

EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

RECEIVED
JUL 22 1994

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

Trustee Council Teleconference Meeting

VOLUME II

(Continuation of July 11, 1994 Trustee Council Meeting)
(Pages 113 through 157, inclusive)

July 18, 1994
3:00 p.m.

TRUSTEE COUNCIL MEMBERS in attendance:

In Anchorage

State of Alaska

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

United States Department
of the Interior

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

Via Teleconference

State of Alaska Department
of Environmental Conservation

MR. JOHN SANDOR, Commissioner,

State Department of Fish
and Game

MR. CARL ROSIER
Commissioner

United States Department of
Agriculture - Forest Service

MR. JAMES WOLFE, Director,
Engrg & Aviation Mgmt

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

MR. JIM AYERS	Executive Director, Trustees Council (teleconference)
MS. L.J. EVANS	Public Information Officer
MS. REBECCA WILLIAMS	Executive Secretary

MR. DAVE GIBBONS
MR. RICH GOOSENS
DR. JEROME MONTAGUE
MR. ALEX SWIDERSKI
MR. MARK BRODERSON
MR. WALT SHERIDAN
MR. SANDY RABINOWITCH

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26

2

3
4
5
6
7
8
9
10
11

12

13

14
15
16
17
18
19
20
21

22
23
24
25
26

1 giving a historical context, to -- where we are, and then for our
2 part, the last page is a appraisal schedule and cost estimate. If
3 anybody has got any questions on the historical context, the first
4 four pages I'll be glad to answer those -- or try to answer those,
5 but I guess the real crux of the report is the fifth page, which is
6 the schedule and cost estimates, and, if I can, I'll jump right to
7 page five, if nobody has any questions on pages one through four --
8 we can answer those as we go along.

9 MR. SANDOR: Any questions from anyone? Please proceed
10 then, Dave.

11 DR. GIBBONS: Okay, on page five you'll see a couple of
12 draft stamps on it. I've got a large draft stamp in my office, and
13 to make sure that this is a draft. That this is the best estimate
14 as of about 11:30 today of what we know about the appraisal
15 schedule and the cost estimate. I'll walk down through this and
16 then I'll open it up for any questions, or any questions like --
17 when I give the presentation is fine too. The -- number one is the
18 Eyak parcel. This is the slightly over 2,000 acres that was
19 approved at the May 5th Trustee Council meeting. The acquisition
20 of timber rights. The current -- the timber cruise has been
21 completed. They've got to do a check cruise, I understand, next
22 week, and with that it will be completed by late this month, and an
23 estimated cost for -- a cost of sixty thousand three hundred and
24 twenty dollars for that -- for that cruise. Chenega -- you'll see
25 an asterisk there -- the landowner permission was given through a
26 nine -- '93 agreement with the Forest Service. The initial cost on

1 this of fifty-three thousand for the appraisal was borne by the
2 federal restitution funds. It was not shown on this estimate. The
3 acres is appraised for seventy-six thousand. It's a mixture of fee
4 -- fee simple, partial interest and timber rights. The estimate is
5 for late July to have this done, or perhaps early August. The
6 estimated cost is four hundred and fifty thousand, but that's an
7 estimate. Well, (indiscernible) -- it's going to be -- my
8 estimation it'll be less than that, but this is a cost that will at
9 least cover what the appraisal will be. We don't know what the
10 cost is yet -- to the -- to the hearings and those things that are
11 reviewed here by the -- by the contracting officers and the
12 contracting officer representative as they come in, but this is an
13 estimate of the cost but I can tell you it's an estimate. Shuyak
14 -- it was requested from the Executive Director on the 29th of
15 April -- it's twenty-seven nine hundred acres. It's a fee simple
16 acquisition of the land and timber rights. Right now, it's
17 scheduled to be mid-August. The estimated cost is three hundred --
18 well, three hundred ninety-one thousand six hundred and three. The
19 latter two -- Chenega and Shuyak were set back due the -- to the
20 acceleration of Eyak purchase. That was put -- that was to be
21 completed within ninety days, and so the timber appraisal had to be
22 done immediately, and so that -- these were put in lower priority,
23 so Eyak was superseded, then Chenega and Shuyak, and was put on --
24 on first to do for completion of the timber cruise. The next
25 three, I'll talk about it in -- in combination, Akhiok-Kaguyak, Old
26 Harbor, and Kodiak. Akhiok was authorized on the 6th of May, as

1 well as Old Harbor, and the Kodiak parcel was authorized on the
2 11th of July. These are around two hundred -- they're all about
3 one hundred -- it's over a hundred and fifty thousand acres. It's
4 primarily fee. There's a small partial interest, right on Old
5 Harbor, like -- I'm not sure where that is, but it's
6 (indiscernible). This is no timber, and this appraisal will be
7 done, most likely, towards the end of August, but at least by mid-
8 September. Okay. And, we used to have -- late August, early
9 September, but to make sure that we can meet this schedule, it's --
10 it's mid-September, but I would expect it earlier, since there's no
11 timber appraisals or cruises needed for that -- for those three
12 parcels. The Afognak Joint Venture parcel was authorized by the
13 Executive Director on the 23rd of June. It's a hundred and twelve
14 thousand six hundred and fifty-eight acres. It's a fee simple and
15 timber rights appraisal. It's -- the draft report -- date is due
16 mid-September, and this is based on some conversations we had today
17 and earlier, in that -- there's excellent timber cruise data for
18 Afognak Joint Venture land, that was done recently, and using that
19 -- that the timber appraisal process can be speeded up, and
20 therefore, a cost -- a reduced cost because there's existing data
21 available, and, again, an estimate of two hundred thousand dollars.
22 The last one with a date is Eyak. It was authorized by the
23 Executive Director on 17th of June. It is approximately fifty
24 thousand acres to be appraised. It's a mixture of fee simple and
25 core lands, partial interest and timber rights. It's estimated --
26 with an estimated date of mid-September. It will be six hundred

1 thousand dollars. With a date of late October -- the cost will be
2 two hundred and fifty thousand dollars, and this is due to the
3 acceleration of hiring new timber cruises and the accelerated
4 process of getting people on the ground and appraising. The latter
5 two, I've been told, and maybe Rich can speak to this more, later
6 -- but there's a fifty-fifty chance that he could get it done by
7 mid-September. In fact -- I think twenty-eight people on ground
8 right now. He would have to hire twenty to twenty-five --
9 somewhere in that range -- additional people to start on AJV and
10 Eyak. So, that's -- the cost potential there, and Rich can speak
11 more to that cost differential. Tatitlek, I understand, is near
12 being -- authorization to appraise. I'm not too familiar with
13 what's the conversations there on the Tatitlek land are, but John
14 Harmony (ph) and Alex Swiderski have been -- have been talking to
15 Tatitlek and they can provide additional information that -- more
16 information as -- is needed in regards to Tatitlek. As of now,
17 there's been no appraisal ordered -- authorized for Tatitlek. The
18 same is for Chugach. John Harmony and Alex Swiderski have been
19 talking to Chugach Corporation, and I'm not quite sure what lands
20 are -- are involved there, but as of -- presently, there's no
21 appraisal authorized. Port Graham appraisal was authorized on the
22 29th of April, and there on the 17th of May was withdrawn by the
23 landowner after some preliminary work was done in getting ready for
24 that appraisal. English Bay has not been ordered. These two, I
25 understand, are being reviewed by the Department of Justice. The
26 -- the appraisal that was -- was done, and the Department of

1 Justice is going to give us an opinion on -- on the appraisal that
2 -- that was done. They're using, I believe, they're using public
3 interest values. The estimated total is in -- worst case scenario
4 of the six hundred thousand for Eyak, and right now we don't have
5 any totals for Tatitlek or Chugach; it's one point eight -- a
6 little over one point eight million dollars. The appraisal funds
7 authorized by the Trustee Council on the 31st of January for five
8 hundred and fifteen thousand dollars, and that was in project
9 94126, and the additional funds as we look at it right here, would
10 be one point three million dollars, and in the -- in a short
11 scenario, that's where we are today in the project. Can I answer
12 any questions or -- financial cost questions or scheduling
13 questions?

14 MR. SANDOR: Thank you, Dave, for that summary on --
15 were there some questions on -- that individuals may have on --
16 weren't you going to divert some of them, to explain generally why
17 the divergence in estimated cost appraisals per acre for comparable
18 packages? Shuyak for example, twenty-seven thousand nine hundred
19 acres estimated at eight hundred and ninety-one thousand, and the
20 joint venture and in the Eyak lands, why the ...

21 DR. GIBBONS: I'll tell you. I know at Shuyak the last
22 timber cruise out there was in the -- in the early sixties. The
23 date of this -- this really -- non-existent or inadequate, so I
24 know the -- the appraiser had to first view it, he took aerial
25 photographs of the island of Shuyak, then analyzed the general
26 photographs and then set up a timber cruise analysis from there,

1 and I think there's also of the logistics of -- of Shuyak Island,
2 it's out -- it's close to Kodiak Archipelago, it's -- the logistics
3 are extensive out there. That would be my guess, but Rich may have
4 ...

5 MR. GOOSENS: Yeah, that -- that's for sure one of the
6 reasons, and each one of these would be timber that's being
7 cruised. There's varying degrees of existing data that they can
8 build on, and Shuyak, for instance, and Chenega, where -- they had
9 to pull the base foundation of what is actually there, not only by
10 volume, but also by timber type. On the ones that we have, for
11 instance, on AJV, we anticipate that they will have a pretty good
12 data base already existing, and so, it's going to be more of a
13 matter of setting up some plots to do a check cruise, rather than
14 having a full scale exercise out there of fifty people measuring
15 trees. The Eyak one is mostly because of the time constraint is
16 why that cost element is so high. If -- tried talking to the
17 timber cruiser this morning, he said if he was allowed to just use
18 the crew that he already has of about twenty-eight people, that he
19 could do that in sequence. You'd -- naturally pass along
20 considerable cost savings to us. That's why if you were allowed to
21 finish Eyak later on, possibly into October, you could save three
22 hundred and fifty thousand dollars. And, the other thing,
23 logistics is big thing. At Chenega, for instance, those folks can
24 charge a hundred dollars per day per man to stay at Chenega to
25 cruise their timber, that's what Chenega charges them, and it's
26 either that or fly them in or fly them out, and we had some unique

1 things for each property that are like as well.

2 MR. SANDOR: Dave Gibbons has invited questions. Are
3 there any questions from Anchorage, first of all, Craig Tillery or
4 Deborah Williams?

5 MR. TILLERY: One question, the -- other than the Eyak
6 prices, are the other prices don't assume any kind of speed up from
7 the original schedule, or some of additional costs. These are the
8 -- these are sort of like the current schedule and the current
9 costs?

10 MR. GIBBONS: Craig, I think the AJV is a speed up, but
11 due to the good quality of the information on the timber cruise,
12 that I think it's going to be an easier job than -- than the other
13 ones, but AJV was -- would be a speed up one, but like you say, the
14 excellent data we hope is there will provide for the expedient
15 appraisal.

16 MR. SANDOR: Any follow up questions in Anchorage?

17 MS. WILLIAMS: Mr. Chairman, I just have one, and I
18 apologize for having to ask my staff over the teleconference this
19 questions, but he's not here. Glenn are you on the line?

20 MR. ELISON: Yes, I am Deborah.

21 MS. WILLIAMS: Is mid-September -- was that our
22 expectation on Akhiok, Old Harbor and Koniag?

23 MR. ELISON: We were hoping for the end of August, but
24 mid-September is not surprising, I guess.

25 MS. WILLIAMS: Okay, that was -- I had assumed it was
26 August also, and that's a little bit outside the scope of this

1 discussion, but perhaps after this discussion we can talk about the
2 draft report date. I know to try and finalize the deals -- I was
3 hoping for a late August date instead of a mid-September date for
4 Akhiok, Old Harbor and Koniag. Is there any flexibility on that,
5 or are those dates on this chart pretty set in stone?

6 MR. GOOSENS: No. This is Rich Goosens. I had talked
7 with Diane Blacksmith last Monday when I was in Anchorage, and she
8 had said that now that the Koniag one will also be included, that
9 it's likely AKI, Old Harbor and Koniag may likely be the very first
10 ones done.

11 MR. AYERS: That's my understanding, as well. This is
12 Jim Ayers. And, I did have a separate conversation with Diane when
13 Rich was out trying to nail this down, particularly when -- once we
14 found a process that would Koniag, as you can see on the chart, it
15 was excluded earlier, it's now included with the package, and she
16 thought that the end of August was possible. And, it's my
17 understanding from what David said was that he put the mid-
18 September date in there just to -- just to be safe, so to speak.

19 DR. GIBBONS: Thank you, Jim, that's correct. I would
20 expect the end of August, but ...

21 MR. SANDOR: Any questions from Juneau on this -- this
22 appraisal schedule and cost estimates that Dave has presented?

23 DR. MONTAGUE: Mr. Chair.

24 MR. SANDOR: Yes.

25 DR. MONTAGUE: This Jerome Montague, I had a couple of
26 questions for you, Dave. Well, you've indicated here that there's

1 a 50-50 chance that use the September 15th deadline. That's
2 without the extra -- or the two hundred and fifty thousand dollar
3 level, there's still a 50-50 chance that Eyak can be done by mid-
4 September?

5 DR. GIBBONS: That's six hundred thousand dollar level.

6 DR. MONTAGUE: Well, even at the six hundred thousand
7 dollar level, there's a 50-50 chance.

8 DR. GIBBONS: That's my understanding.

9 DR. MONTAGUE: And, your indication that this is a worse
10 case (indiscernible) we're only talking about Eyak that has a
11 worst-case, and the rest of the estimates are average, or they
12 worse case?

13 DR. GIBBONS: Well, a hundred and fifty is an estimate
14 to make sure and cover it. I would expect it to be less than that,
15 that you understand, but I don't know how much less.

16 MR. SANDOR: Jim Wolfe, did you have a question?

17 MR. WOLFE: Thank you, Mr. Chairman. I guess my -- my
18 concern is that I hate to see us spend an extra three hundred and
19 fifty thousand dollars for an appraisal just for six weeks time,
20 but if we're going to try and make decisions on the comprehensive
21 acquisition proposal by the end of -- well, early -- early October
22 -- early to mid-October, then we're going to have to have it. I
23 guess, while I have some concern about the price of the expedited
24 appraisal for Eyak, I do feel like if we are going to make a
25 comprehensive decision, that we need to move ahead with that. I
26 guess that was the point I wanted to make.

1 MR. TILLERY: Mr. Chairman.

2 MR. SANDOR: Go ahead, Craig, I guess.

3 MR. TILLERY: Yes, I -- I have the same -- I have the
4 concern that these are mid-September dates, there's a 50-50 chance
5 that they'll be available by mid-September. Mid-September, if
6 they're there at that time, doesn't give me a lot of comfort, and
7 I guess what I would -- wonder, if Rich can answer, is whether
8 there is any chance of moving these dates forward, or what it would
9 take to move these dates forward about two weeks, so that we have
10 a 50-50 chance of getting them done the first of September. And,
11 the other thing is, with respect to Tatitlek, I wonder if he can
12 give me -- based on like the ninety-six thousand acres, if he can
13 give me an estimated date for that one, as sort of a part of this
14 whole thing.

15 MS. WILLIAMS: And costs.

16 MR. TILLERY: ... and costs.

17 MR. GOOSENS: Rich. I did just get off the telephone
18 before this meeting. I did call up our timber cruiser and shared
19 with him the acreage on Tatitlek. He gave me a cost estimate there
20 of somewhere, plus or minus, two hundred thousand dollars. He's
21 already flown over Tatitlek and has actually done some on the
22 ground inspection to verify cost information used in the Eyak and
23 Chenega timber. The bottom line that he was saying was the two
24 hundred thousand dollars to do Tatitlek, as well as the lesser cost
25 to do Eyak, as well as finishing the AJV, would be allowing him to
26 have the remainder of the field season to be able to do those and

1 rotate his crews around. Now, the field season probably ends in
2 October. That was the way he was looking at it out there in Prince
3 William Sound. To have this one timber corporation or timber
4 consulting firm do all three of these by the 15th of September, I
5 think would be almost impossible.

6 MR. SANDOR: Any follow-up questions on that response?

7 MR. TILLERY: Yes, Mr. Chairman. Why can't we have
8 another timber consulting firm do part of these if it's too much of
9 a burden for one?

10 MR. SANDOR: Rich.

11 MR. GOOSENS: Well, we can -- we can look into that.
12 He's -- has the ability to go out and hire an additional twenty or
13 thirty people, if need be. The logistics and the operation of
14 putting together a small army to mobilize is a little bit different
15 story. The costs do not go up just per man times the number of
16 rigs. It's -- it's a little bit different than that. He -- he had
17 suggested that, he does have the ability to hire as many as an
18 additional twenty or thirty people, but, then, of course, the cost
19 estimate is probably going to be significantly higher.

20 MR. WOLFE: Jim Wolfe, Mr. Chairman, Rich, I guess, my
21 question is if we implement it, the expedited Eyak appraisal, would
22 that automatically bring on an additional team of appraisers which
23 could then pick up the Tatitlek work?

24 MR. GOOSENS: I believe you have to look at it as being
25 a joint effort on Eyak and Tatitlek, or something like that. I
26 think that would certainly warrant him putting on the additional

1 people, as well as expediting both of those, as compared to going
2 back and forth from AJV to Tatitlek to Eyak and that type of thing.
3 You're dealing with an economy here of -- of scale as well as
4 location. I believe you're right in that.

5 MR. AYERS: Could we -- could we clarify Mr. Tillery's
6 question, and I was unclear earlier when we had this conversation,
7 Rich, about whether or not it's possible to have a separate
8 contractor take on a part of the load, which is what I understood
9 Mr. Tillery's question to be.

10 MR. SANDOR: Mr. Gibbons.

11 DR. GIBBONS: Mr. Chairman, yeah, I was going to speak
12 to that. It's my understanding that trying to find the -- Pacific
13 Forest Consultants was quite a task in itself, and that some of the
14 timber cruisers in Alaska were -- were thrown out due to either
15 doing work for the -- the private plan, for Exxon or whatever, and
16 so we really had to go out of state to find a timber cruiser. And,
17 so that was my understanding. I don't know how easy it would be to
18 find another one. I don't know, if you just ...

19 MR. SANDOR: Rich, do you have comments ...?

20 MR. GOOSENS: Well, yeah, Dave brings up a good point.
21 We did have to go through a whole vast list of timber consultant
22 firms from Southeast all the way up to the Anchorage area, and a
23 vast majority of them had some sort of a conflict, either working
24 for the corporations or for Exxon on a consulting level. That's
25 why we did go down south for them. Another question that comes
26 into mind, too, is that these larger timber corporations have got

1 other commitments, and it's no small thing to drop what you're
2 doing and go out and appraise fifty thousand acres of timber. It's
3 a major commitment that they have to take people off of another
4 assignment. That's one of the problems that Pacific Forest
5 Consultants is already having, in that they're -- they're having to
6 preclude getting other work done that they committed to. So, it's
7 a major problem here.

8 MR. SANDOR: We've got several problems, I guess --
9 that have been identified. One -- it's a matter of whether or not
10 an additional appraisal -- appraiser -- appraising company could be
11 engaged to do this task, and earlier Jim Wolfe raised the question
12 of why with -- mid-September versus late October appraisal for Eyak
13 that we would probably double that cost. I -- I don't know that
14 we've heard satisfactory answers, but there are -- we're --
15 difficult to get the one appraiser, I presume then it would be
16 difficult to get another one, but even at these levels. Jim, you
17 had another question or comment?

18 MR. WOLFE: Well my -- Mr. Chairman, my comment was
19 along the line of, were we looking at a new appraiser or a new
20 person to do the timber cruise -- a new group of people to do
21 timber cruise? If we have to go out for another contract to get
22 another appraiser on board, we will not be able to have that person
23 using our procedures for contracting, we would not be able to get
24 that person on board in time to meet any kind of time frame, so
25 we're almost forced to -- to utilize the contract we have now. I
26 think -- and he would contract -- that person then would have to

1 contract with a sub to additional cruise work for us, is my
2 understanding. But, Jim, does that answer part of your questions?

3 MR. AYERS: Yes, actually, my question had to do with
4 cruise, not appraiser. I understood the appraiser contract through
5 the Forest Service; I did not understand the cruise response until
6 some of the information we got, and, I guess, what -- what did not
7 come clear to me in the earlier conversation, and sounds like it's
8 the same question is, is -- why is it so much more expensive to add
9 cruise capability to go do Tatitlek and Eyak at this point. It
10 seems to be such a phenomenal increase in the costs compared to the
11 other cruise costs, and my understanding is that our current cruise
12 company is saying because it's different than the schedule that
13 they have, but -- and to add, whatever it is, twenty people to go
14 do the Tatitlek and Eyak lands would be more expensive because of
15 the schedule, but I guess I didn't -- it seems to me that the
16 helicopter cost or the flight time and the boat charters and the
17 cruise personnel themselves cost a certain amount of money whether
18 you have them do it forty-five days now or forty-five to sixty days
19 later. That was what was not clear to me in the answer, and it's
20 only the cruise contractor that I was questioning.

21 MR. SANDOR: Dave Gibbons has a comment.

22 DR. GIBBONS: I guess that's the point I was going to
23 make -- the same thing, Mr. Chairman, is that the Blacksmith
24 Richard's appraisers don't seem be where the problem is. It's the
25 -- it's the large amount of work to do in timber cruises is where
26 the real question is.

1 MR. SANDOR: Any further questions on this table,
2 appraisal schedule and cost estimates? Is this table then
3 satisfactory in -- do we go with the -- the mid-September or late
4 October Eyak report date? Any thoughts.

5 MS. WILLIAMS: Mr. Chairman.

6 MR. SANDOR: Yes, Deborah.

7 MS. WILLIAMS: I would like to make a motion and that is
8 that the Council adopt additional, or authorize an additional
9 appropriation of approximately one million five hundred thousand
10 dollars to accommodate the appraisal schedule, plus Tatitlek, that
11 is indicated on this chart, which would indicate also by my motion
12 a mid-September completion date for Eyak, but I would as part of my
13 motion like to make two, at least -- well, one change and one
14 recommendation, and I would like to change the Akhiok, Old Harbor
15 and Koniag target dates to be late August. I would prefer to have
16 that on the chart and a goal. And, secondly, I would like an
17 explanation, a written explanation, from the appraiser justifying
18 the difference between late October and mid-September. I'm not
19 sold on that difference. I don't understand it as I -- I mean,
20 many other people have expressed, but for purposes of getting on
21 with it, I would go ahead and make my motion for an additional one
22 million five hundred thousand dollar amount to appropriated for
23 appraisals.

24 MR. SANDOR: Is there a second to this motion?

25 MR. WOLFE: I would second, but also I have a
26 question.

1 MR. SANDOR: Seconded by Jim Wolfe, with a follow-up
2 question. Yes, Jim.

3 MR. WOLFE: Deborah would you preclude Chugach at this
4 point in time, or did you not add something in for Chugach because
5 we haven't heard any estimates on Chugach at this point?

6 MS. WILLIAMS: It was simply the latter.

7 MR. WOLFE: Okay. I guess my question then would be
8 to some of our negotiators, do we have something -- Jim, have you
9 heard anything from the Chugach folks as to a proposal, or to the
10 fact they may be coming in with something sometime soon?

11 MR. AYERS: Chugach is in the discussion stage.
12 They've indicated interest, but not detailed, unless Alex Swiderski
13 is on line and has -- or unless he's notified Craig, or Walt
14 Sheridan of a more updated version. We are only in -- previously
15 referred to as preliminary negotiation, simply trying to outline
16 the seller's and our interest. Unless Craig has -- or Walt
17 Sheridan is there and has more recent information, I do not believe
18 we have details of what they're interested in.

19 MR. SWIDERSKI: This is Alex Swiderski. We don't yet have
20 details of what they're interested in. I think Jim's summary is an
21 accurate one and stands to date.

22 MR. SANDOR: Jim Wolfe has a follow-up question.

23 MR. WOLFE: It really isn't ...

24 MR. SANDOR: Comment.

25 MR. WOLFE: It's a comment, Mr. Chairman. Well then,
26 I guess, my concern was this, we need to at this point in time get

1 all of the parcels on the table that we're going to ask our
2 appraiser to be dealing with so that we can start nailing down the
3 time and the costs once he sees the total work load, and, I think,
4 at least from my view, is that if Chugach isn't to the point where
5 we can get something going here within the next week or ten days,
6 that we should postpone anything on that for the time being and
7 just go with what Deborah has proposed here.

8 MR. COLLINSWORTH: Mr. Chairman.

9 MR. SANDOR: Yes, Don Collinsworth.

10 MR. COLLINSWORTH: Yeah, I have one question. Jim spoke
11 to it a bit earlier, but I'd like to have him, perhaps, elaborate
12 just a little bit on what public interest is served by speeding up
13 the Eyak mid-September to late October for three hundred and fifty
14 thousand dollars. I mean for five or six weeks, three hundred and
15 fifty thousand dollars, what public interest is going to be served,
16 and why couldn't we get the -- you know, why couldn't Eyak be dealt
17 with outside of the package of rest of them?

18 MR. WOLFE: Mr. Chairman.

19 MR. SANDOR: Yes, that was addressed to Jim Ayers.

20 MR. WOLFE: Let Jim answer it.

21 (Laughter)

22 MR. AYERS: I'm sorry, I think I'm being disconnected.

23 (Laughter) Mr. Chairman, I actually had chatted with people about
24 that question earlier, and this is the response that I believe is
25 the practical one -- Mr. Chairman, Don -- that the question of
26 whether or not we can accomplish these during this season, includes

1 maintaining the credibility of the timber cruise check, and in the
2 event we identify problem or there's something that -- additional
3 has to be done in the field, if we want to accomplish that -- our
4 efforts this year, or as much of our efforts as possible, that was
5 the reason we had the original time lines was to make sure that we
6 had the field work scheduled this year. The later we go into
7 October, unless -- unless -- and I have not directly talked to the
8 timber cruise person, but that's the conversation I had with Diane
9 Blacksmith and the others earlier is simply to make sure that we
10 get this accomplished in this year. I don't know if, in fact, the
11 mid-September can't be accomplished. No one said it couldn't, they
12 just said it was most likely it wouldn't be, unless we added the
13 additional funds and put the additional cruise on now. What I
14 didn't understand from that response, is if you have twenty-eight
15 people working, let's say, in parcel X, and you want to move them
16 later to parcel Y, but if you have those twenty-eight people moving
17 -- working over in X, and you want to go get another twenty-eight
18 to work in Y, why is it three hundred and fifty thousand dollars
19 more to bring the other twenty-eight in, as opposed to simply
20 waiting the twenty-eight days -- or to move the twenty-eight
21 people. I have not understood why the additional twenty-eight
22 people cost three hundred and fifty thousand dollars more as
23 opposed to waiting, and that was the reason I -- I wanted to force
24 the question, so I guess that's two -- two things. One is a
25 statement. I think the issue is can we -- will we get it done this
26 year if we don't expedite it, and my understanding of it, it

1 becomes questionable. If that's not accurate, then I need to hear
2 from Rich Goosens or someone who has talked directly to Manley, the
3 timber cruise person.

4 MR. SANDOR: (Indiscernible) a good question, raise
5 your hand.

6 MR. GOOSENS: After talking with Manley, the difference
7 is not simply the number of men in the field. What he's talking
8 about is that if he's got an additional time in office time to
9 accurately go on over a multitude of maps and aerial photos and all
10 sorts of things like that to better design the cruise, then he can
11 pass along savings to us. If it's a tight deadline where the field
12 work absolutely has to be done by a certain deadline date, he has
13 no option but to immediately send a double crew immediately to the
14 field to get that kind of work done. There's little time for
15 office preparation and that type of thing which actually is a cost-
16 saving element. So, one is the increase of doubling manpower. The
17 other thing is because of the short time frame, it precludes any
18 additional planning and preparation in the office as far as aerial
19 photos and designing the cruise. That's where the additional costs
20 come.

21 MR. AYERS: Mr. Chairman, this is Jim, could I do a
22 follow-up question?

23 MR. SANDOR: Please.

24 MR. AYERS: It's my understanding from our earlier
25 conversations that the act -- that the response to Don
26 Collinsworth's question, Rich, is that if -- if you don't expedite,

1 it may not happen this field season. Is that your understanding?

2 MR. GOOSENS: Yes, if we add all AJV, Eyak and Tatitlek
3 together.

4 MR. AYERS: Well, I don't know that you'd add AJV, but
5 if you added Tatitlek -- if you want Tatitlek and Eyak done during
6 this field season, my understanding is that -- it's -- you are
7 going to have to expedite it, but it sounds to me like it -- that's
8 what costs money, the additional three hundred and fifty thousand,
9 so let's don't debate that issue because I -- I still want to talk
10 to Manley myself about that issue. But, the reason to expedite it
11 so that it's accomplished this field season, which is in the public
12 interest as well as the seller's interest. Is that your
13 understanding? To get it accomplished this year, it has to be
14 expedited, or do you know the answer to that question?

15 MR. GOOSENS: Yes, that's -- that's accurate.

16 MR. SANDOR: But, from the Chair's perspective,
17 following up on Don Collinsworth's question, and you use the term
18 public interest as Don used, why is it anymore of a public interest
19 to spend three fifty thousand more to move this up six weeks when
20 we will have the Chugach appraisal following up in -- when -- at
21 some future date, this is a continuing process. And, recalling the
22 questions that were raised at our July 11 meeting, I think it's a
23 very legitimate question of -- it's -- not a worthwhile spending
24 that additional money for moving up the appraisal process, and I'm
25 not sure I heard a satisfactory answer -- that, as yet, did you?
26 Are you satisfied?

1 MR. GOOSENS: Let me tell you what my understanding is,
2 then -- then I can be corrected. My understanding, at this point
3 is, the reason for the hurry-up and the reason that it would be in
4 the public interest is not that we're so much benefitted by gaining
5 a few weeks by spending -- getting the appraisal back a few weeks
6 earlier by spending additional three hundred and fifty thousand
7 dollars, the point is that we're going to lose our field season,
8 and we may not have any follow-up or verification cruises, and it
9 might be next spring before we get back at it. So, it's not so
10 much picking up a week or two, but -- but perhaps losing eight or
11 ten months.

12 MR. AYERS: That's my understanding.

13 MR. GOOSENS: Okay.

14 MR. SANDOR: Carl Rosier.

15 MR. ROSIER: In following up on the -- this -- do we
16 know what the difference would be between the -- say, moving ahead
17 at a later date then? Would it still be the three hundred and
18 fifty thousand dollars if we could get the appraisals outside of
19 this, as a separate project? What would be the cost of the
20 appraisal if it was done outside of this package?

21 MR. SANDOR: Anyone answer that, Dave Gibbons?

22 DR. GIBBONS: My understanding, it would be two hundred
23 and fifty thousand dollars or less. (Aside comments) It would be
24 two hundred and fifty thousand.

25 MR. SANDOR: Thank you. Mark Broderon has a comment.

26 MR. BRODERSON: I want -- have some more question. I want

1 to re-ask a question to Rich here -- Rich, a little bit differently
2 than Jim Ayers asked it. If we take the late October date for Eyak
3 as the date acceptable, what is the likelihood of not meeting that
4 date, as opposed to (indiscernible) earlier? What is the
5 likelihood of not being able to complete the appraisal by late
6 October? In other words, just ...

7 MR. GOOSENS: The likelihood of completing the
8 appraisals by late October is very good.

9 MR. BRODERSON: So, that we wouldn't fall into the trap of
10 having to wait until next field season to finish it?

11 MR. GOOSENS: Yeah, and the way -- in talking with our
12 timber people here, what would happen is that would give us also
13 the time to coincidentally conduct check cruises as the main cruise
14 is going on. So, we're doing the checking as we going along. That
15 is up to Jim Peterson, my connect in our timber shop, but that
16 would be the proper way to go about it. So, that we do not have as
17 quick of a time line to save some money, and we certainly would get
18 a high quality timber cruise.

19 MR. SANDOR: We would get a high quality timber cruise?

20 MR. GOOSENS: Yes.

21 MR. SANDOR: That even adds a ...

22 MR. COLLINSWORTH: Well, my understanding, Mr. Chairman,
23 is not that I just spoke -- it takes me back to my original
24 question, what is the public interest of having a six day -- or six
25 week -- three hundred and fifty thousand dollars, if in fact we're
26 going to get it for two hundred and fifty thousand dollars, and a

1 very good -- a very high probability by late October.

2 MR. SANDOR: May I ask Deborah, in your motion, the
3 second part of it, you propose that the mid-September date of the
4 cruise be moved up to mid or late August. Is that true, in -- I
5 guess, Akhiok?

6 MS. WILLIAMS: That's correct, Mr. Chairman, for Akhiok,
7 Old Harbor and Koniag, I recommend that that be moved up until late
8 August. I heard earlier that it's people's expectation that it'll
9 be done by then. As we all know, there isn't much timber on those
10 lands, so it's not a huge timber cruise issue, and in terms of
11 hoping to bring to the Trustee Council deals to look at in the time
12 frame that we've been talking about, we had been basing our time
13 assessments on a late August appraisal date. That would then give
14 us adequate time to sit down with the sellers, and hopefully work
15 out the deals that we will be bringing to the Trustee Council for
16 approval. But, that was based on late August. I heard that it
17 could probably -- it will probably be done by late August, and I
18 think everyone here knows that you put in a date that you hope
19 something is done by if there is a realistic chance instead of the
20 worst possible date, in terms of motivation and expectations.

21 MR. SANDOR: A follow-up question to that, Deborah, is
22 there to be an increase in the cost of moving that -- and I see a
23 negative comment from Dave Gibbons, is that right?

24 DR. GIBBONS: Mr. Chair, that's my understanding I'm the
25 one that said that we'd probably get it late August. I'm guessing
26 because there's no timber, it's just a matter of pulling the

1 information together by Blacksmith & Richards, and conversations
2 with them -- it seems -- you know, Rich can (indiscernible) you
3 know, it's real do-able at the same cost. I just put -- I'm the
4 one that put mid-September to make sure that we have it in there.

5 MR. SANDOR: Any other questions on the motion that's
6 upon the floor, which is to approve one point five million dollars
7 for the cost associated with this and to move the target dates up
8 for Akhiok, Old Harbor and AJV to late -- late August. Is that
9 right?

10 MR. GOOSENS: Koniag.

11 MR. SANDOR: Koniag, is that right?

12 MR. TILLERY: Mr. Chair.

13 MR. SANDOR: Yes, Craig Tillery.

14 MR. TILLERY: I have a comment, or two comments, I
15 guess. One is, if the later dates for Eyak and Tatitlek are
16 adopted, then either nothing will be considered in October because
17 we're not going to -- one wouldn't have a package ready then until
18 December, I suppose or so, or we would consider things in October
19 without those two. I believe it -- while that would not be
20 impossible to do, it would be better to consider all of these
21 together. I think it's easier to make choices and to evaluate
22 where money should be -- could be best spent and so forth, and for
23 that reason it would be better to have them come in together in the
24 mid-September, although I again feel that August -- late August
25 would be a better time for all of them. That's my comment on the
26 timing issue. My other comment, sort of on the amendment, or on

1 the motion is, I believe that the Forest Service should be
2 requested to go back and try to find some more help on this, if
3 that means finding another company, seeing that there's not --
4 there must have been somebody that came in second place, if they
5 did as extensive a search as they did, and see if there's not
6 someone out there that could pick up a couple of these timber
7 cruises and do them quicker and cheaper.

8 MR. SANDOR: Any comments on the feasibility of that
9 from either Rich or Dave?

10 MR. GOOSENS: This a -- that certainly is a possibility.
11 The search already that's been done, Mr. Chairman, has been a
12 pretty extensive one. We certainly are not adverse to going back
13 out and making additional contacts, whatever, both for Blacksmith
14 & Richards and the existing timber cruiser. The -- we don't -- we
15 do have the flexibility under our contract to be able to
16 subcontract a number of different timber cruise firms, if they're
17 available. The problem is, there's going to be, as I said before,
18 is the timing, and some of these people that have the capability
19 are committed to other large projects, but we certainly can make
20 another effort to do that.

21 MR. AYERS: Mr. Chairman, this is Jim Ayers, I -- just
22 a point of clarification. I think we've all done this a couple of
23 times, but just a point of clarification. I do not believe that
24 Mr. Tillery was suggesting any change or even addition in the
25 number of appraisers. We're only talking about cruisers and the
26 flexibility the Forest Service has for finding additional cruise

1 capability. Rich Goosens mentioned Diane Blacksmith, but I don't
2 -- I think that was just a misunderstanding.

3 MR. BRODERSON: Mr. Chair.

4 MR. SANDOR: Yes, Mark Broderon.

5 MR. BRODERSON: You know, to sort of follow up on what
6 Craig Tillery was saying here about the desirability of having it
7 -- all of the package together in late October. One counter-
8 consideration to that is that even if we have this appraisal in
9 mid-September, there are still some other steps that have to be
10 done before you're able to go ahead with -- with the landowner,
11 which then gets us down to a very short window in which to deal
12 with Eyak, and our history with Eyak seems to indicate that we do
13 best with them if we don't let either side get too pressed for
14 time. We may not want to get ourselves in the box of trying to cut
15 a deal with Eyak in a couple week period just before the end of
16 October, which would then argue for the late October appraisal date
17 and taking our time and coming to a reasonable deal with them
18 later.

19 MR. SANDOR: Any other questions or comments on the
20 motion on the floor? The Chair has one. Deborah, that one point
21 five million is an assumption that the -- Eyak would be six hundred
22 thousand or two fifty.

23 MS. WILLIAMS: Six hundred thousand, and that we would
24 include Tatitlek at approximately two hundred thousand.

25 MR. SANDOR: Any further comments or questions?

26 MR. COLLINSWORTH: I just -- I don't wish to belabor

1 this point, Mr. Chairman, but I will. Craig -- Don are you -- this
2 is Collinsworth -- you indicated that by having a package before
3 the Trustee Council, the public, in making decision, you thought
4 that was best, and you think that -- that by having the Eyak and
5 Tatitlek projects in that package is going to improve our decision-
6 making by three hundred and fifty thousand dollars?

7 MR. TILLERY: Yes, I do.

8 MR. COLLINSWORTH: Can you give me a hint why?

9 MR. TILLERY: Because I believe we would be better able
10 to evaluate whether the dollars that we might have available are
11 better spent on one piece of land versus another piece of land, is
12 the primary reason, and I think it also may make some difference in
13 terms of negotiations with some of these people, as to whether we
14 have everybody in talking to us at the same time, it oftentimes one
15 can do a little bit better.

16 MR. COLLINSWORTH: Okay, thank you.

17 MR. SANDOR: I guess the Chair has a question or
18 concern, I guess, partly raised by Mark Broderson's comment. We're
19 assuming, I guess, in discussions that we've made up to this point
20 that the only thing that would be holding up a decision and an
21 offer is in fact the appraisal process. Are we in fact getting
22 related information, I guess -- is that, in fact, the case, or --
23 I understood that there were some problems in -- in some of the
24 appraisal process, some in dealing with Eyak providing materials or
25 information, others in individuals running to Senator Stevens'
26 office to get the appraisal process changed, is any of this in

1 practice? Is this the practice, the appraisal that -- do we have
2 this appraisal -- all the rest of the information that's needed to
3 -- to complete the negotiation and reach an agreement, or not? Can
4 anyone answer that?

5 MR. GOOSENS: Well, Mr. Chairman, I know that there's
6 going to be a significant issue raised, particularly where the
7 landowners have decided to seek out their own appraisal, and these
8 are specifically related to those that have gone to Senator Stevens
9 and discussed appraisal issues. The concept of public interest
10 value is going to become a major issue, and it's become a major
11 issue on a national level. It's become a major issue within the
12 whole profession. The Department of Justice -- that is precisely
13 why the Department of Justice is looking at the appraisal that was
14 done by an appraiser in Anchorage on Port Graham and English Bay.
15 There is -- the question is bound to be raised. It's been thrown
16 out by many of the legal representatives of the Native corporations
17 involved here, that we consider it as the principal indicator of
18 value. It's a battle we're going to have to try -- hopefully, our
19 appraisal product will be able to hold up under all the scrutiny
20 and certainly the valuations will be sound ones. But, that, at
21 least, is one appraisal issue that is going to have to be tapped.

22 MR. SANDOR: I guess I had some inkling of that on
23 Friday on the trip with -- an attorney, that, in fact, had been
24 referred to Department of Justice, and I was wondering at the time,
25 well, what happens if -- if they were successful in getting a
26 different appraisal process or some modification of the existing

1 appraisal process to apply to Port Graham or English Bay, and why
2 shouldn't it apply to others, or why wouldn't it immediately -- why
3 wouldn't it immediately the fairness issue be raised, and, so I was
4 concerned. Dave Gibbons, did you have a comment or question?

5 MR. GIBBONS: I was following up on -- Mr. Chairman, you
6 know, to make the kind -- required after the appraisal -- well,
7 this is the draft appraisal report. It has to go through a review
8 process by state and federal review appraisers, it comes back and
9 then another process that needs to take place is with a habitat
10 group where there going to weigh the amount of acreage, the benefit
11 and the cost and give the Trustee Council some kind of a cost
12 benefit for the acres and the parcels. So, this is a draft and I
13 don't know how long between draft and final, but it'll vary, I'm
14 sure.

15 MR. AYERS: Mr. Chairman, this is Jim Ayers, and I
16 just had a couple of observations. First of all, I think that the
17 actual work that needs to be done has to be done in order to
18 provide the Trustee Council with the information they need in order
19 to make decisions about what is the best investment with regard to
20 habitat protection and restoration, obviously. And, with that, let
21 me say that, I think that the logic, Mr. Tillery's logic about
22 having as much information in front of the Council, as possible, in
23 order to make informed decisions, is the logic that seems to
24 prevail here, at least from what I have heard, including my
25 conversations with Diane Blacksmith and people from -- from Katts.
26 Mr. Katts is off in Washington, D.C. about what he has heard about

1 this reference, and also talking with people about what this
2 referral has been by the Secretary of the Interior to the
3 Department of Justice of the Port Graham and English Bay
4 acquisition efforts. I do not think that -- that the Department of
5 Justice, whatever they decide, is -- is not necessarily going to
6 change how the sellers are going to deal with us at this time, or
7 even during the appraisal process because we have a accommodated,
8 at least their interest, in being able to revise what they perceive
9 to be information regarding to the value of their property, and we
10 did that specifically by building the twelve step appraisal process
11 that includes them, and includes their appraisal. They're going to
12 be -- they're going, at least in writing, and that's what we've
13 required, in writing, they have agreed to proceed through the
14 appraisal process and to participate. And, in order to have all
15 the necessary information, or the best possible information
16 available, so that you can look at that and consider it, I think
17 that we do need to get a good look at what the habitat that is
18 available for protection is, and that -- that the seller at any
19 point very well may walk away, or, in fact, we may walk away if it
20 is not maximum protection at a reasonable cost. So, those two
21 things. One, that we need to get the best information and the best
22 possible information in front of the Council, and two, I don't
23 think that we can worry at this point because the sellers that
24 we're dealing with are sellers that agreed to go through our
25 process and -- and we have allowed them the opportunity to provide
26 information. Let me just say, the one other thing that is

1 mentioned is this idea about the habitat working group providing
2 information, and I can tell you that, that simply dividing acreage
3 is by dollars, and anyone of us can do that and put it on a
4 spreadsheet, and that -- that is not necessarily a complicated
5 process that's going to take very long at all, and we met with them
6 this week to discuss that. So, it's my view that the logic would
7 -- that would prevail is getting the maximum possible information
8 in front of the Council when they make the decision regarding
9 habitat acquisition.

10 MR. SANDOR: Any other questions or comments on the
11 floor? With regard to Eyak, who has been doing the negotiation,
12 John do you know who?

13 MR. SHERIDAN: Alex and I have been doing it.

14 MR. SANDOR: You -- directing the question then to Walt
15 Sheridan and -- I think, Alex if he's on the line. Do you feel
16 then that's what the three hundred thousand -- three fifty thousand
17 to go up to mid-September -- or there other things that may hold up
18 Eyak's decision-making process? I guess that's -- what I'd hate to
19 have happen is us shell out three hundred and fifty thousand
20 dollars and then come October 1 and nothing is happening. Now,
21 it's November 1 and nothing is happening, or this is dragging on,
22 and then the public interest question -- I blush easily, I would
23 have red face.

24 MR. SHERIDAN: Mr. Chairman, as you know the Eyak
25 negotiations have been difficult, and there are outstanding issues.
26 The Council asked, I think, at its last meeting that we work with

1 the Public Advisory Group in looking at policy questions on what
2 constitutes less than fee and the question of public access. That
3 still has not been resolved from the standpoint of the Council
4 establishing some policies. Depending on what these policies might
5 be, you -- you could cause major difficulties with Eyak
6 negotiations. On the other hand, the Eyak board has told us very
7 clearly that as of next spring, I guess March 31st date or
8 something, that they feel compelled to move forward with the
9 (indiscernible) timber harvesting on -- on ... If we don't have
10 this appraisal information, this field season, that puts us in an
11 awkward position, vis-à-vis their plans for the spring.

12 MR. SANDOR: Any other comments or questions? Any call
13 for the question?

14 UNKNOWN: Question.

15 MR. SANDOR: Motion on the floor is to -- to allocate
16 an additional one point five million dollars for the appraisal
17 process outlined and that the Akhiok, Old Harbor and Koniag, that
18 scheduled be mid or late August as opposed to September, and that
19 the Eyak schedule be mid-September as opposed to late October. All
20 those in favor of that motion signify by saying aye.

21 ALL TRUSTEES: Aye.

22 MR. SANDOR: All those opposed? (No response) The
23 motion carries. Any other items to cover at this time?

24 MR. AYERS: Mr. Chairman, the next item -- were you
25 ready for the next item on the agenda?

26 MR. SANDOR: Yes.

1 MR. AYERS: Mr. Chairman, the next item on the agenda
2 is we've been, at your direction, trying to maintain an accurate
3 future meeting schedule. It appears that August 23rd is the next
4 time that the Council needs to meet and is able to meet, and August
5 23rd would be a morning meeting. There will be discussion
6 regarding the final restoration plan, we would have the public
7 comments in by then, we will have circulated those to you and your
8 staff, we would also have the discussion of EIS proposed
9 alternative. It could take -- it will take at least a couple of
10 hours of discussion, and that includes, of course, getting that
11 information out to you a head of time on the first two items. The
12 other item would be the '95 interim budget, which also could take
13 some time. I estimate the meeting could go from two to four hours.

14 MR. SANDOR: Is there any public comment period in this
15 meeting, Mr. Chairman -- at that time?

16 MR. AYERS: I beg your pardon.

17 MR. SANDOR: I mean -- excuse me -- Mr. Ayers, is there
18 a public comment period in that -- in that August 23 meeting?

19 MR. AYERS: Mr. Chairman, we have discussed the issue
20 of public comment, however, let me say that the public comment
21 period will have closed, and I would -- I raise that issue today,
22 and I would want to talk with -- with the Forest Service, but it's
23 my understanding that there will have been numerous public comment
24 meetings as well as the open public comment period, and it's my
25 understanding the public comment period will have closed. It
26 actually closes August 1st, so there would not be -- it's my

1 understanding, public comment at that time, that period would have
2 closed. It would be action by the Council based on the comments
3 that you have previously received.

4 MR. SANDOR: Jim Wolfe.

5 MR. WOLFE: Mr. Chairman, I -- I think that -- what
6 Jim was saying would be appropriate. The only other thing I would
7 add though is we would, I believe, like to have the benefit of the
8 Public Advisory Group's input on -- on the preferred alternative
9 approach or the public comments by the time we get together in
10 August, and Jim, would this allow us to have their -- their input
11 on this?

12 MR. AYERS: Mr. Chairman, they did discuss that at
13 this last meeting, and we went through that, and it's my
14 understanding that they are preparing -- they took that issue up.
15 It was the things that Brad Phillips mentioned at your last
16 meeting, with regard to their observations and their comments on
17 the final restoration plan and the EIS proposed alternative. Those
18 comments are being put together from their previous meeting and
19 will be submitted by the Chairman. They're circulating those now,
20 and we're working with them on that. Those were the three -- the
21 three big issues were that they had developed, kind of what a -- a
22 policy statement, three major policy statements, they also talked
23 about, they wanted an expanded discussion of the reserve in the
24 restoration plan and the proposed alternative, and they also wanted
25 to see the clarity, which we discussed, which is the clarity being
26 the goals and objectives and strategies so that it's clear the

1 projects would have to be related specifically to -- or projects
2 would be related specifically to measurable objectives. We've been
3 working with them on that, and that will have been submitted to you
4 in writing, is my understanding.

5 MR. SANDOR: If the meeting is two to four hours, Jim,
6 and the departure date now scheduled for a flight from Anchorage to
7 Kodiak is ten, so I'd like to toss that. How firm is that
8 departure from Anchorage to Kodiak? Deborah, do you know when?

9 MS. WILLIAMS: Glenn -- Glenn are you still on the phone?

10 MR. ELISON: Yes, I am Deborah. I want to suggest that
11 maybe in order to try to accommodate both the meeting and the
12 flight to Kodiak, if the Trustees who are planning on going to
13 Kodiak could arrive in Anchorage and go directly down town and have
14 their meeting here in Anchorage and then we could proceed down to
15 Kodiak whenever it was finished.

16 UNKNOWN: Well, that's flexible.

17 MR. SANDOR: Any other questions about either the
18 content or the timing of the meeting on August 23 as proposed? Jim
19 Wolfe.

20 MR. WOLFE: One last, and then I'll quit. We also
21 have meetings scheduled on the 29th and the 30th, or thereabouts --
22 the 29th, I guess, is what I have on my calendar for the Trustee
23 Council, and I guess now that we've pushed this meeting that far
24 into August, Jim, my question would be is there some way that we
25 could combine those two and save some travel there. I mean, we've
26 got to have (indiscernible).

1 MR. AYERS: Mr. Chairman, Mr. Wolfe, that -- that is
2 my understanding and that is exactly what we're trying to do. That
3 was the discussion at the end of the last meeting, and our contacts
4 with the respective Trustees have been to accommodate your
5 schedules and the costs of the various meetings into one meeting,
6 which would be the 23rd, and our primary concern on that 29th -
7 30th meeting was to deal with the issue of those items that will be
8 in the work plan, the interim projects, the interim work, those
9 items will need to come before you before the October meeting when
10 you'll deal with the big -- with the whole work plan, and so that's
11 what that meeting is about. So, you will not need the 29th or the
12 30th meeting, we will accommodate those on the 23rd. God willing.

13 MS. WILLIAMS: Mr. Chairman, may I recommend that we
14 start the meeting at 7:30.

15 (Laughter)

16 MR. SANDOR: Distinguishable groan. (Aside comments)
17 7:30 -- is there a second to that?

18 MR. COLLINSWORTH: Mr. Pennoyer says he's going.

19 (Laughter)

20 MR. SANDOR: ... by 8:00?

21 MS. WILLIAMS: If that's the will of the body.

22 MR. SANDOR: Beg your pardon?

23 MR. ROSIER: I say at 8:00 -- if we hold the meeting at
24 8:30 in the morning, we can fly up in the morning, otherwise we
25 have to -- everybody in Juneau has to go up the night before.

26 UNKNOWN: The earliest we can get there now is 9:30.

1 (Aside discussion)

2 MR. SANDOR: Mr. Rosier, would you care to make a
3 motion?

4 (Aside discussion regarding airline flights)

5 MR. AYERS: I suspect, Mr. Chairman, that we would not
6 be able to get the meeting going until probably 10:30 if we waited
7 until the next morning.

8 MR. WOLFE: Mr. Chair.

9 MR. SANDOR: Mr. Wolfe.

10 MR. WOLFE: If we should change the -- amend the
11 motion to start at 10:30 on the 22nd and then end the day, and
12 those folks going on down to Kodiak can do so the next morning,
13 first thing, and those of us who aren't going could come on home
14 that evening.

15 MR. SANDOR: You're proposing move the date to August
16 the 22nd? Is that what you're doing? It's been moved by Jim Wolfe
17 that the next meeting schedule be August 22nd at 10:30 a.m. at the
18 Simpson Building. Is there a second for that motion? Deborah,
19 there's not a lot of enthusiasm about that. The motion dies for a
20 lack of a second. Carl Rosier.

21 MR. ROSIER: I move we start the meeting at 10:30 a.m.
22 on the 23rd, and that we schedule the Kodiak trip to begin
23 immediately following.

24 MR. SANDOR: It's been moved that the August 23rd
25 meeting begin at 10:30 a.m. and those going to Kodiak can take
26 whatever, if any, planes to Kodiak following that meeting. Is

1 there a second to that motion? Lot of hands signals, but no voice!

2 MR. WOLFE: I guess, Mr. Chairman, I don't know what
3 that does to Deborah's schedule, to get to Kodiak. I'm okay with
4 the 10:30 time frame, but I don't want to totally foul up the trip.

5 MR. SANDOR: Mr. Collinsworth.

6 MR. COLLINSWORTH: Mr. Pennoyer is available on the
7 23rd, so ...

8 MR. SANDOR: Beg your pardon?

9 MR. COLLINSWORTH: Steve Pennoyer is available on the
10 23rd, and whether it's a 7:00 a.m. or 10:30. I think probably he
11 would be just as pleased to go up in the morning rather than the
12 night before.

13 MR. ROSIER: Deborah, what -- this issue in my mind
14 here is the Kodiak trip, but how much time do we in fact need for
15 the Kodiak trip. Do we have any kind of schedule at the present
16 time for the Kodiak leg of this ...?

17 MS. WILLIAMS: Yes, we do, and there is some flexibility
18 on the first day, as those of us who went a couple of weeks ago
19 know. But, Glenn, I'll defer to you. What do you think the latest
20 the group could leave and still fly over the Koniag lands, and did
21 we do the boat trip -- we did the boat trip the first night didn't
22 we, or was that the second night?

23 MR. ELISON: Well -- answer your first question. I
24 think that if -- the latest you want to get out here is about 3:00
25 -- out of Anchorage.

26 MS. WILLIAMS: Okay.

1 MR.. ROSIER: Well, you could still do two to four hours
2 -- just give an abbreviated lunch period or have some sandwiches
3 brought in.

4 MS. WILLIAMS: Yeah, if Glen said that leaving by 3:00 is
5 okay by him, it's okay by me, which means we could go with
6 Commissioner Rosier's motion and start the meeting at 10:30.

7 MR. SANDOR: We'll assume that that's a second,
8 Deborah?

9 MS. WILLIAMS: That's a second.

10 (Laughter)

11 MR. SANDOR: Second is that the meeting be August 23rd
12 at 10:30 a.m., with a working lunch, and the trip to Kodiak for
13 those going, no later than 3:00. Any further discussion on this
14 motion? Is there any objection to that? There being none, the
15 next meeting will be -- it'll be a brand new meeting, incidentally,
16 (laughter) August 23rd at 10:30 a.m.

17 MR. ROSIER: Is there a motion by the Chair to have
18 this meeting adjourned.

19 MR. SANDOR: It's a ruling!

20 (Aside comments - Laughter)

21 MR. WOLFE: And there will be no 29th meeting.

22 MR. SANDOR: There will be no 29 or 30 meeting. God
23 willing, if the creeks don't rise, Jim.

24 MR. AYERS: Thank you, Mr. Chairman.

25 MR. SANDOR: Okay.

26 MR. WOLFE: Thank you, Deborah.

1 MS. WILLIAMS: Yes, (indiscernible) thank you all. I
2 move ...

3 MR. SANDOR: Other items on this agenda, anything for
4 the good of the order here. If not, we express appreciation to
5 everybody for putting this package together, and this meeting is
6 adjourned.

7 (Aside comments)

8 MR. WOLFE: Deborah, are you still there?

9 MS. WILLIAMS: Was that a Deborah, yes?

10 MR. WOLFE: Are we going to try to get down to lower
11 Kenai and Prince William Sound during that week sometime?

12 MS. WILLIAMS: Yes, Jim, I would propose that we go ahead
13 and try on the -- you know, tentatively we were scheduled to go to
14 Kenai Fiords on the 22nd, but with the meeting on this date, that
15 would -- unless we went to Kenai Fiords meeting and then Prince
16 William Sound, we could do that, or I could check with the Kenai
17 Fiords folks and see if we could do Kenai Fiords on the 24th or
18 25th.

19 MR. WOLFE: I'm okay, we could probably do most of it
20 on the 22nd if we wanted to do that, to try to make a -- kind of a
21 long loop out of that thing.

22 MS. WILLIAMS: Okay, and so your thinking, it would be
23 more flying in a goose, landing in a few spots?

24 MR. WOLFE: Or otter, or something in that nature,
25 right.

26 MS. WILLIAMS: Okay.

MR. WOLFE: Do you want to check with your Park Service folks first?

MS. WILLIAMS: Yes.

MR. WOLFE: I can get in touch with you in a day or two. I'm going to be flying out of town shortly, but I will call you back in -- for ...

MS. WILLIAMS: Okay, that sounds like a good plan.

MR. WOLFE; Okay, thanks Deborah.

MS. WILLIAMS: Thanks, Jim.

MR. SANDOR: Thank you all.

(Off Record 4:28 p.m.)

E N D O F P R O C E E D I N G S

///

///

///

///

///

///

///

///

///

///

///

///

///

///

CERTIFICATE

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

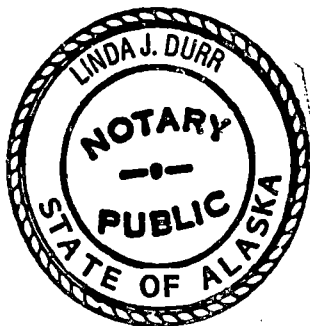
I, Linda J. Durr, a notary public in and for the State of Alaska and a Certified Professional Legal Secretary, do hereby certify:

That the foregoing pages numbered 113 through 156 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council teleconference meeting taken electronically by me on the 18th day of July, 1994, commencing at the hour of 3:00 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 20th day of July, 1994.



A handwritten signature of Linda J. Durr in cursive script, written over a horizontal line.

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

LIGHT BLUE
No.45072



0 83086 45072 3