

EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

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JUL 19 1994

Trustee Council Meeting
EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

July 11, 1994
1:00 p.m.

TRUSTEE COUNCIL MEMBERS in attendance:

State of Alaska

MR. CRAIG TILLERY
Trustee Representative for
BRUCE BOTELHO, Attorney
General, Alaska Department of
Law

State of Alaska Department
of Environmental Conservation

MR. JOHN SANDOR, Commissioner,

United States Department
of the Interior

MS. DEBORAH WILLIAMS, Trustee
Representative for GEORGE
FRAMPTON, Assistant
Secretary

State Department of Fish
and Game

MR. CARL ROSIER
Commissioner

United States Department of
Agriculture - Forest Service

MR. PHIL JANIK,
Regional Forester

United States Department of
Commerce - NOAA

MR. DON COLLINSWORTH,
Alternate for STEVEN PENNOYER,
Director, Alaska Region,
National Marine Fisheries
Service

TRUSTEE COUNCIL STAFF

MR. JIM AYERS	Executive Director, Trustees Council
MS. MOLLY MCCAMMON	Director of Operations
MS. L.J. EVANS	Public Information Officer

OTHERS IN ATTENDANCE in Anchorage/Juneau/via teleconference

CHARLES MCKEE
BRAD PHILLIPS, Chairman, EVOS Public Advisory Group
MARTHA VLASOFF (teleconference -- Cordova)
MONICA RIEDELL (teleconference -- Cordova)
DR. JOHN FRENCH (teleconference -- Kodiak)
DONNA PLATT, President, Eyak Corporation
PAMELA BRODIE, Sierra Club; member, EVOS Public Advisory Group
KIM SUNDBERG,
TOM LIVINGSTON
NANCY SWANTON
ROD KUHN, U.S. Forest Service
JAMES WOLFE, Director, Engrg & Aviation Mgmt, U.S. Forest Service
Juneau Legislative Information Office
Cordova Legislative Information Office
Kodiak Legislative Information Office
Valdez Legislative Information Office

P R O C E E D I N G S

(On Record 1:05 p.m.)

MR. SANDOR: Call this Trustee Council meeting to order if there is a quorum. (Pause) Ladies and gentlemen, I'd like to call this Exxon Valdez Oil Spill Settlement Trustee Council to order, and present today are Phil Janik, Regional Forester for the U. S. Forest Service, representing the Department of Agriculture; we have Craig Tillery, Trustee representative for Attorney General Bruce Botelho; we have from our field office in Tenakee Springs, Don Collinsworth who is representing Steve Pennoyer, the Trustee representing National Marine Fisheries Service; Carl Rosier, Commissioner, Department of Fish and Game; Deborah Williams, representing the U.S. Department of Interior; and myself, John Sandor, Commissioner of Department of Environmental Conservation. We had the agenda, which calls, first, for the approval of the agenda. Is there any suggested changes in the agenda? I do have one. The -- let's see -- I was told that Brad Phillips was going to have to catch a plane, when?

MR. PHILLIPS: If I can be out of here by 2:30, at the latest.

MR. SANDOR: 2:30 at the latest. Okay, we will be able to achieve that -- I thing just as the way this is. Any changes to the agenda, or is there a move that the agenda be approved?

MS. WILLIAMS: I so move.

UNKNOWN: Second.

MR. SANDOR: Moved and seconded the agenda be approved.

1 Any objection? It stands approved. There were several questions
2 with respect to the orders of the day, specifically, where is our
3 picnic tonight, Molly?

4 MS. McCAMMON: Our picnic is at Valley of the Moon Park,
5 which is, I believe, it's on Arctic Street as it turns done into E,
6 becomes E, and it's like 17th and Arctic, and it's between 5:00 and
7 8:30 tonight. So, we hope you can join us.

8 MR. SANDOR: Cab fare is easy?

9 MS. McCAMMON: It's easy.

10 MR. SANDOR: Okay, they'll know ...

11 MS. McCAMMON: They'll know where it is.

12 MR. SANDOR: Okay, thank you. Any other items to cover
13 in orders of the day.

14 MR. AYERS: You know it is an open picnic, however,
15 and Valley of the Moon Park is easy to drive by and see, and when
16 you -- it's easy to find. You do have to around to 17th though to
17 come back, I believe to get back into Valley of the Moon Park. So,
18 we'll all have -- the picnic will be an adventure, both getting
19 there and while we're there. We certainly look forward to seeing
20 Commissioner Collinsworth.

21 MR. SANDOR: Okay. (Laughter)

22 MS. COLLINSWORTH: I'm really glad to be here.

23 MR. SANDOR: Any other items to cover under order of
24 the day. Jim Ayers.

25 MR. AYERS: No, Mr. Chairman. Mr. Phillips is here
26 and I think that -- I have not seen the sign up list for the public

1 comment. It was sitting in the back, but certainly under public
2 comment, it may be possible to have Mr. Phillips make his
3 presentation, even under the public comment. When I looked, there
4 were only a couple of people signed up under public comment, and I
5 think we've got plenty of time under public comment to accommodate
6 other members as well as Mr. Phillips.

7 MR. SANDOR: Okay. Next item on the agenda is approval
8 of the May 30, 1994 Trustee Council meeting notes. Any suggested
9 changes in those notes as distributed to the Trustee Council
10 members in advance? There are no suggested changes. Is there move
11 for approval of the notes as published?

12 UNKNOWN: So moved.

13 MS. WILLIAMS: Second.

14 MR. SANDOR: Moved and seconded that the May 31 Trustee
15 Council meeting notes be approved. Any objection? The notes are
16 approved. L.J. I guess we're set to go to public comment at 1:15
17 which is a few minutes, and so far, I understand Juneau, Cordova,
18 Valdez and Kodiak are on line. Any other communities?

19 MS. EVANS: The only person (indiscernible)

20 MR. SANDOR: We will, therefore, have a short break
21 while communication ...

22 MS. EVANS: They are on line, sir, and they should be,
23 whoever is participating -- sites -- were wanting to at those sites
24 indicated they're interested in being line, teleconference
25 operator?

26 MR. SANDOR: We just have those four communities?

1 MS. EVANS: As far as I know, but they're not replying
2 to me.

3 MR. SANDOR: Oh, I see. Okay.

4 MS. EVANS: I don't know any reason why they wouldn't
5 be on line. It looks like my equipment is working properly, sir.

6 MR. AYERS: Is the operator on line?

7 MS. EVANS: She's not reply to me.

8 MR. AYERS: Maybe that's the thing to do is call her.

9 MS. EVANS: She may not be just sitting here. Let me
10 have Rebecca give her a call. (Pause) Commissioner Sandor.

11 MR. SANDOR: Yes.

12 MS. EVANS: If you wish you could start with public
13 comment here in Anchorage.

14 MR. SANDOR: Yes, I see that there are five people who
15 have signed the -- sign in sheet, of only one of which wishes to
16 comment, so, the suggestion seems very appropriate. We may
17 actually begin ahead of schedule. (Telephone rings) Why don't we
18 take that communication? Well, we'll begin with comments from
19 Anchorage, and Charles McKee, if you'd come forward, please, and
20 give your public comments.

21 MR. McKEE: Thank you. My name is Charles McKee, and
22 the correct spelling of the last name is M-c-K-E-E. And, as you
23 know I'd submitted a draft. I meant -- I misspelled a word --
24 extract, that was what I meant in reference to sediment needed to
25 -- as I pointed out to seal up the milking of the contaminants
26 within the water column -- into the water column of the unfortunate

1 spill. And, I want to bring to your attention that in process
2 right now is a judgment and decree pending against the plaintiffs
3 that I have -- been at issue with for a long, long time -- prior to
4 the spill, mind you. So, I'd like to point out, without really
5 elaborating on that, a couple copies of interesting material that
6 I've procured because it was part of my complaint to this body
7 previously, which is why I'd on September 29th, 1993 I have filed
8 with the Restoration Team a -- a work meeting commencement of
9 indictment and information of action, and so, let's see, it
10 pertains to conspiracy to influence, right of action of injured
11 party, I myself, and anybody else wishes to join may, and it deals
12 with common law. As far as the nature and scope of our country,
13 nature and scope of -- law of merchants, nature and scope of
14 commerce, and so on. All of which pertain to the ecosystem and the
15 communities that live around and near the -- the affected area.
16 And, so, without anymore comment, I'd like to just present this as
17 evidence.

18 MR. SANDOR: I'd be pleased to accept that, Mr. McKee.

19 MR. McKEE: And, how it relates to money and the
20 concept of creating chaos to bring about conformity, which I simply
21 don't agree with, but the basis of it is within that book and, of
22 course, I have other material that eludes to that also. And, which
23 I don't take to heart. I focused on much more meaningful
24 contemplation.

25 MR. SANDOR: Well, thank you very much for this
26 material. You had asked that someone wanted to join you in ...

1 MR. McKEE: Well in -- in the court case, you know.
2 It involves the Federal Reserve and inflationary concept and how
3 when industry borrows money at extreme interest rate, at five
4 percent, large sums of money, they focus on needing to pay off the
5 inflationary interest rate rather than the principal or the primary
6 indebtedness and, therefore, they cut corners on environmental
7 oversight. You know, that's why -- now over a period of time that
8 was in place after the oil pipeline was engaged, which I helped
9 build, mind you, over a long period of time, the supervision of all
10 that insulation to keep -- make sure that the ships don't -- they
11 stay on track and don't deviate from the chartered course and
12 everything else. Then, that was gradually pulled away and the
13 safeguards were no longer in place and, of course, we have history
14 to look on to -- in reference to Bligh Island.

15 MR. SANDOR: Well, thank you very much, and if anyone
16 within the audience would care to speak with you, will you be here
17 at the break?

18 MR. McKEE: Yes.

19 MR. SANDOR: Okay, thank you very much. Any other
20 comments from those in attendance? Although the other four that
21 signed up are here they indicated they did not wish to present any
22 public comments. Any others to present public comments? If not,
23 let's -- any -- let's go on line, is there anyone on line? Begin
24 first with Juneau, is Juneau on line, and if there are anyone
25 there, please identify yourself, spell your last name so that the
26 recorder can be sure to get it. Juneau?

1 OPERATOR: This is the bridge operator and I do not
2 have anyone else on line at this time. Cordova, the Village of
3 Eyak has been calling in, they just dropped off again. I'm sure
4 they'll be redialing in a few minutes.

5 MR. SANDOR: Okay, since there's no one on line,
6 perhaps this is a good time to have our Public Advisory Group
7 comments. Brad Phillips.

8 MR. PHILLIPS: Thank you, Mr. Chairman. I hope you'll
9 have some patience with me today. I either picked up a bug or I
10 got run over by a bus this morning, and I'd like to make my
11 comments as straightforward and hope that they are constructive --
12 constructively critical, perhaps of where we're going. We had a
13 meeting here recently, and some pretty frank discussions on the
14 subject of why are we here, and where are we going, and what are we
15 doing. And, it gave everybody an opportunity to say what they
16 wanted to say about it, and there were some real frustrations, I
17 think, that came out, and I'd like to just go over a few of those
18 with you because you ought to know, in regard to the PAG. There
19 are several members, I've noticed, no longer come to the meetings,
20 and I've had conversations with most of them; directly, and asked
21 them why and they just didn't think it was that important when it
22 came to choosing the things they had to do. We've discussed and
23 sent to this group several, I think, substantial subjects that we
24 wanted to have some feedback on, and to date we haven't had any,
25 and I'm going to name those off in a few minutes. I don't know how
26 many of you have been to the opera, but there's a certain number of

1 people on the stage, they're called supernumeraries, usually they
2 carry a spear or they're part of the live scenery, and sometimes
3 many of us feel that that's the position we hold in this thing, and
4 in light of that, one of the things we discussed at great detail,
5 there was an awful lot of interest, both from the public and from
6 the members, and that is the matter of the endowment concept to
7 keep the funds going for a long period of time. We understood at
8 the time that there were perhaps some legal questions that would
9 have to be really focused on, and at this point, we've never had
10 really a meaningful feedback on that subject at all, and we think
11 that there's been enough time where we should have had some kind of
12 feedback. Another one is -- a major thing that you people are
13 dealing with, and the whole community of Alaska is dealing with,
14 and that's the rather controversial subject of habitat acquisition.
15 That's a concept that I think we could spend a lot of time working
16 on, but we haven't had any direction or feeling from the Trustee
17 Council on how important that is, and that -- in the total thing
18 we've seen some things happen, and after the fact we read it in the
19 newspaper, but we've never been involved in any discussion, and we
20 felt that if -- if we're going to assist you at all on public
21 comments on subjects of that important, well we ought to be able to
22 spend some time on it, and have some kind of communication with
23 you. There was another idea that was brought up two or three times
24 and sent to you for consideration, and we never heard back, and
25 that is the matter of land trades, instead of outright acquisition
26 of fee, and taking it all out of the public hands and back into the

1 government, the thing that we've been trying for fifty years to
2 kind of reverse that, and now it's all going back all at once.
3 Concept from one of members from Southeast is, why can't we explore
4 the idea of land trades again. We have not heard anything or any
5 reason why we should or shouldn't talk about it. We feel that the
6 direction that the PAG has been given has been vague, if at all --
7 the direction we should go and how we could do -- what we could do
8 to help. There was another idea from the day one that was talked
9 about and we've never had any feedback on it, and that is the
10 matter of involving locals in the contracting to do things in the
11 Prince William Sound or affected areas, and we've never had a
12 direction or opinion, or anything about that. I remember some of
13 the Native groups that live in Prince William Sound thought that
14 they were in a much better position to do jobs that would cost
15 less, and that with a lot of knowledge involved with their people,
16 and we've never had anything on that. (Interrupted by bridge
17 operator) Another -- I think general thing, and I don't know who's
18 to blame, if anybody's to blame, and that's really not important,
19 but we've -- we got -- last time I got paper from you was sixteen
20 pounds of it four days before the meeting, and there isn't anyway
21 on God's earth that I can absorb sixteen -- in law school I
22 couldn't have written, or read that much, in four days and gotten
23 anything out of it. We had a lot of discussion, and Jim, thank
24 God, was -- shed some light on it and has said that we were going
25 to try to change this, but we feel that the communication link is
26 missing to a large extent, and I'm not talking for everybody,

1 because there's not a subject in that whole group that you could
2 get everybody that believes the same thing, but it's -- it's
3 pervasive enough that I think it needs some attention. There are
4 quite a few of us that are quite busy doing other things, and feel
5 that if we can do something and contribute fine, if we can't we've
6 got other things we'd rather do, and concentrate on, and I happen
7 to be one of those people. Jim gave us a good insight on how
8 things are going and how some changes, perhaps, are being
9 instituted that will correct some of these problems. I sure hope
10 so. We did get a report on the marine science improvements at
11 Seward, and I see that it has taken a little different direction
12 than when we first heard about it, which is probably smart. The
13 tourism end of it was taken out, and is now not talked about very
14 much. Speaking of tourism, as far as I'm concerned, I -- I
15 represent commercial tourism interests, and to date there's only
16 been four suggestions come up on tourism, which were summarily
17 chopped out of everything. Nothing has ever been done on the
18 tourism, and that's kind of discouraging to some of the people in
19 our industry. We did do one thing to try to improve the
20 communication, and that is I appointed some members of the PAG to
21 work with the administration on certain things. By the way, did
22 you gentlemen and ladies get a copy of this summary, were you given
23 a copy of it? I don't -- necessary to go through all the
24 committees we appointed, but will they -- have been given that
25 information?

26 MS. McCAMMON: They have not received it yet.

1 MR. PHILLIPS: Okay. Well, let's see we -- PAG members
2 to participate was Walt Sheridan and Alex, how do you pronounce
3 that -- yes, in discussions on the less than fee simple title
4 policy are Chuck Totemoff, John Sturgeon, Pam Brodie and Jim Cloud,
5 who -- I appointed them to work with them, cause that's a
6 substantive subject and we can probably save some time and -- and
7 maybe have some feed-in that will be helpful. PAG members to
8 participate with Jim Ayers to prepare the FY 1995 PAG budget are
9 Vern McCorkle and Mary McBurney, and then we appointed PAG members
10 to participate on July 12th and 13th with the work force to develop
11 the 1995 work plan. Donna Fischer, John French and Gail Evanoff
12 are the ones that are going to work there. We hope that by doing
13 this that we're not stepping on anybody's feet but that we can
14 improve the communication. Another thing that was talked about, it
15 might be very helpful to the PAG if there was at least one or two
16 staff members that could take this tremendous amount of material
17 that we get and distill it. We don't meet that often. This is not
18 a full time job, and so it would be very helpful if we had somebody
19 that could take the real important meat out of it and we could sit
20 down and talk about that at our meetings and give you some feed out
21 -- feed-in on that also. Another thing that we would really like
22 to have your direction on, it seems that the PAG probably could be
23 more helpful if they were to concern themselves with overall
24 philosophy and -- and policy on where we're going, rather than
25 digging into each little detail and all this paper we get, which
26 seems endless sometimes, and I'm not sure most of the stuff has

1 been decided before we ever get it, and we -- I think a
2 redefinition of what the PAG should do and could be doing to help
3 would be more than welcome with the group. I'd certainly like to
4 get everybody back at those meetings, and there's some pretty
5 substantial people that haven't been there very often, and -- and
6 their input, I think, is valuable to all of us. Did I miss
7 anything, Doug?

8 MR. MUTTER: No.

9 MR. PHILLIPS: I know you wished I'd shut up a half hour
10 ago, but -- anyway that's -- that's the general sense of the
11 meeting, and it's -- again, I'd like to emphasize, it's not -- we
12 hope that it's constructive and not just critical. Anybody can
13 criticize, but we'd like to be able to help, but we really need
14 some direction on how to do it, and we'll -- are going to look
15 forward to hearing from you in some manner. If there are any
16 questions, I'd be glad to try to answer them.

17 MR. SANDOR: Brad, we thank you for your candid and
18 very specific constructive concerns and suggestions, of which I've
19 listed at least ten. Are there any questions or comments from any
20 of the individual Trustees, first of all? Deborah.

21 MS. WILLIAMS: I have two questions, and I'll apologize
22 in advance, my being on the board for only five months, some of
23 this may have already been discussed. With respect to your comment
24 on the endowment, is that the same as or different than the
25 restoration reserve in your mind?

26 MR. PHILLIPS: I think that's the same as, I think its

1 name has changed, apparently, and I'm guessing now, that it's
2 changed because of legal considerations. However, that has not
3 been communicated to us, and the thought in the minds of the
4 people, and they sent the idea over and requested some input from
5 you, we used the term endowment, but I notice now that every time
6 you touch it, it seems to be very hot, and I think that it has just
7 changed names -- the idea. The idea, of course, is not to blow it
8 all now, to have something to continue to monitor as the years go
9 on.

10 MS. WILLIAMS: And so, Jim and Molly, have you been
11 talking with the PAG about the restoration reserve and how it
12 comports with or differs from the PAG original concept?

13 MR. AYERS: Mr. Chairman, Ms. Williams, yeah, I
14 actually have talked with the PAG about this specific issue, and I
15 think what Brad is referring to when he talks about the lack of
16 communication in terms of response was that -- and I met twice with
17 Jim King, who is one of the members who -- who expressed it at the
18 -- during the PAG meeting. One of the difficulties and -- let me
19 say that I think that we're overcoming this difficulty -- is that
20 we have had responses from attorneys, primarily on the federal
21 side, as we all know, that causes us to be relaying messages orally
22 without being able to give written positions, and that was
23 discussed at the PAG, and so -- if I'm incorrect here let me know,
24 Brad -- but, we discussed this at the PAG meeting. They wanted to
25 see something. They wanted to see if the reserve now acceptable,
26 or not acceptable. What is the thinking, because they didn't like

1 having just this communication -- oral communication about what was
2 and what was not permissible. They wanted to see something. They
3 wanted to know that there was a commitment to the reserve, and that
4 it was going to go forward, and I think that that was specifically
5 what the PAG was asking for, and I think that in -- orally, they
6 were -- my -- my -- the response I received from Jim King was --
7 was positive about the idea of a reserve. That there really would
8 be a reserve, but they wanted to see the Trustee Council actually
9 respond in -- in writing, and there is a resolution in your packet,
10 which we've discussed, and it is at their request, and if there's
11 a problem with that, they'd like to see something in writing from
12 Justice or the federal attorneys, and if there's not a problem with
13 that, they'd like to see something in writing, so that they'd know
14 that something is really happening, not just continuing to make
15 points that are never responded to officially, and no concrete
16 action.

17 MR. PHILLIPS: The problem was oral communication, of
18 course you all have to be focusing in on what somebody is saying.
19 You all have to be there, and you all have to -- to understand that
20 the words that are being used have the same meaning to you as they
21 do to someone else, and so it's much better if -- if it's in a
22 written -- in case somebody isn't able to be there. At least they
23 can brief themselves on it and know what the circumstances are.

24 MR. AYERS: Mr. Chairman, just one other -- I'm sorry
25 -- there is an item on the agenda, and we will talk about the
26 reserve during this meeting.

1 MR. SANDOR: Carl Rosier, do you have a question?

2 MR. ROSIER: Thank you, Mr. Chairman. Brad -- Brad, a
3 couple of things. Did the group talk about what role they were
4 interested in playing in terms of the habitat purchasing program on
5 this?

6 MR. PHILLIPS: Well, if you look at the group, it's very
7 diverse, and they would like to, at least, be involved in the -- in
8 the discussions and understand that you've heard from us. One of
9 things that came out of that was the -- the matter of the land
10 trades, which you never heard anything about. It was one of the
11 ideas that dealt with that. There are people who don't want all of
12 that land to go back to the government, in that group, and there
13 are other people who want all land to go back to the government.
14 So, you've got -- they don't have a place. If you can come over to
15 one of those meetings and get a consensus, I invite you, but
16 somehow we would like to be able to discuss it, if it does any
17 good. But, we kind of feel that the decision has already been
18 made. We read in the newspaper that here's twelve million dollars
19 had already been spent to acquire something we didn't know anything
20 about until you read it in the newspaper. And, that's the sense of
21 what I'm saying.

22 MR. ROSIER: You've laid out some -- what I certainly
23 consider to be pretty serious issues here, and as far as the PAG is
24 concerned, and -- I guess -- kind of -- we're kind of at cross
25 roads here, if I'm not mistaken. I think that -- that some of the
26 terms are due for reappointment, or -- here in the not to distant

1 future here on this.

2 MR. PHILLIPS: Yes, this fall.

3 MR. ROSIER: I guess my question is -- is in terms of
4 -- is this a funding problem? Is it a time problem? I sense, you
5 know, we're talking about a good cross-section of people here that
6 represent really a cross-section of Alaska business, and it seems
7 to me that much of what we're talking about here is really related
8 to the time and the commitment to time, or commitment of time to in
9 fact go with the program here. And, I mean, are people -- do you
10 think, are they willing to spend more time on this? It seems to me
11 that that's really the key to this whole thing.

12 MR. PHILLIPS: I think they will spend the time that's
13 necessary, if they feel that it's doing something, that somebody is
14 listening or that it's contributing. Many of us think that I'd
15 rather not spend any time if it's just an exercise, that's the key,
16 it's not the money. The only place the money comes in is to have
17 a staff that could do some of this basic work and digesting, and we
18 have nobody, and the budget is pretty simple. I -- I know I've
19 never spent a nickel of your money since I started, I don't think,
20 and quite a few other people, but if we had somebody we could talk
21 to -- I talk to Doug a lot, but we're talking about somebody that
22 can go through this stuff and set it out and -- like you'd have in
23 any kind of deliberative body, so that you don't have to start from
24 scratch. I'm sure you know how much paper is involved in this, and
25 when I see that coming into my office with everything else I have
26 to do, I just shake my head, you know. You get a book that thick

1 and its shrink-wrapped, and I've stopped to even taking the shrink
2 wrapping off, because I know I'll never get through it at all, and
3 they don't all have executive summaries at the beginning of any of
4 them. And, it's not a time thing. The guys that are there, and
5 the gals that are there, are -- really want to do a job, or they
6 wouldn't have wasted this much time, but they're -- I think feel a
7 sense of discouragement, that -- that they're not doing anything,
8 that the public thing is going right over the head of the PAG
9 directly to the Trustee Council, and that decisions are made we
10 don't know about it until a fait accompli, and so the question is
11 what am I doing? Why?

12 MR. ROSIER: One last follow up, if I might, Mr.
13 Chairman. Yeah, I'd groan too, Brad, I want you to know, every
14 once in awhile when I see that stack of shrink wrap come across my
15 desk as well -- and I do have a better staff on this. As you know,
16 we'd taken a look at the staff question some time back, and I think
17 it's -- and the Trustees elected not to have, in fact, have a staff
18 there, but it seems to me that it's an issue that we do need to --
19 to revisit, and take a look -- look at. I guess, you know, from my
20 perspective, it seems like there is some, you know, necessity for
21 some -- some additional support there for the -- for the PAG on
22 this. I would ...

23 MR. PHILLIPS: I think Jim has a sense of that. We
24 talked about that quite a bit and he said he would be talking to
25 you about it, and I hope that you'll have the time to do that, and
26 he can explain -- and we don't want a lot. It's just some pretty

1 basic stuff that we need, I think.

2 MR. SANDOR: Any other comments or questions from the
3 Trustees? Yes, Phil Janik.

4 MR. JANI: Thank you, Mr. Chairman. Just a quick
5 comment perhaps, maybe starting with a question. Mr. Phillips,
6 with regard to many of the points you brought up, I sense there's
7 an underlying concern about not for sure knowing what the
8 expectations of the PAG are on the Council. I would assume there's
9 some type of charter or something that kicked this off. Is that
10 correct?

11 MR. AYERS: (Indiscernible - simultaneous talking)

12 MR. PHILLIPS: (Indiscernible - simultaneous talking)
13 Pretty vague. Jim's only been here a short time, so he hasn't had
14 a chance to -- you know, to adjust to either. We really need some
15 direction from you people on what you want us to do, so we don't
16 waste a lot of your time and mine. Thank you.

17 MR. SANDOR: Any other comments or questions. Yes,
18 Deborah Williams.

19 MS. WILLIAMS: One last comment. I appreciated your
20 comment about PAG's interest involving more locals in the projects,
21 and that is something that I care very much about too. Do you have
22 any specific recommendations on specific projects at this time,
23 and, if not, I certainly would welcome those specific
24 recommendations, and I assume other Council members will, so ...

25 MR. PHILLIPS: We could certainly do that, and in the
26 beginning, when we first started, there were a lot of these

1 projects earmarked that could have been done. Monitoring projects
2 in the Sound itself on different kinds of wildlife or habitat, that
3 the people who live out there could do, and do it very inexpensive.
4 We'd given up on identifying those because we don't seem to get
5 anything back. If you want that, I'll make sure that that's a --
6 an item on our next meeting to come back with something specific.
7 I can't do it right off the top of my head anymore.

8 MS. WILLIAMS: Are there other members of the Trustee
9 Council that would be interested in seeing that?

10 MR. JANI: (Affirmative nod.)

11 MS. WILLIAMS: Good.

12 MR. SANDOR: I believe that probably all the Trustees
13 would want to have that done. Any other comments or questions from
14 the members of the Trustees? I'd like to as a member on -- I guess
15 I compliment you for the very constructive and, I guess, very
16 specific issues. I've written down -- consolidated these ten items
17 I had just to make sure that -- for the record -- the mission and
18 the direction from the PAG standpoint needs to be clarified; the
19 communication links and processes need to be strengthened; that
20 while we dealt with the staff issue, and this was formed felt that
21 no separate staff was appropriate, this did not preclude, and I
22 guess we perhaps simply overlooked the Executive Director's office
23 simply providing staff assistance, but what -- what we hear, I
24 guess, or what I hear is that staff assistance is needed for just
25 taking off the shrink-wrap and consolidating and say what it is
26 we're after. The fourth item that, and I think is particularly

1 important is the lack of feedback, and specifically on the
2 endowment, now the restoration reserve; the feedback on the land
3 trades, which have been proposed; also, feedback on ...

4 MR. PHILLIPS: Habitat acquisition.

5 MR. SANDOR: ... habitat acquisition, itself. And, I
6 guess, Jim, recognizing that Brad's going to be leaving at 2:30,
7 perhaps we could begin in your report, perhaps leading off with
8 feedback on the item of habitat protection acquisition, and these
9 other items, that at least you'd have that. Anyway, I think this
10 is very helpful, and as Carl Rosier points out, I believe all the
11 terms are up October 1. Is that correct?

12 UNKNOWN: Something like that.

13 MR. AYERS: October 22nd and the -- there -- there has
14 been the public notice and we are now in the process, the very
15 laborious process, as you know, of publications, seeking
16 nominations, all of which will then go through the process that has
17 been laid out for the appointment of the PAG members that
18 ultimately comes through the Council, and then to the Secretary.
19 We are in that process, and I think the nomination -- invitation,
20 I don't see Doug Mutter, but when's the invitation close?

21 MR. MUTTER: August 1st.

22 MR. AYERS: It closes August 1st, so we're not doing
23 a federal register invitation to submit application.

24 MR. SANDOR: So, the process in place then, as I
25 understand it, correct me if I'm wrong, Jim, is that we can in this
26 process before October 1 and in our solicitation of members or new

1 potential members by August 1, or we can clarify the mission and
2 direction, we can strengthen communication links, we can
3 specifically identify what individual or individuals can provide
4 staff assistance, and three, what mechanisms we can give to provide
5 feedback on specific suggestions, is that intended?

6 MR. AYERS: Yes, Mr. Chairman, as a matter of fact, at
7 -- during the last meeting the PAG talked with me about that.
8 We've had a very interactive conversation about this issue, and I
9 did say that I'd bring it to the Council. Brad has laid it out
10 very clearly, and with the support of the Council, as I indicated
11 to them, we are working to modify the administration budget to
12 accommodate their need for a staffing under the Executive
13 Director's office, to -- subject, of course, to your approval. The
14 second issue of responses, with regard to the specific responses,
15 we talked to them about the -- I say they had a very specific
16 proposal of policy that we got from them that we think should be
17 included in the EIS, and ultimately the restoration plan, which
18 we're working on. With regard to the staff and budget issues
19 specifically, before I leave that, what Brad and I talked about was
20 having a committee structure of his group, so that they did
21 function as a deliberative body as opposed to simply a voting body,
22 and he mentioned those committees. We're working with -- we'll be
23 working with each of those committees. The administration
24 committee to put together a budget that would accommodate their
25 needs, and we'll bring that to you. With regard to responding to
26 the habitat acquisition, there are two major policy questions

1 before the Council with regard to habitat acquisition, and Brad has
2 appointed a committee, and we are working with that committee, so
3 that they're actually involved in the formation of our
4 recommendation back to the Council, and I think that is the way to
5 have meaningful participation is to actually have them functioning
6 in the deliberation. With regard to the participation, I think
7 they have to be involved in the actual work plan, which we're doing
8 over the next three days, and Brad has assigned members of the PAG
9 to work with us on that, and I think that's the level that it will
10 take to have good communication, where they're actually working in
11 the day-to-day policy discussions.

12 MR. SANDOR: Great. Does that -- satisfactory, Brad?

13 MR. PHILLIPS: We just wanted you to know what the
14 feelings were and what the frustrations were, as a start in the
15 communication process if it's going to happen, and Jim has been
16 very responsive to it. It's so easy that -- to get into an
17 adversarial situation, which we don't want to do. I don't have the
18 time for it myself, and I think there's others that feel the same
19 way.

20 MR. SANDOR: And that -- take two now. Any other
21 suggestions from the Trustees to Jim of what he might do in
22 addition to those items that I have he has outlined? Carl.

23 MR. ROSIER: I have a question, Brad, in regard --
24 maybe I didn't read you correctly (recording malfunction)

25 MR. PHILLIPS: Zero. Two things happened. They -- they
26 had a task force that was around talking to people in the industry,

1 and for some reason the time was cut short and it was never
2 completed, then there were four very small projects offered and all
3 four of them were eliminated. I think the most expensive one was
4 \$60,000, and they were all chopped. The industry itself, you know,
5 is saying, I guess we're not awfully important in this thing. I
6 don't know why the thing was cut off, or any -- I'm not aware of
7 why, but I know it did happen, and a lot of emphasis on habitat,
8 there's a lot emphasis on fishing, but commercial tourism is a
9 major item in Prince William Sound, and they even tried to have a
10 -- an information booth. Those of us who are in business in Prince
11 William Sound on a day-to-day basis talk about progress and how
12 things are going, and everything else, have been pretty supportive,
13 I believe almost universally, and in our industry on -- on what's
14 being done, and we couldn't even interest anybody in -- in an
15 information booth, not staffing it, but just the acquisition of it,
16 because the money isn't -- there's nobody with a pocket that can do
17 that on a (indiscernible) basis.

18 MR. SANDOR: Any other comments? Brad, we thank you
19 and thank the PAG and assure them that in this process we'll get on
20 to clarifying and correcting those problems.

21 MR. PHILLIPS: We're looking forward to hearing from you
22 on something -- some direction, and I think Jim is a pretty good
23 communicator, so, we'll go from there. Thank you gentlemen and
24 ladies.

25 MR. SANDOR: Thank you. We'll continue with public
26 comments. First of all, do we have anyone on line, so far, in

1 either Juneau, Cordova, Valdez or Kodiak?

2 OPERATOR: We have Kodiak and Cordova on line.

3 MR. SANDOR: Okay, let's begin with Cordova then, and
4 anyone who wishes to testify, if they would state their name and
5 spell their last name, please.

6 OPERATOR: Okay, please give me one moment to get
7 them on. (Pause)

8 MR. SANDOR: Is there someone to testify at Cordova?

9 MS. VLASOFF: Yes, my name is Martha Vlasoff, that's
10 spelled V, as in victory, -L-A-S, as in Sam, -O-F-F, as in Frank.

11 MR. SANDOR: Please proceed, then.

12 MS. VLASOFF: Yes, I'd like to talk about the community
13 involvement and use of traditional knowledge project that was
14 submitted from the office of archeology. I was at the April 13th
15 to 15th scientific research meeting where I spoke in regards to the
16 involvement of the local people that were affected by the oil spill
17 and how we feel that we haven't had enough interaction with the
18 scientific community, and this proposal came out of that meeting.
19 I've been working with Molly McCammon and Judy Bittner and Doug
20 Rieger, on the wording for this proposal, and I think it would be
21 very -- the main goal of the community transfer of knowledge is to
22 increase the interaction between the people who live in the
23 villages and communities in the spill area -- oil spill area -- and
24 the scientific community who are trying to do the research since
25 1989. And, I believe that as the -- the proposal is set up in
26 hiring a -- a main coordinator to work with village coordinators,

1 we can increase the -- the scientist -- we can take the ideas that
2 come from the communities, the main concerns about food safety and
3 -- and the way that -- that the Exxon Valdez oil spill has affected
4 our subsistence way of life, and -- and use that information,
5 together with the scientific data that's been collected since 1989,
6 to really better understand what has happened to our subsistence
7 way of life, but also to help the scientists in the historical
8 data, as what the Prince William Sound was like before the oil
9 spill. I -- I'd just like to encourage you to fund the proposal.
10 It's just the first step. I think that -- that we need to do more
11 projects that are related to stewardship and -- and have more
12 training for the village people to understand the biological
13 effects of the oil spill, that I really would encourage you to give
14 credence to this proposal.

15 MR. SANDOR: Thank you very much. Are there any
16 questions of Martha Vlasoff from members of the Trustees? Thank
17 you very much. Are there any other people to comment at Cordova?

18 MS. RIEDEL: Yes, my name is Monica Riedel, R-I-E-D-E-
19 L. I'm from the Native village of Eyak, and there's two things I'd
20 like to comment on, and the first one is the wild salmon stock
21 enhancement, and I would just like to state that over the last five
22 years we've been heavily studied, and since our fish have not
23 returned the way, you know, seems like they used to in the past,
24 I'd like -- like you to look at this proposal and look at it as a
25 working proposal, that it -- it's not going to be a study, but it's
26 actually going to put the people to work and actually build up the

1 wild stock in the Prince William Sound area, and I feel like it's
2 a -- it's a working -- it's a way to get the job done instead of
3 just studying it, and it will also probably help the local
4 fishermen here that have since struggled to keep their boats alive,
5 and, hopefully, will offer the work to them. The other thing is
6 the skin-selling craft restoration. Along the same lines as what
7 Martha talked about, the community involvement and use of
8 traditional knowledge. That -- that proposal would be very good to
9 -- since we lost a lot of our subsistence usage, we have teachers
10 and elders carry on the information to the youth with the knowledge
11 -- it's so that it's not, you know, completely lost. I understand
12 we've had an interruption in our way of life and we'd like to hang
13 on to that as much as possible, okay. Thank you.

14 MR. SANDOR: Thank you. Are there any questions or
15 comments from any of the Trustees regarding Ms. Riedel's comments?
16 Thank you. Are there one or two others before -- at Cordova? Or,
17 we'll move onto Kodiak. Anyone else at Cordova? If so, how many?

18 UNKNOWN: No more from Cordova.

19 MR. SANDOR: No more? Okay, thank you very much. Is
20 Kodiak on line, and, if so, how many are there, and can you begin
21 your testimony.

22 DR. FRENCH: This is John French, I'm the only one here
23 in Kodiak.

24 MR. SANDOR: Please proceed.

25 DR. FRENCH: I was supposed to be there for the Trustee
26 Council meeting and I will -- well, if the weather breaks, I will

1 be there in the next few days to work with Jim Ayers and the work
2 plan review group, which I think is a very positive direction as
3 far as the PAG activities. I'm very happy to see the closer
4 involvement of PAG members in the these groups. I -- I think Jim's
5 direction toward greater involvement of PAG on this level and with
6 the subcommittees formed, is a very positive step. Though, with
7 respect to the work plan itself, I'd just like to say a few general
8 comments, and rather than try to deal specifically with specific
9 projects, but first of all, I think continued funding of the
10 restoration reserve is very critical. Any science of monitoring
11 and restoration plan that's meaningful is going to stretch beyond
12 the year 2002, and to do that we really need a meaningful
13 restoration reserve to be funded. Second of all, in review of the
14 project packet, I was very concerned to see so few projects
15 extending into the area outside the Sound. There really were very
16 significant impacts of the oil spill outside of the Sound on birds
17 and many other things, also, certainly on subsistence users, and
18 with respect to that, I think that, both in terms of the dynamic of
19 the ecosystem approach we're trying to move towards, but also
20 towards specific localized impacts of the oil spill. It's very
21 regrettable if we do indeed move forward in this direction that
22 we've started in the FY '95 work plan of concentrating everything
23 to the Sound. I think that there's meaningful research and
24 monitoring activity that must continue outside the Prince William
25 Sound. That's all the comments I have for now. As I said, I hope
26 to be there this evening and be able to work with the planning

1 group in the next few days.

2 MR. SANDOR: Thank you, John. Is there any comments or
3 questions of John French from the Trustees? Thank you, and we'll
4 look forward to seeing you tonight and tomorrow. Any other folks
5 on line? Valdez and Juneau, are they on line? Apparently not.
6 That apparently concludes those on teleconference. We do have
7 another person here who has signed to speak. Donna Platt. If you
8 could come forward and present your statement, we'd appreciate
9 hearing from you again.

10 MS. PLATT: I'm getting pretty familiar with coming up
11 her. My name is Donna Platt, I'm the president of Eyak
12 Corporation. I just wanted to take this time -- this opportunity
13 to thank the Council for considering Eyak and Sherstone's comments
14 on our comprehensive proposal, especially our comments on public
15 access and levels of protection. We have used a baseline for
16 protection on the acquisition of timber rights from Eyak and
17 Sherstone. We have provided higher levels of protection for
18 specific sites of sensitivity. The issue of expanded levels of
19 protection and public access may not matter to some Native
20 corporations, but they do matter to us, and we appreciate the
21 Council's continuing willingness to consider our Native views on
22 these subjects. We would be very happy to continue to assist the
23 Council in accommodating our viewpoint on the issues in the future
24 by assisting any of the groups or committees. That's all I have to
25 say.

26 MR. SANDOR: Thank you, any questions or comments?

1 Craig Tillery.

2 MR. TILLERY: Ms. Platt, (indiscernible) Mr. Ayers
3 perhaps. Have -- have you or Luke been involved with this
4 committee of the Public Advisory Group that's looking at public
5 access?

6 MS. PLATT: No, we haven't been, we haven't been asked
7 to be involved in it.

8 MR. TILLERY: It would seem to me it would be helpful,
9 not as a member of the committee, cause I think we may get into
10 trouble if we do that, but at least as a -- to have public
11 participation on that committee. I don't know if ...

12 MR. AYERS: Mr. Chairman.

13 MR. SANDOR: Yes, Jim.

14 MR. AYERS: Mr. Chairman, I was -- I was not able to
15 have a conversation with Ms. Platt, although I did take with Luke
16 Borer when you were both over in Cordova, and I had asked him, at
17 that time, to submit both written comments and to contact Alex
18 Swiderski, and I don't know if he's done that or not, but ...

19 MS. PLATT: No, he hasn't as of yet, but being
20 contacted by the Advisory Group, no we haven't been. I haven't
21 been, anyway.

22 MR. AYERS: Okay, I will make a -- Mr. Chairman, I --
23 I will make a point -- I think Luke and Alex were going to have a
24 conversation, and maybe Alex is here today, and I don't know if
25 they've talked. Well, I'll make a point to have a conversation
26 with both you and Luke and make sure you get a chance to talk to

1 the committee.

2 MS. PLATT: Okay, I'd appreciate that.

3 MR. SANDOR: Thank you, any other comments or
4 questions? Deborah Williams.

5 MR. WILLIAMS: I just want to say on behalf of Interior
6 that we thank you for your patients and understanding, and for
7 appreciating that this process is necessarily a cumbersome and
8 difficult process at times, but again, we appreciate so much Eyak's
9 participation, and your patience.

10 MS. PLATT: Thank you.

11 MR. SANDOR: Any other comments or questions, then?
12 Thank you Donna.

13 MS. PLATT: Thank you.

14 MR. SANDOR: This is all of the -- this completes, at
15 least, those who have signed up. Any other one who would like to
16 ... oh, yes, please come forward. Pamela.

17 DR. FRENCH: Are you requesting Kodiak?

18 MR. SANDOR: Oh, we have one here, we'll get back to
19 Kodiak in a second. Sorry about that.

20 DR. FRENCH: Sorry, I just wanted to say there is no
21 one else in Kodiak.

22 MR. SANDOR: Oh, okay. That's what we understood, so
23 and we're just about through here, but please hang on if you're
24 interested. Yes, Ms. Brodie.

25 MS. BRODIE: Thank you, Mr. Chairman, I'm Pamela
26 Brodie, and I am the environmental representative from the Public

1 Advisory Group. I had not intended to testify, I did not sign up
2 to testify, but I just wanted to clarify something on the public
3 record. I think people here probably knew that -- something that
4 Brad Phillips said was in jest, but people reading a public record
5 may not get that, and I just wanted to clarify that I do not know
6 anyone on the Public Advisory Group, or anyone else anywhere who
7 wants all land to go back to government ownership. Thank you.

8 MR. SANDOR: Thank you. Any other clarification or
9 comments? Thank you, Ms. Brodie. Anyone else wishing to make any
10 comments here? And, anyone on line? This would then, it seem
11 complete our public comment period, at 2:04, and why don't we now
12 proceed with the Executive Director's report. Jim Ayers.

13 MR. AYERS: Thank you, Mr. Chairman. I'll take just
14 a second to shuffle documents. The -- let me ask, is it your
15 preference, Mr. Chairman, I note that Mr. Phillips had to leave.
16 Would you prefer that I began with the habitat protection and
17 acquisition update first?

18 MR. SANDOR: Since Brad has left, why don't we just
19 proceed with what you had planned originally.

20 MR. AYERS: Okay. Mr. Chairman, the draft restoration
21 plan is out for the public review as noted. The comment ends
22 August 1st and the draft restoration plan will be before you
23 shortly thereafter for adoption or the consideration of changes.
24 One of the discussions -- and adoption of a final document. One of
25 the discussions that did take place with the PAG, and we have had
26 comments from other public members is clarifying as -- as the

1 Chairman of the PAG mentioned, a clear mission statement with goals
2 and objectives that are refined and revisited in an implementation
3 structure. That implementation management structure we have
4 circulated at the January 31st meeting, and again in April, and it
5 is in your packet again today, and it's simply a clarification of
6 the mission of the Trustee Council, guiding principle, a couple of
7 which came directly from the PAG's major concern that there be a
8 clear understanding that public participation will include public
9 members at the local level, in all levels and aspects of the
10 planning and implementation process. That particular
11 implementation management structure has been discussed -- has been
12 discussed as I mentioned several times. This draft is in
13 accommodating several of the comments of the public-at-large and
14 the PAG, and it is again, simply a refinement of the restoration
15 plan, more general terms. One of the items in that is an
16 organizational chart, which is also in your packet today, and that
17 organizational diagram is in your packet, as I mentioned, and has
18 been refined, and this is a draft of six, twenty-seven, ninety-
19 four, to respond to the individual comments of PAG members. In
20 particular, let me note that, this organizational structure
21 responds to the comments, both in terms of the public
22 participation, and also having a coordinating group, an ecosystem
23 approach to the coordination of -- of activities, so that they're
24 not just individual projects, and individual project work group,
25 but rather interdisciplinary work groups. The other issue that is
26 -- has been discussed, and there were comments on from the

1 individual Trustee Council members, is with regard to the Science
2 Review Board, as we've referred to it in the past. Recently, we
3 have talked about that as a -- a group of core reviewers, but the
4 concept remains the same, and there is a draft, another draft
5 regarding the core reviewers or the Science Review Board, which is
6 now being circulated, and we certainly are interested in the
7 individual Trustee Council member's comments. This scientific
8 review process in the organizational chart has gotten considerable
9 discussion. It is clear to us now that if, in fact, we want to
10 pursue our adaptive management process, where we actually pull
11 scientist together with our individual scientists, our
12 investigators, biologists in Alaska, that and -- with public
13 members -- that that work, which we certainly intend to be a
14 significant part of our adaptive management process, to talk about
15 what is happening in the ecosystem, where are the gaps, what do we
16 need -- what do we need to do next -- that that very effort may
17 require that the Science Review Board be recognized under the FACA,
18 under the Federal Advisory Committee Act, and, actually I think
19 there's an M in there, but in any event, the Federal Advisory
20 Committee Act requires, as I understand it, and there are certainly
21 attorneys that have looked at that much longer and much deeper,
22 although probably not any more painfully than I have, that find
23 that in the event we are trying to generate a consensus of opinion,
24 as I understand it, that there would be a requirement then that we
25 proceed to accommodate the federal requirement, which means going
26 through the process of having it recognized as a federal committee,

1 which is somewhat of a task, as you know. As I understand it, you
2 went through it with the PAG. So, our recommendation will be, at
3 this point, is -- is this, that we proceed with the implementation
4 management structure that we have been discussing, that refines,
5 and further defines the restoration plan, and that in that we be
6 clear about our organizational structure, but that the Scientific
7 Review Board continues to be an informal group of core reviewers
8 for this year, while we proceed to develop a clear role and
9 responsibility definition of the Science Review Board, and proceed
10 to work with the federal attorneys in -- in getting it recognized
11 or complying with the Federal Advisory Committee Act. So, you're
12 not necessarily endorsing a final product, but simply the concept
13 with regard to the organizational structure, at this time.

14 MR. SANDOR: Fine, any comments or questions of
15 Trustees? Carl Rosier.

16 MR. ROSIER: Mr. Chairman, thank you. I'd like a
17 little bit of clarification. I'm not sure where we -- what are we
18 approving at this time?

19 MR. AYERS: Mr. Chairman, Commissioner, we're not
20 approving -- we're not asking that you approve anything, we're
21 simply updating you on the draft of the management structure, their
22 goals and objectives that we ultimately will recommend be included
23 in the -- as a refinement of the restoration plan. It will -- that
24 item, in your packet, ultimately would be included in the
25 restoration plan, probably as an appendix so that it's clear that
26 there is a mission statement and they're guiding principles in it

1 -- a refinement of those goals and objectives that are in the
2 restoration plan. The organization -- so that's an item of
3 information that we're going to be coming back to you recommending
4 that that be included. As -- as Brad said, it helps clarify for
5 the public what that restoration plan says in terms of a mission
6 statement and goals and objectives. With regard to the
7 organizational structure and specifically the Science Review Board,
8 all we're noting is that we're going to ask, probably at a later
9 meeting, that you adopt that organizational structure, but at this
10 point, all we're doing is pointing out that there are questions.
11 We have an informal core review process going on. We will not use
12 that structure for this year, as we've been advised by Council, but
13 we will be asking to pursue that type of structure in the future,
14 but it will have to go before FACA. We'll be coming back to you
15 with that at the end of August.

16 MR. ROSIER: Have we taken action on the Science Review
17 Board as a group?

18 MR. AYERS: Mr. Chairman, Commissioner, you have not
19 taken formal action except to discuss the concept and that it
20 seemed like the reasonable concept, I think was the quote at the
21 last meeting, but that people wanted to see further refinement.
22 There was a -- there have been memos to me about clarifying the
23 Science Review Board role and responsibility. There's a recent
24 draft in here, but you have not taken formal action to -- to
25 actually adopt that document or that particular Science Review
26 Board concept, yet.

1 MR. SANDOR: And, as I understand it, no action on that
2 is proposed at this meeting?

3 MR. AYERS: Mr. Chairman, that is correct. We're not
4 proposing final action. We just want to make sure that we're all
5 talking, and I want to be sure that we were communicating about
6 this before we got to the point of asking you for adoption. This
7 is just a point of information and clarification, at this point.

8 MR. SANDOR: Any other comments or questions on this
9 item of the agenda? If not, would you move on please.

10 MR. AYERS: Yes sir. Mr. Chairman, the next item on
11 the agenda is the EIS proposed action, and the EIS proposed action
12 and the EIS itself is out for public review. It, too -- comment
13 period closes August 1st. With regard to the EIS proposed action,
14 which is alternative five in EIS, that will be coming back before
15 the Trustee Council, with public comment in August, and you will be
16 asked at that time to adopt a final alternative or a preferred
17 alternative, and we just note that for the record, that will be
18 coming up in August, and that -- the comments have been coming in,
19 will continue to come in until August 1st. Rod is here. There
20 have been four public meetings thus far, or three?

21 MR. KUHN: Five (from audience).

22 MR. AYERS: Five public meetings thus far, and the
23 public notice has been in the major newspapers, and in -- I don't
24 -- was it Federal Register -- oh, yes, it was Federal Register
25 published, and this, again, Mr. Chairman, noting for the record
26 that during August you will be asked to adopt a final preferred

1 alternative, that which is out before the public right now is a
2 proposed alternative. We will continue to receive public comment,
3 we'll put those in a review format for you, and get those to you,
4 and, again, we don't know whether there will be a need for an
5 August 8th meeting, or an August 20 teleconference, and it will
6 just depend on how quickly we can process that information and turn
7 it around for you.

8 MR. SANDOR: Any comments or questions on the EIS
9 process? Yes, Deborah.

10 MS. WILLIAMS: A quick question. In what form will we be
11 getting an overview of the public meetings?

12 MR. AYERS: Mr. Chairman, I think at this point Rod,
13 who has far more experience, and with at least five attorneys in
14 the room, I'm -- I'm very careful in my responses to EIS, and I
15 would prefer that Rod actually respond to them.

16 MR. SANDOR: Rod, would you come forward and ...

17 MR. AYERS: It's always helpful to have attorneys in
18 the room, it gives you an excuse not to have to respond
19 (indiscernible)

20 MR. SANDOR: There's five of them. Yes, go ahead.

21 MR. KUHN: We have five here. Okay, what we've done
22 so far is we -- the public meetings have been in an informal
23 nature, an open house format. We have taken notes -- those notes
24 are being synthesized right now, and what we would do is we have a
25 summary for each of those meetings which would come forward to the
26 Trustee Council for their review.

1 MR. AYERS: Mr. Chairman, Rod, it's also my
2 understanding that we are working to develop our spreadsheet format
3 that we have used previously in the '94 plan, so that there would
4 actually be indications of -- of individual public comments as
5 well.

6 MR. KUHN: Yes.

7 MR. AYERS: So, we could see summaries of those
8 individual comments outside the public meeting.

9 MR. KUHN: We're working on a coding form. I was
10 upstairs a little while looking at -- at the format for that, and
11 so we will be coding those so they'll be entered into a data base,
12 very similar to what was done with the brochure and the comments in
13 the summary of public comments that came out in September, but
14 something similar to that. Because of the compressed time schedule
15 we're running on here, and necessarily not be a public document
16 we'll circulate for public review or anything like that. It will
17 be quite short.

18 MR. AYERS: Mr. Chairman, I would also note that, as
19 Molly points out, we're trying -- we are also doing additional
20 outreach efforts, we are taking collect marine calls from
21 fishermen, etcetera to accommodate those people who would like to
22 give us oral comments, and Molly and Rod and others were over in
23 Cordova last week chatting with people, and we are making in
24 community visits to make sure that we get as much as possible in
25 terms of public perspective.

26 MR. SANDOR: Any other questions or comments on the

1 EIS. Yes, Deborah.

2 MS. WILLIAMS: One last question. Approximately how many
3 written comments have we received so far?

4 MR. KUHN: I'm not real certain, I mean, just got
5 back from Cordova on some of that, but I believe it's very, very
6 light to date. We only have about five. We've had more turn out
7 in the meetings, and on the 20th there will be a statewide
8 teleconference, and of necessity that will be more formal, and that
9 will be transcribed, a verbatim transcript of that.

10 MR. SANDOR: Any further comments or questions? Jim
11 would you proceed then with the next item.

12 MR. AYERS: Yes, thank you. Mr. Chairman, I took the
13 liberty to cover the Science Review Board policy discussion under
14 the other item, the restoration plan. That policy, actually it's
15 a scientific review, including the responsibility of the core
16 reviewers, is currently being circulated and I would appreciate
17 your comments on this most recent draft, and I am working with your
18 respective liaisons on that.

19 MR. SANDOR: Thank you.

20 MR. AYERS: The Chief Scientist's contract, that --
21 Chief Scientist's contract will expire, I believe it's September
22 30th. We will -- it looks like we will be -- first in
23 appropriately extend that contract, with your concurrence, through
24 at least this review time period, so that we maintain continuity.
25 We would like to extend the Chief Scientist's contract probably
26 until December 1st. It does two things. One, it allows us to have

1 continuity with the Chief Scientist and the peer reviewers that
2 we're using to review the '95 work plan and synthesize the
3 information from the past, with the understanding that our peer
4 reviewers are only making individual comments. We're not
5 generating consensus. Secondly, that we are able to get out an
6 RFP, which is the other thing I wanted to note, that we are going
7 out with a -- the very broad solicitation request for proposals for
8 Chief Scientist and peer review, scientific review, proposal, and
9 that will be going out, and that is being -- that draft RFP is
10 being circulated to your staffs now. We hope to go out in mid-
11 July, actually with the RFP for 45 day, I believe, solicitation of
12 proposals. We will then go through the process and bring that back
13 before the Council, but it probably would be October. So, we would
14 extend the Chief Scientist's contract through December 1st, and in
15 the meantime we're going out with a solicitation for a Chief
16 Scientist.

17 MR. SANDOR: Carl Rosier.

18 MR. ROSIER: Yes, thank you, Mr. Chairman. Is the
19 Chief Scientist willing to extend on that basis?

20 MR. AYERS: Mr. Chairman, Commissioner Rosier, thus
21 far he's been very accommodating and we're having good
22 conversations, and he is in town today, and we're meeting with him
23 again. He'll be at the picnic tonight, and so far, he's been very
24 accommodating, says that meets his terms in -- as indicated that he
25 would be interested in submitting a proposal, and understands why
26 we need to go forward with the solicitation for other proposals.

1 MR. SANDOR: Any other comments or questions? You're
2 not asking for any action, or are you, with respect to this?

3 MR. AYERS: No, Mr. Chairman, I just wanted to clarify
4 that that's my intention. If there's objection -- most of these
5 items are about letting you know, it's a matter of communication.
6 I want to make sure we're all together on this, and if there's
7 objection that I would -- I'd go a different way.

8 MR. SANDOR: Okay, and there being no comments or
9 questions, could you proceed?

10 MR. AYERS: Yes, Mr. Chairman, the next item -- I'm
11 sorry, Mr. Chairman, I will move back to the Chief Scientist's
12 contract for one moment. One of the -- one of the items that the
13 Chief Scientist did ask is that he receive an evaluation, which I
14 am putting together based on comments, and we can discuss that at
15 another time, or, if you choose, we could go into an executive
16 session. I have put together a draft based on your comments, and
17 the Chief Scientist, Mr. Chairman, Commissioner Rosier, did want to
18 see an evaluation, so he got a feeling of whether or not he would
19 be able to -- he would be interested in competing for -- in the
20 solicitation. So, I did want to mention that, Mr. Chairman.

21 MR. SANDOR: I believe, fellow Trustees, that if there
22 is an evaluation on the Chief Scientist, whatever is prepared, that
23 we ought to cover that in executive session. Is there any
24 objection to that?

25 MS. WILLIAMS: No.

26 MR. SANDOR: Can you proceed, Mr. Ayers.

1 MR. AYERS: Yes, Mr. Chairman, the next item is the
2 Institute of Marine Science improvements update. The Institute of
3 Marine Science at Seward is a -- there is a recent purpose need in
4 budget draft dated June 29th in your packet, and, I believe that,
5 through cooperative efforts of both federal representatives,
6 including -- and a primary contribution from the Department of
7 Interior who has taken the lead on the EIS, and the efforts of the
8 Department of Fish and Game, in communication with other state
9 agencies, have developed a clear purpose statement and are
10 beginning to work with the scientists from the various agencies in
11 developing a very clear proposal and expansion on the Institute of
12 Marine Science. Kim Sundberg, who is the project leader, is here
13 today, and with your permission we'd take five minutes and just
14 give you a quick architectural and budget update.

15 MR. SANDOR: Please proceed.

16 MR. SUNDBERG: Thank you, Mr. Chair. The project for the
17 improvements to the Institute of Marine Science, the purpose of
18 this project is to provide required infrastructure for conducting
19 long-term research and monitoring program needed to restore and
20 enhance resources injured by the Exxon Valdez oil spill. This
21 institute would conduct research and monitoring studies on marine
22 resources in the ecosystem in concert with other existing
23 institutes, and would provide specialized capabilities for studies
24 on marine mammals, marine birds, and fish genetics that cannot be
25 currently conducted at other existing facilities in Alaska. The
26 research and rehabilitation programs to be carried out by this

1 proposed facility would, among other things, endeavor to restore to
2 the pre-spill condition those injured, but not recovering
3 resources, including common murre, harbor seal, harlequin duck,
4 marble murrelet, pigeon guillemots, sea otter and pink salmon.
5 What I'd like to do is briefly go through the status of the
6 project, and where we're at, and give a few moments for the project
7 architect to bring the Trustee Council up to speed on where we're
8 at in the design of the project, and then if -- if there's time
9 available, answer any questions. The program -- the research
10 program and functions of the facility have been developed through
11 a scientific work group that has been meeting regularly since March
12 to -- to develop the functions and needs for the facility. This
13 work group has identified projects and needs for particular
14 facilities, space and systems to carry out research on marine
15 mammals, marine birds and fish genetics. The project is currently
16 in a conceptual design stage and is moving to a schematic design
17 stage. We have a budget prepared that's at the end of your
18 document that is a conceptual level. The space for the -- for the
19 facility itself is broken into eight different components, at this
20 point. These -- each of these master components are currently
21 being broken out into a much more detailed, line-by-line budget,
22 which will be brought back and presented on August 8. The main
23 building is approximately thirty-eight thousand two hundred and
24 thirty-seven square feet. It consists on research labs and offices
25 for conducting work on marine mammals, marine birds, fish in
26 vertebrates, includes a library, a veterinary and husbandry area

1 and service areas. There are large habitat tanks for sea otters,
2 seals, sea lions and marine birds. These habitat tanks are
3 designed to maintain animals in a naturalistic setting for
4 conducting research on behavior, telemetry, other projects that
5 require animals were in -- living in a more or less natural
6 environment. Approximately thirty-four thousand six hundred and
7 ninety-one square feet are identified for that at this point.
8 Animals that would be in long-term holding at this facility because
9 of injuries that did not allow them to be returned to the wild
10 would also be kept in this area. There are pens and pools. These
11 are primarily designed -- these are totally designed for research,
12 specialized pools and pens for sea otters, seals and sea lions.
13 There's an extensive life support system to supply sea water to the
14 facility, and treat the water from the facility, and also to
15 provide high quality fresh water for fish genetics work. There are
16 civil considerations for developing the site, landscaping, etc.,
17 and there is equipment, right now it's shown as fifteen percent,
18 we're developing a detailed equipment list right now for each one
19 of these research functions and spaces, and that will be presented
20 on the 8th. There's a provision for a research vessel and
21 submersible with the project also, and some estimates for acquiring
22 those. Nancy Swanton isn't here. I think I'll just give a brief
23 update on the EIS. The draft Environmental Impact Statement was
24 released to the public, it's out for a fifty day review period,
25 right now. They're taking public comments. There will be public
26 hearings in Seward on July 26th, and in Anchorage on July 28th.

1 The public comment period, I believe, closes in -- on August 8th,
2 and the final Environmental Impact Statement will be prepared and
3 the record of decision is scheduled for October 28th. If there's
4 time, I'd like Tom Livingston, who is one of the principal
5 architects to briefly go through the concept design for the
6 facility, and we'd be available for any questions.

7 MR. SANDOR: Would it be the Trustee's wish to have a
8 brief presentation? I see affirmative nods. If you can, perhaps,
9 put the visuals there so the audience could also see them, that
10 would be helpful. Your name again?

11 MR. LIVINGSTON: My name is Tom Livingston. I'm with
12 Livingston Slone Architects in Anchorage. This is -- I'll start
13 out with the site plan. The site is located at the south end of
14 the Seward Township, right along Resurrection Bay. The IMS,
15 Institute of Marine Sciences, University of Alaska campus is
16 located over here, and it's these blue buildings. The Railroad
17 Avenue is located along here. We're showing parking in this area,
18 the main building here with research -- outdoor research tanks and
19 pools on either side of the building, in this area. We're -- we're
20 not anticipating any work to this brief little strip here, which is
21 the depot and park in the City of Seward, which is City of Seward
22 property. The ferry dock that is located in Seward, is right now
23 located in this area, and will be relocating that to another site
24 within the community. The building is a two story affair, sort of
25 L-shaped. There's a partial basement under part of it which
26 accommodates all the live support systems, which are very extensive

1 for all the different activities that are occurring there. Wrapped
2 around this building then are these research habitats and pools,
3 and I'll show you on the site plan, the floor plan a little more
4 detail. The lower floor, we have indoor research support areas,
5 along this side of the facility, with sort of bare research tanks
6 and pools located here on this west side. On the east side then
7 are research habitat, there more of a naturalistic habitat instead
8 of just a plain pool or tank. We have some educational activities
9 on this side, on the lower floor that bring the public into the
10 building and then the public goes up and along a spine, and on that
11 spine at the upper level their looking on the surface of these
12 tanks, and their looking out above the research facilities on that
13 side, and I'll show you how it looks. So, there is along this
14 spine here, this orange spine is where visitors would look out over
15 onto the research activities on that side, and back onto this side,
16 and the research activities over here. One of the unique things
17 about this facility is that the research is on exhibit, and that's
18 something that doesn't really occur in an integrated fashion
19 anywhere -- anywhere else, that we know of, in America, and so
20 that's a key to this -- to the success of this facility. One of
21 the things we -- we found in our research in visiting different
22 research facilities from Scripps all the way north to Vancouver is
23 that the scientists and the people that were there said you must
24 let the public know what you're doing. You're a public facility,
25 and in order to receive public support, you have to have that kind
26 of exposure to the public and that education, you might say, as to

1 what you're doing, so you receive the support that's needed to keep
2 the programs going, and so that's one of the things we've done from
3 the very inception, instead of trying to add something on, like at
4 Scripps they built a separate facility up on the hill a ways away,
5 and at the Hatfield in Oregon, again, they're a ways away, and so
6 there's this distance that's involved for the public, and here
7 we're integrating the two together. So, we've got the research
8 habitat, the naturalistic habitat up on the second level here,
9 which is the surface -- the water surface level, then down at
10 street level we have the other tanks that were on the west side of
11 the building there. We've -- we do anticipate some construction
12 this winter, some marine construction that has to be done when
13 there aren't spawning salmon in the area, so by April 15th we have
14 to have some of the marine work done. We will be constructing
15 right at the water's edge a -- a barrier, a wave barrier to protect
16 the building and the habitats and the tanks from any wave barrier
17 -- any wave damage that might occur due to large storms, hundred
18 year storm cycle. So, we will be doing some of that work starting
19 this winter to start protecting this site, and then, of course,
20 next summer we anticipate general site work and facility
21 construction.

22 MR. SANDOR: Any comments or questions? If not, please
23 proceed.

24 MR. LIVINGSTON: In looking at sections through the
25 site, if you were to take a slice through the building, this would
26 be the street out here, this would be Resurrection Bay. We'll be

1 bringing in, of course, fresh seawater from Resurrection Bay. One
2 of the things that very unique about Seward is the high quality of
3 seawater that's available. Scientists nationwide are very envious
4 of the quality of water that's in Seward, and so it will be brought
5 in and -- and as necessary, it may be filtered or it may be just
6 used raw. For whatever reason, at the depth that we're bringing it
7 in, which is around two hundred feet, the dissolved oxygen is very
8 high, and so we don't -- we don't anticipate having to do much to
9 the water to make it useful for research. Any water that's
10 discharged back into the bay will be treated in case of any kind of
11 infection or any isolation that may be needed for a particular tank
12 or a particular experiment. That water can be diverted to a
13 separate area that's treated, and that water then is discharged
14 into the bay. So, we're not providing any contamination into --
15 into Resurrection Bay. Again, it's basically a two story building,
16 some lower level life support systems, mechanical space, at the --
17 at the second -- basically, at the second level is where we have
18 the surface, the water surface activity, and this naturalistic
19 habitat we have provided artificial rock work and rookery, nesting
20 areas for birds. So, the four major species that we're providing
21 naturalistic habitat for will have a habitat that is -- is
22 conducive to long-range, I should say long-term research for those
23 species, and that would include sea otters, Steller sea lions,
24 seals, mostly harbor seals, pinoped, and marine birds, and this
25 element that you see in here is really just a net to keep the
26 marine birds within -- within captivity, and the -- the species

1 that are brought there for rehabilitation and research will be --
2 we'll find -- will probably reside in this area most of the time
3 versus the recent -- the purely research activity that happens on
4 the west side of the building over here, these are more for shorter
5 term experiments and research and rehabilitation. There's medical
6 surgery area provided within the facility for isolating animals
7 when they first arrive, and for long-term treatment of animals as
8 they remain at the facility for whatever reason. That's -- that's
9 it in a nutshell. If -- if there are questions, I'd be happy to
10 answer them.

11 MR. SANDOR: Any questions or comments? I guess I'd
12 ask a question of both of you. Did you do this kind of a
13 presentation for the Public Advisory Group? They seem to have that
14 as one of the items under their list of concerns. Jim, is that --
15 would that be possible?

16 MR. LIVINGSTON: Yes, we're available to do a
17 presentation to the Public Advisory Group.

18 MR. SANDOR: Why don't you do that because that was one
19 of the points that Brad Phillips mentioned. Any other comments or
20 questions? Yes, Jim.

21 MR. AYERS: Mr. Chairman, I just want to point out
22 that they were at the last PAG meeting and they did talk with the
23 PAG, and there was some information -- additional information that
24 the PAG asked for and we will go back and do a more thorough
25 presentation. I think that would be helpful.

26 MR. SANDOR: Those visuals are especially helpful.

1 MR. AYERS: Yeah.

2 MR. SANDOR: Yes.

3 MS. SWANTON: I'm Nancy Swanton out of the Department of
4 Interior.

5 (Aside comments)

6 MS. SWANTON: I don't know exactly what Kim had
7 mentioned, I'm sorry I was under the impression we were going to be
8 addressing a little bit later on the agenda, but I wanted to
9 mention also that ...

10 MR. SANDOR: Identify your name again.

11 MS. SWANTON: Nancy Swanton, Department of the Interior.
12 I just wanted to mention that for the public meetings that we'll be
13 having, we intend to have an open house from 5:00 until 8:00 in
14 both Seward and Anchorage, for those meetings, and at 7:00 we
15 intend to have Tom or one of his people give a presentation similar
16 to what he's just done, so that the public has an understanding of
17 where this project sits at the moment in terms of its design and
18 development.

19 MR. SANDOR: Any questions of Ms. Swanton, Kim Sundberg
20 or Tom Livingston? Yes, Deborah.

21 MS. WILLIAMS: I think I have questions of other Trustee
22 Council members. At past meetings, some Trustee Council members
23 have expressed the desire to have additional information, more
24 information about the IMS, feeling that they did not have adequate
25 information about the purpose and structure and design. I just
26 wanted to see, are we there yet? Do you still need more

1 information?

2 (Laughter)

3 MR. SANDOR: I see Jim Wolfe raise his hand in the
4 audience. Jim, do you want to step forward and -- identify ...

5 MR. WOLFE: Jim Wolfe of the Forest Service. We did
6 ask for that additional information, and also all the general
7 council from the federal side have a list of legal issues that we
8 had raised. The -- we understand that there is a paper that was
9 handed out today, and we haven't had a chance to review it, and
10 just a brief look through it, I did not see that it addressed some
11 of the legal questions, and it still doesn't in -- in my brief
12 review, did the link with the spill injuries, and so we still need
13 to lock that in and clean that up. But, I assume part of it's
14 there, but we just haven't had a chance to see what was handed out
15 today, so.

16 MR. SANDOR: I would suggest Jim that between now --
17 and, I guess Ms. Swanton, and Sundberg and Livingston, can you
18 between now and August -- our August 8th meeting, determine what
19 gaps remain from the material that -- Jim.

20 MR. WOLFE: Sure.

21 MR. SANDOR: Any other comments or questions. Yes, Mr.
22 Ayers.

23 MR. AYERS: Mr. Chairman, we are working -- trying to
24 accommodate that. We have been in touch with the -- the -- and
25 working closely. We've had several conversations about this very
26 issue and going through -- matter of fact, this most recent draft,

1 and I think that it -- it does begin to address many of the
2 questions that I have understood were raised by federal counsel.
3 Let me also say that there are two other items that we are working
4 closely on and we had a teleconference this week about -- and one
5 is that we are clarifying the cost of this particular project and
6 the aspects of those costs which are appropriate under the civil
7 trust, or -- or, well, maybe more appropriate under other funds,
8 and we are working on that budget, and we'll be bringing that back
9 to you. The other thing is the organizational or the governing
10 structure of this entity, which is the non-profit organization, the
11 Seward Advancement for Marine -- Association for Marine -- Advanced
12 Marine Science, SAAMS. We are working with that non-profit
13 organization and the City of Seward, and I've talked to them
14 specifically about having members of the scientific community and
15 the scientific agencies responsible for the management of fish and
16 wildlife that will be associated with this project on their actual
17 governing board, specifically, the university, the Department of
18 Fish and Game, and NOAA, and we've talked to them about that, and
19 I know that they are -- they will be contacting and are working
20 with representatives of those agencies.

21 MR. SANDOR: Thank you. Mr. Rosier.

22 MR. ROSIER: Thank you, Mr. Chairman. Jim, is there
23 any -- anything to report or update the Council on in regards to
24 private funding sources for this project?

25 MR. AYERS: Mr. Chairman, again, I'll -- I asked that
26 question of Kim, and I'll let him respond to that. They have begun

1 a kind of three-prong attack here. I'll let him go through that.

2 MR. SUNDBERG: SAAMS has contracted with a private
3 philanthropical consulting company called Jay Donovan & Associates.
4 It's a national company. They -- they're in charge of doing the
5 fund-raising, for example, for Providence Hospital, and they are
6 currently working on a fund-raising plan for the private donations
7 to this project. Currently they are going out for interviews with
8 fifty individuals or foundations who would be likely donors to this
9 project, to get a gauge of how much private funding there would be
10 available, and they are supposed to bringing a report back on
11 August 15th to the SAAMS people, a report on that. It's my
12 understanding that they -- this company feels that they would have
13 a very good idea within some confidence interval of how much
14 private funds could be raised for the project. They're looking
15 right now at two different types of categories of funding. One
16 would be for the capital construction, and also gauging how much is
17 out there for endowment of -- of research faculty chairs, and their
18 target that they're looking at right now is about ten million
19 dollars for capital project, and about six million dollars for
20 endowment of research positions.

21 MR. SANDOR: Any other comments or questions? Well,
22 Ms. Swanton, Kim Sundberg and Tim Livingston, we appreciate your
23 presentation and understand you'll be providing additional
24 information to the PAG, and also be working with Jim Wolfe and
25 others to determine what, if any, questions remain, and have a
26 report again at our August 8th meeting. If nothing else, thank

1 you, and Jim, can you proceed with your agenda?

2 MR. AYERS: Thank you, Mr. Chairman. The next item on
3 the agenda is an update on habitat protection and acquisition
4 effort. Let me say that in the FY '95 proposals, there are a
5 number of -- actually, there aren't a large number, but there are
6 very significant, very positive proposals with regard to
7 participation with private landowners with regard to habitat
8 protection. That was something that the Council had been very
9 concerned about in the past, that we were looking only at
10 acquisition, and the PAG had talked about protection measures,
11 including those that were -- that were beyond just acquisition. We
12 are working with some private landowners. We've also talked to
13 members of the PAG about an approach to working with private
14 landowners and habitat protection measures, and that is -- there is
15 a project, actually there are a couple of projects in the FY '94
16 work plan, and we'll be discussing those over the next two days.
17 With regard to habitat acquisition efforts of those that are in
18 negotiation stage, I'll just walk through those if that's
19 acceptable, Mr. Chairman ...

20 MR. SANDOR: Please proceed.

21 MR. AYERS: There are members of the various
22 negotiating teams here that -- if you want to answer detailed
23 questions -- if you have detailed questions, I'm sure they or I can
24 answer them. Afognak Joint Venture effort in the northern Afognak
25 lands, those lands and those parcels that have been identified
26 under the comprehensive habitat analysis package, are in the

1 process of being appraised. In addition, and at the -- the
2 negotiating team is working with the habitat working group and have
3 attempted to develop a packaging of parcels that will allow us to
4 actually meet out goal of maximum protection at a reasonable and
5 affordable price. AJV gave their authorization to appraise the
6 following parcels on June 20th. An appraisal has been requested
7 and in its process of being organized. The AJV 04, 05 and 06, and
8 also then the 07 Tonky Bay, and the 08 which is the west Tonky Bay.
9 The appraisal are in -- will begin, obviously there will be a
10 substantial question, and I'll talk about that at the end, with
11 regard to timber cruise efforts and schedule. The -- I'll try and
12 -- these were put in alphabetically order, I'll try and keep them
13 in -- in location order. The -- moving to -- let me deal with
14 Shuyak while we're up in the northern end of the Archipelago there.
15 The Shuyak proposal, in working with the Kodiak Island Borough, DOL
16 -- the Department of Law -- has the lead on that. The discussion
17 center primarily on fee simple, or actually entirely on fee simple.
18 It's approximately twenty-seven thousand nine hundred acres. The
19 -- an appraisal was requested on April 12th, and we are in the
20 process of commencing with that appraisal during July and we were
21 waiting to hear back on the actual date of commencement, including,
22 of course again, the timber cruise. We anticipate and hope that
23 the draft appraisal will be completed by September 1st which was
24 the original proposed completion date, depending on timber cruise.
25 Kodiak Island Borough has commissioned an independent appraisal, as
26 many of them, we suspect, will, under our twelve point appraisal

1 process that we discussed at our previous meeting. Many of the
2 private landowners are conducting their own independent appraisal,
3 and that will be probably a topic of discussion. As you recall,
4 under the appraisal process, the appraisal once completed is then
5 given to review appraisers. If, in fact, the private landowner
6 does their own independent appraisal, so long as it's done in
7 compliance with the federal regulations, UASFLA (Uniform Appraisal
8 Standards for Federal Land Acquisition). The review appraisers
9 will also look at their independent appraisal. The -- move down to
10 the southern Kodiak area, Koniag, the U.S. Fish & Wildlife Service
11 has the lead on that. Negotiations are directed towards fee simple
12 acquisition. The land ownership patterns are somewhat complex
13 because various Koniag conveyances have already happen in some
14 cases, and there are discussions ongoing to clarify the legal
15 description, although that seems to have a remedy in the offing.
16 Koniag has granted authority to appraise, and it should commence in
17 mid-July. Issues there, the -- there is a request to recognize and
18 actually identify in the ultimate agreement that subsistence rights
19 would be retained, and in addition to that there will be a
20 discussion of the 22(g) issue under ANCSA, which actually refers to
21 the use of those lands around the refuge. Koniag is in discussion
22 with us about some specific areas that we might be interested in.
23 In addition, we have contacted the community of Karluk at the
24 request of a couple of Trustee Council members, identifying that
25 the lower Karluk River which has high value, has not been included
26 in discussions to date, and we have not been able to get a response

1 from -- from the Karluk community, yet, but that -- the ownership
2 of that lower five miles to the river that does have high value in
3 that particular area is not in ownership of the regional
4 corporation, but is the property of the village. The time line, we
5 hope the appraisal will be completed by August and a review by
6 early September, and the earliest the proposal could possibly be
7 available would probably be late September, but as you know, will
8 -- to bring appraisals forward with negotiations for your
9 consideration, but final action would not be taken until after the
10 close of the EIS in October. In Akhiok-Kaguyak lands, again U.S.
11 Fish & Wildlife had the lead. The negotiations with AKI are moving
12 steadily towards fee simple. The appraisal is ongoing, and again
13 the landowner is conducting their own appraisal, according to our
14 specifications. The reservation of a subsistence issue, again is
15 raised, and will require some discussion. The review and approved
16 appraisal, we hope to have by September, late September is probably
17 the earliest that we would see the details, and again, finally
18 decision would be in October when you see the whole package
19 consideration. We finished the southern Kodiak area, and that will
20 finish, and I'll actually stop there in case there are questions
21 regarding any of that. There's the Old Harbor land as well in the
22 Kodiak-Afognak archipelago, the Old Harbor lands, U.S. Fish and
23 Wildlife Service does have the lead. Negotiations with Old Harbor
24 are moving towards fee simple. The appraisal is ongoing, and in
25 this particular case the U.S. Fish and Wildlife Service notes that
26 they had begun the discussion and will most likely pay with -- the

1 funds for this appraisal will probably be offset with federal
2 criminal restitution funds. The landowner is conducting their own
3 appraisal, using the specifications we've identified. There is a
4 discussion regarding Barling and Midway Bays, and at this point,
5 it's very likely, it's two thousand acres of area that is primarily
6 subsistence use. There is discussion of either an easement or just
7 simply withdrawing those primary subsistence areas from the
8 discussion. It's some two thousand acres of the overall thirty-two
9 thousand acres. Land is being appraised with and without this
10 particular subsistence reservation, so there's a consideration,
11 identification of what the difference would be. The appraisal
12 review should be completed in early September, and as the others
13 are filed -- proposal and specifics could be as early as late
14 September, but final decision would not be made until October.
15 I'll stop there with that particular area, and see if there are
16 questions.

17 MR. SANDOR: Any questions at this point? Mr. Tillery.

18 MR. TILLERY: Mr. Chairman, Mr. Ayers, I -- some of
19 these have a somewhat late completion date, and I guess I'm worried
20 or concerned, mostly about the ones that involve timber cruise
21 since they have additional steps. Are those cruises being done
22 serially or simultaneously?

23 MR. AYERS: Mr. Chairman, Mr. Tillery. I recently met
24 with Mr. Gibbons of the Forest Service and I was talking earlier,
25 and I -- I think that -- that in order to answer the question, what
26 we need to do is we need to have a work -- a brief work session

1 with the -- with the primary contractor, Blackstone, who's doing
2 the appraisal, and the primary timber cruise contractor, Manley,
3 and a representative of -- of the state. I'd mentioned this to Mr.
4 Swiderski and there's actually a memo to Mr. Swiderski and Mr.
5 Sheridan of the Forest Service to try and put together a meeting as
6 soon as possible. I just -- have a discussion to answer
7 specifically the question of time lines and schedules and costs of
8 appraisal, including the completion of the timber cruise, and I
9 think it's safe to say that until that meeting takes place I'm --
10 I'm unable to answer your question.

11 MR. SANDOR: Any other questions or comments of -- to
12 this point? Please proceed, Mr. Ayers.

13 MR. AYERS: The -- I'll move to the Kenai because the
14 Kenai area, Cook Inlet, Kenai area is -- is either easily or more
15 complex, depending on your perspective. The Kenai Island -- the
16 Kenai Borough has been contacted, actually we -- we are following
17 up a letter that was sent to them to see if they have land that
18 they own that would -- that is of critical habitat nature, and
19 whether or not their interested in talking with the Trustee Council
20 regarding habitat protection. There are two other primary
21 landowners that have been in discussion with us regarding critical
22 habitat area in the Kenai area. They are Port Graham and English
23 Bay. The National Park Service has the lead on the Port Graham
24 land, and discussion with Port Graham and Chugiak began with
25 authorization from the federal Trustees utilizing criminal
26 restitution funding. The ultimate acquisition, however, of these

1 important lands, may include the civil trust funds, however, at --
2 although there was discussion of fee simple and -- primarily fee
3 simple on high value lands with some conservation easement. At
4 this time, the appraisal that was previously conducted was not
5 found to be consistent by the federal reviewers, and a review of
6 the review has been submitted to the Department of Justice for
7 their review, and an opinion is expected in some time late July or
8 August. No further discussions with Port Graham, or their
9 representative, has taken place, unless there's somebody here to
10 correct that from the National Park Service, nor do we anticipate
11 that there would be any discussions in the near future, until there
12 is the Department of Justice finding on the review. Without
13 belaboring the point, the same is true -- Mr. Chairman, members of
14 the committee -- the same is true in English Bay, that there was an
15 appraisal completed, it was not accepted by the federal reviewers,
16 and all parties have agreed to send the review of that appraisal
17 and the appraisal to the Department of Justice. No further
18 discussions will take place with English Bay until we have received
19 an opinion. And, it is our understanding that a completion by the
20 Department of Justice will not be forthcoming, at least until late
21 July or August.

22 MR. SANDOR: Any questions or comments? Please
23 proceed.

24 MR. AYERS: Mr. Chairman, that moves us to the Prince
25 William Sound area, and in the Prince William Sound area there are
26 the Chenega and Eyak land discussions. In the Chenega area, the

1 U.S. Forest Service has the lead the -- with the Department of Law.
2 The discussion centers around fee simple acquisitions of the
3 parcels -- high value parcels of the Eschamy Bay and Jack Pot Bay.
4 The appraisal has progressed to the timber cruise portion, and it
5 is, hopefully, expected that the appraisal will be completed
6 shortly after the completion of the timber cruise. Further
7 negotiations will commence upon acceptance of an approved
8 appraisal. The appraisal review was hopefully going to be
9 completed in late August, but we are, as I say, waiting a meeting
10 with the primary contractor and the timber cruise through the
11 Forest Service, and we'll get back to you on an actual schedule and
12 completion and costs. That's Chenega. There -- there is a
13 discussion beyond those critical -- those habitat -- those high
14 value habitats, areas of fee simple. There are also some
15 additional high value and moderate habitat properties - parcels
16 that are being discussed and appraised, but they would be
17 discussion of -- under easements. Eyak, the U.S. Forest Service
18 has the lead working with the Department of Law. Trustee Council
19 passed the resolution on May 3rd to acquire timber interests in
20 Orca Narrows, as you know. In addition to that, Eyak has submitted
21 a detailed proposal which raised the primary issue of public access
22 and less than fee acquisition. We discussed those earlier, and
23 there is a committee of the PAG, and the Department of Law and the
24 Forest Service is working with that committee to develop of a
25 general policy for consideration by the Trustee Council. The
26 appraisal has been ordered. Timber cruise has also been requested,

1 and again be subject to a discussion with the -- through the Forest
2 Service with the primary contractor and the timber cruise
3 contractor to determine completion dates, and additional costs.
4 Let me mention that Tatitlek has contacted us, the Department of
5 Law, and the U.S. Forest Service has the lead, Tatitlek continues
6 to indicate an interest in -- in a less than fee sale, with a
7 possibility of some fee simple parcel sales. The Habitat Working
8 Group is evaluating the Tatitlek lands that they have proposed for
9 sale, and the Department of Law and the U.S. Forest Service will be
10 meeting with Tatitlek to discuss those valued lands for
11 acquisition. Chugach, Alaska in the Prince William Sound area has
12 also contacted us. Department of Law and U.S. Forest Service have
13 the lead. Chugach, obviously, has several holdings in Prince
14 William Sound, however, a majority of them were ranked moderate.
15 Let me also mention that Chugach -- this came up at the previous
16 meeting -- Chugach does have the subsurface rights to all of those
17 properties that we have previously discussed. The estate holder
18 for all of the lands in Prince William Sound held by the private
19 Native corporations, as well as the Kenai fjords that are presently
20 being considered, and Chugach has indicated a willingness to
21 discuss -- a sale may be appropriate of the subsurface rights,
22 particularly if it can be packaged with other parcels of -- of
23 habitat value that their interested in selling. Those discussions
24 are ongoing. Mr. Chairman, I'll stop there and see if there are
25 questions about the Prince William Sound lands.

26 MR. SANDOR: Any questions or comments on the Prince

1 William Sound habitat protection acquisition package? If not, as
2 I understand, it completes the habitat protection acquisition
3 discussion.

4 MR. AYERS: Let me mention one other thing, Mr.
5 Chairman, that I did allude to several times, and it follows Mr.
6 Tillery's comment, and that is we have -- we suddenly have serious
7 interest by the landowners. The reluctance seems to have -- to
8 have subsided and now many are interested all at the same time and
9 I don't know if that is the result of the clock or the weather.
10 The interest is now moving very quickly and intensely, and it means
11 that we need to have a conversation with the Forest Service and
12 their contractors regarding time and the actual cost to complete
13 these efforts. There is additional costs, I suspect, beyond what
14 we currently have funded for the appraisal and timber cruises that
15 are now required to get all of this work done, and I'll be bringing
16 that back to you after I've had the opportunity to meet with the
17 Forest Service and their primary contractors and the Department of
18 Law.

19 MR. SANDOR: Thank you. Any other comments or
20 questions on this habitat protection and acquisition item? If not,
21 it being six minutes after three, we will take a twenty minute
22 break, and -- if there's no objection, and come back with an
23 exciting financial report by our Executor.

24 MR. AYERS: Mr. Chairman, it's certainly my believe
25 that we can complete this long before five o'clock and after the
26 break I -- I will -- some other members had asked that question and

1 it's certainly my intention to be wrapped up long before five
2 o'clock.

3 MR. SANDOR: Thank you. We'll take a break then.

4 (Off Record 3:06 p.m.)

5 (On Record 3:28 p.m.)

6 MR. SANDOR: The next item on the Executive Director's
7 agenda is his exciting financial report. (Laughter)

8 MR. AYERS: Mr. Chairman, this is -- is primarily in
9 response to some of the questions that came up at our previous
10 meeting and with the PAG, and I just would like to -- I said, what
11 I'll do is summarize them briefly, there will be an official
12 statement of Exxon settlement funds as of June 30th. It will
13 released as soon as we're able to complete some work with the court
14 registry, but that will probably be next week, and it will come to
15 you before our August meeting. The -- the status as of -- with
16 regard to the interest questions that have come up is that there is
17 -- there has been five million four hundred and forty thousand
18 dollars that has been earned on settlement funds, including that in
19 the United States and State of Alaska accounts. There were -- the
20 court interest question specifically, the average earning
21 percentages to date have been three point eight four percent on the
22 court registry funds. Our reason analysis on State of Alaska is
23 four point seven eight percent. There is a lot of discussion about
24 why such a difference. With regard to federal funds this --
25 actually we've learned a great deal, and June Sinclair did come to
26 Anchorage last week and met with Bob Bauldoff of the federal OMB,

1 is he with?

2 UNKNOWN: No, Interior.

3 MR. AYERS: ... Interior, but works -- but had
4 contacted the OMB with regard to specifically to the NRDA account.
5 Interestingly enough, those funds which are invested through the
6 court registry, the court registry investment system, are pooled
7 with other district court funds in a liquidity fund. Those funds
8 are only invested in short-term Treasury securities, and they
9 provide weekly liquidity, just like a money market fund would, so
10 you're getting minimal return. However, there's a rule that no
11 funds may be held by a bank, or another entity and that's the
12 reason we got into our discussion earlier about the -- where could
13 the funds be held. They must be held within the court registry
14 investment system until the Council takes action and an actual
15 request is made of them and the funds are released. Then, they
16 must be released to either the state or the federal government as
17 you know. The State of Alaska account -- the settlement funds are
18 pooled with state general funds and invested primarily in U.S.
19 Treasury certificates, only a little longer term, corporate notes
20 and commercial paper. Bob Storer the chief investment officer of
21 the Department of Revenue is pulling information together regarding
22 possible investment strategies for both the state funds and also
23 our reserve account with the court registry. The clerk of the
24 court, Michael Milby was interested -- clerk of the court registry
25 investment system, Michael Milby, is interested in the
26 establishment of long-term reserve accounts, and sees that -- and

1 believes there will be no problem. We need to continue to pursue
2 that and we will. In this situation, Mr. Milby believes that funds
3 may or may not be pooled, depending on what our needs and requests
4 would be with other funds that they believe they have available for
5 long-term higher interest rate investment, but we would have to
6 give them the direction on that particular investment strategy. We
7 are working with Bob Storer, the chief investment officer of the
8 Department of Revenue to put together some alternatives for you.
9 On the federal side, settlement funds are pooled in a NRDA account
10 and investments are restricted to U.S. Treasury certificate bills
11 or bonds. One of the things that we just learned, and you may have
12 already known this, the funds are transferred out of this account
13 to an individual agency, i.e. NOAA, DOI or the U.S. Forest Service,
14 as the requests come through. The point that I would note there,
15 and the reason that I'm belaboring this is individual agency
16 accounts do not earn interest, so there's actually a potential for
17 lost income, or, at least, lost opportunity if the funds are not
18 either spent immediately, or, coincidentally, the way that we have
19 been transacting business, we have been moving forward with our
20 project implementation through the agencies prior to actually
21 transfer of funds from the court registry which is, as a matter of
22 fact, coincidentally, to our benefit because once those funds are
23 transferred to NRDA and then to the respective agency, we begin to
24 lose interest, we're no longer making interest. Whereas, the
25 longer those funds are held, the more interest that actually
26 accrues. We have invited Mr. Milby and Mr. Storer to come to meet

1 with the Trustee Council once we've been able to put together a
2 strategy paper. We will circulate that to you, and either at the
3 August, late August meeting or the September meeting, we will have
4 Mr. Milby from the court registry investment system, hopefully, and
5 Mr. Bob Storer, the chief investment officer, State of Alaska, meet
6 with the Trustee Council to discuss the various strategies for the
7 reserve. The only other item with regard to the financial report,
8 Mr. Chairman, is that Ms. Sinclair has also been working with the
9 Department of Administration and talked with Mr. Bauldoff about an
10 audit, and it certainly is -- I mentioned earlier -- actually, at
11 another earlier -- couple of meetings that I think that an audit --
12 independent audit of both our funds and our program funds,
13 financial procedures inventory review and internal controls is in
14 order, and she is working with the Department of Administration and
15 Mr. Bauldoff from the federal side to put together a scope of an
16 audit that would be conducted probably in the fall, and we would do
17 so through an RFP process and solicitation and get an independent
18 audit. That concludes the financial report, and as I said you will
19 receive the first of August the quarterly financial -- official
20 quarterly financial report.

21 MR. SANDOR: Thank you, Mr. Ayers. Are there any
22 questions or comments from the Trustees? If not, are there any
23 other items to (indiscernible - simultaneous talking).

24 MR. AYERS: Mr. Chairman, that concludes my report.

25 MR. SANDOR: Thank you for a very thorough report. Any
26 questions of the Executive Director on any issues that he did not

1 cover? Let's move on to the action items, and I trust you are
2 going to lead the discussion -- all those, Jim.

3 MR. AYERS: Yes, Mr. Chairman, the publication policy
4 has been circulated to you, it is a memo from me dated July 9th
5 that was handed out today. I apologize for not getting that to you
6 sooner, actually I didn't know the issue was -- was moving to the
7 front burner so quickly. I don't know if you've had a chance to
8 read this memo dated July 9th, 1994. The topic is regarding
9 publications in reference to Trustee Council funded research.

10 MR. SANDOR: Why don't you summarize it, Jim?

11 MR. AYERS: In a nutshell, Mr. Chairman, the issue is
12 actually two issues, with regard to publications and Trustee
13 Council funded research. The first issue is there are occasions
14 where the research that's been conducted that's been funded by the
15 Trustee Council, certainly is of great interest to the scientific
16 community and to the public, and investigators, biologists, or
17 project personnel have taken the opportunity to publish articles
18 related to their research. The issue is related to under what
19 particular acknowledgement we would want them to express -- what
20 acknowledgement would we want them to express with regard to their
21 relationship to the Trustee Council. My recommendation is that
22 there be a disclaimer associated with any research that's published
23 outside of a specific authorization of the Trustee Council, so that
24 anytime that a researcher is publishing an article, or submitting
25 an article for publication, they note that the fund -- that the
26 research was funded by the Trustee Council, but in particular that

1 as it is noted here, that the research described, although
2 supported by the Trustee Council, the findings and conclusions
3 presented by the author are their own and do not necessarily
4 reflect the views or position of the Trustee Council. That's on
5 the back page of the memo that you have in your hand, dated July
6 9th, second paragraph on the second page under my recommendation.
7 The other issue, maybe I'll stop there and answer questions with
8 regard to investigators working on projects sponsored by the
9 Trustee Council that may be interested in submitting those for a
10 journal article or other publication.

11 MR. ROSIER: Well, we're fortunate, Mr. Chairman to
12 have several people on the Trustee that have experience in dealing
13 with these kinds of issues.

14 MR. SANDOR: Deborah.

15 MS. WILLIAMS: Well, Mr. Chairman, I would just like to
16 move to adopt this proposal and specifically to adopt the language
17 set forth to being incorporated in publications arising from
18 research financed by the EVOS Trustee Council.

19 MR. SANDOR: Is there a second to that motion?

20 MR. JANIK: Second the motion.

21 MR. SANDOR: Seconded by Phil Janik. Any discussion?
22 Carl Rosier?

23 MR. ROSIER: I need some clarification on that motion,
24 Mr. Chairman. I want -- would you explain your motion please,
25 Deborah.

26 MS. WILLIAMS: Basically, to adopt Mr. Ayers'

1 recommendation that all research papers published wherein the
2 research was funded in part by the Exxon Valdez Oil Spill Trustee
3 Council, have the language recommended on page two of Mr. Ayers'
4 proposal.

5 MR. SANDOR: Any other points of clarification or
6 questions? Mr. Collinsworth.

7 MR. COLLINSWORTH: Thank you, Mr. Chairman. This would
8 -- this disclaimer would be on all publications, journal articles?

9 MR. AYERS: Mr. Chairman.

10 MR. SANDOR: Yes.

11 MR. COLLINSWORTH: It -- it would seem to me that, I
12 mean, that the -- at some point the Trustee Council or a principal
13 investigator or an author, should be able to publish with the
14 acknowledgement and the blessing of the -- of the Trustee Council,
15 that is, in fact, something the Trustee Council agrees with, and
16 that we're going to be putting out a lot of scientific information
17 with this disclaimer on it, how does the public ever become -- be
18 able to synthesize whether or not the Trustee Council agrees with
19 something. Is there some way to get a Good Housekeeping seal?

20 MR. AYERS: Mr. Chairman.

21 MS. WILLIAMS: If I could clarify my motion, and thank
22 you because I would like to clarify it. Any researcher who wished
23 to get the Trustee Council approval could do so, and so this is the
24 presumption, but that presumption could be rebutted if we were
25 specifically requested and if we as a Council agreed to endorse the
26 paper in question, and the conclusions in question. So, yes, that

1 would be available.

2 MR. SANDOR: Jim, do you have something to add?

3 MR. AYERS: Well, Mr. Chairman, that -- that is
4 exactly the recommendation and perhaps I could have made that
5 clearer, but that is the recommendation, that the specific request
6 could come before the Council and the Council could specifically
7 authorize an acknowledgement that the Trustee Council supports that
8 particular paper, but other than that, in order -- in order to
9 maintain some semblance of control at this point, we have a number
10 of research projects going on. Many -- and it is our recent
11 experience, that research that is being conducted, that we -- that
12 you, the Trustee Council are funding is generating information that
13 may be of interest for publication. However, some of that
14 information that's being published very well may not be supported
15 even by our Chief Scientist and our peer reviewers. And I think
16 it's important for the credibility of the Trustee Council to not
17 be, particularly associated with scientific publications that have
18 not been specifically approved by you or your Chief Scientist, and
19 that right now is occurring, and we need to have a policy.

20 MR. SANDOR: So, Deborah, I guess to clarify the end,
21 Jim Ayers is well to clarify the motion on the table. The motion
22 on the table then is, except in those instances where the Trustee
23 Council and/or the Chief Scientist approved items for publications,
24 then this recommendation would apply, is that true?

25 MS. WILLIAMS: Yes. That's correct. That's a very good
26 clarification, thank you.

1 MR. SANDOR: And that motion has been seconded by Phil
2 Janik. Any objection to that motion -- that recommendation? The
3 recommendation, therefore, is adopted. You want to proceed ...

4 MR. AYERS: Yes, Mr. Chairman, the second issue with
5 regard to publication policy, and perhaps we -- we don't need to
6 explore this anymore than to say there's a question at this point
7 that needs to be resolved, and that is that in the event that the
8 Trustee Council authorizes an expenditure for the publication of
9 information, there is a question of whether or not then the Trustee
10 Council would reserve the right to have its Chief Scientist and
11 peer reviewers review articles that would be submitted for the
12 publication for which you are paying or defraying the cost. For
13 example, if you're going to spend money on the publication of a
14 marine mammal publication or another scientific journal, and you
15 actually are funding the publication of that journal, do you want
16 to reserve the right to review or to have our Chief Scientist and
17 our peer reviewers review the particular articles that are going to
18 be going in -- into that publication? There are two thoughts, two
19 schools of thought. One school of thought is that's not how it's
20 done. You don't retain, quote, a -- you don't reserve a right to
21 review articles just because you put money in. You're controlling
22 free thought, perhaps, is the argument there. On the other hand,
23 there is something to be said from my point of view that there is
24 a question of credibility of the Trustee Council, and I think that
25 the Trustee Council may or may not invest in additional -- in other
26 publications in the future, but I think we do need to think through

1 in the future if we're investing in a publication, whether or not
2 the Council ought to have its Chief Scientist and peer reviewers
3 involved in the editorial review of the articles, and I don't have
4 a recommendation, except I think that it's -- it's a serious
5 question for us to consider in the future.

6 MR. SANDOR: Deborah.

7 MS. WILLIAMS: Mr. Chairman. Mr. Ayers, are we currently
8 investing or proposing in the fiscal year '95 work plan to invest
9 in publications?

10 MR. AYERS: No. Mr. Chairman, Ms. Williams, we -- the
11 Trustee Council authorized an expenditure of funds in FY '94 for
12 the expenditure of -- of funds for the publication -- for a
13 publication, and we reserved no rights for that publication. It's
14 a publication of marine mammal -- articles on marine mammals, and
15 I don't recall the ...

16 DR. BYRON MORRIS: Effects of Exxon Valdez on Marine
17 Mammals.

18 MR. AYERS: The effects of Exxon Valdez oil spill on
19 marine mammals, and there are articles being published, and we
20 participated in that publication, but reserve no right, and in my
21 inquiry of -- of articles, I found that we had reserve no rights to
22 review those articles, nor to have our Chief Scientist review those
23 articles, which seems to be consistent in some quarters with
24 contributing to publication, and it is with NIPS (ph) and I have
25 talked to Steven Pennoyer and we have talked with the editor, I
26 don't know ...

1 MR. MORRIS: Tom Loft.

2 MR. AYERS: ... yeah, Tom Loft the editor in Seattle
3 about this -- this disclaimer, and I think we have agreed that the
4 disclaimer will go in subject to your action today -- disclaimer
5 will go into that publication, but beyond that it is my view that
6 any future investment in publications ought to be clearly reviewed
7 and our participation ought to be clearly reviewed, because there
8 is a difference of opinion in scientific community of how some of
9 the articles, or about some of the scientific information, and we
10 ought to be clear on our contribution.

11 MR. SANDOR: Carl, do you -- excuse me.

12 MR. ROSIER: Thank you, Mr. Chairman. A couple of
13 things, Jim it -- it seems to me that we've at least taken care of
14 part of the problem with what -- with our previous actions on this,
15 at this point. I'm not sure, you know, from my perspective that
16 I'd like to see us go much further than this, in that somebody is
17 going to come to us for publication of -- of a piece of work here
18 on this. I mean, are our internal review system of looking at the
19 project and looking at the work that's been done on this, certainly
20 gives us the background, I think, to make a determination of, one,
21 whether we want to endorse that, or whether we want to put out as
22 a publication for public consumption as a, you know, with a
23 disclaimer statement on it, or whether we endorse the work that's
24 -- that's been accomplished and the publication that's coming out
25 of that. But, it seems to me that -- that we've got that pre-
26 publication time, making the decision to participate, we get a

1 look-see at that. I don't think that we should then come back and
2 reserve, quote, the peer review of the publication itself on that.
3 I -- it seems to me that's -- that has the connotation of censoring
4 the scientific journals a little bit here on this, and I'm not sure
5 I want to move that -- move that far in terms of our role in
6 publications at this point.

7 MR. SANDOR: Any other comments or questions? I guess,
8 I would observe that should we not be trying to get information
9 out, encourage information to go out. I know we want controls, but
10 a lot of money is passing through this, you know, the various
11 projects. Why wouldn't we -- and even though our differences of
12 opinion, wouldn't we want to promote the expression of views, and
13 I guess, I -- would say that the resolution that's been passed is
14 probably enough controls, but wouldn't we also want to encourage a
15 dissemination, not only in scientific journals, but perhaps other
16 places as well, the information that's generated ...

17 MR. AYERS: Mr. Chairman, yes, and we are -- we are
18 doing that, and we are trying to expand our public participation
19 and this exactly what this is, as well as an understanding in the
20 scientific community about what's been transpired. The essence of
21 this particular issue is in the event that our Chief Scientist or
22 peer reviewers do not concur with the article that's being produced
23 or the report because it has not been accepted by the Trustee
24 Council's Chief Scientist and peer reviewers, it very well may be
25 that the Trustee Council does not want to associate necessarily
26 themselves, if that report has not been accepted, and there's a

1 difference of opinion of the Chief Scientist and peer reviewers,
2 and that's really the crux of the issue here, where you would
3 actually be endorsing the publication of a particular article that
4 is not necessarily consistent with the findings of your own staff,
5 Chief Scientist and peer reviewers. Now, that is -- that is your
6 explanation of it, or your -- is exactly the question. Maybe the
7 Trustee Council, at any given point, would want to fund that open
8 debate in the scientific community, even though it's in contrast
9 with what you Chief Scientist and peer reviewers are finding. And,
10 I'm just saying that that -- that will be on an issue by issue
11 basis, I suspect, but it's not necessarily -- I have not been able
12 to get it to an open and shut case in a general policy format
13 because there's a substantive issue there.

14 MR. SANDOR: At this point in time, are there any other
15 publication policy issues that we want to resolve at this time, or
16 deal with at this time? Yes, Phil Janik.

17 MR. JANIK: I would just like to reenforce, I think
18 the logic behind the action we just took on the first issue, to me
19 anyway, that does provide more freedom for the open debate. As we
20 are not put in the position of having to past judgment one way or
21 another. As to the further funding to publish information, I guess
22 I'd like to give that some more thought.

23 MR. SANDOR: Let's do that. Any other comments on this
24 issue? If not, may we proceed to the Peterson resolution.

25 MR. AYERS: Yes, Mr. Chairman, there is a resolution
26 that's been handed out, and should be in your packet regarding Dr.

1 Peterson, and who we all know is -- as Pete Peterson, and I don't
2 know if he's in town this evening? No. And, we're hoping that we
3 could actually complete the resolution and get it signed today.
4 Mr. Peterson, and I circulated some information previously to you
5 regarding the Pugh Scholars program, and Dr. Peterson was
6 recognized the -- by the Pugh Scholars program and conservation and
7 the environment with his exceptional, professional contribution to
8 the conservation of biological diversity and related environmental
9 issues, and I believe the award was a five year -- three year, a
10 hundred and fifty thousand dollar research award for him to explore
11 scientific thought, and with that said, let me say that we
12 recommend it to resolution, if possible, be adopted and signed
13 today.

14 MR. SANDOR: Carl Rosier.

15 MR. ROSIER: So moved.

16 MS. WILLIAMS: Second.

17 MR. SANDOR: Moved by Carl Rosier, seconded by Deborah
18 Williams, that the resolution before us be passed. Any objection
19 to that? There being no objection the resolution is passed.

20 MR. AYERS: And, I'll circulate the resolution while
21 we chat here, that is the original. Mr. Chairman, the next item on
22 the agenda is with reference to the outline of the draft FY '95
23 work plan, and there's been considerable discussion, as -- as Brad
24 Phillips so clearly pointed out, it's a bundle of paper, and what
25 we would propose is that the FY '95 draft work plan be put into a
26 format that would be helpful to the public and better, or actually

1 enhance their ability to participate and review the '95 work plan.
2 So, what we're proposing is that there would be a summary of the
3 draft FY '95 work plan that would consist, it would actually have
4 all the projects, but it would have an introduction and tables that
5 identify priority one projects, those priority one projects would
6 be those lists of projects that best need -- meet -- the need of
7 restoration. There would be a narrative that puts the set of
8 priority one projects into the context of our overall goals and
9 objectives and strategies. There would be a listing of priority
10 two projects, and those priority two projects actually would be
11 projects that would include a number of projects that were
12 permissible, but of a lower priority. And, then there would be a
13 set of projects, or a list of the projects of all the other
14 projects that were actually submitted for consideration. Now, that
15 would be a summary, and that -- that particular document would
16 receive wide circulation to the Trustee Council mailing list.
17 There would be a supplement that would be available that would have
18 the brief project descriptions for all the projects of priority one
19 and priority two, and it would also have the information on how to
20 obtain the brief project description on other projects, if you were
21 interested. Now, this would receive limited mail circulation, but
22 would be noticed, in public notice that it's available, and it also
23 would be in the library. There would be another supplement, and
24 this document would consist of all of the stuff, the detailed
25 budget forms for priority one and priority two projects, and this
26 also would -- this would be provided to agencies for their internal

1 review, and this also would be available at libraries for public
2 review, and actually if someone -- member of the public were
3 interested, they could come in and get the whole nine yards, so to
4 speak. So, our recommendation, Mr.Chairman, is that there be an
5 outline for the '95 work plan, that you in fact give us the
6 guidance to proceed with the '95 work plan based on that outline,
7 and in addition to that, with regard to the priority one projects,
8 we're seeking some guidance on the amount of -- of funding, a
9 general amount. I propose that it be some eighteen to twenty-five
10 million, it could be thirty million, and that in the priority one,
11 depending on what the actual needs and restoration measures
12 addressed were. The essence of the question is an outline
13 question, not a decision to throw anything out. The essence is,
14 because you're not going to make a decision until October about
15 actually adopting a work plan. The question that's before you is,
16 is this an acceptable outline of a package that we could take to
17 the general public.

18 MR. SANDOR: The question before us then is the
19 proposal that -- that was outlined by Jim Ayers acceptable or it
20 would be proposed to modify in any way. Deborah Williams.

21 MS. WILLIAMS: Thank you, Mr. Chairman. Mr. Ayers, can
22 you remind the Trustee Council how projects are prioritized, the
23 process for putting something in the draft work plan into priority
24 one versus priority two?

25 MR. AYERS: Mr. Chairman, Ms. Williams, this
26 particular year -- this has not been done in the past, this

1 particular year, we will do that based upon a basic review that
2 we're going to do. We have -- we have submitted the -- the
3 projects to our peer reviewers, to our core peer reviewers and our
4 Chief Scientist. They are making independent comments and
5 recommending to us based on their individual observations to what
6 they think is really an important project, that clearly identifies
7 a restoration need and has a direct link to an injured resource and
8 a restoration measure that's linked to that injured resource.
9 Those are the projects that we will put into priority one. Want to
10 add anything to that? I feel you ...

11 MS. McCAMMON: Well, if you saw a copy of the general
12 invitation that we went out to the public for April 15th to May
13 15th, that reflected a number of workshops that were held this
14 spring and over the winter to kind of give some guidance to the
15 public in terms of what the research priorities were from the
16 scientific community, and in looking at prioritizing the research
17 proposals, we'll go back to that guidance, that invitation
18 document, and see how closely the proposals actually track that
19 guidance that was put out.

20 MS. WILLIAMS: And that's for research on how the -- the
21 other restoration ...

22 MR. AYERS: It -- it actually is all categories --
23 it's actually in all categories. We -- we have been working with
24 the scientist and with the public members, and by scientist I mean
25 the core reviewers, our own scientist and the public, in looking at
26 general restoration efforts, goals and objectives, monitoring and

1 research, goals and objectives as well as habitat protection goals
2 and objectives, and that will be the basis. And, you find that in
3 that in the actual solicitation that we sent out, and we're
4 actually going to use that to measure did people follow the general
5 guidelines in that solicitation, and that was the reason we put
6 together the solicitation. So we had some parameters, if you will,
7 on what we were looking for, and specifically it is related to, do
8 you address a particular goal and objective of restoration, and if
9 you clearly establish that the strategy that you propose in your
10 project will lead to restoration, and, if so, how? And, we will
11 use that, if -- and assuming they follow those guidelines, then --
12 and it is consistent with what scientist believe is -- is good
13 science, then that project would fall into priority one, and right
14 now I couldn't tell you actually whether it would be twenty million
15 or thirty million, and then, that would be in priority one. There
16 would be priority two that had lesser restoration importance for --
17 it might not meet many of the guidelines that we put out, or, in
18 fact, it might simply be a project that did not merit --
19 scientifically merit higher consideration. The other projects
20 would be those projects that is identified in the footnote that are
21 identified as being incomplete, inconsistent with our restoration
22 effort, or having significant legal or technical problems. And,
23 let me say at that point, we would not necessarily -- we're not
24 going to throw those out. The public will get to see those, but on
25 the other hand we want to note that they have significant -- we
26 want the public to know what the problems are with those projects,

1 and we are working with the attorneys to get that money stated.
2 All of the attorneys, including the federal attorneys have been
3 very helpful, including the state attorney (laughter), have been
4 very helpful, in helping us take a look at this early package. So,
5 that's -- that's in essence the breakout. But, it will help the
6 public, the PAG was overwhelmed, and it was them that said, you
7 can't do this, you can't send this out to the public and say, you
8 have to give us some indication of what you're thinking and what
9 the scientist think, and that's what we're trying to do, is give
10 the public an indication of what we think are really good projects.
11 And, by we I mean the scientists and us as staff. What we're
12 asking for is your guidance and blessing, so to speak, on this as
13 an outline. It is not our -- it is not our intention, let me be
14 clear, it is not our intention to come back here on August 8th and
15 say, geez, you want to take out some projects because, in fact, we
16 have the EIS and some other issues going on, and you need to --
17 you're going to hear from the public based on what we take out to
18 the public, you're going to hear back from them, and you'll get to
19 make the final decision to add or subtract in the October final
20 meeting.

21 MR. SANDOR: Are there any questions about the latest
22 as being displayed or what it means? Mr. Janik.

23 MR. JANI: I have just a clarification question, Mr.
24 Chairman. The eighteen twenty-five million dollar figure, which is
25 apparently is what we're targeting for that first priority, how was
26 that decided upon?

1 MR. AYERS: Mr. Chairman, Mr. Janik, it is generally
2 arranged, that is sustainable in the long run, and in this
3 particular regard it is not a final decision, it was simply my
4 recommendation. It was simply me trying to set some boundaries and
5 give some guidance to the scientists and the staff about trying to
6 come up with a ...

7 MR. JANIK: The second question is, priority two then,
8 are the projects intended to be acceptable but exceeding that
9 amount. In other words a lesser priority.

10 MR. AYERS: Yes.

11 MR. JANIK: Thank you.

12 MR. SANDOR: How so? I had a different interpretation,
13 but go ahead Endeavor. (Laughter)

14 MS. WILLIAMS: A very specific question about your
15 outline. The second bullet, a narrative that puts us at a priority
16 one, is that one a project-by-project basis, so each project in
17 priority one would have a little statement why that project was in
18 priority one?

19 MR. AYERS: Yes.

20 MS. WILLIAMS: Okay.

21 MR. AYERS: That is our intention, and -- and let me
22 say that's -- we spent a lot of time with -- with the staff, with
23 the staff scientist, with the scientists from the various agencies,
24 taking a look at what it is that they believe meet, you know, is
25 important for restoration. We've had the Chief Scientist and these
26 core reviewers participating in that. Let me also say that it was

1 our intention to try and drive forward. Hopefully at this meeting
2 we'd be saying to you, here's what we recommend as the right
3 number, the eighteen -- it ought to be nineteen or twenty, but it's
4 my understanding, clearly my understanding from the attorneys, that
5 that is not a decision that -- that we're allowed or prepared to
6 make at this time. We really need to just simply bundle it so that
7 the public can participate in it. Let them comment back and then
8 have a go -- and actually complete the EIS, and then have a go at
9 what can actually be funded. And, I think that's what I've --
10 Maria -- that's very consistent with what I've been advised, isn't
11 it?

12 MS. MARIA LISOWSKI: Yeah, the only other suggestion I
13 make is to make sure that you keep an administrative record of
14 those projects when you're saying that they don't meet the
15 criteria, make sure that you keep a record of why and how they
16 don't meet.

17 MR. AYERS: Thank you.

18 MR. SANDOR: Carl Rosier.

19 MR. ROSIER: Thank you Mr. Chairman. Jim, I just want
20 to clarify something here, and it seems to me you've got an
21 eighteen to twenty-five million limit provided for, or range I
22 should say, not limit, associated with priority one there. It
23 seems to me that we've got a fair amount of flexibility with that
24 wording, or that amount determined appropriate. Who determines
25 that? Is that the Council?

26 MR. AYERS: Yes. That -- that clearly is your

1 decision, that's the reason that's in there. Is it that -- we will
2 -- we are simply making a recommendation, but the amount actually
3 finally determined would be -- would be the Trustee Council. What
4 we hoped to do is -- is go through these over the next two or three
5 days and see how close we are, and then through your liaisons we'll
6 be talking about should that number be thirty or should it be
7 twenty-four, and you would participate in that way. But, the final
8 decision of what that amount is, you would hear from the public
9 about. So, you would actually then, perhaps hear from the public
10 and make the decision in October that you want to reach down into
11 priority two and bring them up to priority one and then support all
12 of priority one for funding because you determined that the actual
13 need for restoration in '95.

14 MR. SANDOR: Mr. Tillery.

15 MR. TILLERY: Yes, Mr. Chairman, I -- Mr. Ayers, I think
16 I maybe misread this when I first looked at it. I thought this
17 described a process by which you had separated projects into
18 priority one, being ones that were of particular importance, and
19 met the guidelines in priority two that weren't. You added those
20 up and come up with eighteen to twenty-five million. It sounds
21 like what you're telling me is you started with eighteen to twenty-
22 five million and you saw what fit in there? Is that -- what you
23 propose to do?

24 MR. AYERS: Yes. The latter is accurate. We don't
25 know if that -- we don't know if that number is eighteen to twenty-
26 five or twenty-seven or twenty-eight or twenty-nine or thirty.

1 MR. TILLERY: Wouldn't it provide more guidance to the
2 public to let them know the ones that have scientific importance or
3 restoration importance?

4 MR. AYERS: That's what we're doing. That's what
5 priority one will be.

6 MR. TILLERY: Well, it sounds that like they're the ones
7 that have restoration importance, or importance that fit under the
8 cap.

9 MR. AYERS: We won't know that -- we don't know what
10 the cap is. Take out the eighteen to twenty-five and put, or that
11 determined appropriate.

12 MR. TILLERY: Okay. I guess I wonder why you have to
13 have a cap or anything at all.

14 MR. AYERS: At some, the point of this -- Mr.
15 Chairman, Mr. Tillery, the point is to make it clear to the public
16 that there -- and to the proposers that there is going to be
17 discipline in the process. That there is going to be a priority
18 one, a priority two, and other projects. Otherwise, we would
19 simply do what, in some ways we have done it, you would bundle up
20 everything and send it out to the public. We're trying to
21 establish that there is going to be a priority one group, and that
22 they -- whatever that number ends up being. It's not going to be
23 everything.

24 MR. SANDOR: Mr. Chairman, I had -- or Mr. Executive
25 Director, I had that same problem. I had thought that we -- we
26 were going to have a system of categorizing or placing these

1 projects into either a high, medium or a low grouping by the value
2 of the project from a scientific or restoration criteria basis, and
3 that ...

4 MR. AYERS: That is the way that it will turn out,
5 yes.

6 MR. SANDOR: But, in thus if was thirty million in
7 priority one, that -- that would be that way.

8 MR. AYERS: Yes. It may be it -- and that's the
9 reason that it says eighteen to twenty-five million, or that amount
10 determined appropriate, and you could take out the eighteen to
11 twenty-five.

12 MR. SANDOR: Or, conversely, if there was just twelve
13 or fifteen million, it would be below that.

14 MR. AYERS: It could be --it could be below that.

15 MR. SANDOR: So, the priority -- so, then there is no
16 cap or-- that's the -- the values, eighteen, twenty-five or
17 whatever is not driving the classification.

18 MR. AYERS: That's correct. Mr. Chairman, at some
19 point in the future, it is certainly my view today, at some point
20 in the future, the Trustee Council, I think, will chose in the
21 future to do that based on all of the other things that you want to
22 get accomplished. You're going to have to say to the research and
23 scientific community, this is how much we're going to spend this
24 year, so that they know. So, that they know that they're
25 competing. The Council will have to establish with the public and
26 with the scientific research community and the monitoring people

1 that there is going to be, that there's a limit. So -- and that
2 clarifies this expectation that in some way there's an inordinate
3 or -- or an infinite supply of money. And, I would recommend that
4 we do that this year, except you can't do it this year until after
5 you've actually been through the whole EIS process and been out to
6 the public. So, that's the reason that it's a completely open-
7 ended question at this time.

8 MR. SANDER: So, priority one, two and three are
9 equivalent to high, medium and low value from the standpoint of its
10 scientific objective or its restoration potential?

11 MR. AYERS: Yes. In my view, the way you've asked the
12 question, the answer is yes.

13 MR. SANDOR: The ...

14 MR. AYERS: I don't know about medium, it's the only
15 thing I'm hesitating on.

16 MR. SANDOR: Oh, I was just trying to wonder between
17 priority one, two and three.

18 (Aside remarks)

19 MR. SANDOR: Deborah what -- would you repeat that?

20 MS. WILLIAMS: It seems like it's high, low and
21 unacceptable.

22 MR. SANDOR: Well, that gets to the off-the-wall
23 projects. (Laughter) Or the ones that do not meet the legal
24 criteria for -- and so then it -- it is high, medium and
25 unacceptable, or -- I'm still confused, maybe ...

26 MR. AYERS: I think that's -- Mr. Chairman, I think

1 you'll find, well, maybe not, but it is the reason that we went to
2 priority one, two and other, because we could only -- we believe
3 that it is possible to look at this -- that restoration needs, the
4 project, does it meet restoration needs, is it linked to an injured
5 resource, and is it scientifically creditable, based on our
6 independent science recommendation. If it is, then it goes in
7 priority one. If it, for some reason, doesn't have -- it has
8 flaws, it's incomplete, there may be other problems with it, but it
9 -- but it does have some merit, I mean it could have merit, then,
10 it's going to be a priority too. There may be projects that just
11 are legally unacceptable because they are not consistent with the
12 consent decree, or, they're -- as you say, off the wall, and those
13 would be projects that we're calling other projects. You could
14 call them low or ...

15 MR. SANDOR: Mr. Chair -- I -- that's a problem, I
16 guess. I'm mixing the low scientific value with the legally
17 unacceptable. You know, it just seems to me that -- that the
18 system, and it ought to be fairly well defined, you know, and we
19 invite projects, the criteria that would allow projects to be
20 either in the number one, two or three priority projects. It seems
21 like there would be some that have great scientific value that
22 simply do not meet legal requirements, and so, we wouldn't want to
23 mix those illegal ones or questionable ones with ...

24 MR. AYERS: Perhaps policy and legal questions ought
25 to be a separate category from incomplete projects, or those
26 projects that do not have a significant relationship to an injured

1 resource or service.

2 MR. SANDOR: Well, that's just one person's view, but
3 I think, if there is a mix of low scientific value and illegal
4 projects, or projects that don't meet the criteria, then I think
5 that's a mistake, and it would be a good -- it's really necessary
6 to get feed back to those who propose these projects as the reasons
7 why they're in category two or three, and if the third one is a
8 defect from a scientific basis as opposed to a -- not meeting the
9 legal criteria, then it ought to show that, but that's just my
10 thought. Any other comments or questions from the Trustees?
11 Deborah.

12 MR. WILLIAMS: Well, tagging very much, Mr. Chairman, on
13 what you just said, again looking at your outline Mr. -- at the
14 outline, Mr. Chairman and Mr. Ayers, I guess my initial instinct
15 would be to have a little narrative under listing priority two
16 projects that would just state in very short terms why that was in
17 the project -- the priority two project, and as the Chair just
18 said, a little narrative per project, more work, but would say why
19 it was listed as another project. Now, that may be prohibitive,
20 but that would certainly be helpful, I think, to the Council.

21 MR. SANDOR: Carl Rosier.

22 MR. ROSIER: Mr. Chairman. We seem to be working from
23 different sides of the paper here on this thing. I think the
24 wording that you're talking about is provided in the footnotes on
25 the backside of the page here. To the specific rationale for why
26 a particular project is prepared for this category, meaning

1 category three, will be provided for each project.

2 MR. AYERS: Mr. Chairman, Ms. Williams, we do intend
3 to do all of the things you mentioned. The significant difference
4 is, and we discussed this, but is -- and that is why we brought it
5 to you. It's my understanding that the only -- the primary
6 difference that you're suggesting is that we would take out those
7 -- those projects that have been identified to have serious policy
8 or legal questions and make them a separate category, then just
9 priority one, two or other projects. That other projects that have
10 little value or much lower scientific value, or fail, or doesn't --
11 do not identify a significant relationship to an injured resource
12 or service, or has problem with technical merit, all those would be
13 in that category three, priority three. But, we would set up a
14 separate category for policy and legal.

15 MR. SANDOR: Any other comments or questions? Deborah.

16 MR. WILLIAMS: I -- I would agree with that approach, and
17 then that goes to the Chair's initial reaction which would be high,
18 medium, low and other categorization, and I think -- I think that
19 makes sense.

20 MR. SANDOR: So then, Jim.

21 MR. AYERS: Yes.

22 MR. SANDOR: In that first footnote, the last sentence,
23 we are going to use that cap or drop that cap?

24 MR. AYERS: Why don't we -- why don't we take out
25 everything in cumulative total, and take out approximately eighteen
26 to twenty-five million all the way to an amount determined

1 appropriate.

2 MR. SANDOR: So, we're going to put the period after
3 fiscal year '95? Or what?

4 MR. AYERS: Could do that.

5 MR. SANDOR: Well, I'm just -- it seems to me we ought
6 to crank ...

7 MR. TILLERY: Mr. Chairman, I -- I would propose putting
8 the period after fiscal year '95 and then up in the third line
9 above that, where it talks about, includes general restoration,
10 monitoring research, habitat protection projects, I would insert of
11 a high priority that are responsive to this fiscal year '95 period.
12 Delete any reference to caps.

13 MR. SANDOR: Yeah. Just incidentally, does the public
14 have copies of this? Well, I guess they do not, and they really
15 should have had -- I apologize for not distributing these, cause
16 then your even in the darker, dark than some of us our.

17 MR. AYERS: There are some out there, Mr. Chairman.

18 MR. SANDOR: Oh, there are, okay.

19 MR. AYERS: ... and they have been. We just put this
20 together this, you know, we've been --

21 MR. SANDOR: Yeah, why don't you pick them up there on
22 the table, I guess. Well, is there any objection to -- to Mr.
23 Tillery's suggestion. Carl?

24 MR. ROSIER: Not an objection, Mr. Chairman, where did
25 you insert that of high priority?

26 MR. TILLERY: After (indiscernible) projects ...

1 MR. ROSIER: Footnote one
2 MR. SANDOR: Administration projects. Okay. Of high
3 priority.
4 MR. TILLERY: High priority.
5 MR. AYERS: And are responsive to the -- is that
6 correct?
7 MR. TILLERY: I would say of a high priority that are --
8 well, either way.
9 MR. AYERS: And a period after '95?
10 MR. SANDOR: Were you able to get them up there?
11 (Aside discussion)
12 MR. SANDOR: Oh, they're going to copy somewhere, okay,
13 thank you.
14 MR. AYERS: Therefore, Mr. Chairman, it's my
15 understanding that what we would accomplish here then is that we
16 would put together the packet as described with those changes, and
17 actually we will ensure that it is packaged as we have described it
18 here. There would be a summary draft, it would be widely
19 distributed, there would be a supplement volume one which would be
20 available with the brief project descriptions for all the ones and
21 twos and a list of the others, and then there would be a supplement
22 two that would include everything including the budget forms.
23 Actually, the second would include primarily the budget forms --
24 supplement two. We're talking about more than a thousand pages of
25 information broken out in a manner that allows the public to
26 quickly look at projects and see where they are, then if they want

1 more information they'd come back and get a -- get a supplement
2 one. If they then wanted to go through the detailed budgets which
3 would probably be another thousand pages, they could actually come
4 in and solicit that information as well.

5 MR. SANDOR: Any other comments or questions on this?
6 Yes, Mr. Tillery.

7 MR. TILLERY: One, Mr. Sandor, I would assume that this
8 will carry some kind of a disclaimer that says the this Trustee
9 Council is not -- endorse this priorities, so as to assure people
10 that we have not prejudged prior to receiving their comments.

11 MR. AYERS: Mr. Chairman, Mr. Tillery. If -- and that
12 gets us to the August 8th meeting, Mr. Chairman. (Laughter) This
13 disclaimer certainly obviates the necessity for the August 8th
14 meeting. On the other hand, if in fact you decide that you want to
15 participate in the discussion of which, then we'll have to have an
16 August 8th meeting. The disclaimer is what I would recommend, Mr.
17 Chairman, but I just want for a point of clarity, that we're going
18 to be working to put this together over the next three days in
19 terms of just how -- how we would break them out working with the
20 scientists and others. Then, there will be a -- then there will
21 work just actually putting it together in terms of a package for
22 printing. If you decide you want to get involved in the review of
23 the priority, then that's a whole other level of participation and
24 another meeting, which we don't recommend. We recommend that you
25 do, if you so desire, the disclaimer, but it's up to you obviously.

26 MR. SANDOR: Any thoughts on this issue -- the

1 question? Yes, Deborah.

2 MS. WILLIAMS: I would support the disclaimer and not
3 getting involved in the prioritization and then taking a fresh look
4 at this once the public has had a chance to comment on the staff's
5 initial work product, and then at that point we could call balls
6 and strikes on what gets funded.

7 MR. SANDOR: Is that a motion?

8 MS. WILLIAMS: Yes.

9 MR. ROSIER: I would second that motion.

10 MR. SANDOR: It's been moved and seconded as Deborah
11 Williams outlines, is there any discussion of this question? There
12 being none, the motion is passed. Phil Janik, did you have a
13 question or comment?

14 MR. JANIK: Just a comment, maybe an observation, Mr.
15 Chairman. It just occurred to me that when we're looking at
16 priority two projects, it may not be, in fact, of lesser
17 importance, projects that end up there -- there would seem to also
18 be a reference, and I think it's correctly stated, lower priority
19 for fiscal year '95. There may be a reason why a project would not
20 be as appropriate for '95 as perhaps a subsequent year, but not
21 necessarily be of lesser importance. Perhaps, it would be a
22 sequential kind of thing. So, I think we need to be careful how we
23 characterize priority two.

24 MR. SANDOR: Any other points? Yes, Deborah.

25 MS. WILLIAMS: I'll revisit a point I made earlier, and
26 that is, it was unclear how the response in my point, I would still

1 like to see in the main, you know, document, a brief statement of
2 why a project is in priority two or in priority three.

3 MR. AYERS: Yes.

4 MS. WILLIAMS: And, I don't think that is covered in the
5 footnote, which I -- I thank the Commissioner for bringing to my
6 attention, but I think it would be very helpful for the Trustee
7 Council to know up front, and then, of course, the public can
8 comment on that up front.

9 MR. AYERS: Mr. Chairman, duly noted and it certainly
10 is our attempt to do so.

11 MS. WILLIAMS: Okay.

12 MR. SANDOR: Might even be some value in offering the
13 opportunity for, especially those who write these projects to
14 comment on the priority ranking process itself. Any other
15 questions or comments on this? I hate bringing this issue up, but
16 since there's no possible way, I guess of -- with respect to
17 projects that are opposed by agencies, federal and/or state versus
18 the community or other institutions which we've heard much about
19 over the last several years -- hopefully, there's no bias
20 (laughter) with respect -- who does these rankings? And, are these
21 -- because we've heard questions raised about, perhaps projects --
22 not enough projects going to the private sector, independent sector
23 ...

24 MR. AYERS: Mr. Chairman, the recommendation that you
25 received for the '94 projects and you that you will receive from
26 the '95 projects, will be a recommendation -- you will see the

1 recommendation of the Executive Director, and I will include in
2 that the recommendation of the Chief Scientist. Those
3 recommendations are based to the best of my ability on that which
4 I find to be consistent with the Chief Scientist's view of
5 technical merit, and the information that's provided by staff.
6 And, I guess, I think that -- that the Council has established at
7 least that credibility to hold me responsible for those
8 recommendations, independent of agency pressure, which is why the
9 six of you have me as your charge. I don't work for a particular
10 agency, nor do I feel any obligation to any particular agency.
11 And, actually that was brought to light in Cordova recently by some
12 people in Cordova, as what they found to be the most meritorious
13 movement this year was -- not necessarily my employment, although
14 I was happy and my wife was, but -- but the fact that the Trustee
15 Council has credibility that there -- that there -- whether it's me
16 or someone else, that it's beyond the agency purview, that it's
17 beyond the agency obligation, and I feel no way -- I feel no agency
18 obligation whatsoever. I do utilize your staff because they have
19 far more detailed information on specific topics than I do, but
20 with the Chief Scientist and independent conversations with the
21 peer reviewers, I felt like your '94 recommendation was clear and
22 sincere recommendations based on the merit of restoration, and I
23 feel that '95 will be as well.

24 MR. SANDOR: So that the rankings ...

25 MR. AYERS: The rankings will be based on those
26 recommendations, and although there will be members of the public

1 and members of scientists of the agencies that will participate in
2 that, and there certainly will be differences of opinion, those
3 recommendations of ranking will be based on that discussion, and
4 then finally on my recommendation. Let me add, one of the other
5 things that the federal attorneys have pointed out that consensus
6 is not something that we need -- that we can actually even drive
7 for at this point because we have not been through FACA. So, I
8 don't intend to try -- try and drive towards consensus and fairly
9 confident it probably wouldn't be in most cases. It will be based
10 on an independent review and comments from them, but it will be
11 that of the Chief Scientist, the peer reviewers, staff and myself.

12 MR. SANDOR: Okay, any other comments or questions on
13 this? Carl Rosier.

14 MR. ROSIER: Question, Mr. Chairman. Jim, how does the
15 PAG fit into this -- this whole scheme.

16 MR. AYERS: Mr. Chairman, Commissioner Rosier, three
17 ways. One, we have been involving representatives of the PAG, as
18 Brad pointed out, just in our discussions of what are the important
19 things that we ought to be looking at, and we've -- they help put
20 together our solicitation package. Two, over these next three
21 days, we actually have representatives appointed by the PAG
22 chairman that will be working with us and reviewing these projects
23 and having the very discussion about projects. Three, on August
24 2nd they're going to get, they've had their way -- they're ahead of
25 where they were before, and that is what Brad pointed out the one
26 thing that he's grateful for, he had this big package and only had

1 four days. Well, he actually has three months to review it,
2 because on August 2nd and then October 2nd, actually, they're going
3 to have hold -- on August 2nd they're going to have another
4 discussion seeing what's going out to the public, and they get to
5 talk about it, and then they're going to work, and depending on
6 your direction, will have a staff person work with them and put
7 together their comments. Then, they will get to see the public
8 comment that comes back of this draft packet that's going to the
9 public, and they will get another shot at it in October before you
10 actually meet again.

11 MR. SANDOR: Any other comments or questions on this
12 item -- draft work plan? If not, can we go to the future meeting
13 schedule?

14 MR. AYERS: Mr. Chairman, at this point I -- I think
15 that the future meeting schedule will depend on the significance of
16 any changes that you may want to see to the restoration plan once
17 we have public comment in, and then that of the EIS. And, as soon
18 as we can get those comments together, we would get those to you.
19 If you have then any additional items that would need to come
20 before you, I would suggest that it would be sometime mid to late
21 August would be the next meeting, which would be consistent with
22 our effort to have a monthly meeting while we have all of this
23 going on. Whether it will have to be a teleconference or an
24 actually scheduled meeting will depend on what information we get
25 in and which items are to come before you.

26 MR. SANDOR: We've had several items and references to

1 our meeting August 8, and so there is a meeting, at least
2 tentatively set for August 8?

3 MR. AYERS: There's a meeting tentatively now
4 scheduled for August 8th. We don't know if we'll be ready for the
5 August 8th meeting, or if it will have to be, perhaps like an
6 August 20th meeting, but it will be some place in that
7 neighborhood.

8 MR. SANDOR: I thought that our intent was to have this
9 schedule printed out, which we have -- that -- we -- those are on
10 my calendar now. If they're going to be changed, the sooner we
11 know that the better.

12 MR. AYERS: But, the point of the August 8th meeting,
13 you took care of with the disclaimer. You very well -- it depends
14 on whether we can get it, and I know that you want to lock in the
15 dates, Mr. Chairman, and we're struggling to do that, and that was
16 the point of -- of comment by you and others, and we're trying to
17 do that. We don't know what comments will come in on the EIS and
18 the restoration plan. We'll compile those as quickly as possible,
19 and hopefully we'll get that to you so you can just make a final
20 decision on the EIS and restoration plan on -- on the 8th, but we
21 don't know that at this point. The only other thing that was going
22 to come before you of significance on the 8th was this particular
23 item which you are now -- you've just taken care of, which is the
24 '95 work plan going out for public review.

25 MR. SANDOR: Deborah Williams.

26 MS. WILLIAMS: Mr. Chairman, two points. One, there was

1 one issue that came up today regarding appraisals and funding for
2 appraisals that I think the Trustee Council will need to address
3 within the next week or so, and so I will in just a little bit,
4 make a motion to recess instead of adjourn so that we can address
5 this very important and pressing issue. I don't see that requiring
6 a huge meeting; rather, a very targeted meeting to talk about where
7 we are. Forest Service is going to do a real in-depth analysis
8 over the next several days to determine where we are appraisals,
9 how much additional money we may need and some other constraints,
10 and I think we're going to -- if we're going to meet our September,
11 October schedule, we have to address that very quickly. With
12 respect to August 8th, I guess, Mr. Chairman, my tendencies would
13 be to say that probably that is pressing it a little bit in terms
14 of allowing staff to collect and analyze the public comment. I
15 mean, let's be candid, we can expect a huge, you know, mail bag of
16 public comment on July 31. I mean, that's just how it works, and
17 so for staff to analyze that and get us a -- you know, a summary
18 that we could use will probably take staff a week or two, so if
19 we're going to make a cut on the restoration plan, I think more
20 realistically, we're probably looking at that in the August, you
21 know, as Mr. Ayers said, that, you know, late teens, early twenties
22 time frame, or even the 29th. I do you think we've obviated the
23 primary need for the August 8th meeting, and so I guess I would
24 make just the tentative recommendation that, unless something comes
25 up, we not plan on the August 8 meeting, but instead plan on this,
26 you know, interim meeting on appraisals, and then a subsequent

1 meeting in August to look more thoughtfully at the public comments.

2 MR. SANDOR: Mr. Ayers, what is on the table for our
3 consideration with respect to meetings? What Deborah Williams
4 suggests is that instead of the August 8 meeting, that we have a --
5 a earlier meeting and possibly a meeting later in August than
6 August 8, but what's your recommendation?

7 MR. AYERS: Mr. Chairman, the other item with regard
8 to meetings is the one that Deborah covered. It is -- and we've
9 talked with the Forest Service -- we have got to bring the schedule
10 and the cost regarding appraisals and timber cruises back before
11 the Council in the near future, and we don't know when that will
12 be, but I assume it will be a teleconference in the next week to
13 ten days. The next meeting, I was just talking with Rod Kuhn, who
14 is responsible for the EIS process, he believes that it will not --
15 it will not cause a delay and maybe more effective if, in fact,
16 sometime after the 15th or the week of August 15th we plan to have
17 our next meeting, since that would give the staff time to put the
18 information together.

19 MR. SANDOR: Do you want to pick a date for that
20 meeting now or propose one?

21 MR. AYERS: Mr. Chairman, what Rod is saying is that
22 you could do that by teleconference, and we could put that material
23 together for you, and you could pick a date, and you could -- it
24 would -- it is the case you're going to have to meet on the 29th
25 because there is an issue, unless we were able to put interim
26 budget approvals together -- interim budget approvals have to be

1 put together, and those are items that will have to be funded,
2 projects that will have to be funded before October. And, that
3 will be before you in August also. Perhaps, if we could do it, as
4 Rod is suggesting, sometime between the 15th and the 25th, we could
5 get both of those items together and do those, interim budget for
6 '95 and also the EIS and the restoration plan.

7 MR. SANDOR: Carl Rosier.

8 MR. ROSIER: Mr. Chairman, if we have the opportunity
9 here on this to consolidate some of the meetings on this, I would
10 certainly appreciate that opportunity here. If we could move -- if
11 there's no impact on anything through the 29th, I recommend that we
12 have a combined meeting on the 29th, and move ahead.

13 MR. SANDOR: 29th of ...

14 MR. ROSIER: ... of August.

15 MR. SANDOR: Don Collinsworth.

16 MR. COLLINSWORTH: Yes, Mr. Chairman. Mr Pennoyer will
17 not be available on August 29th, but would be available on the 25th
18 or the 26th.

19 MR. AYERS: Mr. Chairman.

20 MR. SANDOR: Yes, Jim Ayers.

21 MR. AYERS: That's -- that's one of the reasons we got
22 into this situation before was because the 29th is too late for the
23 restoration plan and the FEIS to get approved and get back out, to
24 get printed to go back out as the FEIS, in order to keep our
25 schedule going. So, it actually has to be the week -- sometime
26 between the 15th and the 22nd. It can be -- so, it's the 16th to

1 the 22nd, those days included, or you can have three separate
2 teleconferences.

3 (Laughter)

4 MR. SANDOR: Carl Rosier.

5 MR. ROSIER: I recommend we have three separate
6 teleconferences.

7 MR. SANDOR: Deborah Williams.

8 MS. WILLIAMS: I guess I will, at least tentatively
9 disagree with that recommendation. I think that when we chat about
10 the restoration plan, we need to do that together in the public.
11 That's going to be a very important meeting, and I think the public
12 will want to see all of our bright shiny faces in front of them
13 debating that one out. If we can consolidate into one meeting the
14 week of the 15th to the 22nd the items that are on the agenda for
15 August 29th, that would be my recommendation to just put it into
16 one substantial meeting, but all meet and do it in public.

17 MR. SANDOR: Craig Tillery.

18 MR. TILLERY: Mr. Chairman, I was -- I was just
19 (indiscernible) I am not currently planned to be at a location
20 that has a telephone between the 13th and 21st.

21 MR. SANDOR: Of August?

22 MR. TILLERY: ... of August.

23 MR. SANDOR: Mr. Janik.

24 MR. JANIK: I'm fine with the 22nd, Mr. Chairman.

25 MR. SANDOR: It seems clearer that the present schedule
26 of meetings on August 8, August 20 approximately, August 29,

1 September 28, October 30 has to be modified, and so, but I'm
2 unclear as -- it will -- since -- since I trust we are chairing the
3 meeting (laughter) that we would want to identify the next meeting
4 date, or are we going to do have a follow-up to this meeting by
5 teleconference, or what?

6 MR. AYERS: Mr. Chairman, there does need to be a
7 teleconference in the next ten days to resolve the issue of funding
8 for additional funds for appraisal and timber cruise.

9 MR. SANDOR: For it -- can we set that teleconference
10 date now, and then have at that time a new schedule of Trustee
11 Council -- you know, confer with individual Trustees to see ...

12 MR. AYERS: Mr. Chairman, that -- that is subject to
13 the Forest Service advice.

14 MR. SANDOR: Do you want to pick a -- Phil do you or
15 your staff want to pick a date?

16 MR. JANI: Yes, just let me make a comment before I
17 ask maybe some of the folks here in the back who are involved in
18 looking at this information, but based on the short briefings I
19 received, I believe we need to get at this quickly, within the next
20 few days, because we may very well be having to bring back to this
21 body a suggestion of additional funding that would be needed to
22 meet the established deadlines, given the acceleration of all these
23 parcels coming on as they have. Jim, you got any insights, or
24 anyone else as to what might be feasible?

25 (Aside comments - Laughter)

26 MR. SANDOR: Invisible man is back there.

1 MR. WOLFE: Phil, I think you're right. We do need to
2 -- to move ahead as rapidly as we can, and Jim has expressed an
3 interest to -- I would shoot for either the 15th or maybe the 18th
4 at the latest. I just need a little time to get with the -- some
5 of the staff to make sure we're where we need to be, and some of
6 those staff are on leave, and they're going to have to come back
7 off leave to -- to wrap this up, so it will take a little bit of
8 time to get it organized, so if we could -- if we could hold off
9 until the 15th, maybe the 14th, but the 15th or the 18th would be
10 preferable.

11 MR. SANDOR: Is there an expression of preference on
12 any of the Trustees on the 15th, 16th, 17th, or 18th? 15th?
13 You're going to be gone -- you're going to be here, Craig?

14 MR. TILLERY: Friday, of July, just Friday. I don't
15 know what we're doing this Friday, we've had this discussion
16 earlier.

17 MR. SANDOR: Oh, that's been cancelled, or postponed,
18 hopefully indefinitely.

19 MS. WILLIAMS: The 18th would be ...

20 MR. AYERS: ... but it won't be now.

21 (Laughter - aside comments)

22 MR. SANDOR: Did we agree on the 18th?

23 (Laughter)

24 MR. AYERS: Monday, the 18th is Monday.

25 Mr. SANDOR: So, there would be a teleconference at
26 approximately what time on Monday?

1 MR. WOLFE: It would be preferable if it was Monday
2 morning. Phil and I both have a close-out meeting with a group of
3 folks after lunch, so late afternoon or in the morning.

4 MR. SANDOR: So, then this meeting would be recessed
5 until Monday morning, July 18th.

6 MR. WOLFE: 10:00 o'clock.

7 MR. AYERS: Mr. Chairman, in the meantime, we will
8 work to try and consolidate the agenda, work with the people with
9 the -- from the -- working on the EIS and see if we can't
10 consolidate the agenda to establish at that -- during that 18th
11 teleconference, when the August meeting would actually occur.

12 MR. SANDOR: And touch base, I presume, with the Public
13 Advisory Group?

14 MR. AYERS: Yes sir.

15 MR. SANDOR: Okay. Deborah.

16 MS. WILLIAMS: Mr. Chairman, 10:00 o'clock is not good
17 for me -- late afternoon, but if we could just let someone on your
18 staff touch base Monday, that will be ...

19 MR. AYERS: Yes, Rebecca will -- we'll coordinate the
20 teleconference for the 18th. I'll be in travel status also, and we
21 -- but, we'll work it out with Rebecca and the Forest Service.

22 MR. SANDOR: Yes.

23 MS. WILLIAMS: 3:00

24 MR. WOLFE: 3:00 should be fine.

25 (Aside comments)

26 MR. AYERS: Rebecca will put that together with the

1 phone numbers ...

2 MR. SANDOR: 3:00 o'clock on the 18th.

3 MR. AYERS: 3:00 o'clock on the 18th a teleconference.

4 The items that -- the items for that we know of today are the issue
5 of appraisal -- completion of appraisal, time lines and costs, and
6 the setting of meeting dates for August.

7 MR. SANDOR: Okay, Mr. Ayers, are there any other items
8 that you would bring before this group?

9 MR. AYERS: No, sir.

10 MR. SANDOR: Are there any -- do the Trustee Council
11 members have any items to bring before we recess? The picnic again
12 is when and where?

13 MR. AYERS: The picnic will begin in -- as soon as
14 people arrive with food at the Valley of the Moon Park.

15 MR. SANDOR: Valley of the Moon Park and people ...

16 MR. AYERS: E Street and Arctic Boulevard.

17 MR. SANDOR: Paper plates and all that stuff is there,
18 but we're to bring ...

19 MS. McCAMMON: We've got extra food too ...

20 MR. SANDOR: But, we can stop ...

21 MR. AYERS: It says food and sports equipment.

22 MR. SANDOR: Okay, then without objection -- is there
23 a motion that we recess?

24 MS. WILLIAMS: So moved.

25 MR. ROSIER:: So moved.

26 MR. SANDOR: Second. Until Monday the 18th at 3:00

1 p.m.

2 (Off Record at 4:47 p.m)

3 END OF PROCEEDINGS

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CERTIFICATE

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THIRD JUDICIAL DISTRICT)

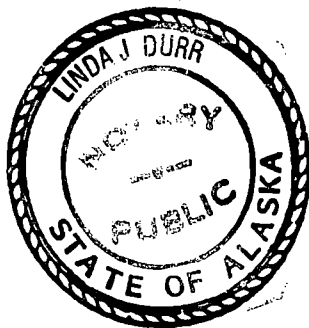
I, Linda J. Durr, a notary public in and for the State of Alaska and a Certified Professional Legal Secretary, do hereby certify:

That the foregoing pages numbered 03 through 111 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council meeting taken electronically by Ladonna Lindley on the 11th day of July, 1994, commencing at the hour of 1:00 p.m. at the Restoration Office, 645 G Street, Anchorage, Alaska;

That the transcript is a true and correct transcript requested to be transcribed and thereafter transcribed by me and Sandra Yates to the best of our knowledge and ability from that electronic recording.

That I am not an employee, attorney or party interested in any way in the proceedings.

DATED at Anchorage, Alaska, this 18th day of July, 1994.



Linda J. Durr

Linda J. Durr, Certified PLS
Notary Public for Alaska
My commission expires: 10/19/97

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