

TRUSTEE COUNCIL
MEETING TRANSCRIPTS
JUNE 1, 1995

EXXON VALDEZ OIL SPILL SETTLEMENT TRUSTEE COUNCIL

TRUSTEE COUNCIL MEETING

Mt. Eccles Auditorium
Cordova, Alaska

June 1, 1995
1:00 p.m.

RECEIVED
AUG 28 1995

EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
ADMINISTRATIVE RECORD

TRUSTEE COUNCIL MEMBERS in attendance:

In Cordova

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, Special
Assistant to MR. GEORGE
FRAMPTON, Assistant Secretary

STATE OF ALASKA DEPARTMENT OF FISH AND GAME

MR. FRANK RUE
Commissioner

UNITED STATES DEPARTMENT OF AGRICULTURE - FOREST SERVICE

MR. JAMES WOLFE, Alternate
for MR. PHIL JANIK, Regional
Forester

UNITED STATES DEPARTMENT OF COMMERCE - NOAA

MR. STEVE PENNOYER
Director, Alaska Region

STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

MS. MICHELE BROWN, Deputy
Commissioner and Trustee
Representative for MR. GENE
BURDEN, Commissioner

TRUSTEE COUNCIL STAFF

MS. MOLLY MCCAMMON	Executive Director, EVOS Trustees Council
MR. ERIC MYERS	Director of Operations, EVOS Trustees Council
MS. REBECCA WILLIAMS	Assistant
MS. L.J. EVANS	Information Officer, EVOS Trustees Council

OTHERS PRESENT who participated in Cordova

MS. JULIA DEMOTT	
MR. TOM COPELAND	
MR. KELLEY WEAVERLING	
MS. KATHY HALGREN	
MS. MARTHA VLASOFF	
MS. MONICA RIDEL	
MR. DAVID HARRISON	
MS. MICHELLE WILSON	
MR. DUNE LANKARD	
MS. AMY RAY	The Indigo Girls
MS. EMILY SALIERS	The Indigo Girls
MR. HENRY MAKARKA	
MS. WINONA LaDUKE	
MS. KAREN BUTTON	
MR. CARROLL KOMPKOFF	Tatitlek
MR. DAVID GRIMES	
MS. ALLISON NYHOLM	Chugachmiut
MR. TED ACHILLES	Prince William Sound Aquaculture Corporation
DR. RIKI OTT	
MR. ED ZEINE	
MS. CARYL BOEHNERT	Alaska Center for the Environment
MS. TANIA VINCENT	
MS. MARCEY BARDUSK	Sound Alternatives
MS. CHERYL LETTICH	
MR. BOB ANDERSEN	
MS. DORNE HAWXHURST	Cordova District Fishermen United
MR. HOWARD FERREN	
MS. JODY SEITZ	
MR. GEORGE KINNEY	City of Cordova
MR. MIKE ANDERSON	
MR. LUKE BORER	President, Sherstone Corporation
MR. RON CRENSHAW	Alaska Department of Natural Resources
MS. GINA BELT	U.S. Department of Justice

DR. JOE SULLIVAN
MS. MARGY JOHNSON
MR. PATRICK BARNES
MS. DONNA PLATT

Alaska Department of Fish & Game
Mayor, City of Cordova

Eyak Corporation

OTHERS PRESENT

In Cordova

MR. KARL BECKER
MS. CECE STACK
MS. JACKIE DEBEVEC
MR. KEN HILL
MS. ANDREA PASTOS
MS. HEATHER McCARTY
MR. ED DEBEVEC
MS. SARA LEE
MR. GEOFF TRUMP
MR. JAMES SAARPANTORI
MS. CATHY LYONS
MS. LOIS MASSINGILL
MS. ANNETTE JANKE
MS. HOLLY JANKA
MS. NANCY BIRD
MR. BRIAN LETTICH
MR. JOHN BRANSHAW
MR. SCOTT MCKINNEY
MS. KAREN ST. JEAN
MR. JAMES BRADY
MS. JEAN DEBRUCER
MS. CHARLOTTE DEBRUCER
MR. CAL BAKER
MR. DAVID JANKA
MR. SOREN WUERTH
MR. LINDEN O'TOOLE
MR. JEFF GUARD
MR. STEVE TODD
MS. FAYE POHL
MR. BOB SMITH
MR. DAN TORGERSON
MS. KIM MENSTER
MS. NANCY ELSEP
MS. KATHYRN ANDERSEN
MS. AURURA KIRBY
MS. BEVERLY BABEC
MR. DAVID BRIAN

In Anchorage

MR. MANUEL MEZA
MR. CHUCK TOTEMOFF
MS. PAMELA BRODIE
MS. KIMBERLY BENTON

MR. DAVID DEANS
MR. GORDON ZERBETZ
MS. CATHERINE BERG

1 also have, sitting at this table, Rebecca, L.J. and Linda, all of
2 whom enable us to do our job.

3 Trustee Council members, we have before us an agenda, and I
4 will take a motion to approve the agenda with one modification.
5 To accommodate the fishing schedule and other people's needs, I
6 would like to move the public hearing to begin at approximately
7 1:15. With that change, I would like to entertain a motion to
8 approve the agenda.

9 MR. PENNOYER: So moved.

10 MS. WILLIAMS: Is there a second?

11 UNIDENTIFIED VOICE: Second.

12 MS. WILLIAMS: Are there any other modifications that
13 you would like to make to the agenda? Are there any objections
14 to the agenda? Hearing none, the agenda is approved.

15 I would next like to move to the approval of the March 31,
16 1995, meeting notes. Do I hear a motion to approve those meeting
17 notes?

18 MR. RUE: So moved.

19 MR. PENNOYER: Second.

20 MS. WILLIAMS: It's been moved by Mr. Rue, seconded by
21 Mr. Pennoyer to approve the March 31, 1995, meeting notes. Are
22 there any additions or corrections to those meeting notes? Are
23 there any objections to approving the meeting notes? Hearing
24 none, I deem that the meeting notes have been approved.

25 While we are waiting for the remaining people to come into
26 the meeting -- and it's wonderful to see this turnout of people

1 from Cordova from this meeting and, again, it is a great honor
2 and privilege to be here with you today -- I would just like to
3 summarize something that I've prepared and Eric Myers and some
4 others help me prepare in preparation for this meeting, and I
5 asked some staff people to summarize, if they would, the various
6 projects that the Trustee Council has had the honor of funding
7 that have direct benefit to the City of Cordova in the last two
8 fiscal years, fiscal year 1994 and '95, and I thought it would be
9 useful to summarize some of those projects because we're very
10 proud of those projects, and I know they are so important to you,
11 and I think it's worth summarizing of what they consist. In the
12 last two fiscal years, the Trustee Council has been able to fund
13 over \$10,000,000 worth of projects involving pink salmon in
14 Prince William Sound, herring in Prince William Sound, and
15 ecosystem projects in and around the area of Cordova. And I know
16 many of you have been involved in those projects as either
17 researchers or support people for those projects. We'd like to
18 acknowledge the very crucial role that the Prince William Sound
19 Science Center has had in helping to find many of these projects,
20 and, of course, has been the appropriate beneficiary of these,
21 and particularly Prince William Sound Science Center's role in
22 developing the Sound Ecosystem Assessment or SEA project, as many
23 of you are familiar with. We'd also, of course, like to
24 acknowledge the important role that the Cordova office of ADF&G
25 have had in bringing these valuable projects to Cordova, over
26 \$10,000,000 in the last two fiscal years. We have spent over

1 \$4.75 million on pink salmon projects. Most of those have been
2 based in Cordova, but all of them have involved the Prince
3 William Sound pink salmon fishery, and, of course, some of those
4 have had to do with salmon growth and mortality; predator-prey
5 relationship, which was a \$1.8 million project; nearshore fish, a
6 \$1.2 million; coded wire tags, the otolith marking, which I know
7 many of you strongly supported and we are very pleased to fund,
8 which will have such a -- both immediate and long-term impacts on
9 helping the fisheries here, the pink salmon fisheries, and that
10 was a virtually \$1,000,000; and then genetic stock identification
11 with respect to herring, and we certainly hope we see prompt
12 recovery of that fishery. We've spent in the last two fiscal
13 years \$1.4 million on such projects as disease investigation --
14 half a million -- herring growth and habitat, spawning
15 energetics, genetic stock identification, and reproductive
16 impairment studies. And then the ecosystem projects that the
17 sample -- about \$3.1 million in the last two fiscal years --
18 include a \$1.3 million oceanography study, of course, out of the
19 Prince William Sound Science Center; hatchery predation;
20 information modeling, a \$1.5 million project out of the Prince
21 William Sound Science Center; and isotope tracers. These
22 projects, of course, were in addition to the many, many millions
23 of dollars that we, again, had the privilege of spending in
24 Cordova for damage assessment in the years preceding the last two
25 fiscal years. So, it is a pleasure to be here to see some of the
26 people who have made these projects possible, and, again, have

1 allowed us to spend what we think is a significant amount of
2 money in Cordova to help restore and repair the damage that was
3 done here to the resources and, of course, to the economy.

4 I believe that everyone has now signed up, and I have a list
5 of people here who want to testify. Normally, we follow the
6 list, but I do know that there are particularly fishermen who
7 need to get out to their boats to get the high tide, and so if
8 there's anyone who would like to testify immediately to take
9 advantage of that, if you would please come up first, I'm sure
10 the other people would understand that. Because we have a large
11 number of people who would like to testify, and I know many of
12 you have other things to do, we would like to ask you to
13 summarize your testimony in approximately three minutes. If you
14 could try to do that, then we can get everyone up who would like
15 to testify within the time constraints that we have, but we do
16 look forward to hearing from you, and -- LJ or Rebecca, we also
17 have people who want to testify in Anchorage and Juneau? Pardon
18 me?

19 MS. EVANS: Ask them.

20 MS. WILLIAMS: Okay. Anchorage and Juneau, do you have
21 people there who want to testify? Anchorage? Do we still have
22 Anchorage on line? (No response) Juneau? (No response) Okay,
23 I will let you guys re-hook them. They don't appear to be on
24 line. While we're waiting for that, are there any other
25 introductory comments that any Trustee Council member would like
26 to make at this time, or the Executive Director? Should we begin

1 with public testimony even though we don't have Anchorage and
2 Juneau on line? Very good. Okay, is there anyone who would like
3 to testify immediately because of fishing or other needs? Please
4 -- yes. And if, when you testify, you would identify your name,
5 and please spell your last name for the record, we'd greatly
6 appreciate it.

7 MS. DEMOTT: My name is Julia DeMott of the village
8 of Eyak and Cordova, Alaska. The Native Village of Eyak has
9 written -- proposed this project that Monica Ridel was working on
10 and are in support of this. A lot of work is a call for
11 mandatory employment equity, which means that the Native people
12 employed in this town of Cordova should reflect the population of
13 our Native peoples. If we can get the treatment and healing
14 center going, it will not only help heal our people, but also
15 create jobs that are needed here. Since our fisheries are being
16 depleted because of the infamous oil spill, also a healing and
17 treatment center would help our people tremendously. The method
18 we use to achieve our goals are basically two pronged: education
19 and common action. That education mean that we have to learn
20 about ourselves and about the society we live in and our value
21 system within, the history of our people, and the start of
22 healing. We must ensure that our own Native history and
23 contributions be part of the Prince William Sound and the Native
24 people are strengthened once again, and then the healing begins.
25 At this point, we realize and ultimately face the problem of
26 being wiped out, or we could begin to fight to get some control

1 over the situation. We opt to fight. But we cannot do it alone.
2 We have to be in a group where we can discuss and debate and
3 decide ways and means to meet our goals and objectives. Forming
4 the group has allowed us to look into ourselves, understand each
5 other, and empower ourselves to achieve our goals. We hope that,
6 in the process of our operation's existence, we are able to
7 articulate the concerns of all our people here in Cordova. Thank
8 you very much.

9 MS. WILLIAMS: Thank you. Are there any questions or
10 comments for Ms. DeMott? Thank you so much for testifying. Is
11 there anyone else who would like to testify immediately? If not,
12 then I will go in order of the people signed up, and the first
13 witness we have is Tom Copeland.

14 MR. COPELAND: Well, thank you. My name is Tom
15 Copeland. C-O-P-E-L-A-N-D. I've been a commercial fisherman in
16 Prince William Sound for the past 32 years. I currently serve as
17 a director on the RCAC board for Prince William Sound,
18 representing Prince William Sound Aquaculture Corporation.
19 However, today, my remarks will be my own alone and not represent
20 either of those two organizations. I'd first like to welcome the
21 Council to Cordova and I really appreciate the opportunity to
22 testify, and I think it's important that you get out to meet the
23 public, the people who are really affected by the oil spill, as
24 often as possible. I certainly appreciate your taking the time
25 to come here today.

26 My work on the RCAC council has mainly focused around oil

1 spill prevention and response. I've been on the committee -- the
2 Oil Spill Prevention & Response Committee of the RCAC -- since
3 its inception in October of 1990. Among the many things we do is
4 to look at both the fate and effects of the oil from Exxon
5 Valdez, and research and development as to better techniques for
6 both responding to oil spills and long-term cleanup from oil
7 spills. Since our focus is on preventing the next oil spill,
8 primarily, and responding to the inevitable risk that we have of
9 oil spills in the future, and your responsibility is to deal with
10 the cleaning up the last oil spill, our plans don't often cross,
11 but they have on a couple of occasions, and I would like to bring
12 some feeling of my committee to you on these two subjects. I
13 have here with me today, actually it's a draft copy of the USGS
14 survey that you folks sponsored, entitled *Tracking Exxon Valdez*
15 *Oil from Beach to Deep Water Sediments of Prince William Sound*.
16 This cursory deep water exploration of Prince William Sound
17 actually found Exxon Valdez oil in the deep water sediments of
18 Prince William Sound in the 1992 survey. It's a very cursory
19 sampling. They only had nine deep water sites that they surveyed
20 in Prince William Sound, most of them well north of the main
21 track of the oil as it left Prince William Sound. In 1992, they
22 did find oil on both the east and south -- off the east and south
23 shores of -- of Knight Island. I would like to point out to the
24 Council that in the two major oil spills that we've had since
25 Exxon Valdez, both the most interesting and unpredicted
26 phenomenon that occurred in both cases was the large amounts of

1 oil that were found on the bottoms of the oceans in the vicinity
2 of those spills. In the case of The Braer, the Shetland Islands
3 three years ago, within a month over 30 percent of the oil that
4 was aboard that tanker had been discovered in a very particular
5 area of the ocean bottom about 13 miles to the north of the spill
6 site on the Shetland Islands. Thirty percent of that oil was
7 laying on the bottom of the North Sea. Now, that oil is very
8 much lighter than the oil that was spilled during the Exxon
9 Valdez spill. North Sea's crude, which was spilled in the Braer,
10 is so light that you can see through it. It look likes new motor
11 oil; it's not even black. It has a very high -- er -- low --
12 specific gravity, compared to North Slope crude. Yet, 30 percent
13 of it ended up on the bottom of the ocean. Last year we had a
14 major bunker oil spill in Puerto Rico and was eventually cleaned
15 up by the Coast Guard. Once again, approximately 30 percent of
16 that bunker fuel was found on the bottom of the bay in Puerto
17 Rico where it was spilled. Thus, we're bracketed. Both lighter
18 oils and more heavy oils than Exxon Valdez crude sink at
19 approximately the same rate -- 30 percent of the oil ends up on
20 the bottom of the ocean. Yet, six years after the Exxon Valdez
21 oil spill, there has been no systematic, complete bottom survey
22 of deep water strata in Prince William Sound, and the only survey
23 that's been conducted, other than by Exxon itself, has found oil
24 in the deep sediments of Prince William Sound. I urge the
25 Council to take this as new information, both in the event of the
26 two oil spills that showed what none of us thought was possible

1 that large amounts of oil could sink in seawater, and secondly,
2 that our own cursory -- er, primary -- surveys have found oil in
3 deep water sediments of Prince William Sound. These things
4 together call for at long last a comprehensive look at the bottom
5 of Prince William Sound. How much oil is down there? We have no
6 idea. RCAC is very interested in a project of this nature
7 because we need to plan for the next oil spill, we need to know
8 how to respond to an oil spill, and how to predict the effects of
9 the future oil spill. Without knowing the fate and effects of
10 spilled oil in Prince William Sound, we cannot complete our
11 mission, so we are attempting, with our very meager resources, to
12 do a bit of looking this year. We've tagged on \$5,000 to an
13 existing long-term monitoring project to make two or three
14 attempts to look at places where we think oil may be accumulating
15 in Prince William Sound. These are based mainly on fishermen who
16 have encountered oil in Prince William Sound. Tom Bradshaw found
17 oil on the south end of Montague -- or south end of Knight Island
18 at approximately 250 fathoms, and reported it to NOAA. NOAA told
19 him it was impossible for it to be Exxon Valdez oil because oil
20 doesn't sink. Well, we know that not to be true now, oil does
21 sink.

22 MS. WILLIAMS: Mr. Copeland if you could

23 MR. COPELAND: Right. The other thing I'd like to talk
24 about today is -- to put a plug in for -- is the most remarkable
25 piece of research and development that's been developed since
26 Exxon Valdez, which is PES 51, an oilphylllic (ph) sugar compound

1 that was tested by the Council two summers ago on Sleepy Bay in
2 coordination with the Natives at Chenega and found to be
3 extremely successful in removing large amounts of Exxon Valdez
4 crude from the substrata of the beaches of Prince William Sound.
5 So far, that effort has not been expanded upon. I would
6 certainly like to see it done so. It's a local product, it's
7 manufactured in the state of Alaska, and it could be easily
8 applied and dealt with in a program involving local residents of
9 Prince William Sound. Thank you very much.

10 MS. WILLIAMS: Thank you, Mr. Copeland. Any Council
11 members have questions or comments for Mr. Copeland? (No
12 response) Thank you for testifying. Kelley Weaverling, please?

13 MR. WEAVERLING: Can you hear me from here, or do I
14 need to put the microphone on?

15 MS. WILLIAMS: It helps to put the microphone on. Do
16 we have -- while Mr. Weaverling is doing that, do we have
17 Anchorage and Juneau back on line? (Inaudible response from
18 staff) Okay. Mr. Weaverling, if you would commence.

19 MR. WEAVERLING: Thank you very much, Madam Chair.
20 Ladies and gentlemen of the Trustees panel, thank you very much
21 for having me here. My name is Kelley Weaverling. That's W-E-A-
22 V-E-R-L-I-N-G. I am the past mayor of the community of Cordova,
23 I sit as an officer on the board of directors for the Regional
24 Citizens' Advisory Council, representing the environmental
25 interests of the oil spill region. As kind of the yang to the
26 yin, I also sit and chair on the board of directors for the

1 Prince William Sound Economic Development Council. However, I am
2 here today speaking without a constituency, strictly for myself,
3 and I will make my comments brief. In truth, I feel I am kind of
4 caught in a dream that won't end on this issue, kind of a tape
5 loop that continues to say the same thing, kind of a broken
6 record. But at any rate, I would like to thank you for being
7 here and allowing this testimony. I would encourage you to
8 continue your efforts towards habitat acquisition as a tool for
9 recovery and restoration of Prince William Sound and the oil
10 spill affected region. I am here today basically to encourage to
11 continue your negotiations with Eyak Corporation for as much of
12 habitat acquisition as you can possibly acquire. And, with that,
13 rather than continue to repeat myself, I will -- further deponent
14 sayeth not. Thank you.

15 MS. WILLIAMS: Thank you very much. Any questions or
16 comments for Mr. Weaverling? Thank you for your testimony. My
17 next witness is Kathy Halgren.

18 MR. HALGREN: My name is Kathy Halgren -- H-A-L-G-R-E-
19 N -- and I'm a commercial salmon fisherman here, have been for 20
20 years. Exxon Valdez still leaves a pit in my stomach and makes
21 me want to puke, so I try to ignore you guys as much as I can,
22 but once in awhile I gotta come and say something. Tom's talked
23 to me about this evidence of the third of the last two big oil
24 spills being on the bottom of the ocean, and it seems like with
25 fishermen telling us that there are at the bottom of these
26 trenches there should be some type of investigation to go out

1 there and find out if we're not suffering a chronic effect from
2 this oil that is going to make all the restoration efforts for
3 naught. I do want to thank you for all the projects. I know the
4 last time I spoke I was very frustrated. It felt like we were
5 trying to assess damage, and we couldn't prove the damage, and it
6 seemed to be this vicious cycle where we couldn't prove the
7 damage so we couldn't get the research to prove the damage to get
8 the research, and I'm so thankful that we've got the research
9 that we have going on -- the herring, the pink salmon, the SEA
10 project. I have to tell you that one of the PWSAC board of
11 directors meetings the -- we had a little presentation on the SEA
12 project, and it was the only time during the directors' meeting
13 that everyone was awake, and you could hear a pin drop because
14 everyone is so interested in any -- any scientific information
15 that we can get. I'm going to be a little sarcastic about the
16 lumber and say that I'm also on the regional planning team, and
17 with salmon enhancement the first thing we address is the
18 possible implications that we may have on wild stock. That's
19 first and foremost in any discussion, and my concern is that if
20 you continue on the -- with the speed that you're going to
21 acquire habitat that it's going to make the job a lot easier
22 because we'll have less wild stock to worry about, and that is
23 totally sarcastic because those are our priorities. Thank you,
24 and thank you -- thank you for the research, thank you for coming
25 to the community to hear us.

26 MS. WILLIAMS: Any questions or comments for Ms.

1 Halgren? (No response) Thank you very much for testifying
2 today. Umm -- there's a question next to this person's name as
3 to whether he wishes to testify, so I'll give you that option
4 now. Karl Becker, would you like to testify?

5 MR. BECKER: (From audience) I'll yield my three
6 minutes.

7 MS. WILLIAMS: All right, thank you, Mr. Becker. The
8 next person we have to testify is Martha Vlasoff. (Pause while
9 Ms. Vlasoff approaches the podium) And Martha, as many of you
10 may know, is on our Public Advisory Group.

11 MS. VLASOFF: It's wonderful to see you all here, and
12 I haven't met you all. (Pause to adjust microphone) It's
13 wonderful to see you all here, and I haven't met everyone
14 individually on the Trustees Council, but I look forward to
15 meeting you individually. I got started in the Trustees
16 Council's business in understanding what the Trustees Council was
17 trying to accomplish when I -- when I first went to the church
18 meeting a couple of years ago and came up with an idea about a
19 community transfer of knowledge or a community involvement
20 project that -- that would help facilitate an exchange of
21 information from the researchers working on the work associated
22 with the Trustees Council and the communities in the villages and
23 the fishing communities that were affected by the oil spill, and
24 that's what I'd like to talk to you today is about the project
25 96052A and 96052B, and they're actually almost identical
26 projects, although 96052A is being proposed by a consortium of

1 oil spill impacted communities, and 96052B is a proposal by the
2 Alaska Department of Fish & Game. What I'd like to do is read to
3 you a description of what I thought this program would look like
4 when we first proposed this project. What the community transfer
5 of knowledge program would facilitate is a data gathering process
6 of information from the public in an effort to fill the gaps
7 where historic scientific data is not available, as well as
8 developing a year-round observation team of ecosystem by people
9 who were and continue to be most affected by the 1989 Valdez oil
10 spill. In order to enhance information on injured resources in
11 the spill area and in a cost-effective manner, this program for
12 the involvement of the local residents is proposed. The program
13 is based on the premise that without addition of traditional
14 knowledge of local people, questions being asked in regards to
15 the ecosystem management of the spill area will never be
16 completely understood. The phrase "traditional knowledge" means
17 a set of personal observations made by an individual who has made
18 their living either commercially or in a subsistence way off the
19 natural resources of, in and around the villages and communities
20 of Prince William Sound and Kodiak area. This letter of intent
21 addresses the development of a project which would begin
22 formation of a multi-cultural partnership between the people who
23 have subsisted off the land and have -- or have made a living
24 from the land and sea of the Prince William Sound or Kodiak
25 Island regions for centuries, and the scientific community who
26 have carried out detailed studies of the ecosystem since 1989 but

1 have a limited scientific data base of the region prior to that
2 time. The first stage of the project would entail hiring a
3 coordinator to network with and recruit people in the villages
4 and solicit participation of those individuals in an ongoing
5 working groups associated with the working groups from Exxon
6 Valdez Oil Spill Restoration Office like the pelagic fish --
7 forage fish group -- the nearshore group, and the "piz for pick"
8 (ph). It is crucial that initial networking be done in
9 conjunction with the tribal councils in the communities. Funding
10 will be needed to support the cost of travel and per diem for
11 those individuals to attend meetings in an effort to add their
12 subsistence perspective and knowledge of resources. Meetings
13 with tribal councils will be set up where a list of possible
14 project ideas might include audiotape recordings of local
15 observations, training programs coordinated with research
16 scientists, taking samples of water salinity, currents, air
17 temperature, and observations of intertidal zones, questionnaires
18 to the villagers in regards to what they feel is the most
19 important resources locally and problems associated with those
20 resources. The second stage would be to have educators in Prince
21 William Sound Science Center do local presentations on specific
22 injured resources to local community members in an effort to
23 share information and personal observations of such resources
24 over a set period of time to promote understanding of cultural
25 differences and defining the terminology of the species being
26 presented. The third stage would be to have the coordinator work

1 with the communities to facilitate a face-to-face workshop
2 conference to be held with presenters such as Larry Mercurieff
3 from St. Paul Island who is the original author of the concept of
4 traditional knowledge transfer from local individuals being a key
5 factor, together with scientific knowledge in understanding the
6 North Pacific Rim ecosystem. Other potential guest speakers
7 would include elders from the communities who have value -- have
8 expertise in traditional knowledge. The fourth stage would
9 entail correlation of traditional knowledge gathered, together
10 with the Alaska Department of Fish & Game's notes data base for
11 resource uses, historic information from commercial fishing data
12 and the Alaska SEA Grant education material, research material
13 from the Prince William Sound Science Center into a CD-ROM
14 formatted computer program which will be accessible to all
15 interested parties. That's what it looked like to begin with,
16 and it has evolved into a pilot project at this time that is
17 being administered by the Department of Fish & Game. Our
18 proposal is from the oil spill impacted communities, and we feel
19 that we are capable of administering this project ourselves and
20 that we can facilitate that communication with the Restoration
21 Office and the researchers that are working on the questions as
22 far as understanding what is hindering the restoration of the
23 natural resources. I'd just like to bring you up to speed as far
24 as what we are doing through the Chugach Heritage Foundation
25 office and the Consortium of Oil Spill Impacted Communities on
26 96052A. Thank you.

1 MS. WILLIAMS: Thank you, Ms. Vlasoff. Any questions
2 or comments?

3 MR. RUE: A quick comment.

4 MS. WILLIAMS: Commissioner Rue.

5 MR. RUE: Yeah. I don't know if you can hear me.
6 I'll take a real hard look at this project, and I don't want the
7 department to be inappropriately competing with the local entity
8 when you are better qualified to do the work. There may be
9 something complimentary that the two of us can do. I don't know.
10 I'll take a hard look at it because we shouldn't be competing if
11 you can do it better.

12 MS. VLASOFF: Thank you.

13 MS. WILLIAMS: Again, thank you, Ms. Vlasoff. Our next
14 testifier is Monica Ridel.

15 MS. RIDEL: Good afternoon -- put this on?
16 (Referring to microphone)

17 MS. WILLIAMS: Please.

18 MS. RIDEL: Good afternoon, my name is Monica Ridel,
19 and I am from Cordova. I'd just briefly like to clarify what our
20 elder Julia talked about earlier. She was referring to Project
21 No. 96205, the Eyak subsistence recovery camp planning project,
22 and I think -- are for participating. There are several
23 proposals I'd like to comment on today, most of them pertaining
24 to the newly formed Native Harbor Seal Commission. On May 4th,
25 1995, representatives of the communities which harvest harbor
26 seals to maintain their subsistence way of life met to form the

1 Alaska Native Harbor Seal Commission. The group approved bylaws
2 and elected myself, Monica Ridel from Cordova, as chairperson,
3 Harold Martin of Juneau as vice chairperson, and Alfred Podansy
4 (ph) of Seldovia, secretary-treasurer. The new Alaska Native
5 Harbor Seal Commission has been organized to address the concerns
6 of the rapidly declining numbers of harbor seals in the Gulf of
7 Alaska and deal with the stewardship of these marine mammals from
8 the Aleutian Chain to the southeast corner of the state. For a
9 number of years there's been a concern about having an Alaska
10 Native organization to participate on behalf of the traditional
11 use of harbor seals. The unknown impact of the Exxon Valdez oil
12 spill on this population raised additional questions as to the
13 status of the stock. Most recently, the federal requirement to
14 complete an assessment of the species of marine mammal has
15 brought to question the exact range of the animal and its
16 fluctuations in population dynamics over the area. The Alaska
17 Native Harbor Seal Commission is currently made up of five
18 commissioners. These individuals will be selected by the
19 communities in the regions which harvest harbor seals, with one
20 representative from each coastal Alaska Native region along the
21 animals' range. With that introduction, I would like to speak in
22 behalf of four proposals, number one, 96213, submitted under BAA,
23 it's funding for the Alaska Native Harbor Seal Commission, and
24 some of the objectives are, one -- well, first of all, it was
25 developed from projects 94244 and 95244, which was a project that
26 brought all the entities dealing with harbor seals for the first

1 time -- you know -- without the university-type symposiums that
2 brought all the biologists, agencies, subsistence users together
3 in one room to discuss the harbor seal decline, and that was done
4 with Jim Farr (ph) at ADF&G Subsistence Division. This project
5 will directly involve Alaska Native communities in the spill
6 impacted area and will have a statewide ecosystem approach. It
7 will fill the gap for addressing subsistence users and lost
8 resources related to us. It will utilize subsistence users and
9 users for traditional ecological knowledge. It will and has been
10 coordinating with the state and federal agencies, Institute of
11 Marine Science in Seward, UAF, and other successful marine mammal
12 commissions such as the Indigenous Peoples Council for Marine
13 Mammals, the Walrus Commission, the Whaling Commission, and so
14 on. It's actually based after the Alaska Sea Otter Commission.
15 It will help find solutions to determine the decline of the
16 harbor seals by involving hunters with training, by training them
17 to take biological sampling, doing surveys, haul-outs, ground
18 surveys -- not only air, mind you -- because air -- aerial
19 surveys seems to be quite a bit inadequate due to the tides and
20 all the different variations that you have, the time of day, the
21 time of season, and everything. So, we believe subsistence users
22 can be utilized because we're out on the ground anyway. It will
23 help educate the public, (indiscernible) scientists, rural
24 subsistence users more effectively. It will involve Natives who
25 have a long-standing, customary and traditional use of history on
26 -- in conservation plans, as well as developing co-management

1 plans. Also, I'd to note here that it was submitted under BIA
2 and there was a mistake in the draft that ADF&G would be our lead
3 agency. That still needs to be worked out.

4 The next project I'd like to speak on is 96244, it's called
5 the harbor seal cooperative assistance. This one was proposed by
6 Jim Fall (ph) again at ADF&G, who has been helpful and a very
7 good administrator in gathering all the agencies together for
8 this one specie. It will accommodate for two workshops for
9 collection and application of traditional knowledge and
10 development of traditional knowledge data base, it will
11 contribute to a meaningful role for customary and traditional
12 users and research and restoration activities. Also, number two,
13 it will continue collaboration between the hunters and research
14 management agencies. It also will help provide the Alaska Native
15 Harbor Seal Commission with technical support and additional
16 information for community reviews, and the participation will be
17 expanded to include hunters from oil spill impacted areas.

18 The next project I'd like to talk on is 96211 . . .

19 MS. WILLIAMS: And Ms. Ridel, if you could . . .

20 MS. RIDEL: Okay.

21 MS. WILLIAMS: . . . make it as brief as possible,
22 please.

23 MS. RIDEL: I'll make this very brief. The other
24 one is the community-based harbor seal biological sampling
25 program, which, in a nutshell, will cooperate with the marine --
26 well, Kate Wynn (ph) at the University of Alaska Marine Advisory

1 who will actually come and help train us -- train the hunters in
2 biological sampling.

3 The last one I'd like to talk on is the No. 96220, submitted
4 under BIA. It's the Prince William Sound wild stock salmon
5 habitat restoration. This is the only Eyak subsistence
6 restoration project to date. Other communities have had salmon-
7 related projects funded. It will utilize student interns,
8 involve village members in restoration process, and it will
9 restore lost subsistence resources. It will not have any heavy
10 equipment used, no hatcheries used, only wild stock, and there
11 will be no negative environmental impacts. And thank you for
12 your time, I'm sorry it went over just a little bit.

13 MS. WILLIAMS: Thank you, Ms. Ridel. Any questions or
14 comments for Ms. Ridel? Very much appreciate your testifying
15 today. Our next witness is David Harrison, and while Mr.
16 Harrison comes to the podium, I would like to check to see if we
17 have Anchorage and Juneau on line now. Anchorage are you on
18 line? (No response) Juneau, are you on line? (No response)
19 Keep trying. (Inaudible comments from staff about teleconference
20 hookup) All right, thank you. Mr. Harrison, please.

21 MR. HARRISON: My name is David Harrison. The last
22 name is H-A-R-R-I-S-O-N. I'm from the Village of Chickaloon, and
23 we're down to support the traditional Eyak position on this
24 Trustees Council and the decisions that you have before you to
25 make. But I also would like to remind the Department of Interior
26 and the State of Alaska that they have a fiduciary obligation to

1 the indigenous peoples of Alaska, stemming from the United
2 Nations Article 73 under the non-self governing territories. The
3 State of Alaska has not carried out the United States' obligation
4 under that law. As government officials, you have all sworn an
5 oath to uphold the Constitution of the United States, which, in
6 Alaska, has not been -- being done. Because of the perpetuation
7 of the lie that the United States bought Alaska, that is not
8 true. They bought the Russian-American Trading Company, which is
9 alive and well in Cordova, called the AC Company, and many other
10 villages as well. I hear talk about the management, and I'm
11 really glad that Mr. Rue says that he will look at the project
12 that was mentioned about having indigenous people do these
13 studies, because every study or every management technique that
14 the State of Alaska Fish & Game has used has depleted the
15 populations of our animals that we subsist off of, the moose, the
16 caribou, the sheep, the fish. Whatever the State of Alaska
17 touches, we lose because of their mismanagement. They do not
18 know how to manage in our territory, they do not look to the
19 indigenous people who are the caretakers of this territory that
20 you are occupying, that you are claiming as yours. We have not
21 consented to your assertions, we do not agree with them, and we
22 would ask this body to talk to the traditional peoples. The
23 state-chartered corporations are not the traditional peoples.
24 They are the money-grubbers that want to go out and fill their
25 pockets full of money and leave their children dying on the beach
26 because they don't have no food. These are the issues that you

1 are faced with. Very hard decisions. But before you can make
2 the correct decision, you have to go back to the beginning of
3 your history, the beginning of the occupation of the Russians
4 here in our country and later the occupation of the United States
5 in our country. You have to show us, the indigenous people, the
6 consenting documents that gave you your authority here to try and
7 dictate policy to indigenous peoples. Many of you may not know
8 that July 8th of 1994 Chickaloon Village was recognized as a
9 sovereign tribe by your judiciary, by the State of Alaska court
10 system, but your Department of Law does not like the ruling, so
11 they have attacked every federally recognized tribe across what
12 is considered the United States to undermine our authority to
13 further the complicity of genocide against peoples in Alaska,
14 primarily Alaska Natives. Because the laws are specific -- they
15 are in black and white -- we are not dreaming these things up.
16 Your government wrote these laws. We are implementing them the
17 way they should be, not how some of your attorneys
18 (indiscernible) laws, make an assumption and implement their
19 assumption. If the laws were implemented the way they are
20 written, we wouldn't have this problem today. We wouldn't have
21 the problem with oil still sitting out there in Prince William
22 Sound, nor in the Interior of Alaska, from the spill. Many of
23 our people have seen the damage that this spill has done to our
24 animals, our very food. We don't go to grocery stores like you,
25 many of us. Our grocery store is the water and the forest, the
26 animals that live in those places. We don't have a 60 or \$70,000

1 a year job. Our job is out there managing and taking care of our
2 resources, our subsistence way of life, our culture -- and trying
3 to stop the genocidal practices from affecting our children the
4 way they have affected us. We want to educate you so you have a
5 grasp for life, rather than a grasp for death. The system in
6 which it is being operated in this country today knows death more
7 than it does life. I hear people talk about their children and
8 their future generations within your western society, but words
9 are far different than their action. They say they love their
10 children and they want to see them grow and be healthy and all of
11 that, but yet they are still digging the resources out from
12 underneath the surface of the earth, promoting death for all
13 life, for us and for you. Because those resources, the oil and
14 the gas, is the blood of our mother, the Mother Earth. The coal
15 is the liver, the uranium is the lungs, and so on and so forth.
16 So, continue to take these resources out of our Mother Earth, and
17 she will die and we will perish with her. I want all of you
18 guys' wisdom and understanding that you have a fiduciary
19 obligation and that you swore an oath to uphold the United States
20 Constitution as state and federal government officials. We ask
21 and we pray to our Creator that we have touched your heart and
22 that the indigenous people across this country have touched your
23 heart to maybe change your way of doing things so that people can
24 survive, whether it's yellow people, white people, black people
25 or red people, because the environmental damages that you are
26 allowing to happen as state and federal government officials is

1 genocide, not only against us but against your own children that
2 you say that you love so much. Thank you.

3 MS. WILLIAMS: Thank you, Mr. Harrison.

4 (Audience applause)

5 Are there any questions or comments? This is the last time
6 I'm trying, Anchorage, are you on line?

7 ANCHORAGE LIO: Yes, we are.

8 MS. WILLIAMS: Juneau, are you on line?

9 JUNEAU LIO: Yes, we are.

10 MS. WILLIAMS: Excellent. Anchorage, do you have
11 anyone who wishes to testify?

12 ANCHORAGE LIO: Not at this time.

13 MS. WILLIAMS: Thank you. Juneau, do you have anyone
14 who wishes to testify?

15 JUNEAU LIO: Not at this time.

16 MS. WILLIAMS: Thank you both for being patient, we are
17 proceeding with the public testimony here in Cordova. The next
18 witness is Michelle Wilson.

19 MS. WILSON: Hello, my name is Michelle Wilson, and I
20 come from the San Francisco Bay area, and I'm here today to
21 represent but rather speak for the 70,000 acres of rainforest
22 that are presently being -- that are at threat right now to being
23 clear-cut, and I am just encouraging you to follow your mission
24 statement which I just read a few moments ago, which says that
25 you are, among other things, here today to encourage habitat
26 acquisition and protection. So, I'd like to ask to give the rest

1 of my time to Dune Lankard, and I would like to encourage you to
2 really consider the timber rights purchase plan proposed by the
3 Alaska Coastal Coalition and the Eyak Rainforest Preservation
4 Fund.

5 MS. WILLIAMS: Thank you, Ms. Wilson. Are there any
6 questions or comments for Ms. Wilson? Thank you for joining us
7 all the way from San Francisco. Our next witness is Dune
8 Lankard, please.

9 MR. LANKARD: Good afternoon. My name is Dune
10 Lankard. It's L-A-N-K-A-R-D. I represent the Eyak Rainforest
11 Preservation Fund here in Cordova. It's really wonderful to see
12 you here in Cordova and in the spill zone, meeting with the
13 citizens and the people who were affected by the oil spill. The
14 only thing that I see missing here is the table right over here
15 for the Eyak Corporation board members and leaders. I would like
16 to encourage that, before you leave here, that you sit down with
17 these people and negotiate in the best interests of the public,
18 the people, the forest and the animals. I'm extremely upset that
19 the negotiations have broken down once again. This process has
20 gone on for four years too long. Thousands of acres in Prince
21 William Sound have been clear-cut and are continuing to be clear-
22 cut while you negotiate. The problems that I see is the details.
23 Every time the negotiations have broken down, it's been on some
24 detail that could be worked out at a later time. There's three
25 active Native corporations in the region that are currently
26 clear-cutting -- Koncor with Chugach Alaska Corporation, the Eyak

1 Corporation, and Tatitlek Corporation. Thousands of acres of
2 land can be saved by you, if you would sit down with these Native
3 corporations and do two things, and I think they're really simple
4 and I don't think it's asking a lot from anybody. Is one -- if
5 you set it up in phases where the timber rights were to be
6 purchased in perpetuity right off the bat -- protect the forest
7 from being clear-cut, remove the imminent threat from the
8 situation. What would happen is then if you rationally decide on
9 what the moratorium -- excuse me -- on what the definitions are
10 of the development restrictions, the public access issues, and
11 the subsistence hunting and fishing issues that seem to keep
12 coming up over and over again. So, phase two, if there was a
13 moratorium on the definitions of at least a minimum of three
14 years, this would give you and Eyak Corporation, including the
15 other corporations, ample time to figure this out in a rational
16 manner -- and do it quickly because I -- I think that it's really
17 sad that we cannot come to an agreement and save this forest.
18 The imminent threat of clear-cutting in the view shed of Orca
19 Narrows is no longer an imminent threat. It is a reality. The
20 bulldozers have turned around and built a road in the Orca
21 Narrows, and they are going to commence clear-cutting in the next
22 couple of days in every direction if you cannot come to an
23 agreement. These are public monies, this is in the best
24 interests of the public. I think for the sake of the region we
25 have done enough -- we've had enough catastrophes and change that
26 we've had to deal with over the last six years since the Exxon

1 Valdez oil spill. You represent all of America. You represent
2 all of the citizens, all of the people. You even represent me.
3 The Eyak Corporation numerous times does not represent me. They
4 have made that quite clear. So, as Trustees, I would like you to
5 take the position that you represent everyone equally and fairly
6 and go out there and do your job as trustees because I think the
7 people in Prince William Sound are some of the most amazing,
8 creative, artistic, talented people I've ever met, and we are
9 dealing with a lot of pain and we would like that to end as
10 quickly as possible. I would like to encourage you to set aside
11 your indifferences, your egos, and reconvene the negotiations
12 immediately. If you have to stay an extra day here, I wish you
13 would do that because this is -- this is all we have -- this is
14 our home. Last, but not least, there has been a few articles
15 about the Eyak people and who exactly make up the Eyak
16 Corporation, and again I would like to point out that there is
17 three tribes represented by the Eyak Corporation. There are
18 Aleuts, there's Tlingits, and there's Eyaks. We make up ten
19 percent, the Tlingits are approximately five percent. The 85
20 percent that remain are Aleut descent. The nine board of
21 directors that you are dealing with are of Aleut descent. You do
22 not hear the Eyak voice, you do not hear the Eyak people unless
23 you are sitting here in front of me today. This is the Eyak
24 voice. We want to live here for another 3,500 years in a
25 rainforest that has provided our subsistence way of life, and if
26 it remains intact, then so will we. You have an opportunity to

1 keep a living, in tact forest reserve out there. Right now I
2 understand you are socking away \$12 million annually into a
3 restoration reserve. The living restoration reserve is out
4 there. You can protect it right now. We have approximately a
5 thousand signatures here of people who are urging you to
6 negotiate in the best interests of the Eyak rainforest, and it
7 says this: We, the undersigned, urge the Exxon Valdez Oil Spill
8 Trustee Council to buy protection of the Eyak rainforest under
9 the conditions of the Forest Forever Plan proposed by the Eyak
10 Rainforest Preservation Fund -- which is Phase 1 and Phase 2
11 that I just described earlier -- and the Coastal Coalition.
12 Phase 1 seeks permanent protection of the forest through the
13 purchase of timber rights. Phase 2 sets up a three year
14 moratorium, enabling all parties time to work out the management
15 issues on the conservation easement. I can make these available
16 to you right now, which I have copies of. These I can make
17 copies this afternoon -- I would be happy to deliver them to you
18 this afternoon. And, finally, we have set up a tour of the Eyak
19 rainforest for the Indigo Girls who are in town to do a concert
20 this evening, which you are all invited to, and we are hoping to
21 shove off in about 45 minutes. What I'd like to do is -- I don't
22 know who's following me, but I would like to have Winona LaDuke
23 and the Indigo Girls speak before we have to go out on the tour.
24 Thank you very much.

25 (Mr. Lankard submitted petition cards to the Trustee Council
26 for the record.)

1 MS. WILLIAMS: Thank you very much.

2 (Audience applause)

3 Thank you, Mr. Lankard. Thank you also for the petition,
4 which we, of course, will put into the record and review, and for
5 the other documents that you provided. Are there are any
6 questions or comments for Mr. Lankard? Thank you.

7 Our next -- would the Indigo Girls like to go next? Winona?
8 Yes, please, and please come to the microphone -- and we do thank
9 you for joining us today.

10 MS. RAY: My name's Amy Ray. I'm from Georgia --
11 Atlanta, Georgia. I'm part of the Indigo Girls. We're currently
12 on a three week tour in the United States to raise money for
13 different Native American grassroots organizations that are
14 trying to do things for the environment -- land recovery
15 projects, language recovery projects, sacred site defense, and
16 basically we believe in cultural and biological diversity. I'm
17 here in support of Dune Lankard and the rainforest -- the Eyak
18 Rainforest Preservation Fund -- because I believe you can't have
19 a culture without a piece of land to subsist on. I think buying
20 the timber rights and the moratorium that would be put in place
21 would give time to talk about the other issues going on with the
22 different people's jobs -- you know, I don't live here, I don't
23 work here, I know there's a lot of things that are gray areas
24 that need to be discussed. I feel that this plan that we've
25 signed a petition on would be a good one, and I want to support
26 it as a citizen of the United States and as a voter. So, thank

1 you.

2 MS. WILLIAMS: Thank you very much.

3 MS. RAY: And you're invited to the show tonight.

4 MS. WILLIAMS: I'm looking forward to it (laughter) --
5 you better believe it.

6 MS. SALIERS: Hi, my name is Emily Saliers. S-A-L-I-
7 E-R-S. I'm one of the Indigo Girls. I live in Atlanta, Georgia,
8 and we are here on the aforementioned tour that Amy spoke about.
9 I encourage the Council to please resume immediately your talks
10 with the Eyak Corporation. We support the purchase of timber
11 rights of the Eyak lands, and we support the moratorium that Dune
12 Lankard mentioned earlier. This is not just a local issue, it's
13 truly an international and I believe a spiritual issue, and you
14 have a chance to make a difference, and I know that the eyes of
15 the world are going to be on you all, and that Amy and I are
16 going to do as much as we can to stay on top of these issues to
17 watch what happens subsequently and to tell everybody we can
18 around the world about because it is a chance to save the
19 rainforest, a chance to save the work and lives of the fishermen
20 of the indigenous people. It's a very powerful opportunity to
21 stand up and do the right thing at a critical time. I believe
22 this with all my heart. I'm not going to go home to Atlanta and
23 forget about it, and I encourage you all to resume your talks
24 immediately and save the rainforest here. Thanks a lot.

25 MS. WILLIAMS: Thank you.

26 (Audience applause)

1 Any questions or comments for Amy or Emily? Okay, thank you
2 again for testifying, we appreciate it greatly. The next witness
3 said "maybe." Henry Makarka, would you like to testify?

4 MR. MAKARKA: Hi. My name is Henry Makarka. Last
5 name is spelled M-A-K-A-R-K-A. I speak for myself and testify as
6 far as all of you, I recognize some of you and I see some new
7 faces also. But with what Copeland had mentioned as far as out
8 in the Sound, I have been involved (indiscernible) a member of
9 the Eyak Corporation board and the Village Council and the AFN
10 board. From Day One from the spill out there, I was appointed to
11 -- for the village to look at some of the things and meet with
12 the Oiled Mayors of Prince William Sound and the Oiled Mayors and
13 Friends. We met in Valdez shortly after the spill. With what we
14 had seen out there, a tour of what the damage was to the animals
15 and the oil with what Copeland was mentioning, I had flown
16 several times throughout the whole oil spilled area, from Bligh
17 Island to the entrance of where the oil leaves the Sound, and
18 having one day to fly out there on a clear day from Bligh Island
19 being out on a straight line. With what Copeland has mentioned,
20 I am sure is true, was a black line on the bottom of the ocean,
21 the way the tide flows. Other things that I have noticed since
22 the oil spill as far as the damages to the resources, mainly the
23 wildlife, the animals, the seals, which what our people subsist
24 off of, I have sampled some of the seals. The livers are
25 perforated, bloodshot -- in fact, last year while sporting
26 fishing a deformed seal -- one of my friends and I happened to

1 see this deformed seal, and we thought it was a platypus. With a
2 little more closer look, it was a deformed seal with a long nose,
3 a long head, sadly to say, and the only thing that we could
4 attribute these things to was the oil spill. Since '89 now,
5 we're going on six years, and we're still seeing the after
6 effects of what the damages are out there. The deer also, their
7 livers are, as far as I'm concerned, are bloodshot, tough. The
8 seal liver is one of the choice livers of all the Native people -
9 - in fact, a lot of the white people -- you could cut it with a
10 fork, but now it's tough, bloodshot, perforated -- and other
11 wildlife as far as I'm concerned throughout the oil spilled area.
12 I have lived in Tatitlek for 14 years, I have two sisters over
13 there and they have big families also. I also keep in touch with
14 them and as far as what the subsistence foods there are or any at
15 all returning -- very little herring spawn for them, fish and the
16 wildlife and the seals and all -- very little. I know, I see, I
17 go out there quite often. So, with what, you know, just you
18 folks -- not to be repetitious with what some of the testimonies
19 has already been, I think we all recognize that you do have that
20 fiduciary responsibility and as far as with what you are charged
21 to do, and I truly hope that you do continue and try and do your
22 job. Thank you.

23 (Audience applause)

24 MS. WILLIAMS: Thank you, Mr. Makarka. Mr. Markaka --
25 Mr. Makarka, I actually have a question. I don't know if any
26 other Trustee Council members do. I certainly appreciate your

1 observation about both appearance and liver characteristics of
2 the animals that you have harvested and observed. Did you have
3 an opportunity to talk the Alaska Department of Fish & Game or
4 give them samples of the liver or the observations or Forest
5 Service or the Prince William Sound Science Center, by any
6 chance?

7 MR. MAKARKA: I'm not a biologist or anything, but
8 I've often thought that those people like you here, you have the
9 knowledge to know with what you're doing. I, myself, am self-
10 taught with what having to live out there. I have always taken
11 for granted that those people who are biologists or scientists or
12 what have you are far more educated than I am to the point of
13 with what all of you are charged to do and how you did it. But
14 maybe you are right. You shook your head. Maybe they do not
15 know everything that is out there. I certainly have seen and
16 tried to sample it, the seal liver, and looked at it. I have an
17 interest in that. I've always taken an interest in it, from Day
18 One from the oil spill. The day of the oil spill, my cousin over
19 there called me up because of my relatives over there and told
20 me. He said, "It's happened." "What's happened?" "What we
21 always thought would happen some day, the oil spill." And he
22 said he ran to it, two foot of oil, and just like hitting a wall
23 and having to see with what -- let alone the toxicity of the oil
24 spill itself when it began in the village people, I was concerned
25 with all my relatives over at the village, and they became ill,
26 and I told my sister at the time it may be the way the wind is

1 blowing and the toxicity of the air from the oil is affecting
2 you. Everyone was become nauseated at that time. Still here nor
3 there as far as what you mentioned about the wildlife -- I have
4 seen it. I've been there.

5 MS. WILLIAMS: And I can't speak for Commissioner Rue
6 or even Mr. Pennoyer, but I would -- I would assume that some of
7 your folks would love to chat with Mr. Makarka about his
8 observations and follow up on the condition -- yes.

9 MR. RUE: Yes, that's a good assumption. We'll
10 follow up.

11 MS. WILLIAMS: Excellent. Thank you very much. And
12 anyone else that has in-the-field observations, please share
13 those with us because they will help in restoration analysis and,
14 of course, in the assessment of the damage. Thank you so much,
15 Mr. Makarka. I understand that Winona LaDuke would like to
16 testify next.

17 MS. LaDUKE: Can you hear me okay?

18 MS. WILLIAMS: Yes.

19 MS. LADUKE: Thank you. Me gwitch (ph). Winona
20 LaDuke is my name. L-A- -- capital D-U-K-E. Aniin
21 indinawayvuqunĭtok. Indigo Bennaasay equay. Makwa niin dodaen.
22 Gah bah sah ga aygoning indoon jibaa. I am from the White Earth
23 (ph) Reservation in northern Minnesota and I'm a Mississippi band
24 person, Bear Clan, but I'm here because I'm concerned about these
25 issues. I also represent an indigenous women's organization
26 called the Indigenous Women's Network, and it is my feeling as an

1 indigenous person that I am a mother of my nation, and that all
2 issues of concern to my nation are of concern to me, and that as
3 a women and as a mother I have a right to be concerned about
4 these issues, and that is why I am here. I want to thank you
5 very much for this opportunity to speak with you, and I believe
6 that you have a very sacred responsibility as trustees, and I
7 realize that you have a very difficult job in what you need to
8 do. I encourage you to always think about the seventh generation
9 from now when you do these things that you do, because that is
10 how sacred your responsibility is because of the caretaking that
11 is in your hands. We have a saying in my language, which is,
12 "Bimaadiziiwin a'aw Nibi." It means water is life. Water is
13 life -- and that is what we believe. I live in an area that is
14 full of water as well, but it is inland water. And our relatives
15 are in the water and we come from the water, and we have ceremony
16 about the water, and it is of concern to us when there is a
17 problem with the water because the water is the center of us, and
18 in most indigenous cultures we have that belief, and that is why
19 what has happened here is so devastating to cultures --
20 indigenous cultures -- because water is the life blood of Mother
21 Earth, is our belief, and that is why it is so essential that we
22 protect and preserve the water. I find that indigenous
23 communities in which I work, in my reservation as well as other
24 reservations we suffer from a problem, which is unresolved
25 historical grief -- in that what has happened to us is not
26 recognized as having happened, and that whether it is the

1 bayonetting of our grandparents or it is the destruction of our
2 land or it is our forest removal or it is forcing us to speak
3 someone else's language, it is something that is not recognized
4 as having caused the grief which it causes in our communities,
5 and the problem is is that in many indigenous communities the
6 same circumstances continue in that we do not have the ability to
7 control our destiny and that there is always someone who is
8 trying to control that upon which we rely. In my reservation,
9 most of our land was taken and most of our trees were cut, and
10 the consequence was widespread social and economic and health
11 problems in our community and a great deal of things which had
12 been carried inter-generationally. We are only now healing.
13 But, today, in my own community we face some of the problems in
14 that they are coming back to clear-cut our area, and it causes us
15 stress in -- not unlike stress in animals. When there is no
16 security of where you are going to be or if your land will be
17 okay for the next year or for your children, because that is, as
18 indigenous people, all we have to pass on is our cultural
19 practices and our land. The land is our spiritual resonance.
20 That is where we get our relationship to the Creator from. That
21 is also where we get our food from, and it is not the same to buy
22 it at the store. You do not have that spiritual relationship
23 with something, some meat that has a stamp on it. It is not the
24 same. Nor do you have that same relationship to fish that you do
25 not know where it came from. And that is why it is important to
26 protect the forests. I am, of course, here to support the

1 negotiations to protect the Orca Narrows land of the Eyak people.
2 That is because they are my relatives because we are indigenous
3 peoples, and I can feel what they have gone through because we
4 have had the same experience. We would like to see it protected
5 because the only way that their community will be able to be
6 restored and to be alive is if their land is protected, and if
7 they do not have to wake up every day in all of these communities
8 and wonder what is going to be destroyed next, that level of
9 stress which causes that social impact on communities is what
10 causes social disfunctionality and a lot of the problems we have.
11 We are unable to heal unless our land is healed. So, for us in
12 our area and as well as the people here, we look to folks like
13 you who have the ability to do something to try as hard as you
14 can. You do have a fiduciary responsibility, those of you who
15 are from federal agencies, to indigenous peoples, and we
16 encourage you to utilize that in the way that you should, and in
17 this case we are here and I'm here to ask you to continue and
18 really work diligently on the negotiations to secure the timber
19 rights to protect the land. Do not ask them for the land. Do
20 not take their land. Do not try to buy their land, they need
21 their land, but you need to protect the trees because the trees
22 are what protects the water and the fish, and it is also what
23 protects the people. Those are their ancestors and those are our
24 ancestors, so, please, do not give up your negotiations, and
25 please use your influence and position and your responsibility as
26 best as you can. Ni gwitch (ph).

1 MS. WILLIAMS: Thank you very much.

2 (Audience applause.)

3 Any questions or comments? Thank you again. The next
4 person on the list also indicated a "maybe," and so would Ken
5 Hill like to testify at this time?

6 MR. HILL: Not at this time, thank you.

7 MS. WILLIAMS: Okay, thank you. The next witness also
8 indicated a "maybe" -- Andrea Postos?

9 MS. POSTOS: Not at this time, thank you.

10 MS. WILLIAMS: Thank you. The next witness also
11 indicated a possibility, and that's Karen Button.

12 MS. BUTTON: Hi, my name is Karen Button, and that's
13 B-U-T-T-O-N, and I'm visiting here from Anchorage and would like
14 to say thanks for meeting with everybody and welcome here, and I
15 am glad to see that you're here and taking the testimony of
16 people in the area of where the spill most impacted people's
17 lives. In Anchorage, it didn't affect my livelihood, it didn't
18 affect my life in relationship to the land, but it affected my
19 heart really deeply, and it still does, and it causes me great
20 pain to think of the continuation of the degradation of this
21 earth by clear-cutting 70,000 acres. So, I would really also
22 encourage you -- not to be redundant -- but to please pick up
23 your negotiations with the Eyak Corporation and to recognize that
24 those that sit on the board are not necessarily the voice of all
25 of the people, and -- just one other comment is -- meaning no
26 disrespect to the man who spoke first, but it really -- it causes

1 me great pain to think that we have to think about what we're
2 going to do for the next oil spill. I would like to think that
3 we don't have to be in that position, and although it's not any
4 of your responsibility but I think it's all of our responsibility
5 to continue to work with our Congress so that we can have
6 safeguards in place, such as double-hulled tankers and so forth,
7 where we don't have to worry about having a state of readiness,
8 where we just can live a little bit more at peace with that.
9 Thanks.

10 MS. WILLIAMS: Thank you very much, Ms. Button.

11 (Audience applause)

12 MR. KOMPKOFF: Can I say a few words next?

13 MS. WILLIAMS: Please.

14 MR. KOMPKOFF: Carroll Kompkoff. I'm the President of
15 the Tatitlek Corporation, and we are in the process of
16 negotiating with you people.

17 (Interruption by recorder about microphone).

18 MS. WILLIAMS: And, Mr. Kompkoff, if you could spell
19 your last name for the record, please.

20 MR. KOMPKOFF: K-O-M-P-K-O-F-F. First name is Carroll,
21 C-A-R-R-O-L-L, and I'm the President of the Tatitlek Native
22 Corporation -- Tatitlek Corporation -- and we are in the process
23 of negotiating with you people right now, through our attorneys,
24 and I'm sure you all realize that -- trying to selling our
25 conservation easements and some fee. I'd like to speak just for
26 myself, not for the corporation. I've been a commercial

1 fisherman all my life. I started fishing with my dad when I was
2 four years old, and up until, what, about ten years ago -- ten or
3 twelve years ago, you used to get a steady run, a real good run
4 of wild stock salmon in Port Fidalgo, namely pink salmon and chum
5 salmon, also in Valdez Arm. That's been on a steady decline for
6 the last ten -- twelve -- years. Now, I'm not a scientist but I
7 kind of blame logging operations in Port Fidalgo as part of the
8 reason for the decline. We used to get a lot of chum salmon in
9 Port Fidalgo, also pinks and others. There's hardly anything in
10 there any more. There's no fish nowhere, not of any kind, and I
11 think a lot of that -- some of that has to do with the oil spill.
12 And, like you say, we are in the process of trying to selling
13 some of our lands, conservation easement and fee simple, to you
14 people, and I sure hope things work out for us. So that's --.

15 (Audience applause)

16 MS. WILLIAMS: Mr. Kompkoff, thank you. And, Mr.
17 Kompkoff, let me say, although I'm not part of the negotiating
18 team I understand that the discussions are going very well with
19 Tatitlek, and we thank you for that. Any other questions or
20 comments for Mr. Kompkoff? Thank you very much. The next
21 witness is -- we've already heard from Monica Ridel -- so, it's
22 David Grimes, please.

23 MR. GRIMES: Good afternoon. My name's David Grimes
24 -- G-R-I-M-E-S -- and I'm also an adopted member of the Eyak
25 Tribe with the name "Yakadalyshliiyaki" (ph), which I can't spell,
26 but it means literally "he who causes his mind to involuntarily

1 roam in an indeterminate direction." (Laughter) And I will try
2 to stay on -- in direction. I want to thank you guys very much
3 for being here and welcome you. I think this is the first time
4 that you've all been able to be here in Cordova, and I also think
5 that were we all able to be in the same place more often that a
6 lot of the problems that we have in this restoration process
7 would not be so great because we really aren't able to see each
8 other near enough that -- as our problems warrant. You folks
9 are, as trustees, are our healers, you are our protectors and
10 restorers. This is your -- this is your mission on our behalf.
11 There are numerous times that I wish that it hadn't been you
12 folks or your predecessors, that it had been people who live in
13 this area because, given a billion dollars and the love that we
14 have for this place, there would be no chainsaws operating in a
15 negative fashion in Prince William Sound today. This is -- this
16 is the truth. And history is going to judge us, not on what we
17 learn from studying the oil spill, but more importantly how we
18 took action based on what we know and learned. All of the
19 science that we learn from this and what we already know in our
20 hearts, it's incredibly important that we know that, but it
21 doesn't matter at all if we don't act on that. We already know
22 that since the oil spill hundreds of thousands of forest have
23 been clear-cut in the oil spill region to an already severely
24 injured ecosystem. We know that continuing this clear-cutting in
25 the oil spill region will be completely counter to all of our
26 restoration objectives. This, we know. Will we act on this

1 knowledge? Again, what good is the science without the will to
2 act on it? I don't have to tell you folks, you know salmon are
3 forest animals as much as they are ocean animals. They are born
4 in these forest streams and they return to spawn and die in them,
5 and whether we spill oil in the water and kill or whether we kill
6 the forest, the salmon will go. I don't have the billion
7 dollars, Eyak Corporation doesn't have the billion dollars, you
8 folks have the billion dollars, and, in that sense, whatever
9 happens to this region, the degree to which we are able to
10 protect it, is on all of our heads, but most of all I believe
11 it's on your heads, those of you who are sworn on my behalf and
12 on everyone here's behalf and on the injured ecosystem and the
13 animals, you are the most who are given the trust responsibility.
14 And -- I -- we love you guys, we want to welcome you to our
15 community. We hope you will stick around here and become a part
16 of us, and I hope there is a way we can all work together, but I
17 really want to encourage you from the bottom of my heart to stay
18 in with these negotiations and find a way to protect our forests.
19 It's the single biggest act that you could do to help restore the
20 oil spill is to protect some of this habitat, and I wish you
21 great good luck with it. Thank you.

22 (Audience applause.)

23 MS. WILLIAMS: Thank you, Mr. Grimes. Questions or
24 comments for Mr. Grimes? Thank you again very much. I have two
25 witnesses who did not indicate -- or two names of people who did
26 not indicate whether they want to testify or not, so I'll

1 specifically now. John Branshaw? No? And Scott McKinney? All
2 right. The next person who indicated they wished to testify was
3 Allison Nyholm.

4 MS. NYHOLM: My name is Allison Nyholm. N-Y-H-O-L-M.
5 I am here representing Chugachmiut, the regional non-profit, and
6 I'm sorry to have to bring the public testimony back to
7 proposals, but I would just like to let the community know and be
8 aware of a specific proposal that our natural resource arm has
9 put forth, called the Prince William Sound Youth Area Watch
10 Proposal. It's a proposal that we're really excited about.
11 Basically, it involves getting the kids within the region out
12 there, working on some of the research that's going on. In the
13 proposal process, we worked with the folks at Prince William
14 Sound Science Center in identifying specific research that they
15 could be involved in, but we would also like to incorporate
16 traditional knowledge in that process. Again, we're real excited
17 about it, and we would like the support of the community and
18 those out -- and definitely the Trustee Council. It -- it's
19 proposed as a pilot project, but we would hopefully like to
20 expand it and get every youth out there involved -- within the
21 region. Basically, the -- it stemmed from concerns over long-
22 term planning and the need to -- to bring youth into the process
23 in terms of the big projects that are out there, like the Prince
24 William Sound Science Center and the Seward Sea Life Center
25 that's going to be going in in Seward, and that they need to be
26 involved in the planning process, and we hope that you look

1 favorably on this proposal. Thank you.

2 MS. WILLIAMS: Thank you, Ms. Nyholm. Are there are
3 questions or comments for Ms. Nyholm? Thank you for testifying
4 today. The next person who indicated that he wished to testify
5 was Ted Achilles.

6 MR. ACHILLES: Good afternoon.

7 MS. WILLIAMS: And Mr. Achilles, if you could put on
8 the microphone, please.

9 MR. ACHILLES: My name is Ted Achilles. A-C-H-I-
10 double-L-E-S. I'd like to speak very briefly on behalf of
11 resolution -- excuse me -- Fleming project Spit -- number 95080.
12 I am speaking on behalf of Prince William Sound Aquaculture
13 Corporation. A resolution was passed on the 24th of May by our
14 executive committee and reads: "Whereas, it is the mission of
15 the Prince William Sound Aquaculture Corporation to provide
16 salmon for the benefit of all user groups in Prince William
17 Sound; and, whereas, since 1990, Prince William Sound Aquaculture
18 Corporation has assumed from ADF&G the responsibility for
19 releasing chinook and coho smolt at the Fleming Spit for the
20 enjoyed of recreational fishermen and the community of Cordova;
21 therefore, be it resolved, that the Prince William Sound
22 Aquaculture Corporation hereby supports EVOS Trustee Council
23 project 95088 to restore and improve salmon fishing opportunities
24 at the Fleming Spit area." I would like to leave that resolution
25 with you, and I would also like to add my thanks to those who
26 earlier expressed their appreciation for your coming. You can't

1 hear the kind of feeling that represents a community like this
2 unless you're here, and we're real pleased that you came. Thank
3 you.

4 MS. WILLIAMS: Thank you so much, Mr. Achilles.

5 (Audience applause)

6 Mr. Achilles, there is at least one question for you. Mr.
7 Tillery?

8 MR. TILLERY: Please. You provide the smolt?

9 MR. ACHILLES: That's correct.

10 MR. TILLERY: You -- am I correct in thinking that you
11 will continue to provide those smolt?

12 MR. ACHILLES: That is correct. We will continue to
13 provide them to the extent that we can, rearing conditions,
14 biological conditions, and so on, being available to us, but the
15 answer is yes.

16 MR. TILLERY: And we're probably not going to be
17 seeing a request come back to the Council to fund the smolt --
18 that's just part of your mission that you are doing -- that you
19 and city and the sportsmen are probably working on?

20 MR. ACHILLES: That's correct.

21 MS. WILLIAMS: Any other questions, Mr. Tillery? Any
22 other questions from any other Council members? Thank you very
23 much, Mr. Achilles. The next witness is Riki Ott.

24 DR. OTT: I am Riki Ott, and I am involved with so
25 many projects that it would take up my whole three minutes to
26 tell everybody about them, so I'll just say that I am testifying

1 for myself. I would like to echo Kelley Weaverling's earlier
2 comments about the Eyak timber negotiations, and that I feel a
3 little bit like we're in Ground Hog Day, and I would really like
4 this movie to end. The timber obviously is for sale. ITT-
5 Rayonier is actively trying to purchase it. It seems to me that
6 there are three obstacles to closing, at least from my
7 perspective. First, as mentioned earlier, the timber cruising
8 has not been completed, and as a result the appraisals haven't
9 been completed so there's actually no money value there that can
10 be pinned on this timber. So I would really urge this Council to
11 take all steps necessary to prioritize these timber cruises. The
12 second obstacle seems to be the development rights, and my fear
13 of development rights is actually a lot less than my fear of
14 clear-cutting and the resulting damage to the ecosystem and the
15 future economic base of the Native corporation and this
16 community. Unlike the timber rights, which are held by one
17 person, Luke Borer, who unfortunately isn't accountable to any
18 party because he owns the timber rights, the development rights
19 are controlled by the owner of the timber and Eyak Corporation --
20 at least, that's what I believe -- and so I ask this Council to
21 have some faith that the future development will benefit all the
22 shareholders and this community. I believe that the fear over
23 the future projects is jeopardizing at this point the Eyak
24 negotiations. This fear needs to be overcome for the spiritual
25 and economic well-being of all the people in this area. This
26 brings me to my -- to the third obstacle that I see which is that

1 it really takes two to tango, and it's going to take give and
2 take by both sides, not only the Eyak -- not only the Trustee
3 Council, but also Luke Borer, the primary holder of the timber.
4 So, I ask that both of you -- the timber rights.

5 MR. BORER: (From the audience) I don't own timber.

6 DR. OTT: Well --

7 MR. BORER: Not the timber rights.

8 DR. OTT: I'm led to believe that you do. All right,
9 well, then, let me re-phrase that and say the negotiators, both
10 sides -- there needs to be give and take on both sides. It isn't
11 all a one-way street. And so, I ask that all parties involved
12 get back to the table immediately and work for a comprehensive
13 deal, including the Other Lands as well. And I wish everybody
14 good luck.

15 MS. WILLIAMS: Thank you, Ms. Ott.

16 (Audience applause)

17 Any questions or comments of Ms. Ott? Thank you. I am
18 having a little trouble reading the next person's name. It Ed
19 Zooney (ph) perhaps? So, sorry.

20 MR. ZEINE: Ed Zeine. Z-E-I-N-E.

21 MS. WILLIAMS: And I particularly apologize because I
22 met Mr. Zeine earlier today, but my ears were still a little
23 plugged up from the airplane ride, I don't know if other people
24 had that problem on the airplane.

25 MR. ZEINE: I won't comment about the ears being
26 plugged up, believe me. I'm here in support of the Fleming Spit

1 project, number 95080. I'm a 16 year, full-time resident of
2 Cordova. When I first came here, I started a kids derby going,
3 and we did that on Eyak River. We got a lot of complaints about
4 it because in one day we'd take quite a few fish off that river,
5 which is a wild fish run. Fish & Game started planning silver
6 fry at the Fleming Spit -- the Department of Fish & Game for
7 Alaska -- and following that they started getting out of the
8 hatchery business and turning over the hatcheries to the Prince
9 William Sound Aquaculture Corporation, and they took over the
10 plant. I am very, very pleased at the word that you just heard
11 from the Prince William Sound Aquaculture Corporation that
12 they're going to continue to see that we get our fish there.

13 During the oil spill, we had a lot of people in our
14 community, a lot of them, going out to the oil spill to work and
15 they were coming back in off the oil spill after they either quit
16 work for one reason or another and they were transits in our
17 community, and you wouldn't believe how many people can live down
18 in Fleming Spit. There were a lot of them down there. And they
19 were fishing and non-fishing, and they fished the stock that was
20 down there at the time. It was silver fry -- that's all we had.
21 And so it has been impacted tremendously by the oil spill. This,
22 I believe, is one of the most non -- non-controversial items that
23 you can talk about in Cordova. It seems that everyone I speak to
24 has supported this work that we're doing at Fleming Spit. I wish
25 you could be here when we hold our kid's derby. We have about
26 170 little children down fishing, and they do catch fish and big

1 fish. It's a lot of fun. It's sponsored by a local fraternal
2 organization. I believe we have wide community support. The
3 City of Cordova supports the Fleming Spit project. Of course,
4 you know the Prince William Sound does -- the aquaculture
5 corporation does -- and the commercial fishermen support us very
6 strongly. They are the ones that actually vote to provide the
7 smolt and the fry to the plant out there, so I think that one of
8 the projects that you can feel very happy on discussing and
9 approving, I hope, is the Fleming Spit project. Thank you very
10 much.

11 MS. WILLIAMS: Thank you, Mr. Zeine. Any questions or
12 comments for Mr. Zeine. (Audience applause) The next name on
13 the list -- that did not indicate, however, whether they want to
14 testify or not, but I'll ask now -- is Jean and Charlotte
15 Debrugger (ph)? The next witness is -- we've already heard from
16 Julia. Karl Becker, would you like to testify? (Mr. Becker
17 declines). Riki Ott has testified. The next witness is Caryl
18 Boehnert.

19 MS. BOEHNERT: Hello, my name is Caryl Boehnert -- can
20 you hear me? -- and I'm representing Alaska Center for the
21 Environment in Anchorage, and I'm speaking as a clinical
22 psychologist who has been doing negotiations for about 20 years
23 now, and I want to make a couple of observations on the Eyak
24 process. I think one thing that I've found is it's -- it's
25 almost never seen that one side is particularly responsible for
26 how things are going in one direction or another. Responsibility

1 is shared by both sides on both ends of the table, and because of
2 this you may get speed, you may get a real slowdown, but the
3 negotiation process is two-sided, with two-sided responsibility.
4 I think, however, in some ways that's good, because what we find
5 is, if you can find a threat that threatens both sides equally,
6 often you get an increase in momentum, and, by George, I think
7 we've found a mutual threat, and that is the philosophy and the
8 laws that right now are sweeping the Lower 48 in terms of the
9 hostility toward the idea of federal lands and what will become
10 of our federal lands. It's not here yet, but if we're looking at
11 what's going to happen in the next year and a half, I, for one,
12 feel that the politics that we're seeing, like examining the
13 Tongass Timber Reform Act, which is happening today in Wrangell,
14 that kind of attitude could well affect the Trustee Council and
15 could well affect the money and the deals that are going to be
16 done in the next year and a half. What this translates to is
17 it's no longer just a vague threat out there that, hey, the money
18 may run out, get your deal. There's also the time factor of if
19 your deal isn't far enough in the pipeline, far enough to
20 appraisal, far enough agreed upon, it may never get done, never
21 mind the money, and I think this is something that threatens you
22 and threatens Eyak Corporation equally if both sides want to do a
23 deal and want to see some money on the table and want to see some
24 benefit. So, I -- I guess I wanted this to be out there very
25 clearly. On behalf of ACE, especially, I also wanted to make a
26 very strong request about the timber cruise for the Other Lands

1 for Eyak. I understand that there is more to be done on it, but
2 there has been done some already, and it seems that the appraisal
3 process for the Other Lands just can't go ahead if timber cruise
4 is incomplete. So, I would ask whoever handles that to show
5 extra attention to making sure all that stuff is done. If you
6 need more personnel, if you need more money, if you need more
7 attention, get it done this summer, because it seems like deals
8 that wait too long may just never get done, not because of money
9 but because of legislation and the federal climate. I thank you
10 for the opportunity to speak.

11 MS. WILLIAMS: Thank you, Mr. Boehnert? Thank you for
12 testifying today. Our next witness -- or the next person on the
13 list did not indicate whether she wished to testify or not, so
14 I'll give that option now -- Tania Vincent?

15 MS. VINCENT: Yes, I will.

16 MS. WILLIAMS: Thank you.

17 MS. VINCENT: My name is Tania Vincent. That's T-A-N-
18 I-A. I'm trained as a biologist, but I'm going to speak from the
19 heart because while I know that clear-cutting -- all the horrible
20 things that it does to the environment -- I had the opportunity
21 to fly in front of Montague Island this morning, and -- on the
22 front end -- and I saw miles and miles and miles of driftwood
23 from the clear-cutting that's been going on, and that just really
24 struck me right here (chest) and probably took five years off my
25 life. So, if there's more clear-cutting going on, I may not last
26 much longer. I just wanted to speak from the heart, so, thank

1 you.

2 MS. WILLIAMS: Thank you, Ms. Vincent. Any questions
3 or comments for Ms. Vincent? Thank you again. The next person I
4 have who indicated that she wished to testify was Marcey Burgos
5 (ph)?

6 MS. BARDUSK: Bardusk. My name is Marcey Bardusk, and
7 I'm with the Director of Mental Health & Alcohol in our community
8 here, and I first want to indicate that I do not have a proposal
9 before you, and the reason for that is because I called about a
10 year and you said -- well, not you particularly -- but I was told
11 that you would not be funding anything to do with mental health,
12 but I do have some comments. I am gravely concerned about the
13 ongoing impact of the Exxon Valdez oil spill upon our community
14 members. Data collected by independent social scientists,
15 including Steve Picou, as well as by my clinic, Sound
16 Alternatives, strongly suggest that a chronic pattern of work,
17 family and community disruption has resulted in continuing and
18 elevated stress levels of Cordovians. One doesn't have to be a
19 social scientist or a mental health clinician to see this. All
20 you do is have to come into town and start a conversation about
21 the oil spill, and you'll watch the body language, you'll see the
22 anger that is still there and the grief and the pain. What we
23 have found at Sound Alternatives is that traditional mental
24 health services are not typically being used to relieve mental
25 health issues related to the oil spill. Alternative methods of
26 service delivery are needed. I'm reminded of the counsellors

1 working with the people of Oklahoma City, who went out into the
2 areas, into the schools, into the work place and delivered mental
3 health services so that the trauma and grief may be processed.
4 We believe that by employing such a worker, one outreach worker,
5 here in Cordova would greatly alleviate the ongoing trauma, the
6 personal trauma, the stress, the anxiety and the continuing
7 depression. At present, Sound Alternatives has one and a half
8 mental health clinicians. We are full-time, treating,
9 traditional mental health issues in our community, and we do not
10 have, bluntly, enough time to go out and do the really skilled
11 outreach that would be so productive for our community. The
12 State of Alaska -- I requested funds for such an outreach worker
13 -- and they actually, as you probably know, are cutting back at
14 least a million dollars from community mental health centers, and
15 they said that while they support us in our need, that they have
16 no funds. And so, I am requesting that you consider just our
17 area of Cordova, which I believe, and again other social sciences
18 -- scientists -- like Steve Picou believe, that Cordova has been
19 the most impacted community from the oil spill. So, I am
20 requesting that you consider funding one outreach worker for our
21 community. Thank you very much.

22 MS. WILLIAMS: Ms. Bardusk, I have a question --
23 (audience applause) -- I don't know if anybody else does. Thank
24 you for your testimony. Actually, I am going to ask this
25 question of the person sitting on my left. We, of course, hear a
26 lot about the Mental Health Trust Fund and so forth -- Mr.

1 Tillery, is there any way the Mental Health Trust Fund could be
2 looked to for an important project such as this?

3 MR. TILLERY: I don't know. I don't work in that
4 area. I don't know how it works, but I made a note here and
5 (indiscernible) to find out.

6 MS. WILLIAMS: Oh, yes, he did, even before I asked the
7 question.

8 MS. BARDUSK: Shall -- how do I communicate with you?
9 Do you want my phone number right now?

10 MS. WILLIAMS: Yes, okay.

11 MR. TILLERY: Well --.

12 MS. WILLIAMS: If you feel comfortable putting it on
13 the record, please give it to Mr. Tillery, and he will call you
14 back.

15 MS. BARDUSK: Sure. Today. It's Marcey Bardusk. B-
16 A-R-D-U-S-K -- and Sound Alternatives, and our number is 424-
17 8300, and I would appreciate your help.

18 MS. WILLIAMS: I can't imagine a more perfect project
19 for the Mental Health Trust Fund, unless there's some concern I'm
20 not aware of.

21 MS. BARDUSK: Okay. Thank you so much.

22 MS. WILLIAMS: Any other questions or comments? Thank
23 you very much. Our next testifier is Cheryl Lettich -- Lettich?

24 MS. LETTICH: My name is Cheryl Lettich. L-E-T-T-I-C-
25 H. I'm a Tribal Council member for the Native Village of Eyak.
26 The Native Village of Eyak is in support of project number 96152.

1 On page 89 of the Draft Restoration Program FY96 and Beyond,
2 quote, "Archaeological resources are non-renewal. They cannot
3 recover in the same sense as biological resources.
4 Archaeological resources will be considered recovered when spill
5 related injury ends. Looting and devolution are at or below pre-
6 spill levels, and artifacts and data are typically preserved
7 through excavation or other forms of documentation or science
8 stabilization, depending on the nature of the injury and the
9 characteristics of the site." Because artifacts are listed as an
10 injured resource of the oil impacted areas, in order to protect
11 them we need to facilitate this process. Project No. 96152 first
12 originated by myself with USFS office in Cordova. During a
13 teleconference with Chugach (indiscernible) Communities
14 Consortium, we came to a consensus that this proposal should be
15 region-wide. The oil spill destroyed archaeological sites and
16 the subsequent removal of cultural artifacts, including
17 displacement and dislocation of traditional ways for preservation
18 of cultural historical sites. This project will help facilitate
19 steps towards future archaeological (indiscernible) in the
20 regional oil spill communities and to provide training necessary
21 to recover the displaced and dislocated artifacts. Project No.
22 96152 will train individuals locally and comply with federal
23 regulations, see Code 36, Part 79. This project will achieve the
24 training, curatorship, and site stewardship that is necessary to
25 facilitate and acquire artifacts throughout the oil inhabited
26 region.

1 (Audience applause)

2 MS. WILLIAMS: Whoa -- (as the microphone is pulled by
3 Ms. Lettich) I was waiting for someone to do that! Any
4 questions or comments for Ms. Lettich? Thank you so much for
5 your testimony. The next witness is Bob Smith? (Mr. Smith did
6 not identify himself) Umm -- and the final person I have
7 indicated on this list, but we will give people an opportunity to
8 testify who did not get their name on this list, is Willy
9 Hamilton. Mr. Hamilton? (Mr. Hamilton did not identify himself)
10 Is there anyone else in Cordova who would like to testify?
11 Please.

12 MR. KEENEY: My name's George Keeney. I'm with the
13 City of Cordova here, and I have several things I'd like to
14 comment on. I'm on a SWAMP Committee -- the Solid Waste
15 Management for Prince William Sounds. One thing I'd like to do
16 is thank you guys very much for sponsoring this or helping us out
17 on this. This group of people will help identify problems in the
18 Sound and solutions. The other thing I'd like to talk about is
19 the Fleming Spit project. We've got about six years of paperwork
20 on this project. Everybody in Cordova seems to be behind it, and
21 I'd like to see this thing work through. I've got five kids.
22 They love to catch fish, and hopefully tonight, if you get
23 through, we'd love to take you down there and we'll catch some.
24 If you have any questions on it? If you do, I'll be glad to
25 answer them.

26 MS. WILLIAMS: Yes. Mr. Tillery.

1 MR. TILLERY: Unfortunately, we had a hearing once,
2 where there were a number of people testified about it, but the
3 tape of that was unintelligible. We were unable to make a
4 transcript to be able to share it with the rest of the Council
5 members. There was a lot of testimony at that time about the use
6 people put Fleming Spit in terms of using the fish for a food
7 source, as opposed to simply sport fishing or recreation or so
8 forth. Could you speak to that a little bit.

9 MR. KEENEY: As far as my family is concerned, with
10 seven of us in the family, we use fish quite a bit in our meals,
11 so -- if that would help you. But as far as sports fishing
12 itself, it will enhance Cordova in that terms too. To be a
13 sports fisherman, I love going down there and just throwing the
14 lure in there and see if I can catch one. I do it quite a few
15 times a week, and as far as the food source, you know, I don't
16 see anybody wasting food out there. It's not for the big fish.
17 It's for just catching the fish itself, taking it home, and
18 having it for the family. So, would that answer your question or
19 -- (indiscernible -- coughing)

20 MR. TILLERY: The thing I'm trying to figure out
21 whether this is a fishery is sort of a catch and release or
22 whether people rely on it as something they put fish up for the
23 winter -- where does it fit in this pattern?

24 MR. KEENEY: It is a catch and release -- or catch
25 area. In other words, when we put the smelt (sic) out, we do
26 catch 'em -- catch 'em and take them home. We don't usually

1 release them, most of us. I know my two year old sure doesn't.
2 The only problem I've got with him is that I've got tie him to
3 the rocks so the fish doesn't take him.

4 MS. WILLIAMS: Are there any other questions? Thank
5 you very much.

6 MR. KEENEY: I do have one other one. I'd like to
7 see us do protect our view shed with Eyak Corporation. I'd like
8 to see that progress. I'd like to see that quite a bit, but the
9 big event is the Fleming Spit. If I can see that go through, I'd
10 be real happy. I know quite a few people in town would. The one
11 other thing is the 88 rules and stuff that we look at all the
12 time in the public, I'm looking at buildings and stuff that I've
13 got to fix up, but as an EMT on the rescue squad here, I've even
14 gone down to the Fleming Spit -- and if you go down there you'll
15 see the rock edges -- if you put these ramps in, these
16 boardwalks, it will actually take care of a lot of that problem.
17 We'll be able to get the people down that want to fish. While
18 they're sitting over here in Sunset View, which is the older
19 folks home, or the handicapped -- making it available for them.
20 That's what's really impressed us. If you can see them get down
21 there and actually catch those fish too. That's part of their
22 livelihood; that's part of their entertainment, you know, to be
23 able to go out there and spend a few hours throwing a lure in.
24 If they don't get one, fine, but if they do, they've got the
25 excitement, and that smile on their face is what makes it nice.
26 So, that's the best I can pass on.

1 MS. WILLIAMS: Any other questions or comments? Thank
2 you very much. Anyone else wish to testify? Yes.

3 MR. BORER: (From the audience) I'd like to ask
4 before I testify, Donna Platt, President of Eyak Corporation, is
5 on the south-bound plane. She has asked if I could possibly hold
6 off until she gets here to read our statement from Sherstone-
7 Eyak. I'd asked both Molly and Jim Wolfe about that prior to the
8 meeting.

9 MS. WILLIAMS: Okay. That's fine. Who else would like
10 to testify? Yes, please.

11 MS. SEITZ: Can you hear me, okay? My name is Jody
12 Seitz. It's -- my last name is S-E-I-T-Z, and I would like to
13 thank the Trustees for coming to Cordova. I think it's very
14 important that you receive directly the input of people here.
15 From 1991 to 1994, I was lead researcher for the Subsistence
16 Division of Fish & Game in Prince William Sound. I conducted
17 harbor surveys for the Division of Subsistence in Prince William
18 Sound those three years in all the communities, and I conducted
19 harbor seal traditional knowledge interviews for two years in
20 Chenega, Cordova, and Tatitlek. My testimony is my personal
21 impression from that experience. From that experience I would
22 like to share with you that I feel that people have this very,
23 very strong need to be allowed to do something. The Exxon Valdez
24 oil spill took away the initiatives of local people to a large
25 extent, and I feel from my experience that I can very strongly
26 affirm that they want to help in the activities that are going

1 on, and I believe that you've seen that quite bit. I feel that
2 they want to be part of research activities and to use their
3 knowledge, and from my experience I believe they have a
4 contribution to make to harbor seal research, and to that end I
5 would like to speak in favor of the proposal to establish the
6 Alaska Native Harbor Seal Commission. I think it's appropriate
7 that it be based here in Prince William Sound and be statewide.
8 I feel it's appropriate that it be based here because of the
9 severe concern about harbor seals here, and statewide because of
10 stock issues. Umm -- I feel that it is important to allow people
11 to get together to decide how best to manage this resource. In
12 my experience it is the quintessential, perhaps the very most
13 symbolic resource of cultural survival here in Prince William
14 Sound. And I would like to support as well two other proposals.
15 Proposal 94244 began prior to this year -- I believe it began two
16 years ago when I began doing interviews. These workshops will
17 allow hunters to get together with biologists, and there is a
18 very strong need for them to be in the same room together, not
19 just the hunters and the biologists, but the hunters from around
20 this region, to talk to each other, to decide with each other how
21 they want to use their resource, and I believe it is very
22 important to establish a training program for collecting samples.
23 From my experience, people wanted to contribute samples from the
24 harbor seals that they found that they considered to be abnormal.
25 The report from Henry Makarka was not uncommon. I believe these
26 hunters are several who want to provide samples, and I know from

1 working within the Department of Fish & Game that biologists need
2 them. Federal laws restrict who can harvest harbor seals. This
3 makes all the sense in the world to allow the people who harvest
4 to be part of research. And yet, during the years that I was a
5 researcher here in Prince William Sound, there was no funding for
6 programs that would routinely handle samples. There was no
7 agreement on protocol for taking samples. It was not easy.
8 People wanted to send them in, and yet there were hazards all
9 down the road. It could not be done informally, there has to be
10 formal protocol, there has to be funding, there has to be a
11 system in place. So, I would like to support that to happen
12 through the Native Harbor Seal Commission, if possible. I
13 believe that people want to be part of this research, and it's
14 important to allow them to do this under their own initiative, to
15 let them be actors in their own lives, to let them do this job
16 that they can do, and so, with technical assistance, I think it
17 would be appropriate to do that through the Harbor Seal
18 Commission. Thank you very much.

19 (Audience applause)

20 MS. WILLIAMS: Thank you. Are there any questions or
21 comments for Ms. Seitz? Thank you. Who else would like to
22 testify at this time? Yes -- thank you.

23 MR. ANDERSEN: Thank you. My name is Bob Andersen.

24 MS. WILLIAMS: Mr. Andersen, if you could put on the
25 microphone, please.

26 MR. ANDERSEN: Thank you. My name is Bob Andersen. A-

1 N-D-E-R-S-E-N. I have no prepared remarks, but a couple of quick
2 comments that I'd like to pass on. One is that being in my mid
3 to late fifties, I have created a little bit of a public resume
4 by serving in capacity (indiscernible -- extraneous noise). One
5 of those was being the first president of Eyak Corporation, back
6 when we were first authorized under the amendments to ANCSA. My
7 background is I'm blessed with a Tlingit mother and a Aleut
8 father. A mother who was born and raised in (indiscernible), and
9 went there when she married my father back in the early 1900's.
10 I just wanted to pass on to you that it was alluded to that there
11 was some sort of collusion against -- within the three so-called
12 tribal groups from the folks that have testified. I know there
13 is no such activity. I'm on both sides of that, and I never seen
14 that while I served on the corporation board, and (indiscernible
15 -- extraneous noise) is entering it's sixteenth year serving the
16 Eyak Corporation. I know of no such activity taking place at
17 this time. Certainly, I think that board asks for reasonableness
18 from its shareholders, as much as its shareholders ask for
19 reasonableness from its board.

20 The other thing that I thought that I should make some
21 comment on is the Fleming Spit project. One of the other things
22 on my resume was I served at various times over the last 20 years
23 on the Cordova City Council, most recently my term ended about a
24 year ago, about nine months ago, or something like that. We held
25 numerous public hearings on development out there, on what we
26 wanted out there, and I can stand here before you and tell you

1 it's one of the few things that I've seen tremendous support out
2 of the community on, and I think it would one that you should
3 seriously consider funding. Thank you very much.

4 MS. WILLIAMS: Thank you, Mr. Andersen. Are there any
5 questions or comments for Mr. Andersen. Thank you very much for
6 testifying today. (Audience applause) Is there anyone else who
7 wishes to testify at this time? Yes, please.

8 MS. HAWXHURST: Can you hear me?

9 MS. WILLIAMS: Yes.

10 MS. HAWXHURST: My name is Dorne Hawxhurst. That's H-A-
11 W-X-H-U-R-S-T. I'm testifying for Cordova District Fishermen
12 United. CDFU would like to thank you for your efforts to fund
13 research, meaningful research in our area, particularly as they
14 relate to the fisheries. We also would support the ongoing
15 negotiations between you and the Eyak Corporation, and above all,
16 thank you for coming. We've been asking for a while, I think.

17 MS. WILLIAMS: Thank you very much. Any questions or
18 comments for Ms. Hawxhurst? Anyone else wish to testify at this
19 time? Yes -- please.

20 MR. FERREN: Thank you. My name is Howard Ferren.
21 F-E-R-R-E-N. I'm a Cordova resident. I'm here to offer a
22 personal perspective. I wasn't going to testify, but when I
23 heard that the transcript from previous Fleming Spit testimony
24 wasn't available, I know that I testified at that time,
25 particularly to speak to the amenities that the project would
26 bring to the Fleming Spit area. I know that my folks visit every

1 summer, particularly during the coho return. Both my mother and
2 father are avid sports fishing persons, and they're reaching an
3 age where they're not as mobile as Fleming Spit requires a person
4 to be. I know that last summer, my dad fell three times trying
5 to have access to the water's edge, and I think that some
6 boardwalks or stairways to provide better access would be
7 helpful. But in addition, I'd like to provide a little lighter
8 note about Fleming Spit, a recent anecdote. Over the weekend,
9 the weather wasn't particularly good in Cordova, and I know that
10 the chinooks are returning now. This week will probably be their
11 peak of the return. So, I would drive down just to check the
12 spit to see how many people were at the area, and I usually take
13 my fishing rod, just in case there seemed to be activity. On
14 Monday the weather was really pretty bad, and I drove down, and I
15 had my dog in the car. My dog refused to get out with me because
16 it was raining so bad, and I remember I saw Bob Behrends (ph) and
17 his son from the Forest Service. They were fishing. And I my
18 surprise, I really didn't expect to see so many people, but the
19 water's edge was lined with folks, and there was someone who I
20 have seen for awhile -- Dolores Crowley (ph) -- I don't if any of
21 you might be familiar with her. She has lived in Cordova. The
22 last few years she and her husband have lived in Israel and Egypt
23 and Italy doing some theologic studies, and, by gosh, she caught
24 a salmon. As I would expect, she has this close relationship
25 with God, being a retired nun, and I thought, well, there's no
26 point in my fishing. I knew Dolores previously -- she was on an

1 allocation task force that I facilitated, and though be it her
2 religious background, she was able to hold her own with the best
3 of the fishermen during these allocation battles. So, I thought,
4 well, I'll put my fishing rod away and I'll just go chat with her
5 for a bit to see how she's doing, and it turns out that she had
6 just taken the ferry over from Valdez, she had to return that
7 evening. She had come back from Italy earlier, specifically to
8 come to Cordova to fish on the coho -- or the chinook. And, five
9 or six minutes into the conversation, someone else walked up, and
10 Dolores is still fishing while we're chatting, and I said, well,
11 I'm just going to stay another minute here because Dolores is
12 going to catch another fish and then I'll leave, and then I think
13 it was three casts after that she hooked probably about a 32 lb.
14 chinook, and she had her friend, Sister Peggy, who is another
15 resident of Cordova, serves the community, and it is quite a
16 thrill to watch Sister Peggy with a landing net and Dolores
17 wading out into the water, trying to chase this large chinook up
18 and down the beach. And I think that's what the Fleming Spit
19 project is all about, and that's why PWSAC supports the project,
20 but I do think some accommodations there to help people access
21 the water's edge and improve the area a bit would be very
22 helpful.

23 MS. WILLIAMS: Thank you very much, Mr. Ferren. Any
24 questions or comments for Mr. Ferren? Is there anyone else who
25 would like to testify at this time? (No response) All right.

26 STAFF: Do you want to try Anchorage or Juneau again?

1 MS. WILLIAMS: Yes, let's try Anchorage or Juneau
2 again. Well, actually -- Mr. Copeland -- before you leave -- I
3 actually do have a question, if you wouldn't mind.

4 MR. COPELAND: Okay.

5 MS. WILLIAMS: Are there any projects that have been
6 submitted specifically to address the concerns you raised about
7 underwater sedimentation of oil that is before the Council at
8 this time?

9 MR. COPELAND: I don't believe so. I'm not very
10 familiar with the current work plan. But I think now that this
11 USGS survey is now finished, they're writing their report and
12 we've got an advance copy of it, and so I do not think there is
13 anything on the books right now. I'd like to stress again, that
14 -- that that's a very limited survey, that USGS survey, and it
15 mostly takes place north of the main track of the oil spill.

16 MS. WILLIAMS: Okay. Could I invite you to talk with
17 USGS and see what future plans they think might be warranted,
18 given their initial research. I would like to hear more about
19 that.

20 MR. COPELAND: RCAC has a small project starting in
21 that vicinity as well, and hopefully -- I know Molly wrote us a
22 letter a couple of weeks ago, stressing the fact that perhaps we
23 should coordinate some of our efforts, and I think this maybe an
24 apropos place in which to do that.

25 MS. WILLIAMS: Terrific. Mr. Pennoyer.

26 MR. PENNOYER: Yeah, I -- I would say we had a lot of

1 projects on the fate of oil. We, at one time, tried to get a
2 submarine study going. I don't think we were successful, and so
3 we've tracked it a certain distance. I'm not sure -- I don't
4 know -- initially, some member of NOAA said oil floated and
5 didn't sink. Not all of us believed it, and so there was quite a
6 tracking from the intertidal, uptidal to the subtidal and down,
7 and I don't know where we broke off or why we broke off, or if in
8 fact we did to the point to not follow it all the way. We did
9 demersal fish work, looked at hydrocarbons in demersal fish at
10 some depth with troll surveys, so there's other stuff there. I'd
11 like to have some discussion on how it all comes together.

12 MS. WILLIAMS: Yeah --

13 MR. COPELAND: The most extensive survey of the bottom
14 of Prince William Sound was done by Exxon Corporation in 1989,
15 and just anecdotally from the people I know locally who took part
16 in that experiment, they found a lot of oil on the bottom of
17 Prince William Sound.

18 MS. MCCAMMON: Madam Chair, I've made a note on that
19 and get some additional information back to you.

20 MS. WILLIAMS: Thank you again, Ms. McCammon, very
21 much. Thank you again, Mr. Copeland. Would the Honorable Mayor
22 wish to testify at this time?

23 MS. JOHNSON: Thank you, just to welcome you to
24 Cordova.

25 MS. WILLIAMS: Okay, thank you. All right. Let me
26 check one more time with Anchorage. Anchorage, are you still on

1 line? Anchorage?

2 ANCHORAGE LIO: Yes, we are.

3 MS. WILLIAMS: Is there anyone who would now like to
4 testify?

5 ANCHORAGE LIO: No. There is no one that wants to
6 testify.

7 MS. WILLIAMS: Thank you very much, I'll check with
8 Juneau. Juneau, are you still on line?

9 JUNEAU LIO: Yes, we are.

10 MS. WILLIAMS: Is there anyone else in Juneau who would
11 like to testify, or anyone in Juneau who would like to testify?

12 JUNEAU LIO: No, there is no one in Juneau to
13 testify.

14 MS. WILLIAMS: Thank you very much. One last call.
15 All right. What I would like to do then is propose a ten minute
16 break, and if we could resume then at approximately 3:30. Thank
17 you very much.

18 (Off record at 3:20 p.m.)

19 (On record at 3:36 p.m.)

20 MS. WILLIAMS: I would like, at this time, to call the
21 Trustee Council meeting back into session, and I think we have
22 probably two additional pieces of public testimony. If we could
23 begin with Mike Anderson.

24 MR. ANDERSON: My name is Mike Anderson. A-N-D-E-R-S-
25 O-N. I'm presently the Chairman of the Planning Commission, and
26 I wanted to come in and, number one, testify about Fleming Spit.

1 It's been something that's been on the minds of those members of
2 the Planning Commission for sometime. In fact, it was a --
3 situation that's had the eye of the planning commission for
4 probably ten years, and in the last few years when they've worked
5 on this salmon fisheries project and turned it into such a
6 positive sport fishing area, that there is no question that the
7 Planning Commission is fully behind trying to develop this so
8 that it's safer and less of an impact environmentally and it also
9 gives us an opportunity to make sure that we don't have -- human
10 pollution of the streams that are running into it, and so it's a
11 very good thing, I think. The other thing that I wanted to share
12 with you is my frustration. After being part of Cordova's
13 reaction to the oil spill originally, and I'm sure you've heard
14 plenty of testimony on the fact that our fishing fleet derives a
15 lot of its income out of the area where the heaviest impact of
16 the spill went, but every time that project awards are made --
17 and the one that sticks in my mind is the one that very recently
18 happened, I think the State Parks system had some kind of money
19 coming out and they were trying to do park improvements and they
20 had millions of dollars available, and millions of dollars went
21 to other communities for projects that I'm sure are very good
22 projects, and about \$150,000 came to Cordova out of that. And
23 the frustrating part to me is not that the other communities are
24 benefiting from this, is -- but it's that Cordova is such a poor,
25 I don't know, politicking at a project-putting-together area.
26 You people here don't have the time, and we don't have the paid

1 staff in the city to try to put together these projects and try
2 to fit them into the guidelines that are presented to us. I know
3 the one -- the major project that we got out of that was done by
4 a volunteer -- from the ski hill -- basically, he just took a
5 couple of days and worked on that one project. You know, he
6 wasn't paid staff by any means. And I guess the frustration --
7 the frustrating thing to me is that to see all the monies that
8 were available from this thing going to communities that in my
9 mind were far less impacted than Cordova was and will bear the
10 impacts down the road. They'll bear the positive impacts, while
11 we continue to try to live with the negative impacts, whether
12 they be psychological or somehow related to the screwy fish runs
13 that we've had in the past. And I think that's probably enough.

14 MS. WILLIAMS: Any comments or questions for Mr.
15 Anderson? All right, yes, Mr. Borer.

16 MR. BORER: I think I'll go forward (indiscernible -
17 - out of range of microphone)

18 MS. WILLIAMS: All right. Thank you very much.

19 MR. BORER: I'm Luke Borer, President of Sherstone
20 Corporation, a secondary subsidiary of Eyak Corporation. The
21 board of directors of Eyak and Sherstone have asked me to come
22 before the Trustee Council meeting here in Cordova today to
23 express our grave disappointment with the lack of meaningful
24 progress towards the final Orca Narrows timber exchange
25 settlement. As you know, the Council and our corporation agreed
26 three months ago today to an agreement whereby we would redirect

1 our timber harvest plan to areas not visible from the city. In
2 exchange, we would harvest other Eyak lands less directly
3 impacting the local citizenry and tourists. Eyak and Sherstone
4 negotiated this agreement with Council over a period of several
5 intense weeks, which followed four years of good faith
6 negotiations with the Trustee Council because we support the
7 mission of the Trustee Council in its efforts to restore
8 resources and services injured or reduced by the Exxon Valdez oil
9 spill. Now, after three months of waiting, the Council is
10 attempting to add new provisions to the March 1st agreement,
11 namely your raising the new issue of severability of the deal.
12 As to that issue, we entered into the last agreement with the
13 Trustee Council on a package basis. Its many provisions work
14 together as a whole, they are all key to the success of the
15 agreement. The Council is now asking us to assume the risk if
16 any or all of these provisions are later ruled invalid, leaving a
17 potential detrimental financial impact to Eyak and Sherstone and
18 their shareholders. This is unacceptable to us as proposed.
19 Despite a May 15 deadline for finalizing the agreement, the
20 Council has continued to delay and raise new issues, damaging its
21 already fragile credibility with our people, many of whom
22 perceive this as further evidence of the federal government's
23 attempt to unfairly appropriate Native lands and reverse the
24 Alaska Native Claims Settlement Act. Were this the first time
25 such delay or redirection had taken place, we might be able to
26 dismiss it. However, there have been other notable issues in the

1 past year. One, our earlier deal with the Council on the Orca
2 Subparcel was to have been completed by late summer '94, only to
3 have it delayed until January of this year. Two, of even greater
4 concern has been our discovery that appraisals conducted on
5 behalf of the Council have been tampered with. An original,
6 independent appraisal of the Orca Narrows Subparcel came in at
7 4.6 million, but it was reported to us that there was no
8 appraisal. The federal government, through the U.S. Forest
9 Service, then reduced the figure to 4.1 million. Subsequently,
10 the state, in cooperation with the federal government, reduced it
11 even further to 3.1 million to account for so-called market
12 conditions. Eyak and Sherstone ultimately received 3.45 million
13 as a result of the (indiscernible) point valuation adjustment.
14 We learned of the earlier higher figures only through a recent
15 freedom-of-information request. I would like to point out that
16 we did a Freedom of Information Act in October and this document
17 that had this information in it was not presented by the state or
18 the federal government, and the document was prior to that
19 Freedom of Information Act request. Our corporation is convinced
20 it was short-changed nearly one million dollars. Is this not a
21 breach of the federal government's trust responsibility to Alaska
22 Natives and American Indians? All this might sound like historic
23 detail -- we most concerned about the pattern of distrust that
24 this creates towards the Council by our people. Eyak and
25 Sherstone have made every attempt to complete negotiations on the
26 Orca Narrows agreement. We have our logging operations

1 established and contractors in place. With the timber exchange
2 now is serious jeopardy, we will very soon need to begin our
3 harvest on the very acreage we were prepared to trade. We
4 believe the proposed agreement still fits in the Trustee
5 Council's and the community of Cordova's needs for restoration.
6 We have proposed bringing in a third-party mediator or seeking a
7 third-party legal opinion, but to date you have not agreed to
8 that, and the Council has unofficially informed us it's unwilling
9 to change its position. The point is, agreed upon deadlines have
10 not been met, and we have no alternative but to move forward with
11 our logging plan, unless, in a matter of days, maybe less, our
12 corporations and the Trustee Council can come to an agreement.
13 This Saturday the annual meeting of Eyak Corporation will be held
14 and an advisory vote will be taken regarding our shareholders'
15 interest in continuing discussions with the Trustee Council over
16 these and other matters. Thank you.

17 MS. WILLIAMS: Thank you, Mr. Borer. I'm sure the
18 Trustee Council members have questions or comments. Mr.
19 Pennoyer.

20 MR. PENNOYER: I -- I don't know if its a question or
21 not I want to make. This is -- (indiscernible) -- I think we
22 need an executive session to talk about what we've heard here and
23 discuss the elements of what's happened. I guess I'll speak to a
24 little frustration in the fact that we seem to be moving forward
25 in many areas, with many people. The Trustee Council has put
26 land protection as a high priority and has dedicated a very large

1 share of the Trustee settlement to do that, and things seem to be
2 happening elsewhere, and they don't seem to happening here. I
3 guess I'm not quite sure why, but I don't particularly care for
4 the inference that we're not interested and that we don't --
5 aren't trying, because we certainly are in others -- have been
6 successful in at least get -- bringing things along to a certain
7 degree. So, we need to talk about that further, I think, based
8 on what we've heard here, but I think the Trustee Council has
9 shown a lot of effort in trying to protect habitat as a
10 restoration activity and -- in the Sound and elsewhere -- and
11 I've hear what you've said, and we'll have to take a look at it.

12 MR. BORER: Yeah, if any of the Council members wish
13 to individually -- wish to talk and find out what we see as the
14 problems within the process, they might be well enlightened.

15 MS. WILLIAMS: Mr. Borer, I actually do have a few
16 questions that stem from the fact that I was not involved in this
17 process, I think, when Sherstone and Eyak were making some
18 initial deals. When did you first enter into your log cutting
19 arrangement with -- with Rayonier.

20 MR. BORER: Prior to the Orca Subparcel transaction.

21 MS. WILLIAMS: Approximately when would that be?

22 MR. BORER: It was, I believe, that same year, a
23 couple of months earlier, something like that.

24 MS. WILLIAMS: Did you, when you were looking at what
25 you would do with your land, look at alternatives other than
26 clear-cutting?

1 MR. BORER: I believe if you check the history, when
2 I first started with Sherstone -- and by the way, I do not own
3 the timber. I am -- I'm an employee at or contract person at
4 Sherstone. I get paid a wage, I don't get a percentage of the
5 profits or anything else. I don't own the trees, I don't own the
6 timber rights, etc. But, when I formed Sherstone in 1986, we
7 checked with the Sierra Club and others, trying to sell the trees
8 to leave them standing. This is not a new idea. Have we looked
9 at other things? We have talked with individuals from Department
10 of Fish & Game, from your Habitat Working Group, and they said,
11 well, why don't you go out and build eco-tourism lodges, and we
12 said, certainly, that would be fine -- how big? Fifteen people.
13 What do you think the income of that is? Maybe \$50,000 a year,
14 net. There's 326 shareholders. It costs over \$500,000 to pay
15 \$1,000 a piece. We have looked at numerous --

16 MS. WILLIAMS: Okay. Did you look at other forestry
17 practices besides clear-cutting.

18 MR. BORER: Yes, we have looked at other forestry
19 practices besides clear-cutting.

20 MS. WILLIAMS: And why did you choose clear-cutting?

21 MR. BORER: Because the others were not economically
22 viable at the time that we looked at them. Selectively logging
23 by helicopter, it is our understanding at this point in time --
24 and that is not only selectively logging by helicopter, but you
25 ought to have a combination of clear-cuts and the selective
26 logging, may be viable.

1 MS. WILLIAMS: May be viable at this time?

2 MR. BORER: Yes.

3 MS. WILLIAMS: Are you looking at that now with respect
4 to your land instead of clear-cutting?

5 MR. BORER: No, I -- I -- you didn't hear me. I
6 said helicopter logging in conjunction with clear-cutting.

7 MS. WILLIAMS: Yes.

8 MR. BORER: You have to have a road, you have a haul
9 distance for the logs coming from the helicopter operation, you
10 have to have landings to put them in, otherwise you're going to
11 have to do water drops, and you know what the permitting
12 nightmare is with that.

13 MS. WILLIAMS: Do you have an idea of what the
14 difference in economic return would be between clear-cutting and
15 practices that are now used in the Lower 48, which again are less
16 destructive than clear-cutting?

17 MR. BORER: We have western hemlock -- that's the
18 majority of the wood that we have on the property. We aren't
19 talking about Douglas fir or items that can make a substantially
20 greater return. Even Southeast timber makes a substantially
21 greater return than ours. So we have checked out the different
22 possibilities, and selectively logging has not been a viable
23 option.

24 MS. WILLIAMS: Could you still make a profit, even
25 though less of a profit, if you selectively cut as opposed to
26 clear-cut?

1 MR. BORER: Are you suggesting that the government
2 should determine what a reasonable profit is for a Native
3 corporation?

4 MS. WILLIAMS: No. I'm just asking you a question, Mr.
5 Borer.

6 MR. BORER: My job is to maximize the profits of the
7 corporation.

8 MS. WILLIAMS: All right. Thank you. Are there any
9 other questions? Yes, Mr. Wolfe, please.

10 MR. WOLFE: I think Steve had his hand up first, but
11 let me ask my question first, if I could please. The issue of
12 non-severability is the major issue on the table at this point
13 with the timber exchange that we're dealing, and I think I pretty
14 well understand your position, and probably Craig does, but some
15 of the others may not understand your concern and the reason that
16 it's so critical to you to keep that clause in there. Could you
17 maybe go over it briefly.

18 MR. BORER: Sure. The transaction contemplated by
19 the statement of intent that we entered into after those three
20 days of being locked in a room together where we had the
21 mediator, we came up with the idea of the timber trade. But that
22 timber trade included a number of items. One of them was that we
23 must be able to cut what we get. Another one was, you must not
24 be able to cut what you get because the idea of thing is you get
25 timber so it's left standing. The other thing was that we must
26 be able to get through what you get to the timber on the other

1 side to build roads or facilities on that property in order to
2 facilitate our timber operations on the other side of that
3 property, and another item was that since you had to have the
4 right to go in there and reforest in the event of blow-down or
5 forest fire, potentially equipment could be on the land and
6 potentially oil spills could happen and hazardous waste disposal
7 could happen with or without your knowledge, so we had to -- and
8 developed in the Orca Subparcel agreement -- balanced equal
9 language. If we make a mess on the property, we clean it up. If
10 you make a mess on the property, we clean it up. Those are five
11 key provisions to the transaction. If any one of those
12 provisions disappears for any reason, and both AG's Office and
13 the Department of Justice have said we don't know any reasons
14 that might make them, and so we've thrown it back, flopped it
15 around, and said, well, what reason is it that you're looking at
16 -- your problem with. Anyhow, what it comes down to is without
17 all five provisions in there -- and going by Alaska law and some
18 of the others, but -- those are minor provisions, the Alaska law,
19 the other nit-picky detail stuff -- the main provisions are what
20 have to stand as a group. If any one of them goes away, we
21 wouldn't have made the deal with you in the first place. We
22 wouldn't have been interested. So that's why we say that it has
23 to be non-severable on the material provisions. And that was the
24 original language, and we were told by the legal persons from
25 side that that was not acceptable -- material is undefinable,
26 that would have to go to court. Now, we're being asked to have

1 it totally severable. Any clause disappears, and we get it back.
2 The concern that's explained to us is that if we get the timber
3 from you on the back of the Orca Subparcel and we harvest it, and
4 then somebody makes a provision invalid and the agreement goes
5 away and we get back the view shed parcel -- and I understand it
6 was a misconception on some people's parts that we didn't intend
7 for it if the deal fell apart for everybody to go back to ground
8 zero -- well, that's what we intended and that's what we
9 explained -- that we would be able to also harvest the view shed.
10 Well, what's come down is that the Council, through its
11 negotiators, has come back to us and told us that you must have
12 perpetuity on an equal amount of timber to whatever we cut on the
13 subparcel or what's on the view shed if the deal falls apart. I
14 says, cut, then we've got to put in the non-severability clause
15 again because all of those other characteristics kick in again.
16 Then you create a mirror -- two mirrors -- where you're standing
17 in the middle, and you just see off to infinity. You create a
18 loop agreement. So, we came up with an alternative. Your
19 appraisers -- your appraisers, not ours -- said that there was no
20 value to trees after 80 years. You paid us no value for trees
21 after 80 years for the Orca Subparcel. You said there was no
22 value for trees after 80. So, we said 80 years, a new crop of
23 timber's there, we'll guarantee you we won't cut that timber in
24 the view shed of equal value of whatever has been cut in Orca
25 Subparcel -- if the deal falls apart -- for a period of 80 years.
26 Then you've got the Orca Subparcel timber back, it's grown back.

1 That's the closest we can do to make it balanced, but both the
2 Department of Justice and State AG's office have said it's not
3 balanced, it's not fair, it's not a value for value trade. From
4 a financial standpoint, we feel it is by using your own words.

5 MS. WILLIAMS: Mr. Pennoyer, you had a question.

6 MR. WOLFE: I --

7 MS. WILLIAMS: Oh, Mr. Wolfe.

8 MR. WOLFE: I'm going to follow a little bit with
9 maybe a little bit of our -- the Trustee Council's -- side of
10 this discussion, and our side of it is that this doesn't
11 constitute an equal value for equal value exchange, since if
12 something happened, and we realize there's low risk, but if
13 something happened and the deal did go flat and the Orca land --
14 or the Orca Subparcel land -- reverted to the Trustee Council, we
15 would have to actually, if I understand it right, have to go to
16 court to get the quitclaim deed reverted to the federal
17 government. But in either case, even if we were able to do that,
18 we would still have land that you probably harvested already and
19 it would be of less value to us unless Eyak has agreed to provide
20 us with 80 years of timber in the view shed, and that at that
21 point in time they would do whatever they chose to after 80 years
22 on the view shed. Our position is that, even though there is
23 very little monetary value, if you discount it back from 80 years
24 versus perpetuity, there is a lot of resource habitat value
25 there, and that's what key to us, and that's the reason we are
26 acquiring it, not for the commodity value, and that's why it's

1 considered to be an unequal value exchange. It is the general
2 consensus of the Trustee Council also that while Eyak perceives
3 that this was a part of the original deal, the Council thinks
4 this wasn't a part of the original deal, and that's where we have
5 some differences about -- you say it's we're taking a new
6 position, we say really we think you're taking a new position,
7 and so we're at a little bit of a difference of opinion on that
8 side of it. But I -- you know, I believe the Trustee Council is
9 still agreeable and wants to work this through to closure, that's
10 the reason why we entered into the negotiations with a mediator,
11 and I think you did, and we recognize that you want to move it
12 forward, and I guess we would like to adjourn and discuss this
13 with the full Trustee Council in executive session, and I think
14 maybe we would have -- maybe we can discuss further when we get
15 out to the executive session.

16 MS. WILLIAMS: Mr. Pennoyer, and then Commissioner Rue.

17 MR. PENNOYER: Well, two things you said -- or one was
18 that when you inquired about eco-tourism, you were told that you
19 could have lodges of no more than 15 people. I'm not clear

20 MR. BORER: Kim Sundberg.

21 MR. PENNOYER: Okay. That was his best judgment of the
22 size that could be supported ...

23 MR. BORER: Yeah, he's the one that told us we could
24 ...

25 MR. PENNOYER: ... from the habitat standpoint?

26 MR. BORER: Yeah, he's the one that told us that we

1 could have Simpson Bay. I informed him we already owned it.

2 MR. PENNOYER: Have Simpson Bay, but you already own --
3 obviously own all that lands. So that's not the issue. The
4 issue is that there's money paid, then what provisos would be
5 there to protect the resources we're trying to protect. I guess
6 what he was saying was a lodge larger than that would have too
7 much of an impact? Is that what the Habitat Working Group was
8 saying?

9 MR. BORER: They were down to you can't have more
10 than eight homesites in this bay, you can't have more than 12 in
11 that bay -- you know, no boats in this bay -- you know, too much
12 restriction on -- as Miss LaDuke properly said, don't take the
13 land away from the people. You can have the trees, but don't
14 take the land away. If you go and do lodges around the state,
15 even the fanciest, biggest and best ones don't make near what
16 timber harvest is making. However, a permanent fund out of
17 Trustee Council acquisition of the timber would make a wonderful
18 dividend fund.

19 MR. PENNOYER: The other statement was, maybe while
20 we're here we could talk to people and -- I thought that part of
21 that mediation process that you were in before was just to do
22 that, lock up in a room and lay out what really is there and what
23 isn't there, and what needs to be settled and what doesn't, and
24 what the real feelings are about things like keeping the land,
25 not just in title but with some control over what happens to it.

26 MR. BORER: We have told to the negotiators, and

1 we're in the same -- we -- negotiators on behalf of Eyak and
2 Sherstone are in the same boat as your negotiators. The
3 negotiators have to know what their limits are and how far they
4 can go, what the bottom lines are, before they enter the
5 negotiating room, and the entities outside of the negotiating
6 room, if they want to negotiate the agreement, they should be in
7 the room negotiating the agreement, such as the Department of
8 Justice, who came in at the 13th hour, basically, and these
9 things have changed around, and the Department or the AG's Office
10 the same. If people want to negotiate this thing, you guys give
11 them your marching orders -- say, you want all the development
12 rights, that's the bottom line, then we don't have to sit at the
13 table any more, we don't have to spend -- I budgeted \$10,000 for
14 this trade, it's \$20,000 in legal fees already. It's ludicrous.
15 This trade was supposed to be a simple, straightforward
16 transaction. I think that the Council always understood that it
17 was a package deal that we were talking about there. If we were
18 trading for timber that we wouldn't get to log, why would we want
19 it? You know, it doesn't make any sense. If you'd get to log
20 the timber that you were getting from us, why would we want the
21 deal? It doesn't make any sense. If it's going to be logged, we
22 can go ahead and log it. The idea is to try and get it so that
23 the timber is left standing and we derive the economic value out
24 of it.

25 MS. WILLIAMS: Mr. Rue -- Commissioner.

26 MR. RUE: Thank you, Madam Chair. I don't really

1 have a question for Luke. I think that this is complex enough
2 that we ought have -- and sensing that, we ought to figure out a
3 time that we can adjourn into executive session and go through
4 the details of the problems and see where we want to go with
5 them. So, mine is more a logistics question -- when would we
6 have time to do that in our schedule?

7 MS. WILLIAMS: What is the wish of the Council?

8 MR. RUE: Feel the same way?

9 MR. PENNOYER: Well, what time is our -- excuse me --
10 what time is our adjournment or dinner tonight, or what are we
11 facing? (Aside comments) At 5:30? I suggest we do it pretty
12 quick then.

13 MR. TILLERY: There is other business on the agenda.
14 My own view is that we should finish with the other items on the
15 agenda before we even think about -- there are a lot of people
16 here who are here for other reasons, and I think we'd lose them
17 all.

18 MR. PENNOYER: I'd agree with that, except most of the
19 people here overwhelmingly testified on this particular topic.

20 MR. BORER: By the way, I support the Fleming Spit
21 project too.

22 MR. PENNOYER: Okay. That's fine, maybe we can do it
23 before 5:30.

24 MS. WILLIAMS: Okay, so -- yes, Mr. Wolfe.

25 MR. WOLFE: There are some items on the agenda that
26 do not get into the projects, and I think maybe there are some

1 things that we could get through here and shorten up the time
2 frame.

3 MS. WILLIAMS: Yes. I think that we can actually
4 proceed through most of the items very quickly. Why don't we
5 have that as a goal, and certainly to go into executive session
6 no later than five o'clock. Does that sound reasonable?

7 MS. BROWN: 4:30.

8 MR. PENNOYER: Or earlier.

9 MS. WILLIAMS: 4:30. Obviously, we can be optimistic
10 and say 4:30.

11 MR. PENNOYER: Okay.

12 MS. WILLIAMS: Are there any other questions of Mr.
13 Borer at this time? Okay, thank you very much.

14 Let's proceed then through the agenda, with the expectation
15 that towards the end of it we will go in executive session. Just
16 to inform the members of the public, after we come out of
17 executive session we will be -- of course we cannot make any
18 decisions in executive session -- so we will be discussing the
19 content of our executive session with the public in this public
20 meeting, and if there are any votes to be taken at that time,
21 they of course will be taken in public, so we will go back into
22 public session after the executive session.

23 I believe our next item of business is the Executive
24 Director's report.

25 MS. McCAMMON: Madam Chairman, I think this is where we
26 can save a lot of time. Most of the materials that I was going

1 to talk about are actually in your packet and are also available
2 to the public in those packets outside the door, but I would like
3 to call your attention to just a few items. In the packet is the
4 financial report as of April 30, 1995, as well as a quarterly
5 report as of March 31, 1995. In addition, there is separate from
6 the packet but on your table in front of you a memo from myself
7 regarding the status of the audit, and basically we're in the
8 process now of putting together a draft RFP for the audit. We
9 have contracted with the Division of Audit Services with the
10 Office of Management and Budget for the State of Alaska to
11 provide assistance in doing that. This is kind of complex trying
12 to -- we want to make sure that what we're asking for in the
13 audit is what we really want to get from the audit, and when we
14 get the draft done in the next couple of weeks, it will be
15 circulated to all the Trustee agencies for their review and
16 comment. We'll get that finalized, the RFP will go out in July,
17 and hopefully we'll have the contract underway in August
18 sometime.

19 MS. WILLIAMS: Thank you.

20 MS. McCAMMON: But that I think will be -- the other
21 change that we've made is a decision to do one RFP for both the
22 federal and state sides so that we can guarantee that one audit -
23 - one accounting firm -- does both sides. If we were to do two
24 audits -- or two RFPs -- then we couldn't guarantee we'd get the
25 same firm. So, I think this will provide better consistency.
26 And the purpose of the audit is to provide accountability to the

1 Council, to the public, on the use of the Trustee Council funds.

2 The next item is the status of investments, and if you
3 recall last November the Council adopted an investment policy for
4 the restoration reserve. Since that time, we have had -- it was
5 basically -- the task was delivered to the Attorney General's
6 Office and to the Department of Interior, Solicitor's Office, and
7 they have had numerous discussions with the Court Registry system
8 in Texas over implementing the investment policy adopted by the
9 Council. The first version that came back from Texas was in such
10 convoluted language that no one understood what they agreed to
11 do, and it's gone back several times, and we think it's almost
12 there. So, hopefully the investment policy will be underway
13 within the next month.

14 There's also in your packet a quarterly project status
15 summary, as of March 31, 1995. There's also a memo at the front
16 of it that talks about the status of the '92, '93, '94 and '95
17 projects and their reports, and one of the things we're starting,
18 beginning with the next quarterly report -- this focuses on the
19 final reports and the status of the final reports -- what we'll
20 be doing with the next quarterly report is actually tracking the
21 status of ongoing projects so we will know on a regular basis
22 where those projects are in terms of their milestones, whether
23 they're behind, ahead, whether there are problems with them, and
24 that will be reported to you on a quarterly basis.

25 MS. WILLIAMS: Yes, Mr. Pennoyer.

26 MR. PENNOYER: Can I make a comment on that? I think

1 this is an excellent effort and something we've been asking for,
2 you're updating each meeting and it's getting better all the
3 time. Having said that, I notice there are some status reports
4 for things like 1992 that indicate that of 76 reports, 41 were
5 accepted, 32 were still in progress or not even submitted yet.
6 The '93 work plan, out of 24, ten have been accepted, to 9 in
7 progress, and then you also have an attachment about reports
8 significantly behind schedule. Now, noticing that NOAA appears
9 next to a couple, maybe I should temper my remarks before I go
10 further, but I think there's some really good reasons outlined,
11 like the hydrocarbon project obviously, the analysis of those
12 samples has been very difficult to get done. But in other cases
13 there are reasons given that, you know, PI's may have retired or
14 gone elsewhere, lost interest, or something, and in some cases
15 we've had them send out reports, that finally happened, then they
16 were sent back to the PI and go into another long delay before
17 the PI even responds, and I think it's one thing to tell people
18 that we'll look that '96 work plan on continuation of projects,
19 and that's kind of a hammer, you know, that you might not get a
20 continuation unless you're up to date as we think you should, but
21 it seems to me agencies bear a responsibility too, and because a
22 PI may have left or gone onto something else, that threat of not
23 continuing a project that might not continue anyway is not very
24 large. I think, frankly, that agencies owe a responsibility to
25 make sure these things get done, and unless we have a very good
26 excuse our projects in total ought to be looked at somewhat

1 askance, if in fact we haven't gotten report on them. So, I
2 don't know how we evince motivation, but I feel that for the next
3 work plan approval every agency ought to also look at those
4 things and recognize that we have to ensure that our PI are up to
5 date.

6 MS. McCAMMON: Madam Chairman, Mr. Pennoyer, I agree
7 with those comments, and we've had numerous discussions with the
8 various agencies, and I think the one thing that I can report is
9 that there's been a significant amount of progress made in the
10 last year, and I think most of the agencies when we talk to the
11 managers of these projects are actually pretty embarrassed if
12 they see their agencies with any that are significantly behind
13 and are making due efforts to catch up on them, but this will be
14 one of the things we look at when we review the '96 work plan.

15 MS. WILLIAMS: Thank you. Any other questions? Ms.
16 McCammon, if you'd like to proceed.

17 MS. McCAMMON: The next item in your book -- speaking
18 of the '96 work plan -- is the time line for the process for the
19 '96 work plan, which began with the annual workshop in January,
20 went on with the draft invitation and draft restoration program,
21 which we refer to as the raspberry book that went out on March
22 15th. On May 1st we received 128 proposals, totalling \$39
23 million. Since that time, they have been organized, circulated,
24 they have gone out to all of the attorneys for legal review, they
25 have gone -- they are undergoing staff review for such things as
26 the status of reports, consistency with past Chief Scientist

1 recommendations, budget review, and in addition they -- last week
2 -- underwent three days of review by the core peer reviewers.
3 These core reviewers are five people, under contract, independent
4 scientists from across the country who were in town last week,
5 who reviewed all 128 proposals. They have developed a draft
6 recommendation on these that we are taking next week with agency
7 staff, two members of the Public Advisory Group, and folks
8 representing some of the key areas, such as salmon, marine
9 mammals and others, and will be developing a draft recommendation
10 on -- for '96 funding.

11 Also on your table in front of you is a graphic that is
12 called the Evolution of the Annual Restoration Plan, and I think
13 that the kind of review that we're doing this year is really --
14 has been an evolving process that began more than a year ago in
15 the winter and spring of 1994 with three work sessions that
16 brought in researchers, agency people, community people, the
17 Public Advisory Group, the Chief Scientist and others. It led to
18 -- one of those groups, I think what Martha Vlasoff referred to
19 as the "church group." I think what we're seeing now is a much
20 more focused, targeted work plan with some real -- I think we're
21 putting it in a better way of showing what we're doing and why
22 and trying to explain to the public how this all fits together,
23 and I think you'll be actually pretty pleased with some of the
24 recommendations that are coming out through this review process.

25 MS. WILLIAMS: Mr. Pennoyer.

26 MR. PENNOYER: One question -- but, nevertheless, if I

1 read correctly from some of the backup material, we've got to get
2 from \$38 million down to \$19 million?

3 MS. McCAMMON: That's correct.

4 MR. PENNOYER: Okay, thank you.

5 MS. McCAMMON: I think it's doable.

6 MR. PENNOYER: I trust you.

7 MS. McCAMMON: The next item in the packet. Well,
8 actually, it's a separate item, is this spreadsheet which refers
9 -- which is the Habitat Protection Process Large Parcel Status
10 Summary, and this is the status report on all the various
11 negotiations that are ongoing, and there are also copies of these
12 available outside for the public. Last week, there was a signing
13 in Washington, D.C., for the Ahkiok-Kaguyak and Old Harbor
14 acquisitions. The Afognak Joint Venture, AJV, has agreed to have
15 their lands appraised this summer, so that appraisal will be
16 underway. The Chenega negotiations are going forward, and we
17 hope to have some agreement to bring back to you in the next one
18 to two months. English Bay and Port Graham, we have several
19 discussions and meetings with those two communities, and so far
20 have not reached any agreement on those but will be continuing
21 contact with those communities and we'll be reporting back to you
22 again. In Koniag, the Department of Interior is focusing on
23 getting a purchase agreement with Koniag done in the next few
24 months. That's Interior's next priority. With Tatitlek, those
25 lands will be surveyed, appraised, this summer, and we hope to
26 have an agreement on that by next fall, by this coming fall. And

1 on Eyak, I think -- Jim, did you want to add anything else on the
2 status of Eyak?

3 MR. WOLFE: I could add just a little bit. We have
4 generally agreed with Eyak that we would move ahead, just once we
5 get past the current negotiations on the timber exchange and the
6 work going on with the view shed, that we'll move into
7 negotiations on the Other Lands, and I guess that may be subject
8 to some discussion later, but at this point in time that's the
9 plan -- is once we get through this first hurdle, we'll move onto
10 the Other Lands. Chenega, I guess you didn't mention Chenega.

11 MS. McCAMMON: I just said they were on track.

12 MR. WOLFE: Yeah, that's probably good enough.

13 MS. McCAMMON: The other one I didn't mention was
14 Shuyak, and we had a meeting last week with all of the appraisers
15 and the borough on Shuyak, and we're hoping to come to some kind
16 of a completion to the timber appraisal by the second week of
17 June, is the target date there. So, I think for most of the
18 large parcel negotiations the appraisal process is time-consuming
19 because of the involvement of the landowner in the review process
20 and because of the various levels of review, but I think for the
21 most part they are on track. We've had two requests from other
22 corporations or other entities for possible consideration under
23 the large parcel process. One is from Chugach Corporation. They
24 have expressed interest, not in selling their lands but in
25 possibly doing some kind of a three-way exchange that would end
26 up with the Trustee Council purchasing their lands. And I have

1 been in touch with the Mental Health Trust Lands Authority to see
2 if they have some land that they might be interested in doing --
3 participating in an exchange of that nature, and we plan on
4 meeting with them soon on that. In addition, the City of Kenai
5 has offered -- has put forth -- about 2,000 acres of the Kenai
6 River delta basically, and put that forward for consideration by
7 the Trustee Council, and that's undergoing agency review right
8 now, and I'll have a recommendation on that back to you probably
9 at the next meeting.

10 MS. WILLIAMS: Ms. McCammon, is that scheduled to be
11 appraised?

12 MS. MCCAMMON: No. Not until the Council makes some
13 decision on it.

14 MS. WILLIAMS: Mr. Pennoyer?

15 MS. MCCAMMON: The next item in the book is a Status
16 Report on the Small Parcel Program.

17 MS. WILLIAMS: Right, actually, Ms. McCammon, there is
18 one document that if you or Mr. Myers or someone else could
19 prepare that would be very helpful, and that is just a chronology
20 of the appraisals that are scheduled this summer.

21 MS. MCCAMMON: Yep, I'd be happy to put that together.

22 MS. WILLIAMS: Thank you.

23 MS. MCCAMMON: The next item is the Status Report on
24 the Small Parcel Program, and as you recall on February 13th the
25 Council adopted a small parcel process and directed me to provide
26 overall management for the small parcel program, to initiate a

1 second phase of the small parcel process to allow nomination of
2 additional parcels, to direct the appropriate agencies to start
3 the preliminary negotiations that were ranked as either high,
4 moderate, or identified as having significant special merit, and
5 to provide to you by June 15th an initial recommendation
6 regarding those parcels that should be protected using joint
7 settlement funds. Since that time, the additional phase 2 small
8 parcel nominations have been received and evaluated. A total of
9 23 were received and evaluated. Of those 23, two were ranked
10 high, 6 parcels scored 18, which is just below the current
11 breaking point between moderate and low, and each of those 6 that
12 received a score of 18 have been -- there's an agency request to
13 have those considered as parcels meriting -- having special merit
14 and to go forward into this pool of parcels that we're currently
15 working on. Each of them has substantial interest to either the
16 state or federal agency sponsors or for the Public Advisory Group
17 or from other members of the public. Since February 13th, we
18 have made contact with all of the high-moderates and parcels with
19 special merit and done preliminary title work, preliminary
20 hazardous materials surveys, requested them to give permission
21 for an appraiser to come onto their land, and we have gotten a
22 response back from all of those. So, all of these site visits
23 and all of these surveys are underway. The appraisal services
24 are being contracted out. Most of the appraisals are being done
25 by the state for the Department of Natural Resources and they
26 have let out RFP's to let out -- to contract those appraisal

1 services. These are being done on a regional basis for Prince
2 William Sound, the Kenai River, Kodiak, the Kenai Peninsula. The
3 Department of Interior is doing a couple of the appraisals in-
4 house.

5 MS. WILLIAMS: Ms. McCammon, do you have a
6 recommendation with respect to the cut-off point?

7 MS. McCAMMON: My recommendation actually is just to
8 change the cut-off point between moderate and low from 20 to 18.
9 We had a discussion about this in February and decided to keep it
10 at 20. At that time, there were just two parcels at the 18
11 range, and it ended up that those two -- one of them was subsumed
12 in another parcel that was ranked higher, and the other one was
13 considered a special merit parcel. Since that time, with this
14 second round, we've got six that scored 18, and all of those the
15 agencies or the public feel are warranting of special attention.
16 When we had this discussion before, since there were only two,
17 there wasn't really a real obvious, kind of break there. But if
18 you look at the chart now, there's a bigger clump at 18 than
19 there was in the prior bar chart, and I think it was done fairly
20 arbitrarily to begin with, and I think it just makes sense. It's
21 an easier way to deal with us.

22 MS. WILLIAMS: Would any Council member like to make a
23 motion to that effect?

24 MR. RUE: I would so move that we move the line
25 down to 18.

26 MS. WILLIAMS: Okay. Commissioner Rue has moved that

1 the demarcation line from low and moderate be moved to 18. Is
2 there a second to that motion.

3 MR. TILLERY: Second.

4 MS. WILLIAMS: Seconded by Mr. Tillery. Discussion
5 please. Yes, Mr. Pennoyer.

6 MR. PENNOYER: We have a lot of things to do and this
7 may be sort of a meaningless discussion anyhow, and I'm -- but
8 I'd like to know what the effect of doing that is. We've all
9 known that the ranking system is not perfect. In fact, if you
10 have one piece of land that is just absolutely great for one
11 specie that have to have it and no other reason, the ranking
12 might actually end up rather low as opposed to being for all the
13 species, so there would be special reasons to consider that.
14 Given that, the ranking of 20 didn't mean we weren't going to
15 consider something that was at 18. It simply said you had to
16 come in and make a case for it. It might be a little more of a
17 case if it was ranked moderate. And I don't know what the effect
18 of moving it to 18 is. It may have no effect at all because
19 we're probably not going to do all of these, we're going to
20 prioritize them anyway. On the other hand, if it's an automatic
21 thing and 20 more come through the door at 18, I'm not sure what
22 that means. I'm not sure what you're proposing, how it
23 meaningfully affects this process, or whether it makes any
24 difference or not, and I'm not clear why 18 is better than 20,
25 given the fact that things can come through the door that for
26 other reasons would rank fairly high. And I think even in the

1 large parcel ranking we recognized that the numerical system was
2 not perfect. In fact, it was a long way from it. We had
3 discussions of whether you group things together and they
4 interacted with something else -- there are a million different
5 ways that the numbers could be modified, and so we thought that
6 we had to look at it with an open mind. If we kept it at 20,
7 does that mean these 18 automatically drop off, or if we make it
8 18, does it mean they are automatically on without further
9 discussion? I don't know, and I guess I don't mind the further
10 discussion if they have reasons they should be cranked up and
11 accepted, then you do it. If they don't, then you don't have an
12 automatic number that implies that all of a sudden they have
13 merit. So, I'm not yet in favor of the change, to tell you the
14 truth, unless I hear a reason why it's a good -- it makes a
15 difference in this process.

16 MS. WILLIAMS: Would anyone like to respond to Mr.
17 Pennoyer's comments?

18 MR. RUE: I'll give it a try. It's my
19 understanding that what you basically achieve -- well, first of
20 all, we all admitted that 18, I mean 20, was a fairly arbitrary
21 number. I think we've seen that a number of parcels have come in
22 at 18 that do have value merit that should be considered,
23 discussed, negotiated to go out and see what kind of a deal you
24 can make, and I see it this is simply an easier way to authorize
25 that process to begin. We begin the discussions, negotiations,
26 with the landowners, rather than having to go through a full

1 council discussion of each individual parcel. I think we're
2 going to have to make a decision on each one at some point when
3 we see the deal, but at this point, I mean 20 was an arbitrary
4 number, 18 is an arbitrary number, we've seen a bunch of parcels
5 come in at 18 that are valuable, they're worth further
6 consideration in my mind that would provide benefits for
7 restoration. This is just a simpler way to get them on the
8 table.

9 MR. PENNOYER: A follow up question?

10 MS. WILLIAMS: Yes.

11 MR. PENNOYER: So, the difference to you is that if
12 it's 18, anything 18 and above, without any further discussion,
13 would go forward to negotiation with the landowner and then come
14 back to us. If it's 20, then those have to be specifically
15 approved by this Council before then went forward even to
16 negotiation. That's the difference.

17 MS. McCAMMON: That's the difference.

18 MR. PENNOYER: And I'm not sure why we can't do -- you
19 know we can't do all of these anyway, if that makes a major
20 difference in the way we do business. If it's a matter of one
21 meeting to say, well, this has a special reason to do it, and
22 therefore it should go forward, rather than give the expectation
23 to a whole -- there might be a whole bunch of people out there
24 that they're automatically going to (indiscernible -- extraneous
25 noise), and I don't understand the need to do what you're -- I
26 don't know it's a big deal, frankly. I don't know that it makes

1 that much difference in the long run because we could still say
2 no, but it raises an expectation to some people that may or may
3 not be warranted without the Council talking about it.

4 MS. WILLIAMS: Mr. Pennoyer, let me tell you why I
5 support this motion. I support this motion because, as
6 Commissioner Rue said, 20 was at first arbitrary and it's kind of
7 a hypothesis to be tested. I think what we want with a moderate
8 rating is to feel some comfort that property that falls is
9 moderate is property we're interested in. We've now sort of
10 tested the hypothesis, and I think we've tested it to the point
11 that found that everything 18 and above seems to fall in that
12 category, because everything that is at 18 or above, or between
13 18 and 20, we wanted to elevate -- one or more people wanted to
14 elevate and there was broad public support for. I do think we
15 have limited time, I think we have tested the hypothesis about
16 what is a good number for moderate and above, and I think, given
17 the way the 18's have come in, that we can feel comfort that 18
18 and above is a good breaking point for further consideration, so
19 some empirical evidence to suggest a good breaking point for the
20 hypothesis. Oh, I thought that was a more interesting point to
21 make.

22 MR. WOLFE: Madam Chair.

23 MS. WILLIAMS: Yes, Mr. Wolfe.

24 MR. WOLFE: I -- I'm struggling with this because we
25 had a long discussion about that 20 and it was arbitrary in my
26 mind when we set the 20, and I understand that there have been,

1 some discussions since those meetings where we set the 20 that
2 indicates that maybe we should have set it somewhat differently,
3 but we have not been presented with anything, and I think that's
4 what Steve was getting at, that shows us or demonstrates to us,
5 other than that we have another lump or the chart shows more
6 parcels at the 18 than before. But in my mind we had a
7 discussion that it was based -- it was locked into criteria, and
8 I could understand that as a breaking point, and if we're using
9 something else as a basis for drawing the line at moderate versus
10 low, then I would like to see that established. And so, I would
11 prefer -- I don't want to stop the activities and negotiations
12 going with what's on the table at this point in time, but before
13 we make a formal change in the number, I would prefer to see some
14 staff work on how we got to the 18 now versus the 20.

15 MS. WILLIAMS: Mr. Tillery.

16 MR. TILLERY: Yeah. I think your analysis is correct.
17 I don't believe that we had an additional lump there at 18, but
18 if we have that lump, we'd look at those, and without fail they
19 have shown up to be parcels that we want to acquire. I think we
20 now know, not on some theoretical, statistical plane, but in real
21 life that study team's scores seem to be about where the parcels
22 are that we want to look at. I think it will ease matters when
23 ones come in that we know we can go forward and not wait two
24 months for the next Trustee Council meeting or have to have a
25 teleconference. We're not doing anything by this, we're making
26 no commitments, we're simply saying go forward, do your hazardous

1 waste survey, do your preliminary title survey, and begin the
2 negotiations. I feel fairly strongly that this is something we
3 should do, to move this down to 18.

4 MS. WILLIAMS: Any further discussion? Yes, Mr.
5 Pennoyer.

6 MR. PENNOYER: One last -- one last item. I'm not --
7 again, we've got a lot more important things to do, so I think we
8 need to get on, but these six parcels now that you say now prove
9 that 18 is an appropriate number, did we dissect those to the
10 point that people are comfortable that they are, looked at them,
11 send them out to the committees, come to us and said 18 is now
12 the best line, but these six, should each one of them, there's a
13 real reason to go forward. Maybe this is my lack of --

14 MS. WILLIAMS: Ms. McCammon or Mr. Tillery would you
15 like to answer that?

16 MS. MCCAMMON: I think the federal and state agencies
17 that are interested in acquiring these parcels for restoration
18 purposes have agreed that, yes, these are valuable and that these
19 should be put into the pool with negotiations going forward and
20 some of the preliminary work so that these can be part of the 28
21 that we look at, and as we go farther into the process then
22 figure out which ones are of most importance. Several of these
23 have generated a significant amount of public interest. So --
24 and I think all six have a lot of interest from the agencies.

25 MS. WILLIAMS: Yes, Mr. Wolfe.

26 MR. WOLFE: Would it be best to amend the motion to

1 allow these parcels that have been put on the table at this point
2 in time to proceed, and then maybe get some additional staff work
3 and resolve the cut-off point for moderate versus low at a point
4 where we've got more time. But I really do not want to stop
5 these from proceeding in the preliminary stages, and if I
6 understand it right, we would not go to a decision on acquisition
7 until a later point that involves all the people here. So -- so
8 I --

9 MS. WILLIAMS: I believe Mr. Wolfe has made an
10 amendment, is there a second to that amendment?

11 MR. PENNOYER: Second.

12 MS. WILLIAMS: And Mr. Pennoyer has seconded. Is there
13 discussion on the amendment? The amendment is not to change the
14 threshold from 20 to 18, but rather simply to determine that all
15 of these have special merit -- leave the threshold at 20, but to
16 put all six of these properties into the process.

17 MR. PENNOYER: With the understanding though that there
18 is no cut-off for special interests brought to the attention of
19 the Council.

20 MS. WILLIAMS: That's correct.

21 MR. PENNOYER: So, something that's at 17, we can still
22 go down and justify it.

23 MS. WILLIAMS: That is correct. Any further discussion
24 of the amendment? All in favor of the amendment say, aye.

25 MR. RUE, MR. PENNOYER, MS. BROWN, MS. WILLIAMS, MR.
26 WOLFE: Aye.

1 MS. WILLIAMS: All opposed?

2 MR. TILLERY: No.

3 MS. WILLIAMS: Okay, the amendment does not pass. For
4 the public's information, action by the Council requires
5 unanimity. Let's go back then to the main motion. Is there any
6 further discussion on the main motion, and the main motion is to
7 lower the threshold for moderate from 20 to 18. All in favor of
8 the motion, say aye.

9 MR. RUE, MR. PENNOYER, MS. BROWN, MS. WILLIAMS, MR.
10 TILLERY: Aye.

11 MS. WILLIAMS: All opposed?

12 MR. WOLFE: No. In fact, I don't have -- if you'd
13 like a discussion, I could tell you I don't have enough basis to
14 make that decision at this point. I'm not sure why -- on what
15 basis I'm making it, so I don't like to make ...

16 MR. PENNOYER: If the motion fails, then we stay at the
17 fact that these are approved and --

18 MS. WILLIAMS: No, we would -- we would have to go back
19 to that motion.

20 MR. WOLFE: I would suggest -- I would make a motion
21 that we proceed with the negotiations, preliminary work, on these
22 six, and that we have the staff work, as I did in the proposal
23 earlier, to discuss the benchmark for low versus moderate.

24 MR. PENNOYER: The original motion on the table that
25 failed.

26 MS. WILLIAMS: I don't know what the parliamentary

1 procedure is, but we'll put that motion back on the table, not as
2 an amendment but as a new motion, with the elaboration that there
3 would be staff work to re-examine the threshold. Is there any
4 further discussion on Mr. Wolfe's motion. Oh, is there second to
5 that motion?

6 MR. PENNOYER: I second it again.

7 MS. WILLIAMS: Yes, Mr. Pennoyer seconds it.

8 MR. RUE: I think I will probably support the motion
9 this time because I think it gets us to the same place, and I
10 don't want to stand on sort of parliamentary silliness. I think
11 we ought to just get on with the business here.

12 MS. WILLIAMS: All right. Any more discussion on the
13 motion? All in favor of the motion, indicate by saying aye.

14 ALL TRUSTEES: Aye.

15 MS. WILLIAMS: Opposed? The motion passes. Ms.
16 McCammon.

17 MS. McCAMMON: Madam Chairman, there's also one parcel,
18 Horseshoe Bay, that DNR has requested be a -- considered a parcel
19 meriting special consideration, and this parcel was evaluated by
20 the Habitat Work Group, and I believe it received a score of 14,
21 and Ron Crenshaw with the Department of Natural Resources,
22 Division of Parks, is here to -- Ron, if you wanted to just say
23 maybe just a couple of words about why DNR is requesting that
24 this parcel --.

25 MS. WILLIAMS: Mr. Crenshaw.

26 MR. CRENSHAW: Horseshoe Bay is the first marine park

1 in Prince William Sound that you approach coming from the west.
2 It's the only marine park in southwestern Prince William Sound.
3 It's in a wonderful location. Unfortunately, the marine park has
4 the least valuable part of Horseshoe Bay. The most valuable
5 part, the best anchorage, the best upland access, habitat,
6 historic, archaeological values is on private property, and to make
7 the marine park whole to encompass all these additional values,
8 we would strongly urge that this be considered for acquisition.

9 MS. WILLIAMS: Are there any questions of Mr. Crenshaw?
10 Commissioner Rue.

11 MR. RUE: Yeah, Ron, is there imminent threat to
12 this parcel? What's the timing on -- for you to deal with this.

13 MR. CRENSHAW: It's owned by one property owner, it has
14 mineral value, subdivision value. The market would drive
15 whatever might occur on these private lands.

16 MR. RUE: What does that mean?

17 MR. CRENSHAW: It could happen tomorrow.

18 MR. RUE: Thank you.

19 MS. WILLIAMS: Yes, Ms. McCammon.

20 MS. MCCAMMON: Madam Chair, this was also a parcel that
21 the Public Advisory Group was interested in seeing go forward
22 into the pile.

23 MS. WILLIAMS: Is there a motion to elevate Horseshoe
24 Bay into the category of special merit?

25 MR. TILLERY: So moved.

26 MS. WILLIAMS: Mr. Tillery so moves. Is there a

1 second? (Ms. Brown's second is inaudible) Ms. Brown seconds.
2 Is there any further discussion of this motion? All in favor,
3 indicate by saying aye.

4 ALL TRUSTEES: Aye.

5 MS. WILLIAMS: All opposed? The motion passes. Ms.
6 McCammon.

7 MS. MCCAMMON: That basically concludes the report on
8 small parcels, other than to say that we have also gone out to
9 the public for their comments on each of these parcels, and a
10 number of them have generated a significant amount of interest,
11 and as we go forward through the process, we will be bringing
12 that forward to you and letting you know which ones. But at the
13 public meetings that we held in the month of April, a number of
14 these parcels were really -- generated a lot of interest. I
15 should note for the benefit of people in Cordova; that it was
16 very obvious through this process that there was a definite lack
17 of parcels in Prince William Sound in this small parcel mix, and
18 if anyone in Cordova knows of a parcel that you think may be
19 appropriate for the Council's attention, I think it would be
20 really -- we'd be glad to get you the information on how to put
21 it forward.

22 MS. WILLIAMS: Yes, Mr. Pennoyer.

23 MR. PENNOYER: I don't want to do this at this time,
24 because we don't have any time, but at some point on the small
25 parcel acquisition the ranking on special merit, things that
26 don't just have the high ranking for resource values, needs to be

1 discussed. What is our criteria? Is it access -- that at least
2 access to recreation, rather than enhancing a resource is a
3 question, so I think we need to look at that, and I'd like to --
4 at the time we bring these parcels up and talk about buying and
5 the different priorities, we need to discuss what the criteria
6 is, now that we've had that discussion, but for now I think we'll
7 just leave that.

8 MS. MCCAMMON: Madam Chair, absolutely. I agree with
9 that statement, and that's one of the reasons why we're not ready
10 at this time to actually give you an actual recommendation of
11 what parcels should go forward and be acquired.

12 MS. WILLIAMS: Thank you. Ms. McCammon, anything else?

13 MS. MCCAMMON: The only other thing, there is a report,
14 a status report, here on the Alaska Sea Life Center. I know
15 several people were in Seward for the ground-breaking of this
16 facility. We are in the process of implementing all of the
17 provisions that were included in the November Council resolution.
18 The one that we're on primarily now is a review of the
19 construction budget and operating plan. We had a meeting this
20 week with the Alaska Industrial Development and Export Authority.
21 I have also met with the State Department of Transportation to
22 review the project. I believe that we will probably be
23 contracting with AIDEA to provide an independent review of the
24 design, development process, the construction estimate, the cash
25 flow projection and the project schedule, and that will assist in
26 making a final recommendation on that aspect of the project. In

1 addition, we are continuing to work with the University of Alaska
2 regarding their role in the research operations at the center.
3 So, that project is basically on target.

4 The other item in here is -- are the meeting notes from the
5 Public Advisory Group, and we do have the chairman, Mr. Vern
6 McCorkle here. The last couple of meetings, we either haven't
7 had an active Public Advisory Group or, I think at the March
8 meeting it was kind of a short meeting, so we didn't have a
9 report from the PAG chair. But Mr. McCorkle kindly came to
10 Cordova to give you a quick report on the activities of the PAG.

11 MS. WILLIAMS: Mr. McCorkle, if you would please give
12 us your report, and thank you for being patient.

13 MR. McCORKLE: Madam Chairman, due to the lateness of
14 the hour and the need that you have for executive session, we'd
15 be pleased to file our report in writing.

16 MS. WILLIAMS: Thank you. Are there any questions
17 though of those of us who had an opportunity to review the
18 materials of Mr. McCorkle. Let me just say, Mr. McCorkle, that
19 I've certainly heard from many PAG members that the PAG is going
20 very well, and we thank you for your efforts and the other PAG
21 members.

22 MR. McCORKLE: We can talk about that in the future
23 because I think we're doing a great job.

24 MS. WILLIAMS: Excellent (Laughter)

25 MS. McCAMMON: Madam Chair.

26 MS. WILLIAMS: Yes.

1 MS. McCAMMON: I think Cordova should be very proud of
2 the two active PAG members that they have, Karl Becker and Thea
3 Thomas. I think they represent the -- the community's interest
4 very well.

5 MS. WILLIAMS: Thank you, Mr. McCorkle. The next item
6 of business on our agenda is the Fleming Spit project. Who would
7 like to speak to that initially?

8 MS. McCAMMON: Madam Chairman, the Fleming Spit project
9 was first before you on November 2nd. Action at that time was
10 deferred until the December meeting. In December it was deferred
11 again for further review. The project has been revised slightly
12 since the original proposal. It focuses now, it includes several
13 elements to it. The element of land acquisition for \$150,000,
14 which acquire 5.39 acre parcel, fisheries improvements for
15 \$170,000, which would enlarge and deepen the existing smolt
16 release ponds, and construct permanent net pens, and a fishing
17 boardwalk for \$300,000, which would provide safe access to the
18 fishing area for a diverse mix of people. The City of Cordova
19 supports these improvements, and there is a resolution from the
20 city agreeing to operate, maintain, any facilities and use of the
21 property. Prince William Sound Aquaculture Corporation has
22 agreed to provide the smolts for the property -- for the project.
23 Since that time, just today, I've received a couple of letters,
24 additional letters in support of the project, as well as a
25 nomination form from Sealaska Corporation, which is the owner of
26 the property, submitting this parcel as part -- to be considered

1 as part of the small parcel process.

2 MS. WILLIAMS: Very good. Council members -- who would
3 like to talk about this project? Mr. Tillery.

4 MR. TILLERY: Thank you, Madam Chairman. I have now
5 been out to Cordova at the Fleming Spit twice on separate trips
6 to Cordova, met with people from Cordova on many occasions. I
7 have looked at the parcel in both summer and winter, I have heard
8 a lot about the people who use it and the uses to which they put
9 it. I am convinced that this is a outstanding project that the
10 Council should support. I believe that it will, as many people
11 testified, it relieves pressure on wild stocks on the Eyak River,
12 but I think probably one of the most important things that it
13 does is it allows sort of a restoration of services and a
14 recreational experience for people who are not otherwise able to
15 do it. We have preserved a lot of land, rugged, wild, pristine
16 areas, where people can go and hike and so forth, and able-bodied
17 people and fish and so forth, but to have a place that's in town
18 where people who are older, people who may be disabled, people
19 who are very young can go and have a recreational experience is
20 something that we have not had an opportunity as a Council yet to
21 do. I think it is important that -- that we do that. I also
22 would note that the land itself, which is primarily wetlands, in
23 itself has habitat value. It is adjacent to tidelands that
24 support pink salmon spawning habitat. I would urge the Council
25 to approve this project in its entirety and would so move.

26 MS. WILLIAMS: Okay, it has been moved by Mr. Tillery

1 that the Council adopted the Fleming Spit recreation area project
2 as described in Project No. 95080. Is there a second to that
3 motion?

4 MS. BROWN: Second.

5 MS. WILLIAMS: Seconded by Ms. Brown. Discussion on
6 the motion -- yes, Mr. Pennoyer.

7 MR. PENNOYER: I listened to the testimony and read the
8 written material, and I've no doubt, as Mr. Tillery said, that
9 this a very valuable project and that it will serve a real
10 function in the community and the community strongly wants it. I
11 don't have any problem with many aspects of moving forward. We
12 did deal with restoration of services for subsistence in Chenega
13 by transportation of coho and chinook, even though they weren't
14 specifically injured species, they were providing a substitute
15 resource for a lost resource to subsistence users. So, I think
16 we can enhance resources to improve services, but we have a
17 problem in specific instruction relative to enhancing services,
18 and I know early on NOAA and the Forest Service were particularly
19 anxious to talk about enhancing recreation in the Sound by
20 provision of cabins, trails, boat floats, things of that nature,
21 and I know the Justice Department had a real problem with doing
22 that. They had a real -- in looking at the terms of the
23 settlement agreement, there was a major disagreement as to
24 whether you could enhance facilities to provide enhanced
25 services. And doing this in its entirety gives me some problem
26 because of the boardwalk, and I have no doubt the boardwalk is a

1 desirable thing and people want it and it provides the type of
2 service that you alluded to, but it seems to me that we ought to
3 look for an alternate source of funds for that and talk about the
4 rest of the project. I think that the smolt pens -- I'm not sure
5 everybody's going to (indiscernible) smolt facilities, the
6 dredging, the deepening, and perhaps the land itself can be
7 accommodated under the terms of the settlement. I know --
8 Justice hasn't given me anything in writing, so I'm not sure
9 they'll back me on that entirely, but I'm afraid the boardwalk
10 and construction is going to hang them up. So, rather than have
11 the project not go forward, perhaps we should approve what we
12 think that we specifically could agree on being -- and I know all
13 of us will agree to different parts of it -- if we could all
14 agree on being a part of this and then seek the funding elsewhere
15 for the parts that might not work. So, if Mr. Tillery will
16 accept that as a friendly amendment, I'd say that we could put
17 the land into the small parcel process, see what it comes out to
18 -- cost versus how it ranks for habitat provision and view it in
19 that fashion -- and then cost out the rest of it or proceed on
20 working on the rest of it, approve going forward with the balance
21 if acceptable to (indiscernible).

22 MR. TILLERY: Would it -- as I understand your motion
23 to facilitate this would be to essentially go ahead and vote on
24 this to be a project meriting special consideration so that we
25 may move forward with it immediately.

26 MR. PENNOYER: The small parcel.

1 MR. TILLERY: For the small parcel process?

2 MR. PENNOYER: Yes, that's correct.

3 MS. WILLIAMS: It has been moved by Mr. Pennoyer that
4 we consider this project as a project meriting -- this land
5 acquisition as a land acquisition meriting special attention so
6 that it can go forward with the small parcel process. Is there a
7 second to that amendment? (Second in audible) Seconded by Ms.
8 Brown. Discussion of the amendment?

9 MR. PENNOYER: Only that, obviously, when it came back
10 we'd look at the cost and so forth, and we get that type of
11 evaluation, when we get a chance to look at it, as with all the
12 other parcels.

13 MS. WILLIAMS: Okay. It's been moved and seconded to
14 go forward with the Fleming Spit recreation land acquisition
15 component on the basis of putting it forward in as meriting
16 special recognition in the small parcel process. All in favor,
17 indicate by saying aye.

18 ALL TRUSTEES: Aye.

19 MS. WILLIAMS: All opposed? The amendment passes.

20 MR. TILLERY: Are we going to (indiscernible -- aside
21 comments)

22 MR. PENNOYER: I'm not sure. I've not seen any cost-
23 benefit analysis or, actually, I guess I haven't seen the project
24 detail on these two projects, but I think -- is this '95 now,
25 shall we kick this into the '96 work plan and consider it as a
26 '96 work plan? Are we looking for additional funds now, or do we

1 -- were you going to put this in as a high priority of the '96
2 work plan? And that's -- the two things here, the -- well, the
3 fisheries improvement, I guess, is another item -- \$170,000
4 fisheries improvement section. No, I think those are legitimate
5 objectives of this Council, to provide enhanced recreational or
6 other lost service opportunity to enhancing the resource. I
7 don't have a problem with that. I don't -- and most of the
8 testimony we've seen -- heard -- supports that strongly. I don't
9 know if we're talking about taking it there in '95 or going in
10 '96, or how we're going to do this.

11 MS. WILLIAMS: Who would like to respond to Mr.
12 Pennoyer's question.

13 MR. TILLERY: We have been taking this out of one year
14 and moving it to the next for a while now. It seems to me that
15 we really need to try to get a decision on this. I appreciate
16 actually what you're doing and wondering if maybe those areas
17 that you are feeling more comfortable with, what do we need to
18 move forward to a vote on them? Do we need a statement from the
19 Department of Justice? I can tell you that the State of Alaska,
20 Department of Law, is comfortable with the legal liability of
21 those portions that you've identified. But, again, I have the
22 same -- I know the Department of Justice sometimes looks at these
23 a little differently, and I don't know whether they feel like
24 they have enough information to support those yet or not.

25 MS. WILLIAMS: Gina Belt from the Department of
26 Justice, could you please come to the mike? The question before

1 us is whether the fisheries improvement component of this project
2 is approvable under the terms of the settlement agreement.

3 MS. BELT: Mr. Tillery is correct that the
4 Department of Justice takes a different view from that of the
5 State regarding direct restoration of services like sport
6 fishing, but as far as answering your direct question, I'm not
7 sure there was enough in the project description for -- for the
8 Department of Justice to opine on whether this would actually
9 enhance the -- the smolt themselves. This morning I was told
10 when I (indiscernible -- extraneous noise) that there really
11 wasn't a large mortality, but I think if we had more information
12 on that, we'd be able to make a decision pretty quickly.

13 MS. WILLIAMS: Mr. Pennoyer.

14 MR. PENNOYER: That's sort of my next question. Has
15 the Chief Scientist or have any of our PI's looked at this to the
16 point that we feel comfortable with the improvement that we're
17 going to see and the returns based on this. I mean, there's a
18 legal question, obviously, whether they should do this; there's
19 also the practical question whether for \$170,000 you are going to
20 get a significant improvement in the return. The statements here
21 say yes. Are we comfortable with that that our technical people
22 have looked at it and that, in fact, we do believe that there
23 would be a significant improvement in the return doing these
24 projects.

25 MS. WILLIAMS: Ms. McCammon.

26 MS. MCCAMMON: Madam Chair, both PWSAC, who would be

1 doing the work on the smolt planting, and the Department of Fish
2 & Game have reviewed this and feel that it is justified and feel
3 comfortable in having it go forward. I guess I sympathize with
4 the community's desire to have some decision on this, and Mr.
5 Tillery's decision. If -- it seems like action on this part of
6 the project couldn't go forward until there was actual action on
7 the land acquisition. So, I guess, I would just raise the
8 question of whether it's necessary or whether it's even
9 appropriate to do this right now.

10 MR. PENNOYER: Let me ask this -- are we on a time
11 limit.

12 MS. WILLIAMS: Yes, Mr. Pennoyer, and then Mr. Rue --
13 Commissioner Rue.

14 MR. PENNOYER: I'm sorry, Frank. I guess in terms of
15 the need to make this decision, when would this work take place?
16 I mean, is this something that the smolts are ready to go into
17 right now and therefore is it something that has to be ready for
18 next spring's releases -- or when do we do this?

19 MS. McCAMMON: The smolts are going in next week for
20 this year. So --

21 MR. PENNOYER: So, we won't dredge --

22 MS. McCAMMON: This won't be -- no.

23 MR. TILLERY: Several of the people who are involved
24 in this project are here. Perhaps they might --

25 MS. WILLIAMS: Yes, please. Please come up to the
26 podium -- but don't go away, Gina.

1 MR. RUE: And if you would, Madam Chair, if you
2 need further assurance on the viability and the improvement this
3 might create to the smolt, I could ask Joe Sullivan to come up
4 and give you some assurance there.

5 MR. KEENEY: My name's George Keeney -- again. When
6 -- right now, they've got their smolt ready to go out and be put
7 into the water and so forth. This year, I guess, it would need
8 to be almost done, like, in the fall, this construction, on this
9 pond area, due to the fact that next year, by the time we get
10 construction started again and get everything lined out, we would
11 be stuck again with having a shallow area for the smolt. The
12 problem we have over here in the ponds right now, they are
13 shallow, and the deeper we have the better chance that the smolt
14 does have to get out and into the water. So, we would be looking
15 at, hopefully, doing something on it this winter. The problem
16 that you two have, and you need to know about this, is that it
17 does take permits. The Department -- the Corps of Engineers will
18 have to get their permit, and that does take about six months.
19 So, if you do approve it now, the first thing we'll be doing is
20 jumping right in to getting permitting for this dredging to be
21 taking place. We have talked to the Corps before and they are
22 all for this project, and so I don't see a big problem in this.
23 It's also in our comprehension plan and our waterfront master
24 plan for the City of Cordova that this project be placed here.

25 MS. WILLIAMS: Commissioner Rue, did you --?

26 MR. RUE: I was just going to say, I think the

1 point about wanting to get moving with the permits, we need an
2 approval now to have any chance of doing it this fall, and, you
3 know, I think that's important. Otherwise, we're off a whole
4 another season, given the timing of the smolt release. So I
5 would urge that we move ahead. I think maybe we can get the
6 Corps to act more quickly than six months. That would be great.

7 MR. KEENEY: That's true, and then, like I said
8 (indiscernible). If we don't do it now, it's not going to be
9 actually next year, it will have to be the next year because you
10 cannot get the permitting fast enough and you can't get your work
11 done and then get in the pens in place and everything else
12 because we'd be looking at another year. So, it's vital --
13 that's why it's real important to either do it or we're going to
14 look at two years down the line before we do this.

15 MS. WILLIAMS: Can -- I don't know if anyone is able to
16 answer this question. Can we apply for a Corps of Engineers
17 permit if the ownership is not established, if we don't have it
18 in either state ownership --?

19 MR. KEENEY: Can I address that too?

20 MS. WILLIAMS: Yes.

21 MR. KEENEY: I'm the City Planner and the Public
22 Works Director. The land that you're looking at, we have -- the
23 parcel that we're looking at is Sealaska's land. That will
24 actually be the parking lot area, the bathroom area and stuff
25 like that. The part of the lagoon itself is actually the
26 tidelands. When we had the earthquake, what it did is it rose

1 the ground six feet. Well, this is now DNR's property right
2 there where the pond's at ...

3 MS. WILLIAMS: Okay.

4 MR. KEENEY: So it's actually the State's property.

5 MS. WILLIAMS: That's fine, thank you. I think it's
6 Mr. Pennoyer's turn.

7 MR. PENNOYER: Thank you, I think I'd like to hear Joe
8 just drive the nail in the thing, so to speak, at some point here
9 -- right away -- but I'm prepared, based on that, if it's
10 justified, to tentatively go ahead and approve this, but I,
11 again, will depend on Justice's review of this and the
12 explanation, and then asking any questions they need to ask.

13 MR. WOLFE: Madam Chair.

14 MS. WILLIAMS: Yes, Mr. Wolfe.

15 MR. WOLFE: If we have a Trustee Council meeting
16 already scheduled for August, if I understand and remember my
17 calendar, would that be too late for a decision on this? It
18 would be.

19 DR. SULLIVAN: (From the audience) For this year it
20 would be.

21 MS. McCAMMON: It would be for this year because money
22 wouldn't be available (indiscernible) October.

23 MR. RUE: Joe, why don't you come on up.

24 MR. WOLFE: I guess the reason I raise that question
25 is, I -- I'm a little unsure of how we're going to approve it but
26 still get legal opinion. I guess it would be continued upon

1 legal -- review.

2 MS. WILLIAMS: Yes, Mr. Tillery.

3 MR. TILLERY: One of my questions is -- my concerns is
4 whether by severing this and simply addressing the deepening of
5 the pond and the pens, taking out the boardwalk and I think there
6 was a small component in there for parking or something, putting
7 in some signs or something, or whether those two things are
8 something that Justice would be able to go with now, and we would
9 simply not act on the other parts of the proposal at this time.
10 And I don't know whether Justice can, whether there's adequate
11 information yet or whether it's simply not something they could
12 do at this point.

13 MS. WILLIAMS: Well, let me ask this question, do we
14 feel that item 2, the fisheries improvement is potentially, or
15 is, can be considered independent of land acquisition, so if for
16 some reason, let's say we don't reach agreement, that you would
17 still want to go forward with this -- the State would still want
18 to go forward with this, even without the land acquisition?
19 (Indiscernible aside comments) Yes. Yes? So, you want to go
20 forward with it, even with that one. Fine. Joe, yes.

21 DR. SULLIVAN: Basically, my comment would be to
22 reiterate everything that's just been said, and knowing -- I
23 mean, basically, you want to be in the water next year, and if
24 DOJ didn't like it, you would bring it to a halt before -- before
25 you move any -- did any dredging and so forth. But, really, it
26 does take so long to get some of these things together that I'd

1 really feel under the gun at the end of August.

2 MR. RUE: Can you describe the merits of deepening
3 the ponds and how that might help smolt survive?

4 DR. SULLIVAN: Well, basically, it would -- it would
5 give you a larger volume of water for the fish -- it would
6 provide a better habitat for the fish to live. It would
7 certainly give them a larger space to work in, make disease
8 transmission a little bit more difficult from one fish to the
9 next. Disease transmission is always a possibility anyway in a
10 net pen, but it ups your -- everything that you can do to improve
11 the environment of captive fish is going to improve their
12 survival rate, or at least their chance at survival. I think
13 that by deepening the net pen, you will have less likelihood of
14 oxygen problems, for example, they will be able to get rid of
15 waste more easily. Essentially, the carrying capacity of that
16 area will be improved.

17 MS. WILLIAMS: Thank you. Mr. Pennoyer.

18 MR. PENNOYER: Unfair question, probably, but it's
19 \$170,000. I mean is this ten more fish or 20 more fish or 500
20 more fish? What are we getting for \$170,000 that makes it worth
21 that amount of money.

22 DR. SULLIVAN: It is an unfair question. I don't know
23 the answer, but my off-the-cuff guess is, I have been to Fleming
24 Spit once, I have seen it, is that I would say that the survival
25 -- my perception is the survivability would be at least 50
26 percent greater. As a fish pathologist, okay, which is what I

1 did before I came to work here, anything that -- in my
2 perception, most of the disease problems that you have in -- any
3 hatchery situation, not all of them, but the vast majority of
4 them, are essential fish culture related. Granted the EKD is a
5 pathogen, and it's -- you know, you're better off not having it
6 there to start with, and so forth, but the more you can do to
7 improve the fish culture aspects of a -- a facility, a much
8 better survival problem you will have, and 90 percent of the
9 things that I saw as a fish pathologist were culture related, and
10 that is what this is.

11 MS. WILLIAMS: Okay. Yes, Commissioner Rue, recognizing
12 that it is five o'clock.

13 MR. RUE: If this helps Mr. Pennoyer, I would ask
14 that perhaps Howard Ferren of PWSAC would -- might be able to
15 address the last question that you had.

16 MS. WILLIAMS: Mr. Pennoyer, are you satisfied or would
17 you like further.

18 MR. PENNOYER: Well, I would like to hear it -- it is
19 (Interruption from audience)

20 MR. BARNES: (From the audience) Are we public
21 (indiscernible) or what?

22 MS. WILLIAMS: No.

23 MR. PENNOYER: I think people are ...

24 MR. BARNES: (From audience) I have something to
25 say, but I don't have all day, so I'm going to leave. I don't
26 know when you guys are going to let us say anything, but I have

1 something important to say and ...

2 MS. WILLIAMS: We had two hours of public testimony,
3 sir.

4 MR. BARNES: Yes, I understand that but I
5 (indiscernible) again, a public statement, but I don't have time
6 to sit around and ...

7 MS. WILLIAMS: Would the Council like to entertain ...?

8 MR. PENNOYER: Yes, sure.

9 MS. WILLIAMS: Yes, sir. You're free to testify at
10 this time.

11 MR. BARNES: I want to say this anyway. This little
12 package you got out here, should not even be on the table.

13 COURT REPORTER: Excuse me, sir, could you identify
14 yourself and put on your microphone.

15 MR. BARNES: My name is Patrick Barnes and I'm
16 looking at this Chilkat government thing that's on the table out
17 here, and it upsets me because it shouldn't even be out here.
18 Nobody has control of our lands except the Eyak Corporation and
19 the Chugach Corporation on their lands, and we will not tolerate
20 anybody else coming in there and trying to take our lands from us
21 in any shape or form. These people are not recognized by
22 Congress, and they're trying to speak for the lands that we own
23 and our timber. It's out of line. And I have a lot to say about
24 the Trustee Council and negotiation with Eyak, but I'm not going
25 to say it now. I'll say it at the next meeting. But please
26 don't allow this propaganda to be placed on your table at the

1 next meeting. That's all it is. It's propaganda, and nobody can
2 speak for our land or our timber, except our corporation. Thank
3 you.

4 MS. WILLIAMS: Thank you, sir. Any questions or
5 comments? Ms. McCammon.

6 MS. MCCAMMON: Madam Chair, I just wanted to say that
7 the letter Mr. Barnes was referring to was included in the public
8 comment section of your packet and was part of the public packet
9 out there.

10 MR. PENNOYER: Yeah, I hate to take the time, but a
11 \$170,000 request, I know people think it's going to improve their
12 recreational opportunity, but I think we need to somehow know how
13 much. I mean, any other project would answer that question.

14 MS. WILLIAMS: Yes. Mr. Ferren.

15 MR. FERREN: Thank you for my being recognized here
16 for some technical support. I can't quantify for you what it may
17 do in the way of survivals, but I can qualify that to a degree.
18 We have protective measures over the net pens for bird predation.
19 We usually screen those pens so that we can feed the fish, but
20 nevertheless, the netting that we use would prevent birds from
21 entering those pens to feed on the fish. We typically keep the
22 smolts in the net pens for two weeks for rearing and imprinting,
23 and then release them into the waters of the lagoon. They may
24 volitionally out-migrate on the near-turned, outgoing tide, or
25 they may stay in the lagoon for longer periods of time. We have
26 a lot of birds in the area. I've often seen numerous blue

1 herons, wading in the shallows of that lagoon, and I suspect that
2 if you tallied the mortality due to bird predation over a period
3 of several weeks until all the smolts left the lagoon, you'd
4 probably find that it at least was important enough to the sport
5 angler that if we should have additional survival from that it
6 would be helpful. That's the basis of the recommendation on
7 expanding the depth of the lagoon. There is only one spot where
8 the net pens are placed that's actually deep enough for the net
9 pen to go. A good portion of the lagoon is tidally exposed on
10 low tide, and so at least for consideration for the bird
11 predation and its contribution to mortality, I think that
12 increasing the depth of the lagoon is important.

13 MS. WILLIAMS: Any further questions or comments. I'm
14 trying to refresh my recollection as to whether we have a motion
15 on the floor with respect to the fisheries improvement project.
16 Do we? (Indication is in the affirmative) Very good. Is there
17 any further discussion of that motion.

18 MR. PENNOYER: Clarification of the motion was that we
19 would approve it contingent upon Justice's examination of the
20 appropriateness of the expansion (indiscernible -- simultaneous
21 talking)

22 MS. WILLIAMS: That's correct. Any further discussion?
23 All in favor of the motion that the Trustee Council at this time
24 approve the fisheries improvements component of Project No.
25 95080, contingent upon the Department of Justice's approval of
26 the project, say aye.

1 ALL TRUSTEES: Aye.

2 MS. WILLIAMS: Opposed? It is passed.

3 MR. WOLFE: Madam Chair.

4 MS. WILLIAMS: Yes.

5 MR. WOLFE: For the record now then, there needs to
6 be some paper flow to make this happen fairly rapidly, and so I
7 assume Craig or maybe, Frank, your staff were going to make sure
8 something gets to us and Justice for Justice to review very soon.

9 MS. WILLIAMS: And let me just for the transcriber, let
10 me sort of clarify procedurally what we've just done, but it
11 could be confusing. What I'd like to suggest that we did was Mr.
12 Tillery made a motion, and then I'd like to characterize Mr.
13 Pennoyer's amendment as a substitute amendment. That passed,
14 negated Mr. Tillery's motion, and then the second motion -- or
15 this third motion, everyone thought it to be independent. All
16 right? Yes, Mr. Tillery.

17 MR. TILLERY: By my tally of this entire project, we
18 have approved or tentatively approved the land, or at least
19 looking into the land, the ponds and the net pens. We have not
20 acted on the boardwalk because of concern. In addition, there
21 were some other parts of the project that the State of Alaska had
22 previously agreed to fund out of criminal restitution funds in
23 the amount of \$50,000. I know that this entire project is a
24 priority of the Governor. I know that when the State of Alaska
25 looked into the restitution, that it did the \$50,000 with the
26 thought that we wanted to see what the Council was going to do

1 with the entire project. Mr. Crenshaw, who is here, from State
2 Parks, is one of the people who was involved in that process, and
3 I wonder if we could just give him a minute or two, perhaps, to
4 tell the people of Cordova what position the State might take
5 with regard to that \$300,000 that doesn't seem to have a place
6 right now.

7 MS. WILLIAMS: Mr. Crenshaw.

8 MR. CRENSHAW: Thank you. I do have the good fortune
9 of being here bringing good news. The Governor's Office and the
10 State Park Director have authorized me to up the amount from the
11 criminal settlement money to cover the gap between what will be
12 required in the submittal by the city and what Justice approves
13 and what the Council approved today. So, he has authorized an
14 additional expenditure up to \$400,000 on that project, if it's
15 necessary, to complete the project.

16 MS. WILLIAMS: Thank you. Excellent news. Mr.
17 Pennoyer.

18 MR. PENNOYER: Oh, I thought -- I was going to make one
19 observation. It's ten after five, we still have some important
20 things to do, and it's my understanding that there are 5:30
21 commitments to a tour . . .

22 MS. MCCAMMON: Six. It can be changed to six.

23 MR. PENNOYER: Fine, thank you.

24 MS. WILLIAMS: Okay, thank you. All right. I believe
25 then that to summarize on the Fleming Spit project that the land
26 acquisition will go forward with the small parcel process. We

1 have officially approved the fisheries improvement component, and
2 the State has agreed to go forward with the boardwalk component,
3 assuming that the land -- would that be independent of whether
4 the land is acquired, so you go forward?

5 MR. TILLERY: No.

6 MS. WILLIAMS: No --

7 MR. TILLERY: That would assume the land ...

8 MS. WILLIAMS: Assuming the land is acquired. Thank
9 you very much. Yes, sir.

10 (Speaker from audience, welcomes the Trustee Council to
11 Cordova)

12 MS. WILLIAMS: Thank you so very much, and we'll look
13 forward to participating to Children's Day in a year. It sounds
14 like a wonderful event.

15 Now, Molly, can we just approve the technical amendments..

16 MS. McCAMMON: Please.

17 MS. WILLIAMS: Let me just say, has every board member
18 read the technical amendments? Do we feel comfortable making a
19 motion to approve the technical amendments as contained in the
20 board package, which has been available to the public? Okay.
21 Mr. Wolfe, do I have a motion to that effect.

22 MR. WOLFE: So made.

23 MS. WILLIAMS: Okay, is there a second to that? (Ms.
24 Brown's second is inaudible) Okay. Moved by Mr. Wolfe, seconded
25 by Ms. Brown that we approve the technical amendments to the
26 fiscal year '95 budget as contained in the information package.

1 Any discussion for that motion? All in favor, indicate by saying
2 aye.

3 ALL TRUSTEES: Aye.

4 MS. WILLIAMS: All opposed? (No opposition) Do I hear
5 a motion to go into executive session?

6 MR. PENNOYER: So moved.

7 MS. WILLIAMS: For the purpose of?

8 MR. TILLERY: Madam Chair, may I state the purpose?

9 MS. WILLIAMS: Yes. And yes, and yes. Okay. It has
10 been moved by Mr. Pennoyer, seconded by Mr. Tillery, to go into
11 executive session. Mr. Tillery, would you please describe the
12 nature of that executive session.

13 MR. TILLERY: The purpose of the executive session
14 would be to discuss the confidential aspects of the Eyak
15 negotiations.

16 MS. WILLIAMS: Thank you very much, all in favor of
17 going into executive session, indicate by saying aye.

18 ALL TRUSTEES: Aye.

19 MS. WILLIAMS: Opposed? (No opposition) We will come
20 back in public session, we hope, in approximately 15 minutes to a
21 half hour.

22 (Off record: 5:10 p.m.)

23 (Executive Session: 5:10 p.m. to 5:30 p.m.)

24 (On record: 5:30 p.m.)

25 MS. WILLIAMS: The Exxon Valdez Oil Spill Settlement
26 Trustees Council is ready to go back into public session. We

1 have completed our executive session in which we discussed only
2 the Eyak status of negotiations. Council members, would anyone
3 care to either summarize our executive session or make a motion
4 at this time. Mr. Wolfe?

5 MR. WOLFE: I'm not sure I can summarize our
6 executive session, but I would like to just relay that it is the
7 sentiment of the Trustee Council that we continue to try to work
8 to bring this deal to closure on the timber exchange that we
9 started earlier, we are interested in doing -- taking whatever
10 steps are necessary to keep the negotiations and Eyak and has
11 offered to meet with a mediator to see if we can resolve this
12 issue over this one clause of non-severability, and the Trustee
13 Council then is willing to take that initiative and see if we can
14 come to closure on that. So, I would make a motion that we bring
15 back either Jerry Cormack, if he's available, or another mediator
16 as quickly as we can and bring as many of the Trustee Council
17 members together with us and Eyak representatives and
18 negotiators, and do that as quickly as possible.

19 MS. WILLIAMS: Okay. It has been moved by Mr. Wolfe
20 that we accept Eyak's offer to engage in mediation on the
21 severability clause. Is there a second to that motion?

22 MR. PENNOYER: I second.

23 MS. WILLIAMS: Seconded by Mr. Pennoyer. Discussion on
24 the motion. Mr. Wolfe?

25 MR. WOLFE: I have no further discussion. I wonder
26 if we should give Eyak an opportunity to react to that motion at

1 this point.

2 MS. WILLIAMS: That would be fine. Mr. Borer.

3 MR. BORER: It's Eyak and Sherstone.

4 MR. WOLFE: And Sherstone.

5 MR. BORER: Number one, the offer of mediation was
6 initially offered and it was cut off at the time your meeting
7 started today. However, we are willing to go forward with
8 mediation on the specific non-severability clause.
9 (Indiscernible) on the rest of it.

10 MS. WILLIAMS: That was the substance of the motion,
11 Mr. Borer.

12 MR. BORER: Additionally, we are making no promises
13 on slowing down any operations. The operations will proceed
14 forward. When it's operationally sensible to be in the view
15 shed, we'll be in the view shed. The sooner we get it done, the
16 better off we are. As far as I know to date, there is no impact
17 that has not been projected by the long-term transactions that
18 have been looked at in the view shed. So, I just want to make
19 sure that everybody understands that we're not promising by going
20 to the mediation that we're going to stop our operations waiting
21 for the mediation. Okay?

22 MS. WILLIAMS: Yes. We understand that.

23 MR. BORER: And we appreciate your motion.

24 MS. WILLIAMS: Thank you.

25 MS. WILLIAMS: Donna, is there anything you'd like to
26 add?

1 MS. PLATT: No, that about sums it up.

2 MS. WILLIAMS: Okay.

3 MR. WOLFE: I -- Madam Chairman?

4 MS. WILLIAMS: Yes, Mr. Wolfe.

5 MR. WOLFE: One other point, just so it's clear for

6 the record and for those that are here, is the Forest Service is

7 working with -- for the Trustee Council and moving ahead with

8 conveyances, (indiscernible) conveyance of sections 15, 16, and 7

9 --

10 UNIDENTIFIED VOICE: Eight.

11 MR. WOLFE: Eight, okay. And that is still moving

12 forward regardless of what transpires on the other issue, and I

13 just wanted that understood. I didn't mention that earlier today

14 when we were talking, but that is moving forward.

15 MS. WILLIAMS: Thank you, Mr. Wolfe. Any further

16 discussion of the motion? Hearing none, all in favor of the

17 motion indicate by saying aye.

18 ALL TRUSTEES: Aye.

19 MS. WILLIAMS: Opposed? The motion passes. And -- umm

20 -- I believe that Molly McCammon and Jim Wolfe will be speaking

21 with Eyak to arrange for the precise terms of the mediation. Is

22 there any further business to bring before the Council this

23 afternoon? Let me just thank all of the members of the public.

24 It was really -- again -- terrific being here in Cordova. I'm

25 glad to see some of the survivors of the whole meeting, but we do

26 appreciate the tremendous participation by the people of Cordova,

1 to go to Cordova for this meeting, and we have learned a lot, and
2 we thank you all for participating. Do I hear a motion to
3 adjourn?

4 MR. PENNOYER: Move to adjourn.

5 MS. WILLIAMS: It's been moved by Mr. Pennoyer,
6 seconded by Mr. Rue to adjourn. All in favor?

7 ALL TRUSTEES: Aye.

8 MS. WILLIAMS: All opposed? (No opposition) Thank you
9 very much.

10 (Off record: 5:35 p.m.)

11 END OF PROCEEDINGS

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CERTIFICATE

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

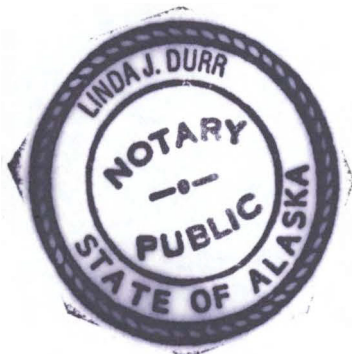
I, Linda J. Durr, a notary public in and for the State of Alaska and a Certified Professional Legal Secretary, do hereby certify:

That the foregoing pages numbered 03 through 139 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council meeting taken electronically by me on June 1, 1995, commencing at approximately 1:00 p.m. at the Mt. Eccles Auditorium, Cordova, Alaska;

That the transcript is a true and correct transcript requested to be transcribed and thereafter transcribed by me to the best of my 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 8th day of June, 1995.



Linda J. Durr

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