 estimate of what these projects will cost. It could be a fifty
21 percent factor or greater, thirty, fifty percent -- it's a little
22 troubling. You know, at this point one just says, I give up.

23 MR. SANDOR: Mr. Rosier.

24 MR. ROSIER: Thank you, Mr. Chairman. Well, I
25 understand Mr. Cole's frustrating there on that, I don't think that
26 -- the projects that we've conducted to date that there's been a

1 fifty percent error in the estimates that were in fact put forth.
2 I think that we build into our, if I'm not mistaken -- I think our
3 financial operations or operating procedures for financing and so
4 forth, I think we built in some room for slack, but on either side
5 then how we would handle that, but -- you know, I think it is
6 unfair to, in fact, characterize this as nothing more than a cap.
7 It seems to me that there was a fair -- fairly substantial amount
8 of time both within the department, as well as within the
9 Restoration Team that took a look-see at the numbers -- I question
10 whether it's just a figure that someone pulled out of the air here.

11 MR. COLE: Mr. Chairman. I think when these numbers come
12 to us it should be sort of peer reviewed, and looked after so we're
13 comfortable with what this is going to cost and what it is. I
14 think that if we started this project in the spring, by January of
15 nearly a year later that it is not unreasonable to ask that we
16 should have that sort of information. I realize that there is the
17 possible overlap, you might be doing some of this refined work on
18 things we might not approve, but it seems to me that's worth it,
19 given the assurance level that we would have in making these
20 decisions.

21 MR. SANDOR: Dr. Spies.

22 DR. SPIES: Could I return briefly to some of the
23 comments that Mr. Pennoyer made.

24 MR. SANDOR: Maybe you ought to get closer to the mike.

25 DR. SPIES: Mr. Pennoyer expressed some concern about
26 whether all the different parts of this study were really needed,

1 whether in fact we're getting a Cadillac where maybe a Ford or
2 Oldsmobile might do the job. And, the Restoration Team has asked
3 me to organize a work shop of peer reviewers and principal
4 investigators on the red salmon projects in total because there's
5 been a concern expressed by some of the peer reviewers about the
6 whole package of projects, and they would like to sit down and look
7 at the whole package of sockeye salmon projects as a whole because
8 last year, in preparation for the '93 work plan, because of the
9 tight deadlines, there hasn't been this really intense review of
10 all these. And, if it might help your level of comfort to know
11 that that review would be taking place, hopefully in March -- a
12 meeting in Vancouver that happens to be a salmon workshop for other
13 -- sockeyes for other purposes that we can, I think we can pretty
14 inexpensively get reviewers and other people from British Columbia
15 and so forth, that have had experience of these overescapements in
16 other systems together at that time and review the scope of the red
17 salmon projects.

18 MR. COLE: Mr. Chairman.

19 MR. SANDOR: Mr. Cole.

20 MR. COLE: Will you refer these escapement problems then,
21 at that time, subject to the recommendations of the peer review, or
22 could we approve them subject to peer reviewers. I think we are
23 all a little troubled in this area, at least I am.

24 MR. PENNOYER: It seems we might be able to do that. The
25 latter, but not the former. If you don't take some action now, I
26 presume that we've stopped and people are going to go by the

1 wayside before you get this March review done. And, is your review
2 -- Mr. Chairman, is your review going to consider priorities for
3 funding or just the science of the relative pieces -- you've got
4 six pieces here and they're all good science -- doesn't mean that
5 we would judge -- that you would need to do all six of them.

6 DR. SPIES: I think you could make some judgments as
7 to what parts you want more than others from the standpoint of
8 recovery and restoration. Whether they could do -- I don't think -
9 - I think it beyond the scope of the effort to evaluate budgets,
10 for instance.

11 MR. McVEE: Mr. Chairman.

12 MR. SANDOR: Yes.

13 DR. SPIES: I don't have a magic answer, but I am just
14 offering this as additional information.

15 MR. SANDOR: Mr. McVee.

16 MR. McVEE: It alluded to, I guess, the trying to do
17 or trying to plan the new comprehensive work by species or by
18 service like we have for habitat, and I guess that this is very
19 encouraging action, and I would hope that out of this, as well as
20 by us, part of it could be taken and develop an overall component
21 of the restoration plan that would be useful in setting priorities
22 and evaluating where we do have the most serious problems and
23 should take action.

24 MR. SANDOR: Yes, Mr. Pennoyer.

25 MR. PENNOYER: Mr. Chairman. I guess, I guess I'm afraid
26 if we don't do something, we may find ourselves with a collapsed

1 stock and -- could not have the tools to restore it or manage it
2 appropriately, which I think is form of restoration. However, I
3 still remain concerned that we understand the priorities for work
4 within this package -- restoration, or, that in fact, we understand
5 that the amounts budgeted are appropriate given the normal budget
6 for work in Cook Inlet. And, I suggest -- I would again move that
7 we approve these three packages contingent on both the review that
8 will be carried out by the PR's in terms of the science and
9 priorities for restoration of these, and review at a future meeting
10 of the detailed budget, comparing it to the normal management
11 research budget functions in Cook Inlet, and it should give us that
12 level of comfort, and doing both of those, I think I would be
13 satisfied with going ahead with this, although it certainly
14 wouldn't be for four or five year guaranty, it would be one year at
15 a time.

16 MR. SANDOR: Moved, and seconded by Baton. Is there
17 discussion on the motion....

18 MR. BARTON: Yes, Mr. Chairman, thank you -- always
19 operating on the assumption that any of the projects we approve are
20 subject to the peer review process, just as we have done for the
21 last three years is that so -- I think that's a redundant part of
22 the motion that I just seconded, but I don't object to the
23 inclusion of it.

24 MR. PENNOYER: Mr. Chairman, I think it's specific,
25 however, in that review requiring that it occur this spring and
26 report back to us prior to the full implementation of the project

1 or buying major equipment or something like that.

2 MR. SANDOR: Any further discussion. Mr. McVee.

3 MR. McVEE: Do I understand that motion then is that
4 if it were approved, we would move forward to draw funds from the
5 court for these three projects, but prior to the time that these
6 funds would be expended, the three projects would come back before
7 the Trustee Council to -- we would review the detailed budget.

8 MR. PENNOYER: Mr. Chairman, that wasn't completely my
9 motion because by the time they come back after this peer review,
10 I assume we are going to be done with our fiscal year and we'll
11 have people without salaries and other things (indiscernible -
12 cough). My request would be that we not have major contractual or
13 equipment expenditures before it comes back from that review. But,
14 understanding that some float is going to have to continue.
15 Otherwise, they are just going to grind to a halt and disrupt the
16 whole process.

17 MR. SANDOR: Mr. Barton.

18 MR. BARTON: Mr. Chairman. I don't know that it's
19 necessary for them to come to us unless there's major differences
20 as a result of that review.

21 MR. COLE: Mr. Chairman.

22 MR. SANDOR: Mr. Cole.

23 MR. COLE: I would like to see it affirmatively come back
24 to us -- the work product of the peer reviewers, number one.
25 Secondly, I would like the assurance from Commissioner Rosier that
26 they will make only the minimum commitment required to preserve

1 these projects until we receive the peer review, and with that I
2 would be prepared to vote in favor of this motion.

3 MR. SANDOR: Mr. Pennoyer.

4 MR. PENNOYER: I don't have any....

5 MR. SANDOR: Mr. Rosier, agreed?

6 MR. ROSIER: Mr. Chairman. As I understood the motion,
7 there's two parts to it. One is peer review, and I believe that
8 Dr. Spies, if I am not mistaken, indicated that the budget issue
9 was beyond the peer review group on this. But, that as I
10 understood the motion from Mr. Pennoyer, you were talking about two
11 thins. One is peer review, the other was the budget review also.
12 Is that correct?

13 MR. PENNOYER: That's correct.

14 MR. ROSIER: And then preceding that would be the
15 assurances from myself that expenditures would be only those
16 projects -- only those expenditures that were essential to
17 maintenance of the project until after that review, and from my
18 perspective you've got that assurance.

19 MR. SANDOR: So then, on the table then is the motion
20 to approve projects 93002, '012 and '15, with the understanding
21 that expenditures would go far on -- as necessary, but following
22 the meeting in Vancouver and British Columbia, that this would come
23 back to the Trustees for review. Is that the correct motion on the
24 table?

25 MR. ROSIER: I believe that is, that is the way I
26 understand it.

1 MR. SANDOR: Any further discussion?

2 MR. PENNOYER: Coupled with budget review as well as peer
3 review?

4 MR. SANDOR: Yes. Any further discussions? Mr.
5 Rosier.

6 MR. ROSIER: Mr. Chairman. On this, I think that
7 certainly as far as the budget review is concerned, we would try to
8 -- we're not talking about something simultaneous here, I hope. We
9 would hope to have the budget review here probably at the next
10 meeting of the Trustee Council on this. I'm not sure what the
11 timing of various segments are here on this, and when I give you
12 the assurance that -- it will be a maintenance thing. Are we
13 talking about a maintenance thing until afterwards -- after the
14 peer review on this, because I sense that the peer review is going
15 to come substantially later? And, I don't know what effect that's
16 going to have on what -- on the implementation of the project and
17 how we spend the dollars. We'll try to hold it to a minimum as
18 I've indicated and not -- we can have the -- as I say we can have
19 the budget review ready to go, you know, when we meet February 16.

20 MR. SANDOR: Any further discussions on this motion?
21 All those in favor signify by saying aye.

22 ALL TRUSTEES: Aye.

23 MR. SANDOR: Opposed? The motion is passed with these
24 qualifications and conditions. It is now 4:10 which is passed the
25 public comment period and....

26 MR. PENNOYER: We only have thirty-five projects to go

1 that we deferred. I've got to leave by Friday. (Laughter)

2 MR. SANDOR: I need a point of clarification. It was
3 not the intent of this public comment period to be on the projects
4 because those comments -- what is the exact scope of the public
5 comment period -- what groups are on line -- do we need five
6 minutes to get started, get this thing sequenced or what. What is
7 the -- what was the advertised intent of the comment period, when
8 it is to begin, when is it to conclude and what set up do we need
9 to begin this process?

10 DR. GIBBONS: Excuse me, Mr. Chair, I believe I can
11 speak to that. Normally, I would not schedule a public comment
12 period on a continuation meeting that -- where public had comments
13 to the previous meeting. But, I have received over 125 comments
14 since you last meeting on various projects, I've got them all
15 collated here, I've got another twenty-five in my in basket here
16 just -- and so, I just thought there was so much public interest
17 that we needed to have a public comment period. So I'm the one
18 that scheduled it. It's scheduled from 4:00 to 5:30.

19 MR. SANDOR: Then, all of the communities listed are on
20 line. Shall we adjourn for five minutes to get....

21 MR. PENNOYER: Mr. Chairman, when are you going to
22 announce the ground rules....

23 MR. SANDOR: I guess that's what I am really interested
24 in knowing because we need to let them know as well as the public
25 that is here what it is that they're going to be commenting on.
26 We've advertised a public comment period as we opened the session.

1 we need to have some ground rules.

2 DR. GIBBONS: It was just really advertised as a public
3 comment period. It's really up to the Trustee Council if they want
4 to open it up for everything or limit it to comments on the '93
5 package or....

6 MR. PENNOYER: Mr. Chairman. I guess -- I know you've
7 received some more comments, but we've had lots of comments on the
8 '93 package. I say we start this by talking about (indiscernible).
9 I'm not sure what you're opening it up to, but I would certainly
10 like you to restrict it in such a way we can get on with our
11 business and not simply cover the same ground again.

12 MR. SANDOR: Is there an agreement on that? Okay,
13 let's adjourn for seven minutes, until 4:20.

14 MR. BARTON: Mr. Chairman.

15 MR. SANDOR: Yes.

16 MR. BARTON: Before we adjourn, what -- a little
17 reality check here, when are we going to deal with the rest of
18 these deferred projects?

19 MR. SANDOR: My suggestion is that, and I hope the
20 Trustees would agree, to return following dinner this evening and
21 work for several hours, at least, and commence at 8:00 in the
22 morning and work as long as its necessary to complete this
23 activity. I will have a substitute coming in at 10:30, but -- who
24 will function as effectively as I. (Indiscernible - cough) the
25 better. Anyway, I do -- would like to come back tonight. Is that
26 in agreement?

1 MR. BARTON: I don't see any alternative.

2 MR. SANDOR: Okay, let's adjourn until.

3 MR. COLE: Mr. Chairman, what time are we coming back

4 tonight?

5 MR. BARTON: 7:00 o'clock?

6 MR. COLE: At seven?

7 MR. BARTON: Well, what's the time we're going to

8 adjourn here, 5:30 is what it says....

9 MR. SANDOR: We'll come back at 7:00. And then begin

10 the public comment period at 4:23.

11 (Off record: 4:15 p.m.)

12 (On record: 4:26 p.m.)

13 MR. SANDOR: We welcome those who are on line and can

14 the operator identify what stations are on line?

15 OPERATOR: This is the bridge operator, and we do have

16 Kodiak, Mr. Thoma in Juneau, we have Valdez, Mr. Williams in

17 Whittier and Cordova on line.

18 MR. SANDOR: Thank you. This is a continuation of the

19 Trustee Council meeting -- last month --last meeting and as such,

20 this public comment period is not intended to reopen the comments

21 on our project proposals for 1993, but we did want to provide an

22 opportunity for comments either on the process and focus strictly

23 on the activity that the Trustee Council is conducting today. Dr.

24 Gibbons, can you briefly summarize what we've done so far as

25 today's meeting.

26 MR. GIBBONS: Yes, thank you, Mr. Chairman. The first

1 topic covered by the Trustee Council this morning was the habitat
2 protection and they moved to approve, one, to accept the
3 Restoration Team's recommendation which is set "B" with item "9C"
4 of the threshold criteria on an interim basis until a restoration
5 plan has been approved. They also moved to reword set "B", item
6 no. 3 of the threshold criteria to read from "The Seller
7 acknowledges that the government can only purchase the parcel or
8 property rights at fair market value." They approved the rewording
9 of that criteria to read, "The Seller acknowledges that the
10 government can only purchase the parcel or property rights at fair
11 market value." They approved the rewording of that criteria to
12 read, "The Seller acknowledges that the government can only
13 purchase the parcel or property rights, not in excess of fair
14 market value."

15 They next moved to approve the adoption of the interim
16 evaluation and ranking criteria recommended by the Restoration
17 Team. And lastly, they approved the following -- approved the
18 following concerning Kachemak Bay. I'll read this -- "We request
19 that the Attorney General of the State of Alaska and the Assistant
20 Attorney General of the Environmental and Natural Resource Division
21 of the United States Department of Justice to petition the United
22 States District Court, for the District of Alaska, for withdrawal
23 of sum of \$7,500,000 from the Exxon Valdez oil spill settlement
24 account established in the court registry investment system as the
25 result of the government's settlement with the Exxon Companies.
26 These funds shall be paid into the Alyeska settlement fund

1 established by the state of Alaska as required in the Alyeska
2 settlement agreement, and together with the interest thereon, used
3 to purchase fee simple title to the park in-holdings. Title to the
4 land shall be granted to the state of Alaska for inclusion of the
5 lands in the Kachemak Bay State Park. The use of these funds is
6 conditioned as follows: One, the purchase must be completed by
7 December 31, 1993. Two, the total purchase price may not exceed
8 \$22,000,000, and three, the park in-holdings must be purchased in
9 fee simple title, including all timber and all subsurface rights.
10 If any of these conditions is not met, the funds shall be returned
11 together with the accrued interest to the Exxon settlement
12 account."

13 The next agenda item covered by the Trustee Council was the
14 1993 work plan. The Trustee Council has approved the following
15 projects of the 1993 work plan. They approved 93002 and 93012 and
16 93015, all sockeye projects on the Kenai River, with the following
17 stipulations. The approval is contingent upon a sockeye synthesis
18 meeting with peer reviewers in March and that the Alaska Department
19 of Fish & Game bring back to the Trustee Council a review of the
20 detailed budgets associated with these projects at the next Trustee
21 Council meeting. Until that time, only minimum, essential
22 commitments shall be expended on the projects.

23 They adopted project 93003, which is the pink salmon egg to
24 pre-emergent fry survival in Prince William Sound. They adopted
25 93035, potential impacts of oiled mussel beds on higher organisms.
26 They approved project 93036, recovery monitoring and restoration of

1 intertidal oiled mussel beds in Prince William Sound and the Gulf
2 of Alaska. They adopted project 93038, the shoreline assessment
3 project. They adopted project 93039, the Herring Bay experimental
4 and monitoring studies. They adopted project 93041, the
5 comprehensive restoration monitoring program, phase 1, monitoring
6 plan development. They approved project 93042, recovery monitoring
7 of Prince William Sound killer whales. They approved project
8 93045, surveys to monitor marine bird and sea otter populations.
9 They approved project 93046, habitat use, behavior and monitoring
10 of harbor seals in Prince William Sound. They approved project
11 93047, subtidal monitoring. They approved project 94053,
12 hydrocarbon data analysis, interpretation and data base
13 maintenance. They approved project 93057, damage assessment, GIS.
14 Project 93059 was previously approved. Project 93060 was
15 previously approved also by the Trustee Council. They approved
16 project 93062, restoration GIS. They approved project 93063,
17 survey and evaluation of in-stream habitat and stock restoration
18 techniques. And finally they approved project 93064, habitat
19 protection fund.

20 MR. SANDOR: Dr. Gibbons, is that 93064 habitat
21 protection fund approved twenty million dollars minus seven and a
22 half already approved for Kachemak Bay in-holdings. Yes, Mr.
23 Pennoyer.

24 MR. PENNOYER: Mr. Chairman. It should also be stated
25 that we have not acted on any other projects yet, those are
26 deferred for action. It's not that they have not been approved

1 yet, they were deferred for further discussions.

2 DR. GIBBONS: Yes, the other projects have been
3 deferred. The Trustee Council is going to take public comments now
4 until 5:30. They're going to adjourn for dinner and re-adjourn --
5 re-meet- reconvene at 7:00 p.m. tonight, and they're scheduling to
6 reconvene at 8:00 a.m. tomorrow morning...

7 MR. SANDOR: So this is a continuation of a public
8 comment period that we -- had at the last meeting. Because we have
9 limited time we would hope that those on line as well as those here
10 would limit their comments to the issues at hand. We will go
11 through Cordova, Juneau, Kodiak, Valdez, Whittier, and then at
12 Anchorage. Beginning with Cordova, identify yourself please,
13 indicate how many people there are to testify at each of these
14 locations. Also indicate your name and affiliation. Beginning
15 with Cordova, is there anyone to testify, how many, and would the
16 first person state their name and affiliation.

17 MARY MCBURNEY (Teleconference): This is Mary McBurney
18 representing Cordova District Fishermen United. I am the only
19 person present at the moment. I, the reception on this end is not
20 very good, and I wasn't real clear on whether you were taking
21 testimony on some of those projects that might have been deferred
22 for consideration.

23 MR. SANDOR: No, I'm sorry. The -- no projects are
24 still ahead. The ones that were acted upon were approved and we're
25 now considering all of the remaining projects. We will begin that
26 again at 7:00 and continue that at 8:00 in the morning. We have

1 more than ample public comment on the projects, and none so far
2 have been acted on. And, would those who testify spell their names
3 so that our transcriber can get the names correctly. Cordova?

4 MARY MCBURNEY: Alright, for the record my name is Mary
5 McBurney, that's M-C-B-U-R-N-E-Y, and I have testified in the past
6 on these projects which will be up for consideration a little bit
7 later on, and I do encourage you to very carefully consider the
8 herring injury project which is before you, as well as the coded
9 wire tagging project for both pink salmon and for other affected
10 species at Prince William Sound. Thank you.

11 MR. SANDOR: Thank you, Ms. McBurney, and if there is
12 no one else in Cordova, we will move to Juneau. Anyone to testify
13 in Juneau?

14 MR. THOMA: This is Chip Thoma, T-H-O-M-A, in Juneau.
15 I put my address and everything down on the sheet here and you, of
16 course, have that from before. I would like to comment that I have
17 never heard the sound so bad. There's a big echo going on.
18 You're very, very hard to hear Mr. Sandor, and I, like the person
19 from Cordova, did not really hear the parameters of what you want
20 to do today, but I got that you don't want to discuss projects you
21 just want to discuss process. One recommendation that I have and
22 the request that I have is that we immediately begin audit on some
23 of the administrative costs from the agencies that have been
24 incurred, and I particularly direct you -- the -- Department of
25 Commerce, NOAA, and United States Forest Service. I think that
26 audits on both the administrative procedures and the monies that

1 have accrued to these agencies and how it's been handles, should be
2 performed. I'd like to see the finance committee start acting on
3 that. I would also like to see some kind of figures on what has
4 been incurred by the Department of Law in negotiating some of these
5 settlements, such as the Preston Thorgrimson contract, and I just
6 think that a whole lot of money has been spent in these areas, some
7 of it has not made it to Alaska, a lot of it has been left in D.C.
8 or left in Seattle, in the case of NOAA. My information tells me
9 that there are some irregularities there. So, as I said, I can't
10 really hear you in Anchorage. I did hear and got the numbers of
11 the projects that you approved today, but that is my recommendation
12 for the process.

13 MR. SANDOR: Thank you Mr. Thoma, is there anyone else
14 in Juneau wishing to testify? Moving on to Kodiak. How many at
15 Kodiak, if any, and would begin their testimony now.

16 CONFERENCE OPERATOR: Mr. Chairman, we have Mayor
17 Selby and we also have Rick Knecht, but they are just observing at
18 this time.

19 MR. SANDOR: Thank you very much. Moving on to Valdez.
20 Would you identify how many people are there and if there is any to
21 testify and, if any, begin that testimony please.

22 CONFERENCE OPERATOR: We just have one at this time
23 and they just like to observe.

24 MR. SANDOR: Thank you very much. Is there anyone else
25 that has joined us on line, besides Chenega, Juneau, Kodiak, Valdez
26 or Whittier. We will then take any testimony from Anchorage --

1 excuse me, Whittier -- I apologize. Is there anyone to testify at
2 Whittier, if so, how many and would you begin please?

3 CONFERENCE OPERATOR: We've got one of us in
4 attendance here, simply for the purpose of learning more about
5 what's going on.

6 MR. SANDOR: Thank you very much. That completes then
7 the circuit on line and beginning in Anchorage. And, can we ask
8 that those are here abbreviate their testimony and limit it to the
9 process that we are following and not the restoration plan projects
10 which you have already had ample time to comment on. Would you
11 please identify yourself and begin your testimony.

12 MR. McKEE: My name is Charles McKee and how you spell
13 the last name is M-C-K-E-E. My ancestors changed it from "V" to
14 "K". (Laughter)

15 MR. COLE: Are you saying you're related to....

16 MR. McKEE: Yes, a distant cousin. Very distant
17 cousin. (Laughter)

18 MR. SANDOR: He is retiring tomorrow, we hope that
19 you'll help him celebrate. Yes, please Mr. McKee, give whatever
20 testimony is relevant to our process underway.

21 MR. McKEE: I've heard reference made of scientific
22 study of the zooplankton and if that's relevant, I would like to
23 speak to that.

24 MR. SANDOR: That really is not relevant because it
25 relates to the specific project which we have already received
26 ample public comment and the intent here was just to cover the

1 process.

2 MR. McKEE: The process of the evaluation.

3 MR. SANDOR: The operation of our Trustee Council in
4 reviewing these projects.

5 MR. McKEE: Well then, I'd have to refer to this
6 "Powers Granted to Congress" and you sense that Congress has -- has
7 been involved in implementation of this Trustee Commission. The
8 powers granted to Congress is patents and copyrights, to promote
9 the process of science....

10 MR. SANDOR: Mr. McVee -- Mr. McKee, may I -- sorry.

11 MR. McKEE: I understand. I understand that you
12 people are under the jurisdiction of Congress....

13 MR. SANDOR: No we are not.

14 MR. COLE: Mr. Chairman, can I ask Mr. McKee what he is
15 reading from. I think we should get that on the record.

16 MR. McKEE: The Constitution of the State of
17 California, United States and other documents.

18 MR. COLE: Published by whom, please?

19 MR. McKEE: The current is valid -- the information if
20 valid, its 1915, from the State of California legislature.

21 MR. COLE: 1915 -- okay.

22 MR. McKEE: Relationship to patents and copyrights and
23 scientific information. We're evaluating the scientific
24 information that's what you people are doing and have done.

25 MR. SANDOR: Please bear with the Chair. As I said
26 perhaps -- as we said before you joined the meeting today, this

1 public information -- public comment period really was not intended
2 to be held to provide additional comment on the projects
3 themselves, but rather was simply open for comments on the process
4 is underway now and we would appreciate whatever comments you would
5 want to make in writing on Trustee Council formation itself, but it
6 was formed as a part of the court order. And, actually we are not
7 really operating under the jurisdiction of Congress, nor do I
8 believe is the Constitution of California relevant in the
9 discussion here.

10 MR. McKEE: I'm reading from the Constitution of the
11 United States of America, which is included in this book.

12 MR. SANDOR: Okay, please limit your comments to three
13 minutes if you would.

14 MR. COLE: Let me just say this, we were delegated those
15 powers by Congress and the Clean Water Act. So, if that helps your
16 reading.

17 MR. McKEE: As well as the district that -- district
18 court that help formulate this committee is also a power delegated
19 from Congress. I just want to add that -- during the recess I over
20 heard one of your board members - Trustee board members indicate
21 that the scientific members of this advisory -- portion -- that's
22 advising this commission can be replaced pursuant to the
23 information brought forth currently, if it's not in the favor of
24 the board. So, I have to indicate that -- that -- the sheer
25 magnitude of the information I have gathered and I submit it to an
26 advisory commission, is -- and I'm going to submit to you people as

1 well -- is tantamount to piracy. I submitted to President-Elect in
2 a letter, indicating the Federal Reserve is in coalition with all
3 municipal governments and the State of Alaska Constitution. And
4 the doubling plan indicated by some Japanese scholars, indicated
5 that the doubling, while doubling and re-doubling the income, which
6 is what we're existing under in the Federal Reserve Corporation
7 process, produces serious pollution problems. I'd like the
8 environmental community to take note of comment and you can find
9 that in the World Journal of Affairs, spring of 1974, Vol.1 -- or
10 No. 1, Vol. 18, Orbis (ph), from the Foreign Policy Research
11 Institute, Fletcher School of Law and Diplomacy, Tufts University.

12 MR. SANDOR: Could we please -- accept for the record
13 whatever documents you have, Mr. McKee.

14 MR. McKEE: Also, in conclusion was the state
15 constitution, the governor of the state, Walter J. Hickel,
16 indicated that during the state-of-the-state speech, that indeed
17 the Constitution of the State of Alaska has some major
18 shortcomings. You might read that Anchorage Daily News, Thursday,
19 January 14, '93.

20 MR. SANDOR: To Dr. Gibbons, thank you very much Mr.
21 McKee.

22 STAFF: Mr. Chairman. We're getting reports from the
23 teleconference operators that our sound quality is so bad. If you
24 bear with us for just a second, I would like to hang up and redial
25 with the hopes that it will improve if we got a different line.
26 Can you standby for one minute while we do that.

1 MR.SANDOR: We'll be please to standby, but you can
2 inform the operator that we may actually be able to conclude a
3 little earlier. How many are there to testify here? Two, three?

4 (Standby)

5 MR. SANDOR: We regret this connection is poor. We
6 have three individuals within Anchorage that wish to testify and
7 we'll begin that process and then go back to anyone else who may
8 have joined the teleconference. Pam, did you want to testify, Pam
9 Bergmann? Excuse me, Pam Brodie.

10 MS. BRODIE: Thank you Mr. Chairman. As you know, I am
11 Pam Brodie representing the Sierra Club and a member of the Public
12 Advisory Group. First of all, I would like to thank you very
13 deeply from the bottom of my heart and for many other people, for
14 passing the -- project number '64 to providing money available for
15 habitat acquisition and for the progress you've made for Kachemak
16 Bay. You know how important that is to us. And I'm looking
17 forward to working with the Hickel administration towards
18 completing that project. I also want to say I feel a lot of
19 sympathy for the difficulties that you're all struggling with in
20 this process. Serving on the Public Advisory Group, I learned
21 first hand how hard it is to do this, and I want to say that I was
22 very unhappy with my own performance in the Public Advisory Group,
23 and a lot of other people on the group expressed that feeling also.
24 That, we went through each project and each project had some
25 validity and -- few if any of them are really a bad idea, so we
26 ended up voting to support almost everything, but a lot of people

1 were expressing concern about what they were doing, that they
2 didn't know enough to oppose a project and so they voted for it.
3 And, I was in this situation too. Because there wasn't any kind of
4 budget cap, there wasn't -- we knew we shouldn't spend too much
5 money, but we didn't know where we should stop. We didn't how to
6 set priorities. So, I want to say that I don't think that -- at
7 least I don't feel this way and I don't think other Public Advisory
8 Group members are going to be very disturbed when you don't go
9 along with approving something that we've voted for because of that
10 problem. People didn't necessarily know how to set priorities. I
11 hope we can do a better job. I think most people are very sincere
12 about it, but we were a bit over our heads.

13 Regarding what things should be cut, I appreciate Mr. McVee's
14 efforts and Mr. Cole's efforts too, as well as other peoples, but
15 those two in particular, have been trying to cut budget, but I
16 don't agree with Mr. McVee that we should wait and not do
17 restoration until we have a restoration plan. Because, it doesn't
18 appear we will have a restoration plan until 1994 -- until after
19 the 1994 work plan is adopted, so it would be the 1995 work plan
20 and -- when we know that some restoration project is valuable, I
21 think it makes sense to go ahead with it. Although I agree the
22 process isn't perfect.

23 Regarding how to go about cutting, it seems like there ought
24 to be some kind of budget specialists who are outside the agencies
25 who can look at these budgets so that it doesn't go back to just to
26 the agency and so that you folks don't have to micro-manage. Maybe

1 the legislature -- maybe there's some people working for the
2 legislature that can do this. Maybe there's some people outside
3 government, I don't know, but somebody ought to be able to look and
4 say, "Well, they don't need this big of a boat for this project,"
5 or "they do, otherwise some people are going to get killed trying
6 to do the project." But, it shouldn't have to be you gentlemen who
7 make those decisions. And, I don't know how -- you know, who can
8 do that -- but it seems to me there ought to be someone who can
9 give you that advice and that they would be able to in the next few
10 months.

11 The last point I want to make is about the schedule for the
12 restoration plan and that is something that I touched on -- that I
13 discussed in a letter I distributed to you folks today, and that is
14 I think it's great that you're trying to make that schedule move
15 faster. I appreciate that you don't want that plan to take such a
16 long time. But, in fact, the difference between the revised
17 schedule and the original schedule is the revised schedule ends
18 things about one month sooner. That the end of December instead of
19 the beginning of February. So, maybe five-six weeks difference,
20 and, yet, it means that the public comment period happens during
21 the summer instead of during the spring and the fall. And so, the
22 fishermen in particular are not going to be able to participate in
23 the public comment periods. It's going to be more difficult for
24 everybody in the spill-affected communities, fishermen in
25 particular. So, I don't think that saving the one month justifies
26 that problem with public comments. Especially because it still

1 doesn't mean that the process is finished before the 1994 work
2 plan. That's not going to happen either way. Thank you.

3 MR. SANDOR: Thank you Ms. Brodie. Any questions,
4 comments.

5 MR. McVEE: Do you feel like that we proceed with the
6 development of the annual program for restoration without a plan,
7 without an overall restoration plan. Are we wasting our money
8 **(indiscernible)** developing restoration plan is it adequate to go
9 ahead and proceed on a project by project basis.

10 MS. BRODIE: You mean -- is the plan necessary at all?

11 MR. McVEE: Yes.

12 MS. BRODIE: I was under the impression it was
13 necessary for legal reasons. Is that true or not true?

14 MR. BARTON: I don't know, but I would like to hear
15 your answer, assuming it wasn't true.

16 MS. BRODIE: I don't know. I don't know. Our -- a big
17 problem I have with the way things have been going so far is the
18 Restoration Team set criteria which is appropriate for them to do
19 that, but their criteria work -- criteria of urgency rather than
20 importance. That if something had to be done now, or it wasn't
21 worth doing at all, they would say yes. If it was something that
22 could be put off, then they would say no. That -- that is devised
23 for a process that will lead to a restoration plan. If we don't
24 have a restoration plan, certainly those criteria have to be
25 changed. I don't think that they were really -- I think that the
26 importance of a project needs to be in those criteria, in any case,

1 and I do think that you folks consider that when -- I mean it's
2 clear from the questions you ask that you are also trying to get at
3 what's important and what's going to make a difference. But, it
4 doesn't seem to me that was at least listed in the Restoration
5 Team's criteria. So, I am more concerned about that, about looking
6 at -- the importance of looking at when you can really make a
7 difference rather than urgency, and I think that's been the
8 problem. Do you need a restoration plan to do that? I don't think
9 so, but I am not really very experienced with these plans.

10 MR. McVEE: Another question, just to pursue this a
11 little bit more. Another alternative to a restoration plan, for
12 example, would it be to proceed like we have with the habitat
13 protection, the land acquisition program, and basically develop a
14 program or plan for each element, and the next one might be
15 recreation and the next one might be commercial fish, sport fish
16 interests or something like that. And, approach it on that basis
17 and set criteria for each one of those components.

18 MS. BRODIE: I think that that's a good idea and I
19 think that ultimately you need to make the decision of how to
20 portion out the money and the sooner that those decisions are made
21 the better. What is an appropriate amount of money for habitat
22 acquisition and what's an appropriate amount for monitoring for
23 scientific study and how often does monitoring need to be done, and
24 those sorts of questions. Whether the plan is leading to that, I'm
25 not sure. Looking at the matrix, whether the plan is even going to
26 answer those questions.

1 MR. COLE: I have a question.

2 MR. SANDOR: Mr. Cole.

3 MR. COLE: Is the Sierra Club recommending to the
4 President and/or the Secretary of Interior or George Miller that
5 eighty percent of these monies be spent for habitat acquisitions?

6 MS. BRODIE: We have recommended that in the past at
7 the -- we haven't recommended it to the Clinton Administration, and
8 we have recommended it in testimony in the past. At this point,
9 there is -- how much money is left is getting down to about
10 \$600,000, I think. So, we're looking at a smaller and smaller pot.
11 We would still like to see eighty percent of the restoration fund
12 going to the remaining restoration fund.

13 MR. COLE: The question therefore is why did you select
14 the eighty percent number rather than, say sixty. Was there any
15 hard evaluation made which lead you to select eighty percent.

16 MS. BRODIE: It is an arbitrary number. I think that
17 it's -- that the way those decisions are made is going to be
18 arbitrary. The decisions of how much monitoring and how the money
19 is divided up is going to be -- there's going to be an element of
20 arbitrary....

21 MR. COLE: Sit here and listen to the discussion and I
22 hope you don't think we are proceeding in an arbitrary fashion.

23 MS. BRODIE: Well, I think at this -- so far, the
24 decisions haven't been made and so the money is going to urgent
25 projects. And, I think, in fact, that is an arbitrary decision to
26 go with the most urgent projects.

1 MR. COLE: Depends on how you define arbitrary, but I
2 would like to think its a rational decision rather than an
3 arbitrary decision.

4 MS. BRODIE: I think -- the point I am trying to make
5 is that what is urgent and what is important are two different
6 things. Of course, what is important is different for one person
7 from another person. Different, obviously, from one agency to
8 another agency. But, it doesn't seem to me that that question of
9 importance has been a big enough part of the what the Restoration
10 Team has been doing.

11 MR. SANDOR: Any other questions or comments? Thank
12 you Ms. Brodie, and Jeff Parker did you want to make a brief
13 statement?

14 MR. PARKER: Can I bring an easel up for a second. It
15 would be helpful.

16 MR. SANDOR: Please do with caution. As you heard in
17 the discussion, it really wasn't intended that we get into a
18 lengthy public comment period, but I am sure this will be
19 instructive and relevant. It is on line that you have an easel.
20 You have an easel and Jeff Parker would you like to begin your
21 statement.

22 JEFF PARKER: I made seven copies, one for each of the
23 Trustees. This is an analysis of -- you've asked for public
24 comment on process, and first of all, I'm speaking -- my name is
25 Jeff Parker and I am speaking for the Alaska Sport Fishing
26 Association and Trout Unlimited. As a preliminary matter, I would

1 like to say that I appreciate that the Trustees seem to be very
2 careful with their money at this point, in terms of how they spend
3 it and with respect to process, I have two suggestions that I think
4 that will rise out of and will use some of the data that Attorney
5 General Cole's office has recently released regarding the
6 contingent evaluation study.

7 First suggestion is, that I think you would do well to hire a
8 chief of natural resource economist to be a peer, in a sense of Dr.
9 Spies as a chief scientist. The reason I say that I say that is
10 basically, according to Attorney General Cole, what drove the
11 settlement was the power of the CV study for lost passive use.
12 And, what I have done then, is to show you how you could utilize
13 some of the data in the CV study. You have three documents in
14 front of you. The first is a data set. My purpose in drawing this
15 data out is that it helps for basically point out what people were
16 willing to pay in the CV study. What -- or for what people were
17 willing to pay in the CV study. And, to utilize their responses
18 for why they were willing to pay a certain amount to help guide you
19 as to how you should spend the amount that you ended up getting.
20 It make sense that if they perceived a wellness, in terms of
21 wildlife, then you should spend it all on wildlife. If they
22 perceive it as the environment, then that's with a more global
23 statement. I think they perceive it in terms of land and that's
24 another aspect of the environment.

25 Well, there are three documents here. The first is the data
26 set released by Attorney General Cole for response to questions A20

1 and A20a. A20 was the question: "What is it about the program
2 that you are willing to pay for, that makes you willing to pay
3 something for it." And, you have there all of the respondent
4 numbers or case numbers identifying each respondent. A20a was the
5 probe which basically asked that if they answered generally, in
6 terms of, for example the environment as opposed to specifically in
7 terms of wildlife or land or prevention or something like that, and
8 I probed and got additional data. You can take that data set and
9 perform what is called content analysis. Content analysis analyzes
10 the words in the verbatim data here for what people -- it analyzes
11 why people are willing to pay the amount that they are willing to
12 pay. Some people answer, obviously, the environment, some people
13 answer land, some people answer wildlife or within any of those --
14 or some people answer prevention. Other people talk about human
15 uses.

16 That's what the second document is about, which is the data
17 coding. The data coding -- you can see right on the front sheet I
18 showed how I coded the data. This is a very elementary form of
19 content analysis. Environment includes environment, nature,
20 beauty, earth, ecology, area, PWS. Wildlife includes animals,
21 birds, fish, mammals, wildlife sea mammals, sea life, etc. You can
22 see how the words that people use in their verbatim answers can be
23 coded to tell you why they gave you the money they gave you. My
24 thesis is, the reasons they gave you the money should be the
25 reasons for which you spend the money.

26 The last document is the one that I produced on the chart and

1 you also have in front of you and I think it helps to lead you to
2 some -- I hope it leads you to the conclusion that I've reached and
3 that is you would do well to hire a natural resource economist to
4 help prioritize how certain monies might be used and to help
5 prioritize how acquisitions relate to the purposes for which the
6 public gave you this money. For example, if you look at the
7 responses -- the combined responses of A20 and A20a, you'll see
8 that wildlife, as opposed to land, is on the order of greater than
9 three times as frequent a mention. That's the first indication
10 that if you're buying land with Project 93064, for example, that
11 has low wildlife value, you're doing something that is highly
12 inappropriate. You can get -- obviously wildlife and land are
13 subsets of environment -- or conceptually they are. A lot of
14 people answer right away with greater specificity and they go right
15 to wildlife. That's why you have that higher frequency of the
16 mention of wildlife right away. When you come -- when you look
17 then to see what environment means in the respondent's mind, and
18 bear again its these respondents that gave you the nine hundred
19 million dollars. Look at how wildlife compares with other factors
20 that people, or other elements that people are identifying as the
21 injury that they are seeking to prevent in the model that was used
22 in the CV study. Environment with land, 185 mentions. Environment
23 -- excuse me, environment with wildlife - 185 mentions; environment
24 with lands - 63 mentions; environment with wildlife and lands - 52
25 mentions; environment with land, but without wildlife - only 11.
26 What that says is nineteen to one, the public who gave you this

1 money in the CV studies, thinks you should spend your money to
2 acquire lands that have high habitat value as opposed to lands that
3 have simply have, for example, low habitat value, but maybe
4 forested or may be otherwise. That's the chief point that I want
5 to try to bring out.

6 I think again, just to summarize, you'd do well to get a
7 natural resource economist to be a peer of Bob Spies in terms of
8 the process by which you handle the expenditure of the six hundred
9 million and plan for it. I think that fundamentally, what the CV
10 study tells you to do, I believe, in terms of services, you have --
11 the CV study calculated conservatively \$2.8 billion in lost passive
12 use. That drove -- what became the nine hundred million dollar
13 civil settlement of which you know have six hundred million to
14 spend.

15 What an economist could do is basically, and I'm
16 oversimplifying, but a natural resource economist, and Hannaman and
17 Carson could do this, is tell you how many brown bears, for
18 example, equals -- or how many murrets equal a brown bear, in terms
19 of passive use value. Now, that's almost a metaphysical question,
20 but as Attorney General Cole knows full well, much of what's in CV
21 is somewhat metaphysical. And, but I think fundamentally that is
22 the problem you face. You face the issue. Since there is a
23 limited amount that can be spent on direct -- either direct
24 restoration or on acquisition of habitat that are linked to injured
25 species such as murrets or such as marbled murrelets or harlequin
26 ducks. Those are the only two you've got. If you're going to

1 spend the remainder of the six hundred million wisely, and
2 appropriately to do it is to spend it restoring the service of
3 passive use. And, the service of passive use is clearly a wildlife
4 related service, not a scenery service. And, the question -- the
5 only place you can spend that is uplands, you can't spend on some
6 submerged lands because you already own it. The question an
7 economist would have would be how much of this upland further value
8 or habitat value and the critters that are on it equate to those
9 three hundred thousand dead birds and the five thousand otters,
10 etc. That was \$2.8 billion in value and you've got to convert that
11 to another critter that has comparable equivalent passive use
12 values. And, I think that is the only meaning of equivalent in
13 this case is an equivalent passive use value. That is the
14 equivalent resource. You can't get the same resource.

15 Last, just to wind it up quickly. I was pleased to see that
16 the Fort Richardson pipeline has not been approved. We hope that
17 it is not. We would call to your attention that your department
18 has no place to put those fish, the additional rainbow trout
19 production. We think that the rainbow trout is stock - six inch to
20 eight inch rainbow trout in replacement of sockeye in the Kenai is
21 very much a fishery different in time, different in fisheries,
22 different in the whole context. We regret seeing the cutthroat,
23 dolly varden trout study not approved yet. With respect to the
24 eighty percent, I'll mention or try to recall to Attorney General
25 Cole's memory that I think the environmental spokespersons in the
26 Egan Center about a year ago had spoken for a slightly lower figure

1 and the interest that I represent had spoken for eighty percent,
2 and I think we bumped it up from there. Or, I think things rose to
3 eighty percent. We do support a -- something like an eighty
4 percent figure. A large use of these monies for acquisitions of
5 lands by wildlife, high passive use value. Thank you.

6 MR. SANDOR: Thank you Mr. Parker. Any comments or
7 questions? Yes, Carl.

8 MR. ROSIER: Mr. Chairman. I would like to ask Mr.
9 Parker what the source of his information was in regard to the
10 release of those hatchery fish. If I'm not mistaken, I believe
11 that they were stocking plans that were developed along with the
12 potential production from those -- the increase of would in fact be
13 there.

14 MR. PARKER: My source was people in the department.
15 If they erred when they spoke to me then I have erred in conveying
16 incorrect information. I am aware that we have five year annual
17 stocking plans, as you probably know -- participated in several
18 controversies that have been in those plans. I am not aware that
19 any of those plans contain identified places to stock -- a doubling
20 of rainbow trout as a result of Fort Rich expansion. We have no
21 problem with good justification for Fort Rich expansion, we think
22 that is not a sufficiently linked or adequate substitution for the
23 injuries that may occur in the out-years on sockeye in the Kenai.

24 MR. SANDOR: Thank you Mr. Parker. We're starting to
25 go on line and just check to see if anyone has joined us or remains
26 to testify. Cordova, anyone remaining who wishes to testify?

1 CONFERENCE OPERATOR: No, sir, not at this time, we're
2 just listening in.

3 MR. SANDOR: Thank you. And in Juneau is there anyone
4 remaining to testify -- and in Kodiak, is there anyone remaining to
5 testify?

6 CONFERENCE OPERATOR: Still observing.

7 MR. SANDOR: Thank you. And at Valdez is there anyone
8 remaining to testify or observe.

9 CONFERENCE OPERATOR: Just observing, thank you.

10 MR. SANDOR: Thank you. And at Whittier, anyone
11 remaining to testify or observe. Anyone else join us that is not
12 mentioned. We'll conclude then with the testimony here in
13 Anchorage. Yes, please step forward and identify yourself.

14 MR. MOSS: Yes, Mr. Chairman, I'm Chris Moss, M-O-S-S.
15 I'm representing Cook Inlet Seiners Association. You probably
16 remember from the last meeting we had a representative here and he
17 talked you and after that meeting we got together and discussed
18 some of the issues that we'd brought up. I'm going to be very
19 brief here because we all want to get to dinner. You guys probably
20 really want a break too.

21 I think essentially what has happened is our group is very
22 concerned with the lack of studies that have been done in the outer
23 coast, lower Cook Inlet. Our representative last time showed you
24 a picture of the area. This is another one right here. We've sent
25 you a letter, perhaps you've read it, perhaps you haven't. But
26 essentially what we are looking for at this point is a

1 clarification by the Trustees that will associate damages done or
2 potentially done in the outer coast of lower Cook Inlet with those
3 studies that are presently being done in Prince William Sound. The
4 pink and chum salmon in the outer coast there are also intertidal
5 spawners. There are approximately sixty-five streams in that area
6 that have been affected and we also have had a precipitous decline
7 in our returns. Our concern is that if studies and research are
8 not applicable in this area from the Sound, then when restoration
9 projects are done or tried to have been completed in the outer
10 coast that we'll be in a situation where, because studies haven't
11 been done, then these projects can't be done. And, we want some
12 guidance from you as to how best to approach it and if these
13 restoration -- so we have restoration projects and if this research
14 needs to be done, then we have lost a lot of time, we need to get
15 on with it, and we need some guidance as to what projects -- what
16 research needs to be done in that area.

17 MR. SANDOR: Thank you, Mr. Moss. Any comment? Mr.
18 Cole.

19 MR. COLE: Could we ask for someone to give us an
20 explanation now as to why we have not had any projects done up
21 there...?

22 MR. MOSS: There is one project that was done in Fort
23 Dick, it was a spawning channel stream. I think that -- you
24 approved funding to close that project out, but there essentially
25 has been no research done in anadromous fish in that area.

26 MR. SANDOR: Dr. Montague, you want to comment.

1 DR. MONTAGUE: Yes, Mr. Chairman. I can give a short
2 answer, Dr. Sullivan can add details if the council should wish,
3 but as you know during the injury assessment days, which is where
4 most of the injury work has come from, was directed at where we
5 could prove our case more or less, so the more freshly oiled areas,
6 the areas that for other reasons seemed to have a high probability
7 of having a provable injury was where the money was directed and
8 naturally Prince William Sound, we felt, we were more likely to
9 show injury there than areas that were less oiled. I don't believe
10 there was ever a determination that the other areas aren't
11 important, just for the injury assessment phase, we went to the
12 areas that were most likely to show us an injury. And, the outer
13 Kenai coast -- well, if you could only do one project, you would do
14 it where the oil was freshest and heaviest and that's why it wasn't
15 studied as much.

16 MR. SANDOR: Mr. Cole.

17 MR. COLE: Why then wouldn't, you know, we do that study
18 for '93, in the '93 work plan?

19 DR. MONTAGUE: So why aren't we?

20 MR. COLE: Yes.

21 DR. MONTAGUE: Well, we could.

22 MR. COLE: Here's what I'm getting at. We can -- settle
23 the case in '92 -- in October -- and these gentlemen say well we
24 being short changed a little out there, so we've had this year more
25 than '93 (indiscernible - cough). '93 that we did study out there.
26 Do you have any plans to do any studies out there in say '94?

1 Isn't that what you're looking at?

2 MR. MOSS: Essentially we need -- you know -- I think
3 it's best that we save as much money as possible. If the studies
4 that are done in the sound are applicable now to the outer coast,
5 then we can go on with the restoration project. If not, then we do
6 need to do those studies right away and that's what we need to know
7 for '94, is should we be presenting projects and research that
8 needs to be done in that area and, I think, that's essentially what
9 we are asking.

10 MR. SANDOR: Jerome, any other comments.

11 MR. MONTAGUE: Yes, Mr. Chairman. I think one of the
12 points he is trying make, and probably said it better than I can
13 already, but may it be best to simply extrapolate these findings
14 and get -- as we've said, get on with the restoration rather than
15 having to have an injury assessment project for every site you wish
16 to do restoration on. I guess that's a very broad policy question
17 that maybe this is the time to bring it up. But, if we are not
18 going to do restoration unless we have a site-specific injury
19 assessment project, then indeed we have to do a lot of site-
20 specific injury assessment projects that haven't been done.

21 MR. SANDOR: If there is no further comment we'll move
22 on with Dr. Gibbons.

23 MR. GIBBONS: Mr. Chair. I believe and maybe Jerome can
24 correct me, but in 1989 I think there was some pink salmon work
25 done in Kenai Peninsula, and it might behoove us to go back and
26 look at that data, but I believe there was some initial work done

1 in '89.

2 MR. SANDOR: Any final comments to be made.

3 DR. MONTAGUE: I think Dr. Sullivan could answer what
4 happen in '89 if anybody's interested.

5 MR. SANDOR: Thank you, Jerome. Thank you, Mr. Moss.
6 Dr. Sullivan, do you have any relevant comments?

7 DR. SULLIVAN: I would hope so. I think as Jerome was
8 saying, it was -- we did do some work in 1989 in lower Cook Inlet
9 and on the outer coast and faced with the decision of the peer
10 reviewers and management team, I suppose at that point, to
11 concentrate the efforts in Prince William Sound, that there was
12 more to be gained, relative to litigation from that, which is not
13 to say there wasn't injury, but that we would have to get more out
14 of the deal if we based it -- stayed with Prince William Sound.
15 However, we did start a restoration project that did include lower
16 Cook Inlet and the outer coast, that was our '105, this past year,
17 which -- we really didn't feel like we had -- were comfortable with
18 the completion of and kind of got blindsided by the Restoration
19 Team this past summer and which is what we were asking -- kind of
20 evolved into 93-63 where we were simply asking you to let us take
21 the equipment out of the field and get the last of the data out of
22 it. But, that really wasn't done. We're looking at ways to
23 restore the environment in lower Cook -- essentially that project,
24 Prince William Sound, north Cook Inlet, including the outer coast -
25 - I mean lower Kenai Peninsula, including the outer coast, and
26 Kodiak area. Several of our projects that were proposed, the Cook

1 the Creek, Cold and Pink Creek, pink salmon projects evolved out of
2 that project and I think other projects would have eventually
3 evolved out of that project. That project was designed to find out
4 how do we fix things. When do we want to do. But, it died before
5 it turned out.

6 MR. COLE: -- restoration --

7 DR. SULLIVAN: Yes.

8 MR. SANDOR: Thank you very much for you comments. Are
9 there any other individuals who wish to testify here, would you
10 please state your name and present your statement.

11 MR. MATTHEWS: Thank you Mr. Chairman, my name is Theo
12 Matthews, I am an administrative assistant to the United Cook Inlet
13 Drift Association. I just very briefly wanted to address you, I
14 know I want to go to dinner too. As one of the major users of the
15 Kenai River sockeye resource, and we really do appreciate your
16 decision to continue with funding these projects to try to help us
17 both maintain some orderly fisheries, but most of all recover that
18 resource. The issue I would like to address is the fact that you,
19 the more continuous -- continuing the policy, it doesn't have to be
20 exclusively proven one hundred percent to this council that a
21 resource was one hundred percent damaged by the Exxon Valdez oil
22 spill. You have a legitimate project. And, that's the realm of
23 the court's -- we'll find out that in court. But, the resource and
24 the users who are affected, now they need help today and I would
25 just ask you to continue with that same thought when you go to the
26 other areas to be projects in the lower Cook Inlet, Kodiak and

1 Prince William Sound. Because they're all in the same situation we
2 are in Kenai. Thank you again for....

3 MR. SANDOR: Thank you for your comments. Is there a
4 question Mr. Cole?

5 MR. COLE: Were you satisfied with our actions on projects
6 '2, '12 and '15.

7 MR. MATTHEWS: Mr. Chairman, Mr. Cole. In the sense that
8 the budgets were continued, absolutely. I mean, I think the
9 concern for funding, the level of funding is appropriate for any
10 project in the Cook, and I was getting a little concerned that
11 these projects might die over that general concern. That's a
12 legitimate issue for every project in your book -- and I think as
13 Pam said, all the users appreciate the difficulty you're in in
14 trying to ascertain that this is a legitimate and not a padded
15 budget. Since the projects are going forward there's going to be
16 legitimate peer review, legitimate funding review....

17 MR. SANDOR: Thank you very much. I believe that
18 concludes the individuals who want to testify here. We will -- go
19 on line, they close at 5:30, just to make sure that there's no one
20 out there. I think we're signing off the teleconference at 5:30,
21 I presume there's no one remaining to testify in Cordova, Juneau,
22 Kodiak, Valdez, Whittier or elsewhere. If that be the case, we
23 will terminate that teleconference net and continue with the
24 testimony here. Will you step forward and identify yourself.

25 MS. MILLER: Thank you, I'm Pam Miller with the
26 Wilderness Society and I want to thank you for your move on

1 Kachemak Bay today. Its been long awaited and welcome. I did have
2 one question about the mechanism for releasing the funds to the
3 Alyeska settlement pot of money and that seemed unusual and I just
4 wondered what the basis for that was. And, before I give you a
5 chance to answer that, I guess my other comment would be we are
6 still seeking more than the twenty million in habitat acquisition
7 funds and I understand that that's not a cap but that that's the
8 working amount of money so far and we were pleased that you
9 approved that project. So, if you are able to answer the question
10 about the Alyeska fund, why that is the mechanism.

11 MR. SANDOR: Mr. Cole.

12 MR. COLE: We wanted the way it was drawn from the
13 registry of the court, number one. Number two. we wanted to put it
14 into place for good safe keeping, where it wouldn't get -- perhaps
15 in -- federal system. We're satisfied that it will be secure in
16 the state system and available for expenditure, put it that way.
17 Let's put it -- the governor has little -- you know -- favors
18 Kachemak Bay, so long as that money is in the state system. He,
19 along with others will be able to assure that it will be available
20 for the purchase of the Kachemak Bay properties.

21 MS. MILLER: Okay, but isn't it true that all the
22 federal side of the money has to go through -- be at least
23 documented in the congressional committee. Not that they would
24 have a problem with this....

25 MR. COLE: This could be documented there and -- its where
26 the monies are so they can be withdrawn. And, we have 7.5 million

1 in the Alyeska settlement to be able to extend for the purchase of
2 Kachemak Bay, so we're keeping these two sources of money in the
3 same pot.

4 MS. MILLER: Okay, I guess my only other concern was I-
5 - we are supportive of completing this whole project and encourage
6 you to do it.

7 MR. SANDOR: Thank you very much. Is there any other
8 comments or testimony to be given. This terminates and concludes
9 the public comment period. Trustee Council meeting is recessed
10 until 7:00 p.m. Thank you very much -- 7:15.

11 (Off Record 5:30 p.m.)

12 (On Record 7:25 p.m.)

13 Mr. SANDOR: Let's begin with -- Charlie may well be up
14 to speed on, in fact I'm sure he is, more than he would let on on
15 many of these subjects. It might be worthwhile to -- we'll
16 formally convene when he comes in. Jerome, can you give us a
17 picture, sort of, of the pink salmon situation generally, as
18 background information.

19 DR. MONTAGUE: Yes, Mr. Chairman. The most significant
20 injury is to pink salmon eggs and pre-emergent fry, and the
21 survival in the spill year, from '89 to '90, of egg and pre-
22 emergent fry was approximately sixty-seven percent worse in the oil
23 area than in the unoiled area. And, from 1990 to 1991 indicated
24 that there had been some recovery and the difference between the
25 oiled and unoiled streams was more like fifty percent rather than
26 sixty-seven. This last year the difference was actually worse in

1 the oiled streams than it was during the spill year, which raised
2 a lot of concerns. The primary hypothesis developed as to what was
3 happening is that fish that were spawned in '89, a number survived
4 to adulthood, but may well be sterile. So, that would explain why
5 the apparent survivability of eggs and pre-emergent fry in the
6 oiled streams was so much worse. And, to deal with proving that
7 hypothesis is what project number '3 that you heard earlier today,
8 is addressing. So, that's kind of the status of the injury.

9 MR. SANDOR: Steve.

10 MR. PENNOYER: You say the survival is that much less in
11 oiled and unoiled, are those strictly in our tidal areas or
12 upstream areas or what is the....

13 DR. MONTAGUE: I'm pretty sure it's both, the oiled
14 intertidal and upstream areas were both.... Bob, wasn't it
15 actually worse in the upstream areas this last year than in the
16 intertidal?

17 DR. SPIES: About the same -- '90, if I recall the
18 data correctly, the main injury was highest in the intertidal area
19 and the differences at the upstream areas were not significant. I
20 believe that the following year of '91 -- we had injuries across
21 upstream areas -- across all tidal areas. The -- if you plot the
22 egg mortality in both oiled and nonoiled areas its gone up almost
23 every year in every (indiscernible), even in unoiled areas.
24 Appears to be a trend overall happening in the Sound, as well as
25 oil versus non-oil....

26 MR. SANDOR: Okay, the Trustee Council meeting will

1 reconvene and we will begin -- well, I should say the intent is to
2 continue unless there's objection with these projects beginning
3 with 93004 and then go down, but when we get to the archeological
4 sites I hope we can cluster those four together, perhaps, and
5 discuss those in general terms. But to 93004, documentation,
6 enumeration and preservation of genetically discrete wild
7 population of pink salmon impacted by the Exxon Valdez oil spill in
8 Prince William Sound. This is an ADF&G project lead with \$899.1
9 thousand. Recommendation of Restoration Team is five to one, Chief
10 Scientist Enhancement Project. The Public Advisory Group split,
11 yes - eight, no - three, abstained - two. Can anyone who was at
12 the Public Advisory Group maybe summarize the dissenting opinions
13 there. Dr. Gibbons were you at there at that particular time, or
14 not.

15 DR. GIBBONS: I was there, but I don't recall why the
16 three voted against it. I have to -- I'll go back and look at the
17 notes here.

18 MR. SANDOR: Why don't we -- I guess -- just have the
19 lead ADF&G sort of summarize the need for that project. Dr.
20 Montague.

21 DR. MONTAGUE: Yes. In short the real injuries obviously
22 are to the wild streams. The hatcheries and the hatchery
23 production in some ways has been unaffected except how it might
24 interact with the wild streams. And, what this project is trying
25 to do is it -- when you have these oiled streams that are already
26 or showing this very low survivalship of the eggs and pre-emergent

1 fry, it's very critical that management actions ensure that the
2 escapement levels are met in these wild streams. And, simply put
3 that's what this project is designed to do. Some other aspect of
4 it, genetics component this year would -- is in an addition to the
5 past and what it would try to show would be are there genetic
6 differences between these one stream or another, more collectively
7 between perhaps the oiled streams and the unoiled streams or even
8 the streams and the hatcheries. And, the outcome of that aspect of
9 the project could change the hatchery production strategy to
10 protect these wild streams.

11 MR. SANDOR: Mr. Pennoyer.

12 MR. PENNOYER: Dr. Montague -- can you put this project
13 in some type of perspective for us relative to what we already
14 approved in the previous project and what we've done in the past
15 couple, three years. Seems to me we've spent a significant amount
16 of money doing damage assessment and damage assessment close-out on
17 coded wire tagging on pinks and recovery of weirs and streams and
18 a lot of that type of project, of which this seems to be sort of an
19 offshoot or a continuation. Why is this appropriate now, given the
20 work that we have done and the money we have already spent, which
21 I haven't a total, but I think that there were two or three very
22 significant projects that will last two or three years, dealing
23 with this type of situation.

24 DR. MONTAGUE: Okay, the -- hope that I can address the
25 exact angle of your question. But, the findings from those earlier
26 years have elucidated a lot of things that are happening in this

1 oiled streams that are deleterious for recovery that we didn't know
2 before and some of the examples. And, a lot of this came -- you
3 know, came from coded wire tagging projects, but these projects
4 also played into it and the stream walks and the weirs here were
5 how the coded wire tags were collected. In previous years, but --
6 they've shown that some wild streams have a fair amount of strain
7 from hatchery fish into the wild streams. And, just the other day
8 we learned that, again through the coded wire tag reading and that
9 carcass collection through this project that a fair number of fish
10 were being -- of wild fish were appearing in the cost of recovery
11 catches where heretofore was thought that it was only hatchery fish
12 and those cost recovery catches. So now, those findings are
13 entering the management process to change, for instance, how we
14 conduct the cost of recovery fisheries. And, I guess the pay off
15 has been that there have been steps taken and promise of more to be
16 taken that would continue to allow the hatchery fishery and
17 production to go on while still protecting these wild streams.
18 And, this project did come under a lot of scrutiny under the
19 Restoration Team. And, it has eight weir sites and originally had
20 one hundred -- a hundred streams that were walked. We pretty much
21 -- the Restoration Team, and me included, felt that we really
22 needed to pare back here -- and to go back to the managers and
23 principal investigators to say, you know, what indeed is the
24 minimum. And, you know, acceptance of the project at all will
25 depend upon that you can show significant cuts. And, they did
26 eliminate fifty of the streams, so now it was reduced from a

1 hundred streams to fifty streams. But, the investigators of -- I
2 -- clearly stood by their guns that they need the eight weir sites
3 and the fifty streams, otherwise don't do it. So, they feel that
4 this is the minimal field effort that's necessary for that. And
5 the genetics component is a whole new venture.

6 MR. SANDOR: Mr. Pennoyer.

7 MR. PENNOYER: Didn't -- and I haven't read the report on
8 it -- but here's what I heard -- didn't the coded wire tag work
9 show rather massive straying from hatcheries into natural stock
10 streams? It wasn't just an occasional thing, it was really
11 practically overpowering.

12 DR. MONTAGUE: Well, in some streams -- I mean, it's
13 incorrect to say that it was widespread and overpowering, but in
14 some streams it was definitely alarming and may well be
15 overpowering.

16 MR. PENNOYER: The streams only in the vicinity of
17 hatcheries or sort of around the Sound?

18 DR. MONTAGUE: I'm thinking that pattern didn't come out
19 -- but, Joe -- Dr. Sullivan, can you.

20 DR. SULLIVAN: There's was some pretty weird
21 distributions. One of the streams that did get an overpowering
22 number of hatchery returns to it, really was kind of like a flight
23 path to hatchery, but really not very close. But, then they were
24 not all like that, just this one particular stream, for whatever
25 reason attracted a bunch of hatchery fish. So, we don't really
26 know how -- why that was the case.

1 DR. MONTAGUE: So, it isn't a real clear geographic -- in
2 terms of...

3 DR. SPIES: I heard numbers like fifteen percent, it
4 seems to me.

5 MR. SULLIVAN: Yea, I would say that -- yea that was --
6 it was probably more than that perhaps in that one particular
7 stream.

8 MR. SANDOR: Mr. Pennoyer.

9 MR. PENNOYER: Does that give you any feeling for what
10 the problem is in Prince William Sound particularly in terms of the
11 ability of genetics to solve the separation, if one even exists.

12 DR. MONTAGUE: Does -- do these crossings, but not
13 crossing, but not very strong site fidelity with their home
14 streams. I can address that, but Dr. Seeb, principal geneticist
15 for the department, I think could probably answer it more clearly
16 and shorter.

17 DR. SEEB: A couple of things come into play here. One is
18 what is the population structure of pink salmon and that is the
19 basic reason that's this proposal was first -- that my portion of
20 the proposal was submitted two years ago. Is it -- drainage by
21 drainage, we don't think so. Is it inlet by inlet or is it a
22 cluster of inlets. We want to take a look at the overall
23 population structure of the Sound and see if we can't determine
24 management zones within which fish could be transferred and between
25 which fish shouldn't be transferred for example. One question that
26 has been brought up is that is a lot of the straying due to the

1 fact that some of these streams -- or that many of these streams
2 now smell the same. Were many streams that were oiled -- set up in
3 such a way that the adults homing to those streams couldn't tell
4 one from another. That there were incidents of wild stocks
5 straying as well as hatchery stock straying and the patterns aren't
6 really very clear cut. Does that get to the question.

7 DR. MONTAGUE: I think Mr. Pennoyer was indicated to
8 these findings -- give you some clue already that there is no
9 difference genetically between the whole area.

10 DR. SEEB: On the contrary. I think that the field
11 biologist can tell us very clearly that there is population
12 differentiation within the Sound. We don't know if it -- we don't
13 believe that stream by stream -- we don't believe that there are
14 three hundred populations, but are there four or are there six. We
15 know that geographic distance and genetic distance are linearly
16 related, so we that we know that -- that spawning aggregates within
17 a zone are more closely related to one another than they are
18 between zones, but what is the size of a zone. So, that's really
19 the design of the experiment.

20 MR. PENNOYER: And my question, Mr. Chairman, was less
21 related to the wild stocks in many districts in Alaska and
22 Southeastern, and other places you can manage by district and find
23 some commonalities that you can't find from stream to stream. My
24 question was relative to the hatchery fish and the degree of
25 straying you're seeing from them and whether their overpowering of
26 hatchery fish in the sound. And, whether in fact, its -- you

1 expect to be able to get this background genetic signature when
2 you've got this hatchery straying going on.

3 DR. SEEB: Well, there are only, I believe, three or maybe
4 four hatcheries releasing fish in the Sound, and with one
5 exception, they are all releasing local stocks. The Cannery Creek
6 hatchery is releasing local stocks, the VFDA hatchery is releasing
7 local stocks. There is some question in my mind as to the stock
8 legends of the two hatcheries on the west side. Again, the
9 straying pattern -- there was no real pattern. So, I'm not sure
10 how to get at -- how to answer that question. We believe it is a
11 valid study, its very important to us to have this underlying
12 genetic information before other restoration measures take place.
13 There are a number of proposals that have been put forth by the
14 Forest Service and by the department that involve various types of
15 restoration and we're reluctant to get involved in those until we
16 know the underlying genetic structure of the stocks that are
17 proposed for restoration.

18 MR. SANDOR: Any further questions. Yes, Mr. Pennoyer.

19 MR. PENNOYER: It might be fair to say you're unwilling
20 to get into anymore enhancement attempts in Prince William Sound,
21 do you figure out some way to manage them.

22 DR. SEEB: I think if you looked at what the department
23 has proposed in many, many, many of these proposals, its non-
24 hatchery restoration. The sockeye project we've talked about today
25 -- I think one of the reviewers in the PAG was maybe suggesting
26 that we do hatchery work, but the department has tried to temper

1 that approach and view a of broad base of different approaches,
2 including active management. I work in the hatchery division by
3 the way, and a lot of the work that I'm doing right now is
4 designing non-hatchery style restoration projects. And, in terms
5 of the budget size, I might add -- I might inject that this
6 originally was three separate proposals by two or three agencies.
7 You're looking at a Forest Service proposal that has merged with a
8 FRED division genetics proposal that has been merged with a
9 commercial fisheries division and field proposal. And, each one of
10 those proposals is probably -- what the aggregate of those is
11 probably closer to a million and a half.

12 MR. SANDOR: Any further questions. Is there any
13 objection to the approval of this project.

14 MR. COLE: I have a comment.

15 MR. SANDOR: Yes.

16 MR. COLE: Several comments. One is, you asked what
17 happens in Public Advisory Groups. On page 75 of the transcript,
18 according to Mr. McCorkle, the chief scientist indicates that this
19 is a non -- unrelated to recovery of injured resources and further
20 there is no measurable effect coming from data to relate the spill
21 to pink salmon. Dr. Spies says, "Its my view, after having
22 reviewed the data that the study results do not support, very
23 strongly at all -- very strongly at all -- an impact on the adult
24 pink salmon population, although there is certainly an impact on
25 the eggs and larva at the current time." And then, Dr. French
26 says, on page 77, "I'm going to vote against this project for two

1 reasons. One, although its probably a decently put together
2 project, the other is that frankly I think that one of the things
3 that's keeping the fishery together in Prince William Sound is the
4 fact that we don't know the discrete runs. And, frankly from the
5 commercial fishing -- respective view with very dangerous notes --
6 specifically what the genetic component of each and every single
7 given stream is because then we can start invoking laws to shut
8 down the fishery -- hatchery fishery or limit it to terminal
9 fishery when it would be better to fish it as less than a terminal
10 fishery if we had to protect a few pink salmon coming from the
11 stream. And I, etc. -- I view the project as dangerous to that.
12 Then Senator Eliason says that he is going to support the project
13 but he doesn't think the department should handle this -- this
14 project and some of these should be put out to different areas.
15 So, that's what happens there. With respect to the public comments
16 on this project, one is that's it's not cost effective to enhance,
17 another comment, not justified under the guidelines. Cordova
18 District Fishermen's Union supports the project, to monitor damage
19 and recovery of baseline data and management data. Another comment
20 is do not fund because of lack of observed damage to the spill.
21 Another comment combined with '3 and cut the funding. Another
22 comment is carry over of number '2 and should not fund. End of
23 comments.

24 MR. SANDOR: Mr. Pennoyer.

25 MR. PENNOYER: I guess I don't understand the comment
26 about genetics might be dangerous because you might find out how to

1 manage the stock separately. That sounds like a Kodiak -- excuse
2 me -- approach to salmon management perhaps, but it's not -- I'm
3 not sure why it would be dangerous to find out that in fact we
4 could manage hatchery stocks separately from wild stocks in some
5 aggregation. Maybe not stream by stream because pinks would
6 probably never get there except by major rivers. But -- I don't
7 know -- I guess this still comes down to the basic idea of the
8 fact, are we going to fund this project as potentially a
9 restoration project. It seems to me that its to the stage of some
10 type of restoration or enhancement, if you will, research, and to
11 whether we can get techniques to restore natural stock runs which
12 may or may not have been damaged -- but still -- and then I suppose
13 you run into the question of do we need to do it this year. And,
14 I haven't really heard much of an answer to that. Perhaps Dr.
15 Montague could address the need to do this project at this point,
16 instead of waiting until we get the restoration plan and put all
17 this enhancement in perspective.

18 DR. MONTAGUE: Yes, Mr. Chairman. The -- the genetics
19 part of it would seem to indicate that when your restoration plan
20 is done, you would want to have this information in order to
21 implement restoration. So that, our restoration plan would be
22 dealing with restoration as opposed to more projects to determine
23 what restoration you might take. So, knowing the discreteness --
24 genetic discreteness of the various oiled streams would be key to
25 any non-management power of implementation measure. And, in terms
26 of the stream walk portion of it which is used for in season

1 management to ensure adequate escapements of those wild streams, to
2 do not do it -- a year would go by when escapements in these oil
3 streams weren't monitored, and if they did not meet the escapements
4 we would never be able to take any action to insure that they did.
5 So, I mean we do some escapements monitoring, but we certainly
6 don't concentrate on just those oil streams like we will in this
7 project.

8 MR. PENNOYER: Mr. Chairman, it's sort of then still a
9 component of damage assessment is what you're saying. And we don't
10 have results.

11 DR. MONTAGUE: I didn't mean to come across that way, but
12 what I was saying is that, ensuring that an adequate number of
13 adults return to these oiled wild streams is key to their
14 restoration. And, if we are not monitoring the adult returns to
15 those oiled wild streams, then they could very well not have enough
16 fish return to them.

17 DR. SULLIVAN: There's a couple of key points here -- a
18 couple of key points that -- and I think you need to remember too.
19 First of all, pink salmon are very strict to your fish. So, if you
20 screw up and don't get -- let's say that you get no fish, okay, and
21 there were some streams this year where the bears were getting most
22 of the fish. If you do that, you will not have fish there two
23 years from now and you'll never get fish there unless they start
24 wandering in from some other place. Okay, while Dr. Seeb was
25 talking about the potential interrelatedness of fish within
26 segments of the Sound, even with the same stream, those fish are

1 virtually unrelated between each even and odd years. Okay. With
2 other species of salmon, if you screw up, or if you do delay,
3 eventually you'll fill in from the other years. Okay, that's not
4 every going to happen with pink salmon, unless, of course, they
5 just stray in from outside. And, you have fish there but it may
6 not be the same -- same again. Another point, that I think one of
7 the commentators mentioned that you may not have picked up on is
8 the Endangered Species Act. If we assume that fish are returning
9 to a stream are as separate stock -- what Dr. Seeb is saying may
10 not be the case in which this project will demonstrate. If we have
11 to go on the assumption that these fish are in fact a single stock,
12 then the Endangered Species Act can kick in and we may have to
13 protect something that really doesn't deserve to be protected.
14 Again, I'm not saying that any do or don't. All I'm saying is that
15 if your best techniques do not use the genetic tools that we have
16 available, we're going to make decisions - we may be forced to make
17 decisions that you really don't want to make and shouldn't have to
18 make. That's what....

19 MR. SANDOR: Mr. Pennoyer.

20 MR. PENNOYER: Well, in the first place I would hate to
21 invoke the Endangered Species Act on variable pink salmon returns
22 in Alaska. You might not be fishing anywhere in the state before
23 very long. But, the second thing is that the department,
24 therefore, has a management strategy, that when we do this good
25 work and find that we're not getting enough fish in these streams,
26 you have a strategy that actually closed the Sound down until you

1 get that type of escapement? Or, what are we -- because you are
2 directly relating having those weirs to saving the runs and I'm not
3 clear how you're going to do that.

4 DR. SULLIVAN: A lot of what we have done in the past two
5 years is go to terminal harvest fisheries and you don't wind up
6 with the best quality fish by doing that. And, commercial
7 fishermen complain a lot because they don't have as good a product
8 to sell. That's what you have to do if you want to save those
9 fish. I mean, if that's -- if you're not getting your escapement,
10 that's what it comes down to. And, our primary responsibility is
11 first to the wild stock.

12 MR. SANDOR: Any further comments or questions? Is
13 there a motion to approve this project? The Chair would entertain
14 a motion to approve this project.

15 MR. PENNOYER: I vote we approve the project.

16 MR. SANDOR: The move that this project be approved.

17 MR. ROSIER: Seconded.

18 MR. SANDOR: Seconded by Rosier. Is there any
19 objection to this motion?

20 MR. McVEE: Yes, there's objection.

21 MR. SANDOR: Objection noted. This project is not
22 approved.

23 MR. PENNOYER: Mr. Chairman.

24 MR. SANDOR: Yes.

25 MR. PENNOYER: Can I take another try at that, maybe.

26 MR. SANDOR: Sure.

1 MR. PENNOYER: It seems to me this project is composed of
2 pieces and the main piece seems to be the weir. I don't know what
3 the breakdown in the budget is, is there any way of attacking this
4 differently than has been proposed that might make it clearer that
5 we're addressing priorities. Or, information that might -- pink
6 salmon, as you say, are two year fish and opportunities are lost,
7 certainly, if they you're not monitoring in a particular cycle.
8 But, I don't know how this relates to past projects we've done over
9 the last couple of years on these two cycles or further plans.
10 And, other than just use the data base series if that's important.
11 Maybe give us some idea if there's different breakdowns.

12 DR. SULLIVAN: We have --

13 MR. SANDOR: Step forward please Dr. Sullivan.

14 DR. SULLIVAN: In the past we have done stream
15 enumeration as part of this, but because we would be able -- one of
16 the reasons we combined these two is that when you're going around
17 checking carcasses and so forth, you can also be getting samples to
18 take back to the lab and run genetic analysis on it. That is --
19 that's one reason we are doing that and it's -- you know, the
20 eventual purpose of the same too. It's to protect -- to determine
21 what stocks you have out there and protect wild stocks, if they
22 indeed, need to be protected.

23 DR. MONTAGUE: Joe, can you indicate how much that
24 projects costs -- genetics components.

25 DR. SULLIVAN: I believe on the order of three hundred to
26 three hundred and fifty thousand -- you have the specifics there.

1 Jim, help me out with this.

2 DR. SEEB: The lab portion is one thirty-five for the
3 reduced budget. Jerome is correct with the original submission,
4 but we cut back considerably a number of samples and such. The lab
5 portion is one thirty-five, there is thirty thousand for
6 transportation, charter, shipping, beavers, that type of thing.
7 And, then we were relying on personnel from the other portions to
8 do the collection. In the absence of those personnel, we would
9 have some additional personnel costs, a few sonar techs.

10 DR. MONTAGUE: So about two hundred thousand.

11 DR. SEEB: Two hundred.

12 DR. MONTAGUE: So that component is approximately two
13 hundred thousand and this project in '92, I believe was nine
14 hundred thousand without the genetics works, so -- you know -- if
15 the genetics portion is removed, that would make it seven hundred
16 thousand, two hundred thousand less than last year.

17 MR. PENNOYER: Mr. Chairman.

18 MR. SANDOR: Mr. Pennoyer.

19 MR. PENNOYER: These weirs, eight string weirs, how long
20 have they been run for?

21 DR. SULLIVAN: At least since the beginning of the spill.
22 I think there were, were there ever more than eight? I thought we
23 had sixteen at one time.

24 Dr. MONTAGUE: Yea, I think that about....

25 DR. SULLIVAN: So these eight have been running since '89
26 and as I've mentioned, we reduced the stream walks from one hundred

1 to fifty streams.

2 MR. PENNOYER: Mr. Chairman. I guess the answer is
3 really you can't reduce this and still accomplish the spread of
4 sampling that you need to accomplish.

5 DR. MONTAGUE: I mean we could sever the genetics
6 component, but -- the -- or the other one. Have genetics and not
7 have the other one. I think that the genetics one has the
8 potential big pay off -- potential big off. The other work has a
9 guarantied pay off in the in season management, and so on. The
10 genetics portion is cheaper, but riskier.

11 MR. SANDOR: Last question.

12 MR. PENNOYER: In terms of just the management component,
13 not necessarily quantifying comparisons of past counts, not
14 necessary doing the genetics, I presume you could still fall back
15 on something like stream walks and aerial surveys to at least get
16 a good indication of whether you're getting fish in these steams,
17 is what you've used for decades.

18 DR. SULLIVAN: We will be -- right -- we will be using
19 aerial surveys in addition to this -- that's the proposal. Lot of
20 similar things will be funding out of general funds. --
21 (indiscernible) -- I mean, this is -- yes there are other
22 components that are similar that are funded out of general funds.

23 MR. PENNOYER: I guess, Mr. Chairman, my point was less
24 that, although that is certainly a consideration on all of these
25 projects has been the fact that in terms of us abrogating
26 responsibility to stock, you're still going to be some level of

1 monitoring. It may not be as quantified as you like, but it's
2 still the ability to tell if the steams are starting to get fish.
3 I mean that's what we've done....

4 DR. SULLIVAN: Aerial monitoring has been a big key. I
5 mean it's pretty tough to get your genetic samples that way.
6 (Indiscernible - simultaneous talking).

7 MR. PENNOYER: Of course -- a little bit. I think it's
8 surprising what you can get out of a cab of an airplane.

9 DR. MONTAGUE: Mr. Chairman, to help this process along,
10 I guess, prioritize the three components of weir stream, walks and
11 genetics, I believe that probably the stream walks would be the
12 most important, then the weirs, then the genetics. Do you have any
13 -- Joe, do you have any.... Between the weirs and the stream
14 walks.

15 DR. SULLIVAN: Well, I guess that the -- to get down to
16 the bottom line as far as do we have to protect these things or
17 not, if they're all the same stock, then it sure makes a different
18 ball game. And, unless we get the -- unless we get that
19 information, we'll always take the conservative approach as far as
20 (indiscernible).

21 DR. MONTAGUE: Okay, so then the highest priority in your
22 mind would be the genetics followed by the other two.

23 DR. SULLIVAN: Yea, remember part of -- part of the
24 problem -- one of the reasons we want these together was that we
25 had people doing double duty. So if you -- for example....

26 DR. MONTAGUE: The genetics becomes more expensive to put

1 under the other.

2 DR. SULLIVAN: That's right. You do have to have people
3 to out and get the samples, then you are jacking up the price of
4 genetics, is the problem.

5 MR. SANDOR: Mr. Pennoyer.

6 MR. PENNOYER: I guess what you're telling us if we write
7 a -- get the restoration plan finalized, this will probably be the
8 primary restoration techniques to deal with pinks in Prince William
9 Sound. Some type of genetic stock separation.

10 DR. SULLIVAN: It would tell us -- it will tell us where
11 we have to go. In other words -- for example, let's say that we've
12 already screwed things up and that all the fish out there are
13 hatchery stock anyway. Conceivable the plant hatchery stock ended.
14 I mean, that's a very radical approach to take, okay, I'm not
15 advocating that. Let's say it's one end of the spectrum. The
16 other possibility that if you do indeed have -- more discrete
17 units, then you're going to have to more -- less -- more complex
18 plan to deal with it.

19 DR. MONTAGUE: Mr. Chairman, I guess we need to focus
20 this and several options and you can take them or leave them. The
21 genetics portion alone would be three hundred thousand. To add the
22 weirs would be approximately four and fifty, the stream walks would
23 make up there -- or five hundred fifty and the stream walks would
24 make the remainder. Since the weirs would have to be removed if --
25 the cost reduction is desired, the genetics portions of the weirs
26 would probably be the best approach at about five fifty.

1 MR. SANDOR: Mr. Cole.

2 MR. COLE: Are we walking those streams again? I
3 mean how many times do we have to walk these streams? How much is
4 the cost to walk the streams for this purpose?

5 DR. MONTAGUE: Mr. Chairman. These streams are walked to
6 count the dead fish, essentially, that are in them to see what the
7 returns were. The cost, I believe, on the order of two hundred and
8 fifty thousand dollars.

9 MR. COLE: I mean, you know, can't we walk the streams for
10 dual purposes, I thought we went over walking the streams once
11 before that determined which are anadromous fish and now we're
12 walking them again to count dead fish.

13 DR. MONTAGUE: Not the same streams. The others are on
14 private land, Afognak area, and these are western in Prince William
15 Sound, I believe, primarily public lands.

16 DR. SULLIVAN: The other thing is -- they're really
17 completely different purposes. When you're walking in streams to
18 find out if you have anadromous fish in there, we're talking all
19 anadromous fish, not just pink salmon. So, when you take a
20 backpack up these streams, you're going to be getting much further
21 upstream than pink salmon ever get, but there will be plenty of
22 anadromous (indiscernible) up there besides just them. It'd be a
23 little tough to do them both at the same time. And it's completely
24 different things. You're not going to go up and try to shock pink
25 salmon with a backpack.

26 MR. COLE: Mr. Chairman. With due difference -- you know,

1 a little -- I'm sorry, but I just have trouble when you say a
2 little tough. I mean, \$250,000 is a lot of money -- and if it's a
3 little tough -- I mean maybe one should just be a tougher. I mean,
4 that's what troubles me. I mean -- you know, it's another quarter
5 of a million and your explanation is it's a little tougher. I
6 mean, we have public responsibilities as to how we spend this
7 money. And, my view is, we should try to get -- conserve this
8 money and if we can walk the streams -- you know, we should just
9 walk them once. I -- it just seems to me that that's simple, but
10 maybe it isn't that simple.

11 (Indiscernible - simultaneous talking)

12 MR. ROSIER: Mr. Chairman.

13 MR. SANDOR: Yes, Mr. Rosier.

14 MR. ROSIER: Question here on this -- clarify something
15 here. We certainly have gotten enough over a million dollars of
16 the whole project here and I added together the various components
17 here. I had five fifty for weirs, three hundred thousand for
18 genetics and two fifty for stream walks. Did I miss something,
19 here?

20 DR. MONTAGUE: Yes, the five fifty was the genetics and
21 the weirs, that was cumulative. So, three hundred thousand for the
22 genetics. It ups it to five hundred and fifty to do the weirs and
23 the genetics and add the full amount to do the stream walks.

24 MR. SANDOR: If there's no further motions, we'll move
25 onto projects '5, '6, '7 and '8 which are dealing with archeology.
26 Not -- not suggested we act on them totally, but is there someone

1 who can brief us on this whole archeological issue and question and
2 then take these projects one at a time, or collectively. Who can
3 do the briefing? Yes, Mr. Pennoyer.

4 MR. PENNOYER: Mr. Chairman, I thought that '5 was
5 separate. I thought that '6, '7 and '8 were combined and '5 was
6 something else again, or am I wrong.

7 MR. COLE: '5 is public education and I'm prepared to vote
8 against it.

9 MR. SANDOR: '5 is cultural resources, I'm sorry.
10 Okay, 93005 - cultural resources. Forest Service, DNR, DY,
11 National Park Service - 399.4. Who can talk to that. The U.S.
12 Forest Service.

13 MR. RICE: Mr. Chairman.

14 MR. SANDOR: Yes, Ken.

15 MR. RICE: 930005 was an education project directed at the
16 cultural resources that were injured by the oil spill in an attempt
17 to educate both the adults that might be going back to that area
18 and collecting artifacts, as well as some of our younger citizens,
19 about the values of the cultural resources, and try to minimize
20 future occurrences of vandalism or inadvertent taking of artifacts
21 from the oil spill area.

22 MR. SANDOR: Is there a motion to approve this project.

23 MR. BARTON: I move we approve it.

24 MR. SANDOR: It's been moved that the project be
25 approved, is there a second?

26 MR. ROSIER: Second.

1 MR. PENNOYER: I'll second.

2 MR. SANDOR: Seconded by Rosier, Pennoyer. Any
3 discussion.

4 MR. COLE: Yes, Mr. Chairman.

5 MR. SANDOR: Yes.

6 MR. COLE: Page 83 of the transcript, Mr. Knech (ph), K-N-
7 E-C-H (sic), says I'm an archeologist and I've been working on
8 Kodiak for the past ten field seasons. And, for the past six years
9 have been doing education and cultural outreach programs in the
10 Kodiak area. And, while I really think we that we need to see an
11 increase in public education programs, it seems to me, there's a
12 few problems with this in that its -- it doesn't really take
13 advantage of existing programs for years. Both Kenai -- and I know
14 in the Chugach regions, the Native organizations have provided
15 these services in conjunction and in cooperation with the park
16 services, etc., etc. But I can't see spending \$400,000 on it,
17 etc., etc. And, I just think that for those reasons and the other
18 reasons -- Mr. Sturgeon says he's going to vote against it, he says
19 I don't think its a very cost effective program. I've worked with
20 having brochures and videos made before and for what they say
21 you're going to get -- the \$400,000 I have a hard time seeing it.
22 And -- basically I agree with those comments, and -- I would vote
23 against it for those reasons.

24 MR. SANDOR: Okay, that project is not approved....

25 MR. COLE: Let me say this also. I just want to get this
26 -- Mr. King, and who I have a lot of respect -- I can't see the

1 compulsion of doing these projects this year. Dr. French says in
2 terms of cost effectiveness for the number of dollars it has
3 requested, I don't feel it represents a good use of public and
4 private resources that are available. Senator Eliason says, its
5 not going to help with respect to the problems which are being
6 faced out there. You know, I just think its not a good use of
7 funds for these purposes, so I will vote against it for those
8 reasons.

9 MR. SANDOR: Therefore the project cannot be approved
10 and we move to 93006, 93007 and 93008, archeological. We will vote
11 on them separately -- can we just discuss the archeological issue
12 and can and someone lead that discussion. Pam.

13 MS. BERGMANN: Mr. Chair, I can give you just a real
14 brief overview of these three projects. 93006 is a restoration
15 project where we would actually go in and look at the twenty-four
16 injured sites that have been identified and conduct actual
17 restoration of those sites. It will be -- the actual activities
18 will be dependant on what happened at the particular site, but it
19 might be putting back earth -- making the site not look disturbed
20 so that there wouldn't be continued vandalism of those sites. We
21 might actually be going in and looking at -- doing some
22 archeological work to retrieve some scientific data at a site where
23 vandalism had occurred, but you could still retrieve some
24 information -- try to get whatever is left.

25 93007 is archeological site stewardship program. This is a
26 continuation of the program that was funded in 1992 to begin

1 developing training materials that would be used in conjunction
2 with local residents in the spill area. Where we would -- in 1993
3 actually be going out and recruiting and training local residents
4 to protect archeological resources in their area. That again, are
5 at risk because of vandalism.

6 And 93008, is viewed as a compliment to 93007. 93008 is an
7 archeological site patrol and monitoring. And, this project
8 basically adds additional money to existing funds being used by
9 agencies to have a law enforcement and an agency presents out in
10 the oil spill area, again as a deterrent for vandalism of
11 archeological sites that were impacted or other site in the oil
12 spill area. (Indiscernible - simultaneous talking) I'm sorry,
13 Marty. That's just an overview of those three projects.

14 MR. SANDOR: Is there any prioritization of those three
15 projects? Which of -- which of the three is most important -- or
16 is there any priority?

17 MS. BERGMANN: I think the three projects together
18 represent a good compliment of an overall approach to try to
19 protect the sites that were injured. These would be the kinds of
20 things that you would do if a restoration plan were in place.
21 There's not that much that you -- can do to actually restore an
22 injured archeological site.

23 MR. SANDOR: Thank you very much. Project 93006, site-
24 specific archeological restoration, National Park Service,
25 Department of Natural Resources, Fish and Wildlife Service and U.S.
26 Forest Service. Two hundred fifty nine thousand dollars. Is there

1 a motion to approve that project?

2 MR. McVEE: Motion to approve.

3 MR. SANDOR: Moved is there a second?

4 MR. BARTON: Second.

5 MR. SANDOR: Second Barton. Is there any further
6 discussion on the project?

7 DR. GIBBONS: Mr. Chair.

8 MR. SANDOR: Yes.

9 DR. GIBBONS: I think I can explain the PAG's
10 recommendation on this one here. I've got recommended with
11 qualifications. The Public Advisory Group took projects 93005,
12 93006, '07, '08 and '09 and said combine these, restructure to
13 reduce the costs and emphasize use of local people and Alaskan
14 people and it was unanimous consent with that qualification.

15 MR. SANDOR: So, their recommendation is to combine '5,
16 '6, '7 and '8?

17 DR. GIBBONS: And '9.

18 MR. SANDOR: And '9 and did they suggest a budget
19 figure for that combination.

20 DR. GIBBONS: No, they said reduce costs and emphasize
21 use of local people from Alaska.

22 MR. SANDOR: I see. Interesting. Yes, Mr. Cole.

23 MR. COLE: George Hunt, Jr., Professor at the University
24 of California, Irvine, has the following comment, with respect to
25 this project -- gives it a three. Says that if archeological sites
26 were hit by oil, they must have been in super-tidal or intertidal

1 zone in which wave action was eroding the site. Sites exposed to
2 erosion occurs throughout the coastal United States and money spent
3 cleaning these sites would not reverse these natural losses. Is
4 there anything to what he says there?

5 DR. GIBBONS: Mr. Chair.

6 MR. SANDOR: Yes.

7 DR. GIBBONS: Part of the injury that the two documents
8 -- types of injury -- one is vandalism by the crews that were out
9 there, realizing the sites, where they are and then going back.
10 The other is transport of the oil from the clean up crew when they
11 walked up into the site. So, they were transporting oil that way
12 up into the sites. I understand the oil wasn't thrown up -- up in
13 the upper -- in the terrestrial zone but it was transported and
14 then there was vandalism.

15 MS. RUTHERFORD: Mr. Chair.

16 MR. SANDOR: Yes, Marty.

17 MS. RUTHERFORD: I -- I would just like to add that
18 these -- there was peer review when -- peer review group met with
19 the Restoration Team. The peer reviewer was supportive of 93006,
20 '7 and '8.

21 DR. SPIES: But he did make the same comment -- that
22 Dr. Montague made. That a lot of those sites are intertidal
23 because of the '64 earthquake in which it -- be careful --
24 judicious in how we spend money. We're not trying to restore sites
25 that -- damaged by some scientist.

26 MR. SANDOR: Any further comments or discussions? Mr.

1 Barton.

2 MR. BARTON: Yea, I thought part of the purpose of this
3 was not say restoration so much as it was to gain what information
4 we could from those sites before they were lost. Is that correct?

5 MS. BERGMANN: Mr. Chair.

6 MR. SANDOR: Yes.

7 MS. BERGMANN: I think its a combination of all the
8 different things that we mentioned before and the -- the
9 restoration that would occur at a particular site -- will be coming
10 out of a report that was developed in conjunction with Dr. Martin
11 McAllister, who is probably the leading expert in the United States
12 on restoration. And, so they will be looking at each individual
13 site and saying what needs to be done, given the condition of the
14 site that we have here. And, it would seem to me that if there's
15 sites in an area where it doesn't make sense to -- you know, if
16 there's erosion going on or just wave action, obviously that's
17 going to have to be taken into account.

18 MR. SANDOR: Any further comments on this motion. Yes.

19 MR. COLE: What specifically do we seek to accomplish by
20 this \$260,000 expenditure. I mean specifically. I mean, how do
21 you restore one of these sites, for example.

22 MR. RICE: Mr. Chairman, maybe I'll take a shot at that.

23 MR. SANDOR: Mr. Rice.

24 MR. RICE: Basically, the intent would be to recover what
25 knowledge is still available from the site and from that you can
26 sometimes make an estimate, or quite often make an estimate, of

1 what additional information should have been there and what the
2 true value of the site was. And, certainly they do that in sites
3 that not related to the oil spill in terms of determining injury to
4 a cultural resource site. But, it would be basically collecting
5 the information before its lost by further vandalism.

6 Back to the question about intertidal sites. When we had the
7 discussions with the peer reviewers, we did discuss ongoing erosion
8 and I can't remember if it was the Restoration Team or the peer
9 reviewer's comment that basically the -- any direct restoration to
10 these sites restoration to these sites -- any data recovered would
11 be directed only at those sites that were not intertidal so it
12 would be those that are above the high tide line.

13 MR. SANDOR: Any further comments?

14 MR. COLE: Mr. Chairman. How then do we arrive at the
15 \$260,000 figure?

16 MS. BERGMANN: Mr. Chair.

17 MR. SANDOR: Yes.

18 MS. BERGMANN: The figure came out of the damage
19 assessment report that was traded by a panel of agency
20 archaeologists and with Dr. Martin McAllister's participation.
21 They -- I don't have the documentation with me, but they ended up
22 figuring out how much it would cost to go out and conduct all of
23 these different activities, taking into account the logistical
24 requirements, personnel requirements. They did a very, very
25 detailed analysis of what those costs would be and they applied
26 them to these sites and come up with that.

1 MR. COLE: Mr. Chairman. You know, what troubles me is
2 every archeologist in the country would like to study archeological
3 sites, I mean, that should be essentially a given. The question
4 is, don't you think archeologist wants to study archeological
5 sites. I would think that they weren't much -- not much of an
6 archeologist if they didn't. So, you know, what the archeologist
7 wants to study with respect to these projects, doesn't carry a lot
8 of weight with me. What carries more weight with me is, you know,
9 how valuable is this information from the standpoint -- our mission
10 to restore -- and enhance the damages caused by the spill. And,
11 I'm a little hung up on that.

12 MR. SANDOR: Mr. Barton.

13 MR. BARTON: Yes, Mr. Chairman. I'm sure all
14 archeologist would like to study archeological sites. Some of the
15 sites they would like to study are threatened. Some are not. Some
16 there's more time to get to. On the other hand, many of these
17 sites are threatened because of the spill and the associated
18 activities.

19 MR. COLE: With to which I have politely demure.

20 MR. BARTON: Defer or demure?

21 MR. COLE: Demure. Which is -- the polite way of saying
22 so what, you know. But, listen, I mean it's really a considerable
23 sum of money, \$260,000. Do we need it?

24 MR. SANDOR: Any further comments or questions on 93006
25 -- site specific to archeological restoration, two hundred and
26 fifty million.

1 MR. PENNOYER: Mr. Chairman.

2 MR. SANDOR: Yes.

3 MR. PENNOYER: One comment. On all three of these then
4 is the intended time period is multiple years. In this case it's
5 ten years. One that this particular project will spend -- so it's
6 ten -- over the life of the thing it's two and a half million bucks
7 then.

8 MS. BERGMANN: For 93006, in order to go out and do the
9 restoration for all of the twenty-four sites, they would need to go
10 out for the next two field seasons. Then you enter into phase of
11 trying to identify injured sites that we don't know the specific
12 locations of and people have different levels of comfort about
13 trying to do that. But, in terms of just doing restoration
14 activities for the twenty-four known injured sites, we would be
15 looking at funding for this year and next year. And, the Trustee
16 Council could certainly chose not to fund it next year, they could
17 chose not to fund to in previous years -- or in subsequent years
18 beyond that. The same thing -- I guess I would defer to Marty on
19 the site stewardship and the site patrol and monitoring at some
20 point in time. There's not need to continue those activities or
21 they can become self-sustaining like in the site stewardship
22 program.

23 MS. RUTHERFORD: Yes, I think the intent on the site
24 stewardship 93007 is part to become self-sustaining after the local
25 people are trained and have established a process.

26 MS. BERGMANN: Mr. Chair. One other point and that's

1 that these projects -- in generally are -- do receive a lot of
2 support from -- from, you know, local people in the Kodiak area and
3 Prince William Sound. Archeological injuries and studies of those
4 injuries haven't received a lot of attention and they haven't
5 received a lot of funding in previous years. It seems like you can
6 keep postponing work that will stop continued vandalism, but the
7 longer we postpone that the more injuries we are going to suffer as
8 a result.

9 MR. COLE: Mr. Chairman.

10 MR. SANDOR: Yes.

11 MR. COLE: All of which leads me to believe. Ms. Bergmann.
12 that the federal government and the state has not seen fit to study
13 these archeological sites. So, therefore, why should the Exxon
14 Valdez funds be used to -- for this purpose. Is this not a project
15 that is either should be funded privately, by Native corporations,
16 or by the State of Alaska from the general fund, or from the
17 federal government general fund. What is it about these
18 archeological studies that are so keyed to the oil spill that
19 should prompt us to spend these funds here.

20 MS. BERGMANN: Mr. Chair. The simple explanation for
21 that is that the damage or the injury was caused by the spill. We
22 have about a -- what half of the total coastline of the United
23 States is in Alaska. The resource agencies don't have the money at
24 all to be going out and surveying all those coastlines and trying
25 to identify all of the archeological sites that are there. I mean,
26 there are -- you know, thousands and it is a management problem for

1 agencies to try to -- to get funding to go out and identify sites
2 in general, so that when there is a spill or there is some sort of
3 a threat to those sites, they'll know where they are. The reality
4 is that it is very costly to do that and the agencies don't have
5 that kind of funding. So, these studies or projects focus solely
6 on the sites and area that was injured by the Exxon Valdez oil
7 spill.

8 MR. COLE: Mr. Chairman. What will -- are these sites
9 injured by the oil itself.

10 MS. BERGMANN: Some of them yes, because of the direct
11 oiling. And, the problem with the direct oiling is that it
12 inhibits your ability to do radiocarbon dating. And, if you don't
13 have the ability to date a site, that oftentimes prohibits you from
14 gaining a lot of the scientific information about the sites.

15 MR. SANDOR: Any further comments or questions? Is
16 there any objection to 93006 which is moved and seconded for
17 approval.

18 MR. COLE: Yes.

19 MR. SANDOR: Then it's not approved.

20 MR. COLE: But, I'm prepare to reexamine it after we
21 finish review of number 8.

22 MR. SANDOR: Okay. 93007, is there a motion to approve
23 project 93007 which is archeological site stewardship program, DNR,
24 Forest Service, Fish and Wildlife Service, National Park Service,
25 \$194.2? This project has already been described.

26 MR. BARTON: I move.

1 MR. SANDOR: Moved by Barton....

2 UNIDENTIFIED VOICE: Second.

3 MR. SANDOR: Seconded. Is there any discussion -- is
4 there any opposition to the approval of project 93007.

5 MR. COLE: Yes.

6 MR. SANDOR: Project is not approved.

7 DR. MORRIS: Mr. Chairman, may I say something.

8 MR. SANDOR: Yes.

9 DR. MORRIS: Being a non-archeologist -- I kept my
10 mouth shut -- I think there is a little bit of misinformation from
11 the PAG at least on this that I sat through. They struggled with
12 these five projects they tried to combine. And, first thing they
13 said was even reduce the combined budget of them. But, there was
14 a motion towards the end that they said, and I have it in my notes,
15 to give priority to the restoration and protection of the
16 archeological sites. And, those are projects '6 and '7. And,
17 that's the motion that they unanimously have passed. That's
18 basically all they accomplished on the SWEDA studies was to give
19 priority to projects both '6 and '7. I think you'll find that in
20 the transcript.

21 MR. PENNOYER: Mr. Chairman.

22 MR. SANDOR: Mr. Pennoyer:

23 MR. PENNOYER: Did they give any reason why they didn't
24 like the archeological police force?

25 DR. MORRIS: They just couldn't see it. They couldn't
26 see it working.

1 MR. PENNOYER: Nobody designed a logo.

2 DR. MORRIS: They got bogged down into a discussion
3 about are you deputizing local people's enforcement on this or
4 that. How do you do that.

5 MR. SANDOR: Ms. Brodie, do you recall the discussion?

6 MS. BRODIE: Thank you Mr. Chair. My recollection is
7 that the Public Advisory Group was more supportive of the
8 restoration project, that is number 6, and less supportive of the
9 stewardship and patrol and monitoring. And, there was some
10 particularly interesting testimony from Mr. Knecht, I think his
11 name is, he's the archeology person from Kodiak, because he said
12 that projects like this have been done outside and that there is a
13 problem that often the people who volunteer to do the monitors are
14 themselves people who raid archeological sites and they do it so
15 they can find out where they are. And so, its got those sorts of
16 problems. And, we also thought there would be more problems in
17 Alaska than there are in the Lower 48 because it is -- its just
18 impossible to police these areas. You can't have people in the
19 Lower 48 who will drive to a trail head and watch the vehicles that
20 are there, but you can't really in a practical sense to do -- so
21 that was the reservations we had.

22 MR. SANDOR: Thank you. Would you -- while you're
23 there, would you offer any opinion, personal or professional
24 opinion on these projects?

25 MS. BRODIE: Its certainly outside of my professional
26 area. I would opposed to '07 and '08. I didn't have strong

1 feelings about '06, I was more supportive of that.

2 MR. SANDOR: Thank you very much.

3 MS. BRODIE: Thank you.

4 MS. RUTHERFORD: Mr. Chair.

5 MR. SANDOR: Marty.

6 MS. RUTHERFORD: Could I just add one thing. The peer
7 reviewer, Don Dumond, I think that was his name, met with the
8 Restoration Team. We talked to -- some long degree about these
9 very same issues, and he indicated that there -- it was very
10 necessary to pick very carefully your site stewards and to -- and
11 that in Alaska it would be particularly difficult because of the
12 remoteness of the site. But, he did say that site stewardship
13 programs are working in the Lower 48 and that when even one arrest
14 is made -- a combination of sites -- the local people serving as
15 stewards, along with an enforcement agency, that it sets an example
16 that has far reaching impact. And, he felt comfortable with that
17 attempt. Additionally, I just want to point out that the site
18 stewardship program is working with the villagers. People who live
19 in the areas who have cultural connection to these sites and, I
20 think, are very concerned about the increased awareness is the
21 result of the clean up. And, that the continuing vandalism,
22 primarily by outsiders, at least that's what we are being told,
23 that is occurring still. So, while I think -- you know, it -- it
24 won't necessarily be one hundred percent successful, I think it
25 could stem the tide a bit.

26 MR. SANDOR: Thank you. On project 93008,

1 archeological site patrol and monitoring, is there a motion to
2 approve this project.

3 (Indiscernible - out of microphone range)

4 MR. SANDOR: Moved and seconded. Any discussion.

5 MR. COLE: May I ask in plain language, what do they
6 intend to do under this project. I mean, this archeological site -
7 - archeological site patrol is that what I understand it to be?

8 MS. BERGMANN: Its basically, Mr. Chair, as we're saying
9 before, its to actually get people out into the areas and to -- law
10 enforcement folks from the different agencies -- we have
11 cooperating agencies with Fish and Wildlife Service, Forest Service
12 and DNR. And, this was above and beyond the normal management.
13 And, folks that they would have out doing those kinds of patrols
14 normally.

15 MR. COLE: Who are we going to pay to do these patrols
16 under this project? Who gets the checks.

17 MS. BERGMANN: For 93008, it would be the agency
18 personnel. They would -- and if law enforcement is required -- law
19 enforcement actions are required, then they have the ability to
20 perform those functions.

21 MR. COLE: What -- what agency patrol -- paid personnel?

22 MS. BERGMANN: Fish and Wildlife Service, U.S. Forest
23 Service and DNR.

24 MR. COLE: So, how are they going to do this. Drive out
25 to these twenty-four sites daily, is that the project proposal?

26 MS. BERGMANN: No -- no....

1 MR. COLE: I'm just trying to understand really what you
2 intend to do.

3 MS. BERGMANN: That would be extremely costly. They will
4 just -- they will be going out by vessel, by aircraft, depending on
5 where the sites are located and the kind of access that's required
6 to get there. They will be trying to target some of the areas --
7 where they know vandalism has occurred in the past to see if
8 additional vandalism is occurring. If through the site stewardship
9 program, there are reports of vandalism, then that will be turned
10 over to the law enforcement personnel, as part of 93008, and they
11 will take appropriate action.

12 MR. COLE: Okay, let me see if I get this straight.
13 Sometimes they're going to -- go to some of these sights by vessel
14 and see what's going on there and decide at the time they
15 arrive....

16 MS. BERGMANN: Right.

17 MR. COLE: On other occasions they're going to get into an
18 airplane and fly over it to look and see if any vandalism is
19 occurring on these sites.

20 MS. BERGMANN: Yes.

21 MR. COLE: And the sites you can drive to, they'll drive
22 to and how often are they going to go out there in these vessels?

23 MS. BERGMANN: I can't tell you that exactly. The folks
24 that we had here today ended up not being able to stay this
25 evening, that could answer that specifically. And, I don't -- I'm
26 not aware of any sites that would be accessible by road. I think

1 they would all be accessible by -- either by boat or by aircraft.

2 MS RUTHERFORD: A question, Mr. Chair.

3 MS. BERGMANN: Again, it is -- a great deal of 93008
4 supports the site stewardship activities from the villages. So,
5 they are tied together, the two projects.

6 MR. COLE: But, let's say really what they're going to do.
7 They're going to take vessels out there and they are going to look
8 to see if anybody is there when they happen to come by. I mean, is
9 that really it?

10 MS. BERGMANN: Well they'll be -- they'll be going
11 through an area and if there happen to be people in an area, then
12 they will probably stop and visit with those folks and they'll also
13 be targeting to show a presence, like you would if you were a law
14 enforcement person for Fish & Game. And, in particular -- and in
15 addition to that, if -- they will be checking particular sites of
16 concern in that area.

17 MR. COLE: And whose vessels are we going to use to make
18 this reconnaissance....

19 MS. BERGMANN: I think those will be contract vessels.
20 Let's see if I can tell by budgeting.

21 MR. COLE: You really think is a justifiable expenditures
22 of these funds to make these reconnaissance?

23 MR. BERGMANN: The peer reviewer felt very strongly. I
24 think Dr. Dumond felt more strongly about this one than the other
25 suite of archeological projects. That this was a very important
26 and effective project.

1 MR. COLE: Does he have any evidence of how likely it is
2 that he would every see one out there at one of these sites when he
3 went by.

4 MS. BERGMANN: He has done work up here in Alaska, so he
5 is familiar with the kinds of logistics we are talking about and
6 the kinds of areas that we are talking about. And, looking at the
7 budget, it looks like that -- the aircraft and vessels are all
8 chartered, would be contracted.

9 MR. SANDOR: Mr. Pennoyer:

10 MR. PENNOYER: Mr. Chairman. Mr. Cole said he is willing
11 to go back and look at '6 after we finish with '8. Why don't we
12 see what we want to do with '8 and then go back and discuss '6 for
13 a minute because after wondering all the way through this, I think
14 I want to go back and discuss '6 again too.

15 MR SANDOR: Well you're -- whatever you wish to do is
16 fine. Any further discussion on 93008? Any objection to 93008?

17 MR. COLE: Yes.

18 MR. SANDOR: Not approved. It's been suggested we go
19 back to project 93006. Mr. Pennoyer.

20 MR. PENNOYER: I ask a question about this. I guess --
21 the confusion of this, is the list it talks about is site specific
22 archeological restoration. And, you have visions of somebody going
23 back and throwing rocks back on piles or brushing the moths out or
24 something like that. And, really what this is -- is this is a
25 cataloging what's there, what has been disturbed, trying to recover
26 information from it, more than it is going out and washing oil off

1 rocks or something. This is basically categorizing what has
2 happened to these stocks. That's full damage examination, an
3 analysis of injured sites. (Indiscernible) Recovery analysis and
4 curation of any remaining archeological resources that were suppose
5 to be disturbed by the oil spill, data recovery to compensate for
6 the loss. So, the main things here you're dealing with -- I guess
7 its a form of restoration, but I its not so much -- not necessarily
8 physical restoration at the site by itself.

9 MS. BERGMANN: Mr. Chair.

10 MR. SANDOR: Yes.

11 MS. BERGMANN: It also -- if you looked down under the
12 "why" it also talks about actual physical repair, such as action
13 such as restoring trampled protective vegetation at the site or
14 filling in a looter's hole. So, again that will be determined on
15 a case-by-case basis. And, if the folks were here who wrote this
16 proposal they could probably give you some specifics as to what
17 would be done at each of those twenty four sites because they have
18 been examined by Dr. McAllister and the group, in order to come up
19 with a damage assessment. So, its both -- it just depends on
20 what's needed at a particular site.

21 MR. SANDOR: Unless there's a motion to act on '6, '7
22 or '8, we'll move to project '9. Is there any motion to bring
23 before this group?

24 MR. COLE: Well, can I ask the other Trustees -- look,
25 here's the thing. I'm in favor of preserving archeological sites
26 that have been damaged by the oil spill to the extent preservation,

1 some cataloging may be done. But, from the standpoint of expending
2 funds for people to get in airplanes and fly over these twenty-four
3 sites, to see if somebody might be there sometime. You know, I
4 just don't think the public would support that. And, to chartering
5 vessels to go out and cruise along the shoreline to check these
6 things to see if anybody's around, or something's going on, I just
7 can't support that. And, I don't think the public would support
8 it. Training of volunteers and sending people around -- I can't
9 support that. To the extent that there's a project here where
10 archeological damage has been, we need to preserve it, we need to
11 protect it, stretches it a little bit in my view, but I would
12 support that. Now, you know....

13 MR. SANDOR: Is there a motion.....

14 MR. BARTON: Mr. Chairman, I move that we approve
15 93006.

16 MR. PENNOYER: Second.

17 MR. SANDOR: It's been moved that we approve project
18 93006. How does this differ from.... (laughing) project that we
19 discussed (indiscernible)

20 MR. BARTON: It doesn't differ. Its very similar.

21 (Laughter)

22 MR. PENNOYER: Mr. Chairman, I think we said that after
23 we went through all of them and looked at them, we might come back
24 and reconsider whether some part of this made sense. And, I guess
25 this is the curation that puts people out on the sites, we're
26 starting to document better what had happened, we'll have people

1 looking, it might help prevent vandalism, or maybe when they get
2 done they can better suggest to us what we can do in the future,
3 but for one year, anyhow, you don't ignore the fact that we've got
4 sites that were injured and we at least need to get on with the
5 concept of trying to protect the resources that are there, no
6 further disturbance, and finding out what was done with them.

7 MR. SANDOR: I guess the Chair is wondering if there
8 was some combination of activities of the Public Advisory Group
9 that suggested that -- very specifically then, the motion is -- the
10 approval of two fifty-nine is for the project as described in
11 93006. Jim Wolf, do you have a comment?

12 MR. WOLF: Well, I think as a key point of the information
13 that hasn't been brought up here, is that we did a damage
14 assessment study. That study wasn't completed until last -- late
15 last summer or early fall. So, the information to do part of the
16 archeological projects was not available until just recently.
17 Charlie, if that answers part of the question you said about why --
18 we doing something. The other portion is, if we have some sites
19 that were damaged, and federal agencies on federal land have to
20 take some action to protect and preserve those sites, when we
21 discover damage to a site -- to an archeological site. So, we have
22 to do something with those sites. So, there is part of the
23 justification or reason why we're proposing -- the Park Services --
24 is proposing the project.

25 MR. SANDOR: Okay, the Chair says that 93006 is on the
26 table for reconsideration essentially and is there any objection to

1 the approval of project 93006, 259.1. Yes, Carl Rosier.

2 MR. ROSIER: Question on this. Looking at the budget.
3 I see we've got four agencies that are involved in the work. And,
4 I don't know what kind of geographic area we're looking at here on
5 this, but is there really a need to have four agencies on all
6 projects -- see through to success?

7 MR. SANDOR: Any question on -- any comment on that.
8 Pam.

9 MS. BERGMANN: Mr. Chairman. Assuming that here are
10 sites -- at least twenty-four sites that there on different
11 agency's lands and I'm assuming that some of them are also on
12 private land which -- no Ken -- they're all on public lands. And
13 that, if for example, it was on Park Service land or Fish and
14 Wildlife Service land, then they would be conducting the
15 restoration.

16 MR. ROSIER: Are there different mandates, Mr.
17 Chairman, for individual landowners associated with archeological
18 sites here on this. I mean, you fly from one side of the Prince
19 William Sound to the other in forty-five minutes, from one end of
20 it to other in about the same amount of time. And, it just -- I
21 don't know, it almost seems like we've got a crowd headed for each
22 one of these archeological sites here on this with four agencies
23 involved in this.

24 MR BARTON: Are all twenty-four of these sites in the
25 Sound, or is this the entire oil spill area.

26 MS. BERGMANN: In the oil spill area. There's certainly

1 sites that are outside of the Sound.

2 MR. SANDOR: Any further questions.

3 MR. COLE: Mr. Chairman, I want to make a few comments.
4 The Wilderness Society strongly opposes the Department of Natural
5 Resources is the lead, number one, on '7. And, secondly, I'm
6 tempted to say that the federal government has to take action with
7 respect to the site, we should just as well let them do it. But,
8 I'm not going to say that.

9 (Laughing)

10 MR. SANDOR: Any further discursion on this project,
11 93006. Any objection to this project 93006. Project is approved.

12 MR. COLE: Is it understood, Mr. Chairman, that this is
13 the proposal to cataloging, even the restoration of these sites --
14 pretty much to that, as we've discussed here. Today, I would like
15 to see that -- outside of that I favor the project.

16 MR. SANDOR: Fellow Trustees and members of the
17 Restoration Team and others. It raises a real good question about,
18 not only what's happened here, but what's happened during the
19 Public Advisory Group discussion. They obviously didn't like the
20 project in a way and suggested that they be redescribed and funded
21 at a lower level. And yet, you know, they came to us just by
22 necessity, without any revision whatsoever. The Chair and the
23 Trustees will presume that the Public Advisory Group comments will
24 be taken into consideration and read the transcript of this Trustee
25 Council meeting, and in effect, modify the plans for expenditure of
26 this \$259,000 in a more logical manner, that would reflect both the

1 advice of the Advisory Group, plus the Trustee Council. Can we go
2 on to project 93009, and I can I say just as a reminder, anyone who
3 wants to withdraw a project for consideration certainly should feel
4 free to do so.

5 (Indiscernible - laugh).

6 MR. SANDOR: Seriously, 93009, public information,
7 education and interpretation, U.S. Forest Service, 316.7 thousand
8 dollars. Recommend 5-1, no opinion. Recommended with
9 qualifications. Is there a motion to approve this project?

10 MR. COLE: I will move.

11 UNIDENTIFIED VOICE: Second.

12 MR. SANDOR: Its been moved and seconded that this
13 project be approved. Is there any discussion?

14 MR. COLE: This project takes big hits from the public.
15 For example, 2,100 to for projects. 24021, not justified under
16 guidelines; 25-38, this should be done by private firms; 25040,
17 less essential projects; 25 - Alaska Wilderness Resource TA, do not
18 fund; Sierra Club - do not fund, goals do not justify expense;
19 Carol Jensen, duplicates much of number '5; and I would omit the
20 rest; Wilderness Society opposes; Sue Post, Alaska Center for the
21 Environment, completely silly -- duplicates other work of Pratt
22 Museum. That's a rough summary of the public's comments on this
23 project.

24 MR. SANDOR: Any other comments?

25 MR. BARTON: I wouldn't want to accuse the Attorney
26 General of selective reading, but....

1 MR. COLE: You should not because I went right down the
2 line.

3 MR. BARTON: My information indicates that there were
4 a number of positive comments, as well as a number of negative
5 comments. The intent is to contract this work out, if you look on
6 page 62 of the blue book, you'll see that \$200,000 is set aside for
7 contractual arrangements.

8 MR. SANDOR: Any further discussion or comments, or
9 questions. Any objection to this proposal.

10 MR. PENNOYER: Yes.

11 MR. SANDOR: There's an objection to the proposal --
12 this project is not approved.

13 MR. COLE: Mr. Chairman.

14 MR. SANDOR: Yes.

15 MR. COLE: With the indulgence of the Trustees, suggest or
16 ask that we bring up another project out of order. A gentleman
17 here from Kodiak is here -- wants to make a presentation -- in
18 connection with one of the ecological projects or something that's
19 closely related to that. He will not be able to be here tomorrow,
20 and I think it would be a nice gesture if we hear him now.

21 MR. SANDOR: Indeed, we will do that. Step forward,
22 anyone else that may not be here tomorrow that has a project that
23 you'd want to cover. Could you identify your name and the project
24 and make your presentation.

25 MR. LIVINGSTON: Yes. My name is Tom Livingston, I'm
26 from Anchorage, actually, not Kodiak. I'm representing the Kodiak

1 Area Native Association and the Cultural Heritage Foundation Agency
2 within that group. I wanted to speak to the Alutic (ph) Museum and
3 Cultural Center.

4 MR. SANDOR: What project is this?

5 MR. LIVINGSTON: Its an additional project - its an
6 additional project that was recommended by the Public Advisory
7 Group. Its project '2 on that list. It was a public idea, number
8 298-17. First phase construction of Kodiak Archeological Museum.

9 MR. SANDOR: Everyone know -- everyone know where that
10 is, the additional project list. Second one, 298-17. Proceed Mr.
11 Livingston.

12 MR. LIVINGSTON: The goal of the project is to provide
13 a regional facility that's dedicated to the preservation of
14 cultural resources, traditional Native culture and public
15 education. It ties in very closely with some of the archeological
16 projects you've just been considering. However, it provides a
17 permanent repository for artifacts and materials that have been
18 excavated. Of the twenty sites that were impacted by vandalism in
19 1989, seventeen were in the Kodiak region. Site vandalism has
20 greatly increased in the area of Kodiak, at least partly because
21 the locations became widely known during -- in the wake of the
22 spill. This project will provide a building of 3,000 square feet,
23 which is the first phase of a project that has been in the planning
24 stages for some five years. KANA has been providing site, site
25 removal and preservation for nearly ten years. That's sort of a
26 modest rate. When the oil spill occurred and the damage that then

1 occurred to some of those sites -- occurred -- the rate at which
2 these materials had to be recovered and preserved increased
3 dramatically. This facility will be mostly a storage facility to
4 preserve those materials. There will be small exhibit space and
5 some lab space, but its mostly provided to store and stabilize this
6 materials in an environmentally controlled area and a secured area.

7 MR. SANDOR: Yes.

8 MR. PENNOYER: Thank you very much for your input. Can
9 you tell me what first phase means?

10 MR. LIVINGSTON: Yes. I've been involved in the
11 planning of this as an architect, not an archeologist. But, we've
12 planned a facility that eventually would have large exhibit areas,
13 it would have meeting areas, it would have more cultural areas
14 within it, but the first phase of this is to provide safe
15 repository for all the materials that have been removed, and that's
16 why it's called phase one. And, it's just the first phase. It's
17 being accelerated, in the sense, to try to provide for these
18 materials that have been removed just recently.

19 MR. PENNOYER: Mr. Chairman.

20 MR. SANDOR: Mr. Pennoyer.

21 MR. PENNOYER: I'm trying to recall the earlier testimony
22 we had. But, currently KANA has an arrangement with the University
23 of Alaska and the materials are kept a the University of Alaska
24 right now. Would there be some provision for hiring somebody
25 professional to do this, or do you already have somebody on site
26 that would do....

1 MR. LIVINGSTON: Rick Knecht who is the director down
2 there at the cultural heritage program, is an archeologist and he's
3 the one that's been supervising the preservation of these materials
4 and -- on a contract basis, the University and others around the
5 state have provided assistance in the summer when most of the
6 activity occurs. Much of these materials are stored right now in
7 Kodiak in some leased space that they have in town.

8 MR. SANDOR: Any further questions.

9 MR. PENNOYER: One last questions. Then this money to
10 construct the facility, nobody is indicating they want us to fund
11 the maintenance and continuation and staffing at this point.

12 MR. LIVINGSTON: No, as a matter fact, the project has
13 a -- been going on and it was initiated long before the oil spill.
14 However, it was going on at a very modest rate. Last year a fifty
15 year lease was signed with the city for two and a half acres of
16 land for a dollar a year, so the city has made a contribution of
17 land. KANA is providing -- they have already raised over \$250,000
18 in cash to cover expenses as personnel and administration is
19 needed. KANA will provide the ongoing maintenance and staffing,
20 pay the light bill, the heating bill and whatnot. They're
21 currently -- with the small facility they have now -- the small
22 leased facility they have now, they've been taking in between five
23 and seven thousand dollars a month in revenues, just from --
24 essentially from tourism.

25 MR. SANDOR: Any further questions. Mr. Cole.

26 MR. COLE: Is it the plan to take these artifacts from the

1 sites and move them to this building?

2 MR. LIVINGSTON: I can't speak to that very well
3 because I am not an archeologist, but -- as far as I understand
4 that -- that many of those materials -- yes, will be removed, the
5 ones that are in jeopardy and that need to be secure and need to be
6 in an environmentally controlled area.

7 MR. COLE: So that would be a reason for not having these
8 aerals and sea reconnaissance sites, they could just take these
9 artifacts and move them into where they are. Remove the necessity
10 for the volunteers and police officers and aerial -- it would be a
11 better expenditure of money.

12 MR. LIVINGSTON: This project, of course, won't
13 address the entire area, the spill area, just the Kodiak....

14 MR. COLE: Seventeen of the twenty-four.

15 MR. SANDOR: What's the total cost of this project?
16 What's the total cost of all phases? (Laughing)

17 MR. LIVINGSTON: I think their request is very modest.
18 They could easily have asked....

19 MR. SANDOR:Subsequent phases that I'm trying
20 to....

21 MR. LIVINGSTON: Well, the ultimate phase would be
22 about eight million dollars.

23 MR. COLE: Eight million dollars....

24 MR. LIVINGSTON: Yes.

25 MR. SANDOR: Eight million and

26 MR. LIVINGSTON: This is basically to provide storage

1 space for those items that have been -- unearthed and brought into
2 Kodiak right now -- and over in the next year.

3 MR. SANDOR: How is the balance of the project to be
4 funded?

5 MR. LIVINGSTON: I'm not sure what -- what all the
6 plans are for that. I know there's potential BIA funding, there's
7 quite a bit of private funding that's available through
8 foundations, and Mr. Knecht has a schedule of different fundings
9 sources that he's approached and will be approaching.

10 MR. SANDOR: I guess the reason the chair asks that
11 question -- I favor that -- this first phase construction, but I'd
12 be worried if the intent was to have subsequent phases funded from
13 this same project -- from the oil spill funds. That's why I raise
14 that question. I don't know whether you want to make any
15 observations or have some understanding, but -- I guess, I ask this
16 of the Trustees, if the approval of this would not essentially
17 condition us to be obligated to complete the project. What would
18 be the feeling of the Trustees? Or, maybe you would.

19 MR. PENNOYER: Well, that could be a motion, I guess.

20 MR. SANDOR: Well, any needed further questions. Yes,
21 Mr. Rosier.

22 MR. ROSIER: I'll go after him.

23 MR. SANDOR: Okay, thank you.

24 MR. McVEE: Is there any -- and -- is there any
25 immediate problem with the rental storage. Are the -- are the
26 materials protected adequately in the existing storage. And, the

1 reason I'm getting at is, well maybe this is something that waits
2 for the restoration....

3 MR. LIVINGSTON: The storage they have now is just
4 commercial space, just a small amount of commercial space, less
5 than a thousand square feet. It's -- they have purchased vaults,
6 essentially, to place the materials in. Those vaults have a
7 limited ability to provide environmentally controlled atmosphere.
8 Its really -- you need an active system to do that and those vaults
9 don't do that very well. They're very secure in terms of vandalism
10 and damage, physical damage, but the environmental damage is a
11 concern. Humidity primarily, and temperature. So, that's what
12 this space would provide is a very environmentally secure space for
13 those materials.

14 MR. SANDOR: Mr. Rosier, you had a follow up question?

15 MR. ROSIER: Thank you, Mr. Chairman, yes. Is there
16 currently on ongoing recovery effort within the sites today?

17 MR. LIVINGSTON: Again, I can't speak to that very
18 accurately since I'm an architect and not an archeologist, but it's
19 my understanding that KANA began some ten years ago removing and
20 preserving materials at different sites. That accelerated with the
21 spill because of the damage that occurred at some sites that they
22 had not anticipated doing any work at. It really threw things out
23 of sequence and accelerated many things into an emergency status
24 essentially.

25 MR. ROSIER: So there's an immediate need for an
26 expansion of the capability for storing of materials.

1 MR. LIVINGSTON: An expansion of what they have now,
2 yes, definitely.

3 MR. SANDOR: Any further comments or questions? Pam.

4 MS. BERGMANN: Just a point of information. The cultural
5 resources group has talked about curation artifacts to a limited
6 degree. And, its my understanding that all of the artifacts that
7 were recovered through the response portion of the spill, and that
8 would be primarily by Exxon contract archeologist, are all being
9 curated with the University of Alaska Museum. In order for
10 curation to occur -- right now the University of Alaska Museum is
11 the only museum space in the state that meets all the curation
12 requirements. So, in order for another facility to -- it would
13 have to come on line and meet very specific requirements before we
14 could -- excuse me -- put any of the artifacts that would be coming
15 out of like project 93006. So, I guess, the artifacts that you're
16 talking about here that are in storage, would be artifacts that
17 would have been recovered just through KANA's own -- own programs.
18 And, those would be artifacts that they own.

19 MR. SANDOR: Mr. Pennoyer:

20 MR. PENNOYER: Chair -- Chairman. Is there more detailed
21 write up, I notice you reading from something, but I apparently
22 don't have a copy of it, shows the square footage and the type of
23 climate control facilities that are envisioned and that sort of
24 thing. Do we have something like that?

25 MR. SANDOR: Have copies made. Would you have
26 something in there.

1 MR. LIVINGSTON: The back of the -- Mr. Chair -- the
2 back of the Brad Phillips' memo is a discussion of this project.

3 MR. PENNOYER: The back of it.

4 MR. GIBBONS: Yea, the last page is about -- or eight or
5 ten pages in. The project looks like....

6 MR. PENNOYER: Somewhere after all the voting pages, you
7 mean.

8 MR. GIBBONS: Yea, its called -- the upper right hand
9 corner you'll see a long number, but it ends with 279. So, Mr.
10 Chair, just a word -- why this project didn't make it through the
11 Restoration Team. We felt that it was not time critical. We
12 received at least three proposals from museums that -- three
13 different ones -- that the criteria were applied to that we're not
14 time critical.

15 MR. SANDOR: They all were reviewed by the Public
16 Advisory Group, Dr. Gibbons?

17 DR. GIBBONS: No. They were submitted by private
18 individuals.

19 MR. SANDOR: Did they -- were they processed through
20 the Public Advisory Group. I know the Public Advisory Group here
21 unanimously recommended this. Did they not recommend or consider
22 the other.

23 MR. GIBBONS: The others were not considered. This was
24 brought up by Richard Knecht, a Public Advisory Group member.

25 MR. SANDOR: I see, okay. Thank you. Is there a
26 motion to approve this first phase of construction of this project.

1 MR. PENNOYER: So moved.

2 MR. SANDOR: It's moved by Pennoyer and seconded by --
3 by who --

4 MR. PENNOYER: I think I made the motion, I didn't second
5 it.

6 MR. SANDOR: Was moved and who seconded it? Is there
7 a second of this motion?

8 MR. ROSIER: Unless you want to take another count
9 tomorrow when we talk about it.

10 MR. SANDOR: Let's try to take it up now while Mr.
11 Livingston is here.

12 MR. COLE: Mr. Chairman.

13 MR. SANDOR: Yes.

14 Mr. COLE: I would move that we defer action on this
15 proposal until the February meeting and then we can have Mr. Knecht
16 come in and give us any further information in support at that
17 time. I'm a little uncomfortable approving a million dollar,
18 essentially a million dollar project at this time, based on the
19 (indiscernible) information we've had here this evening. And, I
20 suspect other members may feel the same .

21 MR. McVEE: Mr. Chairman.

22 MR. SANDOR: Yes.

23 MR. McVEE: As I understand it, if this feel out -- if
24 the RT level -- that it did not go out for public comment. It did
25 not go out for general comment. I think that's a step in the
26 process we have to think about.

1 MR. SANDOR: It's been moved that project -- well,
2 there was no second to the motion, to approve this -- it's been
3 moved we defer this to February 16. Is there a second to that?

4 MR. BARTON: Second.

5 MR. SANDOR: Seconded. Any objection to that? We'll
6 do that, and perhaps Mr. Knecht can provide the information. Yes.

7 MR. PENNOYER: Mr. Chairman. I don't object to that,
8 having Mr. Knecht come and provide us the information, but it does
9 call into question how we're going to -- I think I would like to
10 hear a little bit of why this is time critical, and maybe the '006
11 visiting these sites and having some place to put materials, makes
12 it more time critical. But, I am not arguing against the validity
13 of this, and there are many others that we're going to get,
14 administration type projects that have the validity, but we did
15 sort of adopt the time critical question. And, I think that ought
16 to be addressed and any resurfacing of this proposal. I'm not
17 against doing it in February.

18 MR. SANDOR: Well, perhaps Dr. Gibbons and the
19 Restoration Team can note that and see if we can get that
20 information and have it scheduled. Thank you Mr. Livingston for
21 that presentation. Are there other individuals here, this evening,
22 who have been so patient that would want to make a similar
23 presentation on any projects that are before. Yes, Mr. Totemoff,
24 please step forward.

25 MR. BRODERSEN: Mr. Chairman. Before we move off to this
26 project, perhaps a little guidance to staff would be useful on this

1 last proposal we were just dealing with -- we did have several
2 competing proposals for different museums brought forward when we
3 collected public ideas last summer. I'm not sure we could get
4 information together on them, but it seems like if one is
5 considering one museum, one should be also considering the others
6 and then the other options for storing these objects. I'm not
7 quite sure what we do to bring you the information to help you make
8 a decision on this. I was wondering if perhaps Trustee Council
9 could give us some guidance on that.

10 MR. SANDOR: Sounds like you've outlined what might be
11 a good course of action. Is there any objection to that by the
12 Trustees?

13 MR. Brodersen: Well, we can't do that in the time period
14 we're talking about, by February.

15 MR. SANDOR: '94?

16 MR. Brodersen: '94 we can help out a lot.

17 MR. SANDOR: Seriously, whenever this information --
18 but you're point's well taken. You know, you do need to look at
19 these four projects and whether it's April, May or whatever, and I
20 don't know what the next time for something to go out to the
21 public, but probably should -- course the Public Advisory Group
22 will have an opportunity to look at the other project. Any
23 guidance to the Restoration Team on the question that Mark
24 Brodersen raised? Beg your pardon.

25 DR. MORRIS: Said it's different comments.

26 MR. SANDOR: Okay, well be guided by that silence and

1 may your own wisdom....

2 DR. MORRIS: Mr. Chairman.

3 MR. SANDOR: Yes.

4 DR. MORRIS: Another comment on -- another comment on
5 that project and I guess it applies to all these other ones that
6 are being considered new and that would be -- you consider when
7 you're discussing them and keeping with the decision we made at the
8 last meeting of the Council, is what about the NEPA compliance
9 requested. If you choose to -- future act on a project, you might
10 want to consider whether you want to at least approve it for --
11 looking towards NEPA compliance at this stage.

12 MR. PENNOYER: Mr. Chairman. I think I was premature at
13 this time when....

14 MR. SANDOR: We are talking '94. That's for sure. Can
15 we take a ten minute break and your audience will be more greatly
16 relieved.

17 (Off record 9:10 p.m.)

18 (On record 9:17 p.m.)

19 MR. SANDOR: Let's please reconvene, okay. With the
20 agreement of the Trustees, we will adjourn no later than 10:00
21 o'clock so that we can get here bright and early at 8:00, because
22 we know those who hoot with the owls at night cannot soar with the
23 eagles in the morning.

24 (Indiscernible - simultaneous talking)

25 MR. SANDOR: Okay. While we appreciate Mr. Totemoff
26 and Tyler Jones -- your patience -- you've been here most of the

1 day and -- your project proposal, as I understand it is one listed,
2 Chugach Resource Management Agency, which was considered by the
3 Public Advisory Group. And, Mr. Totemoff is a member of the Public
4 Advisory Group, but I think you're going to lead off with a
5 statement.

6 MR. TOTEMOFF: Yes, I am Mr. Chairman and thank you
7 members of the Trustee Council.

8 MR. SANDOR: Could you turn the -- get the mike closer.

9 MR. PENNOYER: Mr. Chairman.

10 MR. SANDOR: Yes, beg your pardon.

11 MR. PENNOYER: I'm sorry, did you say -- I'm trying to
12 orient myself.

13 MR. SANDOR: Yes, it's not on that list, but -- because
14 -- yea, it's not on this, but it's on the list that Curt McVee
15 passed out, the last page of that list. Excuse me, go ahead.

16 MR. TOTEMOFF: Okay, is this thing on. Okay, thank you
17 again Mr. Chairman. Just for the record, my name is Chuck
18 Totemoff, I'm president of Chenega Corporation and speaking on
19 behalf of the villages and village corporations within the Chugach
20 region today. Originally I had two subjects I wanted to bring up -
21 -- Trustee Council -- members of my presentation, but there's been
22 an additional one added. That one, P&D, site monitoring projects -
23 - archeological work -- I'll lead to that at the end of my
24 presentation.

25 To continue. We continue to support direct contract of
26 restoration projects. I do note that on the agenda that you will

1 be again considering Resolution number 2 of the Public Advisory
2 Group. You will also be considering comments of the Public
3 Advisory Group concerning importance of local involvement. We are
4 concerned about the impact many restoration projects will have on
5 the human environment in Prince William Sound. Based upon our
6 experience, we remain convinced that adverse impacts can be reduced
7 by the utilization of local human resources. Proposals such as the
8 CRMA which address methodology to deliver logistical support and
9 other services would substantially reduce the adverse impact. In
10 fact, the CRMA proposal is designed in order to assist the
11 restoration projects to be beneficial to the human environment.
12 The Department of the Interior, as lead agency, certainly has the
13 authority under the laws, to do direct contracting with CRMA,
14 through the Indian Self-Determination Act, Public Law 93, 638.
15 Alaska Statute 37.14.420 authorizes such expenditures and accords
16 with Public Law 93, 638, which applicable to the Department of the
17 Interior. I'll keep this short. I've asked Tyler Jones to further
18 explain the reasons why we believe the program we propose is
19 beneficial and necessary to the restoration to the environment. I
20 just feel that it is more appropriate that Mr. Jones to discuss the
21 project because of my position with the PAG. However, I will be
22 glad to answer questions, particularly about PAG Resolution No. 2.

23 MR. SANDOR: Mr. Jones.

24 MR. JONES: Thank you Mr. Chairman and members of the
25 Trustee Council. I appreciate the opportunity to be here today and
26 discuss the Chugach Resource Management Agency and the other item

1 that Chuck Totemoff mentioned PAG Resolution 2.

2 The idea that we're here to -- we hope reinforce with the
3 CRMA is the idea presented in the Public Advisory Group resolution
4 which proposes that the counsel direct Restoration Team
5 organizations to work with Native landowners and other residents of
6 oil spill impacted areas, for contract opportunities and direct
7 labor. We've been through the mill with the PAG on the CRMA, we've
8 also found that the proposal that we have put together with Chugach
9 Resource Management Agency is an instrument to carry out what we
10 think ultimately will be endorsed in some form by the Council in
11 its attempt to get the restoration work into the backyard of the
12 residents of the area.

13 The Chugach Resource Management Agency has a -- sort of a
14 spotted or checkered past. The villages lead by Chuck and the
15 regional corporation of which I at that time was representing
16 exclusively, took different approached to this issue of how to get
17 the people within the region working on the oil spill restoration.
18 The villages were looking for direct contracts with agencies
19 engaged in restoration activity. The regional corporation, on the
20 other hand, was trying to establish a vehicle to actually inventory
21 the human equipment, vessel and other resources that were
22 appropriate to the restoration activity with the region so that
23 those could be applied back to the work required in this instance,
24 in the 1993 work plan. Late last year, the efforts of the village
25 group and the regional corporation were combined into a joint
26 venture that's been formally adopted by Chuck's village

1 corporation, three other village corporations and the regional
2 corporation, Chugach Alaska.

3 The -- both the village corporation proposal and the CRMA were
4 proposed in November 20 comments on the 1993 draft work plan. We
5 were responding to course of concerns that we picked up, both
6 within agencies with staff members that we'd spoken to about work
7 within the region and also from shareholders from the village
8 corporations and the regional corporation, who felt that all
9 efforts had been made to contract directly with or to engage the
10 residents of the area in the restoration activity. There is a
11 significant room for expansion of that effort through some
12 instrument like the Chugach Resource Management Agency. Therefore,
13 we saw the Public Advisory Group Resolution No. 2 was sort of the
14 authorization that was proposed for this activity, and the Chugach
15 Resource Management Agency the actual instrument to realize it.

16 As everybody probably knows by now, we've made a visit to
17 Juneau last week, we had Curt McVee on the phone for the better
18 part of a couple of days, it seemed like it, at different times,
19 and I think we presented to each of you or to representatives the
20 ideas that we felt were appropriate considerations within the CRMA.
21 We found a lot of enthusiasm for the benefits that we assert, the
22 CRMA offers. We also encountered concern over the mechanism that
23 we had identified and also concern over many aspects of the '93
24 work plan itself and the restoration plan. How the actual
25 involvement of locals could be brought to bear.

26 We presented the CRMA to the Public Advisory Group, and as you

1 can see from the variety of documents before you, were not
2 persuasive in getting that groups endorsement. However, what we
3 did get from the PAG was a strong assertion that they endorsed the
4 thing that we were promoting which was the idea of resident hire
5 within the spill area. They were uncomfortable promoting a
6 particular corporate entity, i.e., this regional corporation,
7 village corporation, joint venture. They did not want to be in a
8 position of saying, here write these guys a check. And, that was
9 understandable reticence on their part. Therefore, we have
10 modified our proposal as we presented it in Juneau last week, we
11 have found a great deal of enthusiasm for the plan as it exists
12 now. In part, because we have withdrawn ourselves as the potential
13 contractor and, instead, are simply proposing that the Trust -- the
14 agencies designate Interior as the lead agency on this. At this
15 time I would like to....

16 MR. PENNOYER: I'm sorry I missed that last -- some paper
17 was being shuffled. Designate your group as....

18 MR. JONES: No, designate the Interior Department as
19 the lead agency on this proposal. At this time I would like to
20 pass out a new fact sheet with the proposal attached.

21 (Simultaneous talking aside)

22 MR. JONES: Our co-conspirator, Tom Fink, is passing
23 out copies to those in the audience who would like to have a copy
24 of this proposal. Working from the proposal sheet, the purpose as
25 we see it, and one that's endorsed generally wherever we go, is to
26 make use of the resources available within the region to effect oil

1 spill restoration.

2 The organization proposal, I believed spelled out here, does
3 not say contract this to the CRMA organization set up by the
4 villages and the regional corporation. Before I walk through these
5 steps, however, as you know, we do feel that's a feasible and
6 reasonable thing to do, but we're just saying ignore that, we're
7 not asking endorsement of that.

8 The steps of the organization as we see it is, approval of the
9 proposal and its funding the Council; the designation of the
10 Department of the Interior as the lead agency by the Trustee
11 Council; development of the CRMA project scope of work in creating
12 resource identification and an inventory by the Department of the
13 Interior; the fourth is, establishment of community contacts to
14 locate relevant services, skills, facilities, vessels equipment and
15 other resources within the Prince William Sound region by the
16 Department of the Interior; fifth is, coordination of individual
17 1993 Work Plan project scopes and resource requirements by
18 Restoration Team and the Department of the Interior, this would be
19 a coordinated effort; sixth is, a provision of a detailed inventory
20 and resource contacts to principal investigators involved with each
21 restoration project within the Chugach region; and, ultimately, the
22 maintenance and expansion of resource inventory by the Department
23 of the Interior.

24 The benefits which we perceive in connection with this
25 particular proposal is that it reduces the impact on the human
26 environment caused by the restoration effort by using locally

1 available resources; the second benefit is that it lowers the
2 restoration cost due to reduced mobilization and position expenses;
3 and, finally, it employs proven resident field, a group of proven
4 resident field personnel within the Prince William Sound region.

5 The enthusiasm that we've found for the plan is pretty much
6 been focused on the benefits. People have asked us who would argue
7 with reducing the impact and lowering the cost and employing the
8 locals. And, we certainly appreciate that endorsement. As far as
9 the mechanism is concerned, as I've said earlier, we're only asking
10 the Trustees to approve this concept. We're not asking you to
11 endorse our joint venture as the vehicle to do it. However, we
12 want to be candid -- candid and acknowledge that we feel there are
13 vehicles for the agencies to cooperate with the Native entity and
14 Chuck described some of those, like Public 93-638 or 8A agreement
15 or cooperative agreement.

16 There are other concerns which have been raised that I would
17 like to touch on very lightly and quickly because, otherwise you'd
18 have to. The first is the budget and the size of the budget. This
19 budget was focused on a gearing up for approval of the entire 1993
20 work plan. Now that the 1993 work plan appears to be shrinking in
21 size, that number would be self-regulating. As was discussed
22 earlier, we would suggest that the number be defined as a cap and
23 that the Interior Department, assuming it's identified as the lead
24 agency, be encouraged to be judicious and the expenditure of those
25 funds with a definite cap. As I've said, the necessity for that
26 funding would rise or fall depending on the '93 work plans which

1 were approved.

2 It would also be significantly variable due to a coordination
3 the Restoration Teams ongoing efforts to coordinate logistics and
4 planning. It is certainly our intention to be complimentary to
5 those activities and not in any way be redundant.

6 One element we would see this project bringing to the effort
7 that would be entirely new would be to aid the resident businesses
8 and individuals with services, skills or other resources, to bring
9 to them some development of skills of bidding, proposing and
10 contracting with the involved agencies, so that services can be
11 provided by them.

12 Ultimately, we see this as an opportunity to reduce the
13 environmental impact of the restoration effort that is already had
14 some significance as described in connection with the cultural
15 restoration proposals. We noted in the communication from the
16 Department of Interior that, it did not meet the NEPA compliance
17 requirements and we would assert, at this point, that the project
18 that we propose conforms to NEPA, inasmuch as it would only be
19 implementing individual projects which would, or shortly would,
20 have conformed to NEPA. And, therefore, we feel that it -- our
21 proposal is essentially an administrative undertaking. That
22 concludes my presentation, Mr. Chairman.

23 MR. SANDOR: Are there any questions and Trustees would
24 raise. Yes, Mr. Pennoyer.

25 MR. PENNOYER: In looking at this, as you mentioned this
26 amount of paper on the project, I have a resolution here from the

1 Public Advisory Group that says, they urge us to fund the resource
2 inventory and project works and support elements. Then voted one -
3 nine to one against funding for the program. What do they mean by
4 their resolution.

5 MR. JONES: We -- Mr. Chairman, Mr. Pennoyer. We had
6 a difficult time with that resolution. We thought we had responded
7 to the desires of the PAG in preparing that resolution for their
8 consideration and it was the specific mentioning of this
9 organization that derailed the resolution. Again, they supported
10 the idea of the resident hire and resident contracting within the
11 region. They reasserted their support for PAG Resolution No. 2,
12 but they were not comfortable in approval of that resolution which
13 was comparatively, at least in their minds, specific to this entity
14 that we represent. And, turned it down on that basis.

15 MR. PENNOYER: Mr. Chairman.

16 MR. SANDOR: Mr. Pennoyer.

17 MR. PENNOYER: But the resolution specifically says
18 unless the active participation of CRMA in development of work
19 scopes for approved projects in order to insure the creation of a
20 relevant inventory. I don't know exactly what that means, but --
21 in other words, they're saying, they'd like you guys involved in
22 the planning, but without funding.

23 MR. JONES: Mr. Chairman, Mr. Pennoyer. They
24 attempted in various ways to send forth the resolution without
25 supporting the organization and they did not find a clear way to do
26 that. Unfortunately, we present a proposal for an agency and we

1 have created a joint venture of the same name and the confusion is
2 regrettable and understandable. They supported those ideas without
3 supporting this entity implementing them.

4 MR. PENNOYER: Or funding, specifically for any entity.

5 MR. JONES: That's correct.

6 MR. SANDOR: Any further questions. Mr. Barton.

7 MR. BARTON: Yes, it's not clear to me just exactly
8 what an organization of this type is going to do. Is it going to
9 implement the program of work, is that the intent? If the Council
10 would contract with this -- some organization like to, to implement
11 the program work. Is....

12 MR. JONES: Our intention is for the creation of -- or
13 for the Trustee Council to approve a proposal to conduct an
14 inventory of resources within the region, match that up with the
15 individual project requirements, and to coordinate the provision of
16 services to agencies conducting work under the 1993 work plan.

17 MR. COLE: Mr. Chairman.

18 MR. SANDOR: Mr. Cole.

19 MR. COLE: What is the Department of Interior think about
20 this proposal?

21 MR. SANDOR: Mr. McVee.

22 MR. McVEE: (fumbles with microphone) I've got one of
23 those somewhere. We haven't had really a chance to look at it in
24 detail and I'd ask the solicitor's office to give me some guidance
25 on it and, at that point in time, I didn't have this proposal in
26 hand. And, I think that would be tremendously useful now that I

1 have that detail in hand. So we really haven't taken a position on
2 it. I think it's an interesting approach and if it will save us
3 time and money, and with the other objective of getting local
4 people employed, I think it's worthwhile to investigate it. But
5 that's kind of where we're at this point.

6 MR. SANDOR: Mr. Barton.

7 MR. BARTON: Yes, I'm curious as to why you focus on
8 the Department of Interior as the lead agency as opposed to another
9 fed or state agency.

10 MR. JONES: Primarily -- Mr. Chairman, Mr. Barton --
11 we focused on the Department of the Interior because of their
12 relationship with Native organizations, historically.

13 MR. SANDOR: Any further questions or comments. Mr.
14 Cole. Mr. McVee.

15 MR. McVEE: Mr. Chairman. Whether it would fit under
16 a 638 contract, that type of arrangement, I don't know. It could
17 be -- it could fit under a minority contract - 618, 88 type
18 contract -- would be the other possibility -- way of doing it.

19 MR. SANDOR: Mr. Pennoyer.

20 MR. PENNOYER: Mr. Chairman. Doesn't Interior have funds
21 for that type of contracting you're talking about that wouldn't
22 require oil spill funds for restoration. To do it, don't you have
23 funds that sponsor the creation of such businesses and so forth,
24 the minority business activities.

25 MR. McVEE: Not that I'm aware of unless they're in
26 BIA. Otherwise, none that I'm aware of.

1 MR. SANDOR: Well, the concept is most interesting --
2 the Public Advisory Group, I suspect -- the Trustees -- can't
3 hardly find fault with the activities. How does this differ from
4 what was actually presented to the Public Advisory Group itself.
5 When this was before the Public Advisory Group -- when the Public
6 Advisory Group meets February 10 -- is that they're next meeting --
7 should this be reconsidered by them or will the Solicitor have some
8 comment on it by then?

9 MR. McVEE: I'll get this to them.

10 MR. COLE: You mean Tom Sancinetti (ph). Tomorrow is his
11 last day --or today.

12 MR. SANDOR: Anyway, any guidance from Dr. Gibbons on
13 this -- on how we should process or deal with this.

14 DR. GIBBONS: I guess the question was asked is how does
15 this differ from the one that was presented to the Public Advisory
16 Group on the 6th and 7th of January. If it is different, maybe
17 they should bring it up again. I don't know.

18 MR. JONES: It is different and I'm not -- I could
19 speak to that Mr. Chairman. In fact it is no different, but our
20 presentation, I think, is considerably different because we've gone
21 to great lengths to distance ourselves from the role as perspective
22 contractor and, instead, place ourselves before you as the
23 initiator proposing an effort for the Department of the Interior.
24 I recognize that that may seem an insignificant distinction,
25 particularly as we acknowledge that we assumed the former role
26 previously, but for the PAG it was very complicating that we were

1 sitting here proposing for the Department of the Interior to do
2 something that we would then contract. And, so we're saying forget
3 all that, you know, we may be back, we may come seek Curt or his
4 successor or whomever, but we think this is a very important thing
5 to do, we think it's important enough that we believe that if
6 Interior got the approval of the council, got the funds and put it
7 in motion and contracted with someone else that it would still have
8 tremendous benefit for the regional corporation and for the village
9 corporations. I might add that, although it may be -- well, I
10 think it's evident, but others have told me it's not, there is no
11 profit built into this budget for either the villages or the
12 regional corporations. This is intended to be a break even
13 proposition to get the work into the region. And, that's how it
14 started and we're learning.

15 MR. SANDOR: Why wouldn't it be possible -- no
16 preferable to simply have the Trustee Council and the Restoration
17 Team and it's -- all the agencies that function under it, be guided
18 by this concept and solicit or utilize your group or some other
19 group that would be able to provide those same services?

20 MR. JONES: Mr. Chairman. We really are dealing with
21 a -- an inventory of resources that do exist out there that in some
22 respects don't know they exist, people don't realize they have
23 skills that have value to restoration-oriented agencies. We have
24 people with equipment or cabins or facilities that they don't
25 realize that they could be contracting. They are not keeping
26 current on those opportunities so the business development aspect

1 within the remote areas is critical to it's effectiveness.

2 MR. SANDOR: Mr. Cole.

3 MR. COLE: Mr. Chairman. I -- I strongly support
4 utilization of local personnel and facilities whenever possible to
5 carry out these projects. I think it would provide employment in
6 these areas which need employment, I think it would generate some
7 funds in part to offset the effects of the spill, which resulted in
8 the economic stress in these areas. And, that would include boat,
9 cabins and things of that nature. What I wonder, and I've told
10 these gentlemen when they were in Juneau, that I would like to see
11 if we couldn't utilize these resources to carry out these projects
12 in part, whenever possible. I realize you can't do that in every
13 project, but it seems as though a number of them could utilize
14 these resources. I would like to see the lead agencies utilize
15 those resources whenever possible. And, can we work from that --
16 approach. Maybe that doesn't exactly fulfill their lands proposal,
17 but it may get us a ways -- a considerable ways down the road. In
18 seeing and fulfilling our objectives. That was my idea and it
19 remains so.

20 MR. SANDOR: Mr. McVee.

21 MR. McVEE: Yes. It seems like -- you know -- it
22 would be possible to set up, or if it were possible to set up the
23 CRMA, under lead of one of the agencies, Interior or whatever. But
24 then, to make -- the maximum use to get our monies worth, so to
25 speak, out of the half million dollars or whatever that final
26 amount would be, that it would be -- I would say mandatory, but the

1 more projects that could flow through, the more services that could
2 be provided, the more hires it could be provided by CRMA from all
3 of the lead agencies that are doing projects, the more benefits we
4 would get from this, if you accept this, the concept for this idea.
5 So that it not only affects Interior in setting it up, it affects
6 all the lead agencies. We say okay we're going to utilize to the
7 maximum extent this entity and these services to -- to get the
8 maximum dollar -- maximum worth for the dollars we're investing.

9 MR. SANDOR: Mr. Pennoyer.

10 MR. PENNOYER: Mr. Chairman. Is this proposal for half
11 a million dollars a year? And, what do you get in terms of
12 personnel and how many people are involved? It says \$94,000 worth
13 of equipment. The project is presumably refunded for overhead and
14 administration on each of these projects and equipment and travel.
15 And, I'm -- and vessel charter. So, you know -- boats available,
16 you don't have to buy it. It's basically chartered by the project.
17 So, what do you get for half a million dollars a year in terms of
18 overhead for these projects. I agree completely with Attorney
19 General Cole that the object should be to use local resource as
20 much as possible and feasible in every project. But, I'm not sure
21 what the life history of five million dollars worth of -- in
22 essence, overhead does for you.

23 MR. JONES: Let me reiterate if I may, that this is a
24 flexible number, shrinking moment by moment as fewer projects are
25 approved by the Council. This was a very rough estimate based on
26 an assumption for approval of the entire draft 1993 work plan. The

1 personnel involved, we see, two in Anchorage and part time up to
2 six in the outlining areas to work in the communities to circulate
3 with people with boats and to establish what resources exist out
4 there to feed those into an overall inventory data base. The
5 travel, we assume, will be necessary to connect with all personnel
6 in the field who have resources that we're trying to make eligible
7 for hire and travel, either by them or agencies or for us to
8 agencies to make the connection between the inventory and the scope
9 of work on the individual work plan projects. That won't just be
10 an automatic process of needs being known and met, but rather it
11 will be an ongoing process. Contractually, we did imagine that
12 there would be some requirements for hiring specialist, every where
13 from airplanes to lawyers, to make this thing work. To get into
14 the field and particularly in the business development side, bring
15 people up to speed quickly in the process where they may have just
16 felt excluded or ineligible or whatever in the past. Likewise with
17 equipment we saw the potential to set up a communications network,
18 both into the field and with the agencies, that would allow us to
19 be quickly responsive to changing needs.

20 MR. SANDOR: Any other questions or comments? Any
21 specific recommendations for action or motions for action by this
22 Trustee Council, either to approve this in concept or whatever.
23 Yes, Mr. Pennoyer:

24 MR. PENNOYER: Mr. Chairman. I have one additional
25 question. Are there entities out there now that the agencies can
26 contact regarding employment. Is this focus required or would you

1 -- regional corporation, for example, have a subsidiary or group
2 that deals with employment opportunity, training, and so forth.
3 Are we -- do we need to create something new. Is there a focus the
4 agencies can write to -- get hold of and work with or whatever?

5 MR. JONES: Mr. Chairman, Mr. Pennoyer. The agencies
6 are focused and they have been making an effort in that direction.
7 And, the individual corporations, likewise -- you know -- encourage
8 the businesses that their shareholders and others within their area
9 have to be productive and to be active. But, there is a very large
10 mesh to this net and theirs a lot of folks just falling right
11 through. I would also assert to you in terms of the self-
12 regulating aspect of the CRMA to the extent that we get out there,
13 this all goes forward and we contract with Curt and he's
14 miraculously still at the Department of the Interior, and we're
15 just going along huckledebuck, and if we find out that we're not
16 being productive, I suspect that Interior's going to discourage the
17 CRMA from expending further funds in a nonproductive effort. If we
18 really find out that everybody's just scooting to the agencies and
19 signing contracts, the job's done. So, I -- I mean, I personally
20 don't think that's going to be the case. I think it will be a ten
21 year project. I think it'll have a big start and a declining
22 budget in the out years, but I think that that very much is
23 controllable, depending on the results.

24 MR. SANDOR: Mr. Pennoyer.

25 MR. PENNOYER: Does your proposal envision Kodiak, the
26 outer Peninsula, outer Cook Inlet, other oil stories too, or is it

1 only in Prince William Sound.

2 MR. JONES: The Chugach region.

3 MR. PENNOYER: Okay, so....

4 MR. JONES: To the lower Cook Inlet.

5 MR. PENNOYER: So we would have a necessity to do
6 something similar in these other areas if they desired that type of
7 coordination.

8 MR. JONES: And if you're so inclined.

9 MR. SANDOR: Any other questions? Mr. McVee.

10 MR. McVEE: Why -- why didn't you use Chugach -- non-
11 profit as the entity existing.

12 MR. JONES: We were -- Mr. Chairman, Mr. McVee -- we
13 were going in parallel courses on different projects. They had
14 their hands absolutely full on fisheries and maricultural issues.
15 They realized that we were doing something, that the village
16 corporations that they work with often, coordinated with, and in
17 fact encouraged the merger. They were busy and we were focused.

18 MR. SANDOR: The chair has a question if there's no
19 other questions. I guess this is an accounting kind of questions,
20 but is this -- is this activity regarded, I guess I'm looking to
21 the staff, as an additional overhead category, Dr. Gibbons. This
22 four hundred, or whatever it is.

23 DR. GIBBONS: Mr. Chair. At the present time it would
24 be reflected as additional overhead. It -- the Trustee Council
25 chose to move forward with this, I would hope that they would also
26 direct the agencies to go back and look and see where, if possible,

1 any overhead can be reduced out of the existing project.

2 MR. SANDOR: I guess that was precisely the point I was
3 leading towards. We ought to be doing -- everybody ought to be
4 doing this anyway. And, if you were in business to do this, why
5 couldn't just that fact be known and then be -- contracting
6 agencies or the implementing agencies simply engage your entity to
7 do that activity. And, not get the Department of Interior or other
8 public agency involved in. Invariably, we who do this do things
9 less efficiently than if you do it yourself.

10 DR. GIBBONS: Mr. Chairman. That's a question that we
11 have pondered, under what other circumstances would be involved in
12 promoting this activity. And, what you describe is within our
13 realm of options. However, as our participation here today has --
14 has recognized coordination at the highest level, is a priority to
15 the Trustee Council. The very directive messages you sent agencies
16 about working together on perhaps somewhat different projects, is
17 a consideration that we've taken to heart previously. And, we've
18 seen that, for example, in the coordinations of remove resources
19 for projects involved in the same area, perhaps involving different
20 agencies, we might be able to do a great deal more than is being
21 done already. Particularly, if we're dealing with resident remote
22 resources. So, we think that makes a lot of sense and that's why
23 we're here today saying why don't you agree with us, fund it and
24 we'll go talk to whomever -- whomever is the repository for those
25 funds.

26 MR. SANDOR: What you do not -- wouldn't cover other

1 geographic areas impacted by the spill.

2 MR. JONES: Mr. Chairman. I have been involved with
3 this joint venture for a couple of months and I know that we've
4 gotten our act together to the degree that we have without
5 concerning ourselves with the other Native region -- regions
6 involved. So, that's really why we're involved in the Chugach
7 region.

8 MR. SANDOR: Any other questions at this time. Any
9 suggestions for actions or do you want to delay actions on this
10 until another date? Mr. Totemoff and Mr. Jones, we've appreciated
11 the presentation. As you see, we are as receptive as you were --
12 you found us individually, but somewhat caught in a dilemma of
13 trying to reconcile this plus other entities in other parts of the
14 oil spill -- could actually do this and do this without adding to
15 the overhead as opposed to utilizing the overhead that's already
16 been allocated to the different project costs. Every project and
17 every agency has -- what is it fifteen percent overhead, isn't it
18 about --

19 DR. GIBBONS: Fifteen percent on personnel and seven
20 percent on contracting, up to twenty-five -- \$250,000 and then two
21 percent over that.

22 MR. SANDOR: So you see that's -- that's in there and,
23 of course, that's what this money should be used for. So, I don't
24 know, unless the Trustees are prepared to take some action now, I
25 would propose that we defer action on that this evening and
26 consider it at a later time.

1 MR. McVEE: Mr. Chair.

2 MR. SANDOR: Yes.

3 MR. McVEE: It seems to me like we need to get through
4 all of our project to know what kind of package we've got. It
5 seems like we need to do some internal staffing. I shouldn't say
6 we, I guess, but -- on this proposal and maybe some of that will
7 have to be done in conjunction. I guess, one of the questions
8 would be is Tyler available to -- you know, meet with staff and
9 discuss and work out -- this maybe -- you know, just staffing it
10 out might be part of the negotiation process.

11 MR. JONES: Mr. Chairman. We -- we're eager to work
12 with Interior and with other agencies that are interested. We
13 would like to help on the subject of the NEPA compliance and also
14 in terms of the importance of timing on this. So, you bet. We're
15 available.

16 MR. SANDOR: So, let's plan to do that unless there's
17 some other course of action suggested by the Trustees. And, thank
18 you for your presentation. And, this would conclude the session
19 this evening, with the exception that -- can the Chair have some
20 counsel or guidance from the Trustees on how these other projects
21 recommended by the Public Advisory Group, be dealt with. I think
22 Dr. Gibbons pointed out to me at recess that none of these have had
23 public comments. And, how do we want to deal with these tomorrow?
24 These projects that have not had public comments, but yet grew out
25 of the public comments or Public Advisory Group process. Do we
26 want to consider them as regular projects tomorrow. Mr. Pennoyer.

1 MR. PENNOYER: These have not had public comments. Most
2 of them were proposed by the public at some point, were they not.

3 DR. GIBBONS: Yes, what transpired was they're -- we
4 solicited comments in the spring of last year and these were
5 submitted as ideas. They were screened by the Restoration Team and
6 were not included in the draft 1993 work plan.

7 MR. SANDOR: But they grew out though of the public --
8 or process. We'll ponder that during the evening and especially
9 appreciate -- I'm sure the Trustee Council patients of the -- This
10 meeting is recessed until 8:00 a.m.

11 (Off record 10:00 p.m., January 19, 1993)