

09.10.06

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

TRUSTEE COUNCIL MEETING
Friday, May 23, 1997
10:00 o'clock a.m.

Fourth Floor Conference Room
645 G Street
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT:

U.S. DEPARTMENT OF COMMERCE - NMFS: (Telephonically)	MR. STEVE PENNOYER, Chairman Director, Alaska Region
STATE OF ALASKA - DEPARTMENT OF LAW:	MR. CRAIG TILLERY Trustee Representative for the Attorney General
STATE OF ALASKA - DEPARTMENT OF FISH AND GAME: (Telephonically)	MR. FRANK RUE Commissioner
U.S. DEPARTMENT OF INTERIOR:	MS. DEBORAH WILLIAMS Special Assistant to the Assistant Secretary
U.S. DEPARTMENT OF AGRICULTURE - U.S. FOR SERVICE (Telephonically)	MR. JIM WOLFE for Phil Janik Regional Forester
STATE OF ALASKA - DEPARTMENT OF ENVIRONMENTAL CONSERVATION: (Telephonically)	MS. GINNY FAY for Commissioner Brown

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1 TRUSTEE COUNCIL STAFF PRESENT:

2 MS. MOLLY McCAMMON

Executive Director
EVOS Trustee Council

3
4 MR. ERIC MYERS

Director of Operations
EVOS Trustee Council

5 MS. REBECCA WILLIAMS

Executive Secretary
EVOS Trustee Council

6 MR. STAN SENNER

Science Coordinator

7 MR. ALEX SWIDERSKI

State of Alaska
Department of Law

8
9 MR. BUD RICE

National Park Service

10 MS. CLAUDIA SLATER

Department of Fish and Game

11 MS. CAROL FRIES

Department of Natural
Resources

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1 MS. McCAMMON: Yes.

2 CHAIRMAN PENNOYER: How come they're off the
3 agenda, Molly?

4 MS. McCAMMON: I beg your pardon.

5 CHAIRMAN PENNOYER: Why are they off the agenda?

6 MS. McCAMMON: They're not ready.

7 CHAIRMAN PENNOYER: Okay, that's a good
8 explanation. Thank you. Okay, well then let's go ahead down
9 though the list see if there's any other -- do we have
10 agreement on the approval of the agenda or are there additions
11 or questions on the agenda?

12 (No audible responses)

13 CHAIRMAN PENNOYER: Okay. I don't hear any.
14 The next one is the approval of the March 3rd, April 18th,
15 April 25th and May 9th meeting notes and I believe they are --
16 these are in the folder?

17 MS. McCAMMON: That's correct, under meeting
18 minutes.

19 CHAIRMAN PENNOYER: They're under meeting
20 minutes and there's one page each. I hope everybody has had a
21 chance to look at them. Do I have a motion to approve these
22 minutes?

23 MR. WOLFE: So moved.

24 MS. D. WILLIAMS: Second.

25 CHAIRMAN PENNOYER: Approved them, do I have a

1 second?

2 MS. D. WILLIAMS: I seconded, Steve.

3 CHAIRMAN PENNOYER: Okay. I was worried there
4 for a minute. Okay, moved and seconded that we approve the
5 minutes of the meetings as indicated under the meeting minutes
6 section in your folder. Is there any objection to that?

7 (No audible responses)

8 CHAIRMAN PENNOYER: So the minutes are
9 therefore approved. Molly, the next item you got down here is
10 public comment and who do we have on line; are there other
11 sites on line besides Juneau and Anchorage?

12 MS. R. WILLIAMS: Kenai.

13 MS. McCAMMON: Kenai is the only other site on
14 line and I believe they're are at least one or two members of
15 the public here in Anchorage who wish to testify.

16 CHAIRMAN PENNOYER: Okay, that's fine. Has
17 anybody -- now you had a separate item down here for the Homer
18 Spit/Beluga Slough parcels; are you going to do that separately
19 or is the under the public comment period?

20 MS. McCAMMON: That's correct, the Mayor of
21 Homer and Trust for Public Lands asked to make a special
22 presentation to the Council, so that would be separate.

23 CHAIRMAN PENNOYER: Do that then after the
24 executive session?

25 MS. McCAMMON: Yes.

1 CHAIRMAN PENNOYER: Okay, fine. So with that
2 in mind I'd like to take anybody in Anchorage then who wants to
3 make public comment on (phone faded) please. Molly, can you do
4 that?

5 MS. McCAMMON: Nina Cornett would like to.
6 Would you come up to the microphone? Maybe right over there.

7 CHAIRMAN PENNOYER: Please we'd like your name
8 and spell it, if you would, for the record and then go ahead.

9 MS. CORNETT: Will this pick me up from this
10 distance?

11 MS. McCAMMON: Yes.

12 MS. D. WILLIAMS: Yeah.

13 MS. CORNETT: Thank you. My name is Nina
14 Cornett, I'm here with my husband, Dean Cornett. Our last name
15 is spelled C-o-r-n-e-t-t. My first name is spelled Nina,
16 N-i-n-a.

17 A few weeks ago my husband and I sent EVOS a paper
18 objecting to the Russian River Angler Trail Project funding.
19 That is a project by the Forest Service that covers
20 approximately 6,300 feet of the Russian River from the
21 confluence with the Kenai, upstream to a point just below where
22 the power line crosses the river. It includes a mechanized
23 tram, a five foot, two inch high boardwalk and railing
24 combination that runs a good distance along the river, about
25 3,935 feet of the 6,300 feet of the project. Where there's no

1 boardwalk there's going to be a four foot wide graveled road
2 and fencing. There's also a plan to put in a four foot wide
3 road from the bluff of the Russian down to river itself with a
4 less than eight percent grade. And there's a planned - a
5 toilet along the flood plain as well.

6 That's a lot of construction in an area where objects
7 introduced by the Forest Service are supposed to be unnoticed
8 by the average visitor. That's in page 43 of the Forest
9 Service own environmental assessment. It's a scenic objective
10 of retention.

11 We're really concerned about this effort. We think
12 it's going to have a bad effect on the appearance of the river,
13 we think it's going to have a bad impact on the wildlife. It
14 crosses several game trails. The boardwalk since it's five
15 feet -- over five feet high, actually, doesn't seem to us to be
16 negotiable by moose or moose calves. We think it's going to
17 have an unknown effect on salmon and rainbow spawning. Part of
18 the plan is to fence off the river so that people are funneled
19 into the river only at specific entry points so that all the
20 traffic goes in in a few places. People will presumably spread
21 up and down river from there, but rainbows and salmon spawn not
22 only up in the lakes but also all the up and down the Russian
23 River. So it's going to put a lot of traffic across that
24 spawning gravel. I don't think anybody knows what effect of
25 that is, but it certainly can't be positive in some place at

1 least.

2 It's also, I think, going to bring a lot of human
3 traffic along the river. In 1969 the Forest Service built a
4 road in from the Sterling Highway about three miles into the
5 Russian River along the bluff there and they also put in
6 substantial parking and a lot of camp grounds there. That put
7 a lot of human traffic on the river. And, in fact, if you look
8 at page one of the Forest Service own environmental assessment
9 it attributes a lot of the current problems along the river to
10 building that road and building those parking lots because of
11 funneling all those people into the river.

12 This project is going to make access even easier and I
13 think it's going to lead to more human traffic still on the
14 river. Because if you apply more of the same remedy you're
15 likely to get more of the same result in this.

16 So we are here to personally present our concerns about
17 this project. We are asking that EVOS not fund any part of
18 this project except things that have to do with specific
19 habitat protection and environmental erosion control. In our
20 view that means that we need -- that the Forest Service needs
21 to eliminate the tram, they need to eliminate the toilet, they
22 need to eliminate the gravel roads, all of them, especially the
23 gravel road that comes down from the bluff and that they need
24 to eliminate a lot of the boardwalk. And we would like your
25 support in this issue.

1 CHAIRMAN PENNOYER: Thank you very much,
2 Ms. Cornett. Are there questions from Trustee Council members?
3 Commission Rue, did you have a question?

4 MR. RUE: No. Well, no, not a question just a
5 comment I guess. And I appreciate the letters I've gotten from
6 (phone faded out) and have been meaning to call them and
7 discuss the issue with them, but we will continue to work with
8 the Forest Service on those (phone faded out) projects that we
9 have some influence over, and I'm not exactly where it all -- I
10 will inquire into what parts of the project fit under which
11 headings, because we've been working with them to try to make
12 sure that it does the least possible impact to the river and
13 still allow for public access, so I will follow up on this and
14 make sure we're comfortable that we've got a project that's
15 going to allow for access but protect the river.

16 CHAIRMAN PENNOYER: Okay, thank you. Any other
17 Trustee Council members? Jim Wolfe, did you have a question?

18 MR. WOLFE: Yeah, Mr. Chair, I do, I have a
19 question. Ms. Cornett was going to visit with the Forest
20 Service people and get more explanation on the project and
21 discuss it with them. I don't believe we have a final design
22 or anything more than a conceptual at this point, so some of
23 the comments that she has may be addressed when we get into the
24 final design but I'm not sure if she visited with them yet or,
25 if so, apparently they didn't answer her questions. Or maybe I

1 should ask that she do visit with them.

2 MS. CORNETT: I'm sorry, I'm not sure, sir, who
3 I'm speaking to, but we did meet with Dwayne Hart six months
4 ago or more and we walked along the Russian River with him and
5 he kept describing and focusing on the erosion control parts of
6 this project, which we have no objection to. There is some
7 essential erosion control work that needs to be done there.
8 Places like Cottonwood Corner are very beaten down by people
9 and we don't see any problem with doing that work.

10 The trouble is it's we don't understand what
11 relationship the tram, those widen gravel roads and those kinds
12 of things have to do with erosion control. So we did meet and
13 I suppose you might say that we had a mutual exchange of
14 information but I guess we agreed to disagree about a lot of
15 the aspects of the project. We just don't think that the
16 erosion control work and those other things are related. And
17 we don't really see the purpose, for instance, especially in
18 building a road from the bluff so that motorized vehicles can
19 get down to the river, we think that's very dangerous. That
20 was your first comment.

21 The other one is about the design. When we have
22 inquired of the Forest Service and expressed our concerns about
23 the design, they keep telling us the design is not complete but
24 it was obviously complete enough to send it to EVOS because
25 when we got -- when we were able to get a copy of what had been

1 provided to EVOS we discovered that the design was extremely
2 specific indeed. Gravel roads were defined, the boardwalks
3 sections were drawn out and so as far as we can see there does
4 seem to be a pretty good design.

5 MR. WOLFE: I don't want to disagree with you
6 but the design hasn't been completed yet. But I was under the
7 impression -- and incidently, I am with the Forest Service.
8 I'm under the impression though that the Forest Supervisor
9 called and asked for a meeting with you and was going to meet
10 with you. Apparently that didn't happen, yet.

11 MR. CORNETT: It did happen.

12 MS. CORNETT: You mean Mr. Hudson? He did, in
13 fact, call us and we talked probably for about an hour and
14 there was no real resolution to that. He said that he felt
15 that he had learned some things and perhaps changed some of his
16 views and we tried to explain to him better what our concerns
17 are since we -- I think we've been painted pretty much as being
18 opposed to even the erosion control on the river, and that's
19 not true. So the answer is we did talk to Mr. Hudson, I'm not
20 sure where that left us, we have not heard since from him. So
21 we will just have to wait and see what his position turns out
22 to be.

23 CHAIRMAN PENNOYER: Any other questions from
24 Trustee Council members?

25 MS. D. WILLIAMS: Mr. Chairman, Deborah

1 Williams.

2 CHAIRMAN PENNOYER: Yes, Deborah.

3 MS. D. WILLIAMS: The Cornetts did have the
4 opportunity to call me about this issue and I strongly urged
5 them to talk with the Forest Service. Jim, can you check with
6 Larry and follow up on this to see whether modifications will
7 be made or whether any further discussions would be appropriate
8 with the Cornetts on this issue and then report back to us,
9 maybe, when we're in Seward?

10 MR. WOLFE: You want a report back on the
11 entire project or the portion dealing with the erosion control?

12 MS. D. WILLIAMS: Just the status of the Forest
13 Service's thinking following discussions with the Cornetts and
14 Fish and Game.

15 MR. WOLFE: We can do that.

16 CHAIRMAN PENNOYER: It might be a little soon
17 by the 29th, Deborah.....

18 MR. RUE: There's a lot of.....

19 CHAIRMAN PENNOYER:but I was going to
20 suggest the same -- Commissioner Rue say he was going to look
21 at that and maybe both Jim and Commissioner Rue can report back
22 to the Council on the 29th or as soon after as possible, just
23 as to generally what's happening.

24 MR. WOLFE: We can do that.

25 MS. D. WILLIAMS: That would be great.

1 CHAIRMAN PENNOYER: Other further questions?
2 (No audible responses)
3 CHAIRMAN PENNOYER: If not, thank you very much
4 for your testimony, Ms. Cornett, we will follow up and
5 understand what's happening so.....
6 MS. CORNETT: Thank you.
7 CHAIRMAN PENNOYER: Molly, do you have somebody
8 else?
9 MS. McCAMMON: Is there anyone else here who
10 would like to testify?
11 (No audible responses)
12 MS. McCAMMON: No one else.
13 CHAIRMAN PENNOYER: Okay. You were going to
14 wait until we do the Spit and.....
15 MR. ROGERS: Right.
16 CHAIRMAN PENNOYER: I have only one person here
17 who wishes to wait until we do the Homer Spit discussion, so
18 we'll wait until then.
19 I believe that then concludes public comment unless
20 there's somebody on line I don't know about.
21 MS. McCAMMON: I don't know if anyone in Kenai
22 wants to testify.
23 CHAIRMAN PENNOYER: Okay. Is there anyone in
24 Kenai who wishes to testify at this time.
25 MR. OBERTS: Yes.

1 KENAI LIO OPERATOR: Mr. Chair, we do have
2 someone here who would like to testify at this time, Mr. Leo
3 Oberts would like to speak.

4 MR. OBERTS: Yeah.

5 CHAIRMAN PENNOYER: Fine, please go ahead.

6 MR. OBERTS: Leo Oberts, my name is spelled
7 O-b-e-r-t-s. And what I planned here today is to just call
8 attention to the fact that the Lower Kenai River up at -- to
9 the Lower Kenai River habitat. And I just feel that bill
10 fronts (sic) should be used in the Lower Kenai River area from
11 the area of Big Eddy Hole to the Kenai River mouth. This is a
12 tidal area of the -- this isn't a tidal area. And the biggest
13 problem that we have in this area is the lack of toilet
14 facilities and that there's only two toilets, one at the
15 pillars and the other at the Kenai River Bridge. Now this is a
16 long distance of land in between and unfortunately the
17 facilities not being there are causing many problems along the
18 river.

19 In addition to that then I feel that the damage that's
20 being done -- continuing being done to the Kenai River banks
21 because of the erosion that's been taken place ever since 1975.
22 That the -- caused by the boat wakes, boat wakes just
23 continually destroy the bank, in fact, it's very serious this
24 last year here. In the one area that I was just looking at
25 that -- rather than just try to identify where they are that --

1 it's something that's been going on since 1975. Lack of the
2 toilet facilities as well as the damage to the bank. And I
3 know that very little attention has been spent to paying
4 attention to habitat, at least it was pointed out to me that
5 that was the case, that there -- anyway from -- so that I'd
6 like to have you spend some time on it and really take a look
7 at that tidal area. That's all the way from Big Eddy Hole down
8 to the river mouth.

9 That's all I have to say, thank you.

10 CHAIRMAN PENNOYER: Thank you, Mr. Oberts. Are
11 there questions or observations from Trustee Council members at
12 this time?

13 (No audible responses)

14 CHAIRMAN PENNOYER: Molly, in terms of
15 acquisition on the Lower Kenai, did you want to make a comment
16 on that?

17 MS. McCAMMON: Mr. Chairman, I'd have to look
18 back at the parcels that we've already acquired there, but I
19 believe there are two in that area that have been acquired
20 through the Small Parcel Program. There are a number of others
21 that offers have been made but are pending.

22 CHAIRMAN PENNOYER: Yeah, I thought we had done
23 a couple already and I -- that's why I wanted you to bring it
24 up.

25 MS. McCAMMON: Yeah, I'd have to look back and

1 see what the exact number is and acreage are, but there -- the
2 Council has taken action on that section of the river.

3 CHAIRMAN PENNOYER: Okay, thank you. Other
4 questions?

5 (No audible responses)

6 CHAIRMAN PENNOYER: Okay, if not, thank you
7 very much, Mr. Oberts. Are there other people in Kenai who
8 wish to testify at this time?

9 KENAI LIO OPERATOR: Yes, Mr. Chairman, we do
10 have one more person, Mr. Dale Bondurant.

11 MR. BONDURANT: Yes, my name is Dale Bondurant,
12 spelled B-o-n-d-u-r-a-n-t and I have an immediate personal
13 interest in two areas. I understand that maybe we're ahead of
14 time on these, but our information that we had was that you
15 were going to talk about the Salamatof Kenai Parcels 1051 and
16 1052 and the Homer Spit/Beluga Slough Small Parcels Area.

17 I'm a Kenai River property owner and I'm very
18 supportive of the protection of the Kenai River habitat. I own
19 2,000 feet of the Kenai River bank and have placed my property
20 in a conservation easement to control future development and
21 protect the habitat, so I support additional areas, such as the
22 Salamatof Kenai Parcels 1051 and 1052 which will protect
23 additional river bank habitat.

24 I also support the acquisition of the Beluga Lake
25 Slough and small parcels of the tidal and the wetland areas. I

1 own property in Katchemak Bay, Tutka Bay area so I am very
2 familiar with the critical habitat area of the Katchemak Bay.
3 These wetlands are important, this valuable marine area which
4 at one time was counted as the most valuable and richest marine
5 ecosystem in the world. The fast track development of the
6 Homer Spit area increases a need for as much protection as
7 possible in that immediate area. It is a popular and unique
8 area both for Alaskans and non-resident tourists.

9 I fully support additional parcels for the protection
10 of this area habitat. I hope eventually to add my Tutka Bay
11 property to the conservation easement protection to this
12 outstanding marine area. I submitted a two page letter
13 February 28th, 1997 to Governor Knowles and with copies to
14 Commissioner Frank Rue and Mrs. Deborah Williams, EVOS Trustee,
15 so again I think that these would be very valuable additions to
16 the protection of this area.

17 Thank you.

18 CHAIRMAN PENNOYER: Thank you very much,
19 Mr. Bondurant. I applaud you're putting your parcel onto a
20 conservation easement, that's very good to know. Are there
21 other questions or comments from Trustee Council members?

22 MS. D. WILLIAMS: Mr. Chairman, Deborah
23 Williams.

24 CHAIRMAN PENNOYER: Yes, Ms. Williams.

25 MS. D. WILLIAMS: I want to thank Mr. Bondurant

1 for his testimony and also for his actions on his own property.
2 And to let you know, Mr. Bondurant, we hope that the Salamatof
3 parcel will be before the Trustee Council in a matter of weeks,
4 so we will certainly apply your testimony to our considerations
5 when that comes before the Council.

6 CHAIRMAN PENNOYER: Thank you. Commission Rue.

7 MR. RUE: Just very quickly. I also like to
8 thank Mr. Bondurant for his personal actions on the river, I
9 think that's a great example to other people. And also echo
10 Ms. Williams' comments about looking forward to considering the
11 Salamatof purchase in a couple of weeks.

12 CHAIRMAN PENNOYER: Okay. Are there further
13 comments by Trustee Council members?

14 (No audible responses)

15 CHAIRMAN PENNOYER: If not, thank you again,
16 Mr. Bondurant, for your testimony. Are there other people in
17 Kenai or elsewhere on the net that wish to testify at this
18 time?

19 KENAI LIO OPERATOR: We have no one further in
20 Kenai, Mr. Chair, thank you.

21 CHAIRMAN PENNOYER: Molly, anybody further in
22 Anchorage?

23 MS. McCAMMON: (No audible response)

24 CHAIRMAN PENNOYER: And no one further in
25 Juneau at the moment.

1 MS. McCAMMON: No one else in Anchorage.

2 CHAIRMAN PENNOYER: All right. The next item
3 on our agenda is the executive session on habitat negotiations.
4 Molly, are we still doing that?

5 MR. TILLERY: Mr. Chairman.

6 CHAIRMAN PENNOYER: Yes.

7 MR. TILLERY: This is Craig Tillery. As I
8 understand it we have some people here to testify or.....

9 MS. McCAMMON: To do a presentation.

10 MR. TILLERY:do a presentation on the
11 Homer thing, and I'm just wondering if since we don't have any
12 action items if it might be easier on them if we did that first
13 and then did the executive session so they could make their
14 presentation and not have to sort of hang around waiting for us
15 to finish.

16 CHAIRMAN PENNOYER: That would be fine with me.
17 Unless there's a reason not to do that, if everybody agrees to
18 that then let's go ahead. Molly, how do you wish to handle
19 that?

20 MS. McCAMMON: That's fine with me,
21 Mr. Chairman.

22 CHAIRMAN PENNOYER: Okay. Then I'm not sure if
23 the presentation starts here or in Anchorage, so.....

24 MR. ROGERS: It starts in Anchorage, I believe.

25 CHAIRMAN PENNOYER: Okay, it starts in

1 Anchorage, so go for it.

2 MS. McCAMMON: All right. Mayor Cushing, are
3 you the first person here?

4 MR. CUSHING: John was going to go first.

5 MS. McCAMMON: John? Okay, we have John Schoen
6 with National Audubon Society first.

7 CHAIRMAN PENNOYER: Fine. Go ahead, please.

8 MS. McCAMMON: Spell your name, John.

9 MR. SCHOEN: Good morning. My name is John
10 Schoen, it's spelled S-c-h-o-e-n and I'm representing the
11 National Audubon Society.

12 I'd like to thank you for the opportunity to address
13 the EVOS Trustee Council today about the outstanding
14 opportunity for acquiring key intertidal habitat on the Homer
15 Spit and Beluga Slough. I also want to thank the Council for
16 supporting the many important research and monitoring and
17 habitat protection projects that have restored injured
18 resources and services. Many wildlife species, including
19 birds, have benefited from these projects.

20 In the case of the Homer Spit/Beluga Slough parcels the
21 injured resources of concern to the Trustee Council is the
22 intertidal community. Most of the spilled oil ended up in the
23 intertidal zone in the fauna and flora associated with tidal
24 and nearshore habitats were hardest hit by the spill. There
25 have been few chances to directly restore intertidal resources

1 and because most tidelands are already in State ownership there
2 has been little opportunity to protect tidelands through
3 acquisition. Thus the Homer Spit/Beluga Slough parcels are a
4 unique chance for the Trustee Council to take action for the
5 direct benefit of intertidal resources.

6 Protection of intertidal resources at Homer also
7 benefits migratory birds and other wildlife that use these
8 resources which in turn benefits recreation and tourism which
9 were services injured by the spill. The importance of this
10 acquisition for the protection of migratory bird habitat as
11 well as the obvious benefits to bird watching in such popular
12 and accessible areas are of great interest to the National
13 Audubon Society. In addition, tidelands are very important to
14 early life stages of many fish and shellfish of commercial
15 importance, such as small clams, mussels and Pacific herring.

16 Audubon members and other birders in Alaska and
17 throughout the nation have a keen interest in and travel to the
18 Homer Spit because it is a key stopover site for migratory
19 shorebirds and waterfowl. Each spring tens of thousands of
20 shorebirds use Mud Bay during migration. The areas proposed
21 for acquisition include eel grass and sedge habitats which are
22 increasingly scarce habitat on the Spit and are especially
23 important for a variety of species.

24 For example, Pacific Golden Plover which fly in nonstop
25 from Hawaii badly need such areas to rest and feed. During

1 winter, waterfowl such as Steller Iders, which are a candidate
2 for listing as threatened, feed on clams and mussels when Mud
3 Bay is submerged.

4 The value of the Homer Spit/Beluga Slough to fish and
5 wildlife has been recognized by inclusion in the State of
6 Alaska's Katchemak Bay critical habitat area. And a year ago
7 ADF&G Commissioner Frank Rue dedicated the Homer Spit as part
8 of the Western Hemisphere's Shorebird Reserve system, which is
9 an international designation that specifically recognizes
10 wetlands as special importance to shorebirds. The parcels on
11 the Mud Bay side of the Spit are integral part of the WHSR
12 designation. In addition, Governor Knowles just nominated
13 Katchemak Bay to NOAA to be designated at a National Estuarian
14 Research Reserve.

15 These designations recognize the importance of
16 Katchemak Bay's intertidal resources and underscore the
17 importance of protecting the valuable intertidal habitats of
18 the Homer Spit and Beluga Slough.

19 In conclusion, acquisition and protection of these
20 intertidal resources and associated wildlife represent an
21 outstanding opportunity for the Trustee Council to work on a
22 cooperative basis with the City of Homer to protect an area
23 that is of interest to the City and State and to birders and
24 wildlife watchers across the nation. On behalf of the National
25 Audubon Society I respectfully request that you allocate funds

1 for the purchase of these important lands.

2 Thank you.

3 CHAIRMAN PENNOYER: Thank you very much. Are
4 there questions at this time of Mr. Schoen from the Audubon
5 Society?

6 (No audible responses)

7 CHAIRMAN PENNOYER: Fine. Do you want to
8 continue the presentation there in Anchorage.

9 MR. SCHOEN: I do have a few handouts that deal
10 both with Beluga Slough and the Homer Spit that I'll leave with
11 you on the biology.

12 CHAIRMAN PENNOYER: Fine, thank you. We also
13 had distributed to us here in Juneau a series of maps and
14 photographs of the area.

15 MS. McCAMMON: Mr. Chairman, you should also
16 have in the binder that you received earlier this week about, I
17 don't know, one inch thick of public comments also.

18 CHAIRMAN PENNOYER: Okay, we have that here.

19 MS. McCAMMON: It was in the binder that was
20 sent out last Friday.

21 CHAIRMAN PENNOYER: I was agreeing with you, I
22 mean we do have those both on.....

23 MS. McCAMMON: Oh, good. Okay. Mayor Cushing
24 from Homer is next.

25 CHAIRMAN PENNOYER: Fine, go ahead, please.

1 MR. CUSHING: Thank you. My name is Jack
2 Cushing, C-u-s-h-i-n-g and I'm the Mayor of Homer. On behalf
3 of the citizens of Homer and the City Council I want to thank
4 you for giving me the opportunity to speak to you regarding
5 efforts to protect the Homer Spit and Beluga Slough. I also
6 want to thank the Council for the efforts to successfully
7 protect habitat and recreational lands within the spill area
8 including the recent approval to purchase the Overlook Park
9 near Homer. That's a great thing you've done.

10 As you know the City of Homer has formed a very
11 successful private and public partnership with the Katchemak
12 Heritage Land Trust and the Trust for Public Lands to acquire
13 the last remaining undeveloped parcels of land in Homer's most
14 well know and most ecologically sensitive habitat areas. The
15 intertidal lands and beaches on the Homer Spit are the single
16 most important public recreational areas for the residents of
17 Homer and the more than 100,000 tourists who visit the Spit
18 each year.

19 The Beluga Slough and adjoining Bishop's Beach Park are
20 also extremely popular recreation areas. Given it's rich and
21 varied habitat the Beluga Slough has become a primary spot for
22 environmental education activities for our public school
23 children and other natural history tour groups. The City of
24 Homer as well as both State and Federal agencies have all
25 recognized the ecological value of the Homer Spit and Beluga

1 Slough and have gone to great lengths to permanently protect
2 this habitat to help maintain the high ecological quality of
3 Katchemak Bay and the quality of life for our community.

4 Homer's 1990 Comprehensive Land Use Plan designated all
5 the land between Mud Bay and the Public Fishing Hole, about
6 three-quarters of the way out the Spit and all of Beluga Slough
7 is something that we wanted to try and get into public
8 governmental land use in recognition of its highest value for
9 public land for all. Also in 1990 the City traded lots
10 adjacent to the small boat harbor for a lot on the west of the
11 Spit, that's the outer Katchemak Bay side of the Spit, to
12 provide for permanent public access to the beach and protection
13 of undisturbed view. This protective lot is near the three one
14 acre parcels that you're considering as part of this purchase.

15 The City has recently approved the donation of a
16 permanent in perpetuity conservation easement on 26 acres of
17 city-owned land to the Katchemak Heritage Land Trust. This is
18 a first for any Alaska municipality. This section of land is
19 between the existing log yard that was just built in the last
20 couple of years out there and the core of the parcels on the
21 Spit, that 68 acres that are available for purchase right now.
22 The City specifically did that because in discussions with the
23 Trustee Council members and various staff we felt the City
24 needed to show long term commitment ourselves on our own lands if
25 we were to be seriously considering asking you folks to do what

1 you're doing:

2 As I said, that was a first for an Alaska municipality
3 taking -- actually putting in perpetuity city lands to a
4 private land trust, and we did it. And it was actually an
5 election issue with our citizens and the three of us that got
6 elected in the last election all clearly stated that we would
7 be doing this if we were put into office. So in that you can
8 perceive that it's very much a -- it's a majority sentiment of
9 our citizens that we protect the Spit by referendum and vote.

10 The City is concurrently with this request for the
11 small parcel funding working with the Trustee Council on a
12 habitat restoration project which would reintroduce tidal
13 flushing to Mariner Park on the Spit. This is already owned by
14 both the City and the State. As a result of the construction
15 of the State highway years ago and then subsequent winter
16 storms closing off an artificial channel it's a 70 acre parcel
17 that's very much intertidal, it's a remnant of the high value
18 Mud Bay habitat that is in the last couple of years hasn't
19 flushed but a couple of times and normally it flushes at least
20 30 times a month. It flushes at anything over a 17 foot tide,
21 so it flushes 10 days during one tide cycle and seven days
22 during another tide cycle, twice a day. It's flushed like
23 twice a year during a winter storm high tide. But at any rate,
24 that is -- it's a separate project that we're doing that will
25 maintain the integrity of this whole area.

1 As John has mentioned the designation of Katchemak Bay
2 as a critical habitat area by the Department of Fish and Game
3 and as a National Estuarian Research Reserve and the
4 designation of the Spit as part of the Western Hemisphere
5 Shorebird Reserve site are all important factors that the
6 citizens of the Homer area have been showing good faith in the
7 past in their effort to enhance the environmental integrity of
8 the Spit.

9 Also in 1996 the Legislature approved the creation of
10 the Beluga Slough, also know as the Airport Critical Habitat
11 Area, this is a wetlands, it's not an intertidal zone, but it's
12 adjacent to this area and it's -- and it's 300 acres that was
13 changed -- the jurisdiction changed from the Department of
14 Transportation to the Department of Fish and Game. As a
15 critical habitat this is another overwhelmingly -- this we
16 actually took to referendum, some citizens felt that it was a
17 big enough project we should go to referendum on it. Last
18 election we did and that also overwhelmingly was endorsed by
19 the citizens and then it went through Legislature without any
20 problems as well.

21 The United States Fish and Wildlife Service has been
22 working successfully to acquire 60 acres, they purchased the 60
23 acres now, of land in the Beluga Slough for the Alaska Maritime
24 National Wildlife Refuge Visitors Center. These lands join
25 property already owned by the City and State and they adjoin

1 the 40 acre parcel that we're seeking to be included in this
2 small parcel acquisition.

3 Options out there that may be able to help the process
4 would be to classify at least some of these nominations as
5 parcels meriting special consideration. Additionally the City
6 can attempt to raise some private or city funds to help
7 facilitate selection of these nominations. The Beluga Slough,
8 the main block of the Homer Spit parcels in addition to their
9 documented habitat value do offer traditional -- tremendous
10 traditional education value for our visitors and our school
11 kids. Homer will -- typically will be the destination for many
12 of the Southcentral schools during their spring sea weeks.

13 One final point here as I close, the consideration of
14 the main block on the Spit nominations will provide the core of
15 a conservation unit that extends well beyond this core. This
16 unit would extent approximately back to the base of the Spit
17 and go clear out to about 50 percent of the way out to the
18 middle of the Spit where the new log yard starts. We feel
19 without this core, this 68 acres in the middle of the core,
20 that the integrity of the entire area would be in a lot greater
21 jeopardy than if the whole unit were put into a conservation
22 district.

23 There's thousands and thousands of people use this area
24 every year, we feel it would be a real good area, it's not
25 isolated. The Trustee Council in both the small and large

1 parcel acquisitions, there's probably not a parcel you've
2 purchased that isn't worth it in its own value. This would be
3 unique in that it is seen by literally hundreds of thousands of
4 people that live in the state or travel to this state, so it
5 would be a real good parcel just from that standpoint.

6 CHAIRMAN PENNOYER: Thank you, Mr. Mayor, very
7 much. Trustee Council members, are there comments or questions
8 please? Commission Rue were you.....

9 MR. RUE: I just -- I don't know how many more
10 people we have in the presentation so I want to withhold too
11 much comment till then, but I certainly appreciate all the
12 points made so far.

13 CHAIRMAN PENNOYER: Thank you very much. Are
14 there other comments from Trustee Council members?

15 MS. D. WILLIAMS: Mr. Chairman, I do have a few
16 questions for the Mayor.

17 CHAIRMAN PENNOYER: All right, go ahead,
18 Ms. Williams.

19 MS. D. WILLIAMS: Thank you for your testimony.
20 My first question has to do with the protection of these lands
21 should they be acquired. You mentioned the private land trust.
22 First of all, would you see seeking that protection for these
23 lands? And secondly, could you explain to the Trustee Council
24 how that works a little bit better?

25 MR. CUSHING: Okay, very simply we've given

1 over all jurisdiction on that land to the Land Trust. We've,
2 in essence, given away our rights in court, they're to
3 administer it. There is -- if the Spit were to wash out,
4 there's some certain provisions that are withheld in the Land
5 Trust. If the Spit were to wash away and the only way to ever
6 build a road again were to be through the property that they
7 have jurisdiction that's the only thing we could ever get that
8 land back in. But the City Council -- no City Council down the
9 line can decide that they want to build an industrial
10 development on this land. The Land Trust, it's totally in
11 their hands. And it's even more unique than that. If somebody
12 else comes in and starts doing something on this land, we've
13 given away our rights in court and the Land Trust can force the
14 City to stop what they're doing and it's not even a choice that
15 the Council has, it doesn't go back to the citizens, it's in
16 the Land Trust jurisdiction right now.

17 In terms of the other part of your question, about the
18 lands that would be acquired by Exxon through this process,
19 whatever you folks would work the best we'd certainly be open
20 to. If you would to see it go -- be administered by the City
21 and with the conservation easement by the Land Trust, that
22 would be fine by us. If you feel it would be better
23 administered by somebody else with the conservation easement
24 administered by somebody else, that would be fine too.

25 The way the Land Trust works is if -- they're similar

1 to the conservation easements you folks are giving on your
2 parcels. If they ever go -- if the Land Trust ever goes out of
3 existence those lands then become administered by the Federal
4 government. The conservation easement is overtaken by the
5 Federal government.

6 MS. D. WILLIAMS: A follow-up question on that
7 before I ask a slightly different question. One issue,
8 obviously, with land such as these is operating costs,
9 enforcement costs, liability and so forth. The City of Homer
10 would be willing to take that responsibility for operating,
11 maintaining, cleaning, enforcing, liabilities and so forth?

12 MR. CUSHING: We have a lot of other land out
13 there right now. And with the conservation easement on it,
14 it's a lot cheaper to administer than our filled lands. And
15 the City, out at the developed end, the industrial end, the
16 City owns a lot of those parcels and we're -- we routinely -- I
17 mean we have to provide outhouses and trash collection and
18 motor oil collection and many, many services. And these we
19 feel that services would be minimal. We have a track record
20 now of partnership with our different private sector groups to
21 pitch in and help and it's -- I don't feel it's an obligation
22 that scares the City at all. That would scare the City at all.

23 MS. D. WILLIAMS: Okay. My second category
24 question involves fund raising. How much money do you think
25 the City of Homer in partnership with both private and public

1 interests in the area or nationally, and maybe John might want
2 to add to this, too, might be able to contribute to this
3 acquisition?

4 MR. CUSHING: I would probably need some more
5 time to -- that's just coming up to being presented to me as
6 something we should look at. I'd need some more time to
7 research it. Directly out of our budget, the City of Homer is
8 a small town, we're not -- we don't have the budget Valdez has,
9 we have about a quarter of what they do for almost the same
10 population. We typically have to look very keenly at that. We
11 have purchased land before in the past, we could probably come
12 up with something that's -- that you folks would feel is
13 appropriate to show something in good standing. I can't speak
14 for our City Council, of course, they do the final vote on
15 appropriation. I think I could present to them something along
16 the lines of 50,000.

17 One thing that's important on this. These parcels
18 aren't -- the preliminary appraisals that we're seeing on these
19 aren't as expensive as some might have thought to start with
20 and some of the parcels are more expensive and of lesser value.
21 The parcels that we're seeing that are of greatest value we
22 feel are probably coming in at the five -- somewhere a little
23 over the \$500,000.00 range in the core of the Spit there.

24 Some of the other things we could be looking into is
25 the Federal Land and Water Conservation Funds, Ducks Unlimited.

1 There's the Alaska President for Ducks Unlimited lives in Homer
2 and has said in the past that they do have some kind of
3 funding. And then there's some of the ones -- there is some
4 uplands involved with the Beluga parcel, the Beluga Slough
5 parcels. If maybe that -- the uplands portion of that or a few
6 acres of the uplands portion of that was made available to like
7 our Chamber of Commerce, I bet we could get the businesses of
8 Homer involved in some manner. It might have to mean a
9 subdivision out so that the Exxon Valdez small parcel isn't
10 looking to buy. Because I understand that we went through it
11 with the park up the hill with the Volcano Interpretive Center.
12 That the Volcano Interpretive Center could not be there if they
13 wanted concessions because of the nature of the conservation
14 easement, so that was excluded from the Tulin property that you
15 folks purchased a while back.

16 But -- so that's a possibility, getting our businesses
17 involved, just if they see some of the upland portions could be
18 pulled from this. The land owner would substantially agree to
19 negotiate if he's getting a piece of the 600,000 he wants from
20 some other source. He might substantially lower the wetlands
21 portion then. It was curious right up until present he had of
22 the 40 acre parcel, 26 was going to be donated to the City and
23 he was going to make all his money off the 14 acres that was
24 more uplands. It wasn't -- I say it's more uplands, it's still
25 classified as wetlands, but it's a low value wetlands compared

1 to the 26 acres which high value, very high value. He was
2 getting the inclination he was not going to get the permit even
3 for the 14 acres and that probably was pushing it, asking for a
4 permit on 14 acres. So he withdrew his offer from the City and
5 felt this would be a much better process to do that. Now if we
6 could -- to get out of what he needed to see out of that
7 property to let it change hands. If we could reach a
8 compromise where he gets some money for three acres of the
9 least -- of the wetlands value of it and the rest is still
10 purchased that might be a source too.

11 CHAIRMAN PENNOYER: Thank you. Are there
12 further questions.

13 MR. TILLERY: Mr. Chairman, this is Craig.

14 CHAIRMAN PENNOYER: Yes.

15 MR. TILLERY: I have a few questions. Is there
16 -- it seems like there is. Is there a known cost at this point
17 for these two parcels?

18 MS. McCAMMON: There are preliminary figures
19 from the appraisal and I don't know if Chris Rogers can
20 indicate those to the Council today, if not, I can do so in
21 executive session.

22 MR. ROGERS: This is Chris and I can and I
23 would include that in my presentation and discussion of the
24 properties currently under option.

25 MS. McCAMMON: So, yes, the answer is yes.

1 MR. TILLERY: Okay.

2 CHAIRMAN PENNOYER: (Indiscernible) is that --
3 Chris is going to go ahead -- agreed to go ahead with his
4 presentation at this time.

5 MS. McCAMMON: Do you want to wait for his
6 presentation?

7 MR. TILLERY: I got some.....

8 CHAIRMAN PENNOYER: Okay, if we can do that.
9 Well, first of all, are there further questions of the Mayor
10 before we leave that part of it? Yes, Commissioner Rue.

11 MR. RUE: Yeah, I just actually have more an
12 observation than a question. One I think it's incredible that
13 Homer has gone as far as they have on their lands. And I'm not
14 sure any other city has done that. Had people interests, for
15 instance, the City of Kenai or the borough of Kenai has some
16 very important wetlands parcels around the mouth of the Kenai
17 River. I think they've done some to protect those. I think we
18 ought to recognize the length to which the City of Homer has
19 gone. Above and beyond many of the other communities that have
20 perhaps equal or greater interest in very similar situations.
21 I would just like to applaud that.

22 And the fact that they're looking at other ways to make
23 it easier for us to perhaps purchase this by looking at other
24 funding sources and that kind of think I think it's really
25 beyond the call compared to what we dealt with in other places.

1 Just an observation.

2 CHAIRMAN PENNOYER: Very good, thank you.

3 Other observations or questions?

4 MR. TILLERY: Yeah, Mr. Chairman, I want.....

5 CHAIRMAN PENNOYER: Okay, Mr. Rogers, are you
6 prepared to go ahead at this time?

7 MR. ROGERS: Okay. This is Chris Rogers from
8 the Trust for Public Land and I appreciate the opportunity to
9 present comments on behalf of Homer, with the City of Homer and
10 the Katchemak Heritage Land Trust, as well as the Alaska
11 Audubon Society to carry out land conservation objectives on
12 the Homer Spit and Beluga Slough.

13 The Trust for Public Land, just for a little bit of
14 background, is a national land conservation organization that
15 provides expertise in conservation real estate to public
16 agencies and other non-profits. And this last fall we were
17 asked by the City and the Katchemak Heritage Land Trust to help
18 carry out the land conservation objectives that would
19 compliment the other efforts towards protection that had been
20 taken by the City, the State and the Fish and Wildlife Service
21 on the Homer Spit and Beluga Slough. So this is really the
22 final step in sort of a long history of protective measures.

23 The Trust for Public Lands' mission is to save land
24 essentially for people, conservation land where people have
25 access to it for recreation as well for educational purposes.

1 And this is certainly a very significant project on that front,
2 given the numbers of people that visit not only the Homer Spit
3 but use the Beluga Slough for environmental education.. Homer
4 Spit is certainly a well known landscape, not only within
5 Alaska but outside the state as well.

6 Molly, I have passed out here to the members the color
7 maps that I believe you have there as well. And at this time
8 I'd like to walk everyone through the properties that we do
9 have under option.

10 The large map that you have in front of you essentially
11 shows, in green, properties that are already owned by
12 governmental entities, either the City of Homer or the State.
13 I'm looking at the map of the Homer Spit. What the map covers
14 is the area up until the Fishing Hole, which is the lower green
15 corner of the map. And this is essentially the area the City
16 and the Land Trust identified as being important for
17 conservation.

18 The areas in red are already developed properties. The
19 two small red squares are private residences. The large red
20 area is the log transfer facility that Mayor Cushing discussed.
21 That was developed, I believe, as recently as last year where
22 that entire wetland area was filled and is now an industrial
23 site. I would say that action by those private property owners
24 certainly was within the legal limits of the law but really
25 tipped the balance in terms of people's public perception of

1 what was happening on the Spit. And realizing that not only
2 critical habitat was being affected, the quality of the
3 public's experience to that site, as well as access to the
4 beaches themselves.

5 The area in yellow are the areas where the Trust for
6 Public Land has made contact with property owners and now holds
7 exclusive options to purchase those properties. It's our
8 intent, hopefully if funding is made available, to exercise our
9 right to purchase those properties and convey them to a long
10 term permanent steward at their fair market value price.

11 The few areas in white were also identified for
12 acquisition but we were not successful reaching agreement with
13 those property owners.

14 The first bundle of properties are those closest to the
15 Fishing Hole, you can see their sort of two small -- one
16 triangle and one trapezoidal figure there. Combined they
17 represent 5.7 acres. They've been identified by the Trustee
18 Council as the Kenai Parcels 1062 A, B and C and I believe D as
19 well. The preliminary value on this -- on these properties is
20 284,000, and that's based on an appraisal that was prepared by
21 Derry & Associates out of Homer and they were contracted by the
22 Trust for Public Land. We paid for the appraisal services and
23 we do not seek reimbursement for that expense. So there would
24 be no additional out of pocket expense to the Council if they
25 were to go forward with the acquisition in terms of appraisal

1 costs.

2 These properties are immediately adjacent to the
3 Fishing Hole and provide really direct access to the west side
4 of the beach, which is an extremely popular spot for walking
5 and clamming as well as tide pool exploration. The Fishing
6 Hole itself gets a lot of public use. The area in white
7 between those two small yellow parcels is owned by one sort of
8 property interest, actually divided interest. There are five
9 owners there who each own different percentages and we were not
10 able to reach agreement, but is an area that was also
11 identified as being appropriate for conservation.

12 The larger block of yellow properties that Jack
13 discussed is 68.7 acres, we have options to purchase all of
14 those lands. The preliminary appraised figure on that is
15 422,000. That block of property sits between property owned by
16 the City of Homer and is adjacent to the piece that the City
17 put the 26 acre conservation easement on.

18 I also have passed around a photo that shows a before
19 and after of the Homer Spit, unfortunately we do not have
20 copies there in Anchorage for you to look at, but you can get
21 an idea looking from top to bottom what has happened to the
22 Spit over time. The photo on the bottom was taken this year
23 and you can see essentially everything beyond -- well if you
24 identify the yellow building in the middle of the top photo,
25 you can barely see it in the lower photo, everything beyond

1 that point has really been developed for commercial, industrial
2 or tourism purposes. So we're really talking about the lands
3 just forward of that building.

4 If we move to the Beluga Slough parcel, this was
5 identified by the Council as Kenai Parcel 1061. I've also
6 included an aerial photograph that I believe, Molly, you have
7 there in Anchorage as well. If you essentially place them
8 side-by-side you can get a sense of how important that property
9 is. Everything in green to the left of that 40 acre parcel was
10 purchased by the Fish and Wildlife Service and will be the
11 location for the Alaska Maritime National Wildlife Refuge
12 Visitors Center. The triangle to the right of the property is
13 owned by the State of Alaska and actually just to the left of
14 the parcel is a property owned by the City. You can kind of
15 see that on the aerial photograph. A portion of the City's
16 property, unfortunately, was developed for a water treatment
17 facility many years ago.

18 The Department of Transportation is rerouting the Homer
19 Bypass and will be taking .8 acres of this property which will
20 give this property commercial frontage right on the bypass
21 road. The upper portion of the property is zoned within the
22 commercial business district and is therefore highly
23 developable. Jack mentioned discussions over the land owner's
24 desire to fill 14 acres of the property, which is classified as
25 high value wetlands, and they were not successful in doing

1 that. The appraisal determined that roughly nine acres of the
2 property is potentially developable as opposed to 14 and that
3 the value is \$615,000.00. Obviously the majority of the value,
4 as Jack mentioned, is concentrated along the road frontage
5 whereas the wetlands portion of the property is certainly less
6 valuable.

7 This property, as you can see, fits smack in the middle
8 of conservation efforts that the Fish and Wildlife Service and
9 the City have already taken. The white area just below the
10 property is -- was purchased by a private conservation buyer
11 and the Katchemak Heritage Land Trust hopes to work a
12 conservation easement agreement with them in the future. The
13 City and the Fish and Wildlife Service have been working on a
14 boardwalk plan that would meander through the Slough and
15 provide much better direct access for public school children
16 that use this site.

17 I also have a copy of a 1991 study that the Fish and
18 Wildlife Service did looking at bird diversity and numbers on
19 the Homer Spit and Beluga Slough and the Beluga Slough was
20 found to have the highest diversity. This site is also home to
21 one resident black bear and is also popular foraging ground for
22 moose which is a nice thing to have in the center of City like
23 Homer.

24 And that's it in terms of specifics on the property.
25 Again, I'd like to echo Jack's request that the Council

1 consider nominating these parcels and consider them as parcels
2 meriting special consideration and hopeful that funding could
3 be approved for their purchase.

4 CHAIRMAN PENNOYER: Thank you very much,
5 Mr. Rogers. A very good presentation and really appreciate the
6 maps and pictures, they put it in perspective. Are there
7 questions from the Trustee Council members of this
8 presentation? Commissioner Rue.

9 MR. RUE: Yeah, I don't have questions, but I
10 do have some comments.

11 CHAIRMAN PENNOYER: Fine, go ahead, please.

12 MR. RUE: Is that all right?

13 CHAIRMAN PENNOYER: Sure.

14 MR. RUE: I think, you know, having heard all
15 of the speakers I think -- I won't repeat all the values that
16 they've spoken to, but I was there last year to dedicate the
17 Western Hemisphere Shorebird Reserve and walked many of these
18 parcels myself during the shorebird migration. And I would
19 really agree with the two main points I've heard. One, the
20 value of this to birds and wildlife is there, even though it's
21 right in town. And so I think we ought to consider it
22 seriously for that reason alone.

23 And then second, it really is a unique educational and
24 public access opportunity where people can learn about the
25 needs of shorebirds and other wildlife, which to me is an

1 important thing for us to consider as well. Because as people
2 understand the needs of shorebirds, understand the needs of
3 wildlife they are far more willing to extend protections to
4 other areas. I think this place could serve as a classroom for
5 a lot of people to understand better the needs of some of the
6 species that we are worried about as Trustees. But also
7 species that weren't necessarily (phone faded), so it's kind of
8 com -- it's got two essential functions. And the third for the
9 recreational enjoyment of the people in Homer and visitors is I
10 see sort of the third thing that happens here. But the
11 educational potential and then the actual value for shorebirds.
12 I've seen them myself and I think it truly is a unique
13 opportunity and I -- you know, I would support having us decide
14 to put these on parcels meriting special attention or
15 consideration, particularly since they've already paid for the
16 appraisals. We don't have to pay for appraisals. It really
17 isn't much costs to us to put them on the list and continue the
18 consideration process.

19 I don't know that we need to take an action today to do
20 that. Would we have to? Could we schedule it for our next
21 meeting as an agenda item? I would ask that sort of a
22 procedural question of Molly. What would we have to do to take
23 up this issue? So that's the question out there.

24 I guess I would also say I'm truly impressed with the
25 collaboration that's gone on around this area and these issues.

1 I don't think I've seen this happen anywhere else. The only
2 additional actions, and I don't think it was mentioned, is we
3 bought back the oil and gas leases in the '70s. It's another
4 Katchemak Bay -- we keep trying to keep ourselves from messing
5 this place up and I see this as one more opportunity to do that
6 and sort of do it right.

7 So I would ask that Molly I guess, Molly, what do we
8 have to do to consider adding these parcels to the list of
9 parcels meriting special consideration?

10 MS. McCAMMON: Mr. Chairman, where these
11 parcels are in the process now, we have had them evaluated as
12 three separated groups. The one major parcel on the Homer Spit
13 has passed threshold criteria, it has a sponsor, it's in the
14 spill area, it has a link to restoration. It received a
15 ranking of 12, a score of 12 on our ranking system. Its main
16 attributes for restoration are intertidal attributes and
17 recreation/tourism and then a threat from development.

18 The Beluga Slough parcel has been evaluated, it ranked
19 lower, it ranked a six, it basically has the same attributes of
20 recreation/tourism and the intertidal, it was not viewed as
21 having a serious a threat for development.

22 The other parcels, the two smaller ones have not been
23 -- actually they've been evaluated separately, although the
24 package with the land in between has not been considered as
25 part of the evaluation either, but the individual parcel.....

1 MR. MYERS: It's the three individual.....

2 MS. McCAMMON: The three individual parcels
3 were evaluated with at total score of three, so they ranked
4 very low with no resource value and the only potential value
5 for recreation/tourism.

6 So at this point, under our regular procedure and given
7 the fact that we have, basically, a moratorium on new parcels
8 there would be no further action taken by either staff or --
9 unless the Council were to make these parcels meriting special
10 consideration. If that were the case, if the Council chose to
11 do that, since appraisals have already been undertaken what
12 would happen then the appraisal would be given to the Federal
13 and State review appraisers, they would review them and if they
14 were -- if they passed that review and were considered approved
15 appraisals then it would go back to the Council for further
16 action.

17 MR. RUE: Molly, this is Frank. What actions
18 would we need to -- say, do we need to take any actions
19 like.....

20 MS. McCAMMON: Yes, it would take an actual
21 motion by the Council to make these parcels meriting special
22 consideration and to actually consider the appraisals. So for
23 any further next step it would take formal action by the
24 Council.

25 CHAIRMAN PENNOYER: And we can do that today

1 then, Molly? -

2 MS. McCAMMON: If you choose to do so, yes.

3 MR. RUE: For sake of discussion I would move
4 that we consider these parcels as parcels meriting special
5 consideration and at least let them move to the next step of
6 seeing the appraisals, reviewing the appraisals and then
7 deciding if we want to pursue them further.

8 CHAIRMAN PENNOYER: Is there a second to that
9 motion?

10 MR. TILLERY: Second.

11 CHAIRMAN PENNOYER: Moved and seconded we allow
12 these parcels to the next stage of consideration by making them
13 meriting special attention. And then we move on to the
14 evaluation of the appraisals. I presume then, Molly, all of
15 this would be back before us including the configuration of
16 parcels and everything else; is that correct?

17 MS. McCAMMON: That's correct.

18 CHAIRMAN PENNOYER: Is there further discussion
19 of this motion.

20 MR. TILLERY: Mr. Chairman.

21 CHAIRMAN PENNOYER: Yes, Mr. Tillery.

22 MR. TILLERY: I guess -- I spent a lot of time
23 about a year or two ago trying to figure out our evaluation
24 criteria for small parcels and while I think it was a pretty
25 good effort I was always concerned that I never -- I felt like

1 it -- like the large parcels it tended to be bias in several
2 directions and it tends to be bias toward anadromous streams
3 and it tends to be bias toward where there is a lot of things
4 going on. And I think that from the testimony I've heard and
5 the other things that I've looked at it looks to me that these
6 parcels, particularly the 68.7 acres in Beluga Slough, are ones
7 that sort of classically fit within what should be a parcel
8 meriting special consideration because while they may not have
9 the breadth of species or an anadromous fish stream on them,
10 they tend to be very important for one particular species or
11 one particular type of animal, birds and so forth. And for
12 that reason it would seem to me that this would be a good way
13 to move forward.

14 And I guess I'd say in addition I think that the way
15 the City of Homer has forward, the way the Trust for Public
16 Land has come forward in trying to put together a package, I
17 think that making these parcels meriting special consideration,
18 giving us then the flexibility to sit down and seeing if
19 something can be worked out and I think there are some ideas
20 that possibly could, I think would be a step forward for the
21 Council and I would therefore support it.

22 CHAIRMAN PENNOYER: Thank you very much. Any
23 further comment on this motion?

24 MS. D. WILLIAMS: Mr. Chairman, I just want to
25 clarify one aspect of the implications this parcel meriting

1 special consideration. I certainly do support going the next
2 step and that is having our review appraisers look at the
3 appraisals that have been sponsored by Trust for Public Lands.
4 I do think, however, we have the moratorium. And I would not
5 support at this time without much further Trustee Council
6 discussion whether we would go the step beyond having our
7 review appraisers look at this and do anything like
8 negotiations. We as a Trustee Council are very aware of the
9 constraints that we face with respect to new expenditures and
10 we have to examine closely the direction that we're going to
11 take before we lift the moratorium, if indeed we chose to lift
12 the moratorium. So I do concur with Mr. Tillery's comments
13 that certainly the amount of public support and the amount of
14 work that has been done on these parcels merits taking the next
15 step, but I do believe the Trustee Council needs a very serious
16 discussion about the moratorium and where we go from here
17 before we start talking with the land owners.

18 CHAIRMAN PENNOYER: Thank you, Ms. Williams.
19 Mr. Wolfe, do you have a comment?

20 MR. WOLFE: You know, I appreciate all the work
21 that the Homer folks have put into this also, but I was about
22 to echo the same comments that Deborah did because of the
23 shortage of funding, how tight the funding is getting and how
24 many projects that we do have on the table at this point.

25 CHAIRMAN PENNOYER: I don't think -- I did not

1 take the motion as a motion to approve or to decide what
2 configurations really ought to be or to agree on a rankings
3 that we got in front of us, per se, that is rather further
4 exploration of what we need to do here. And given the
5 importance of the land and the efforts already put in,
6 Commissioner Rue's comments, and others that it was reasonable
7 to get more information on this. And it seem warranted to take
8 the next step and I would hope that it's a considered step and
9 it's come back at some future Trustee Council meeting that we
10 can sit down and delve into it because we are faced with a
11 total amount. We have the reserve thing we're talking about,
12 there are a lot of different aspects out there and the bank is
13 only so big, so we need to let -- but having this rank against
14 the rest of those things it makes some sense to me to.

15 Commissioner Rue.

16 MR. RUE: Yeah, thank you, Mr. Chairman. A
17 quick question for the Trust for Public Lands, is that right?

18 MR. ROGERS: Yes.

19 MR. RUE: How long do these options last? Is
20 there a time deadline that we're facing?

21 MR. ROGERS: They're of varying length, some of
22 them -- they're essentially structured in phases so we're
23 obligated to make payments towards the purchase at various
24 points in time. We've already done so in the last week to
25 extend the options on a couple of parcels. A few of them will

1 come up for a second payment in early June and couple of others
2 as late as August, so they're all phased a little bit ,
3 differently but we would certainly like to have a strong
4 indication mid-summer before we consider extending them
5 further.

6 MR. RUE: Okay. That's good to know there's
7 some deadline out there that the Council might want to at least
8 be aware of. And what you just said is you'd like to have some
9 indication, one way or another, this summer?

10 MR. ROGERS: Early this summer.

11 MR. RUE: Early this summer. Okay. I think
12 that's just a piece of information for us to have.

13 CHAIRMAN PENNOYER: Yeah, I would anticipate
14 that next week might not -- might be a little early but -- for
15 the whole process but sometime in June or something like that
16 we have that brought back to us.

17 MR. ROGERS: Okay.

18 CHAIRMAN PENNOYER: Okay. Molly, do you have
19 any further comments on timing and/or procedure of any kind?

20 MS. McCAMMON: No, Mr. Chairman, my question
21 was the same in terms of timing, was if we were to have this
22 further discussion with the Council, kind of what deadline are
23 we facing here in terms of possible action and it's sounds like
24 June, although it could even extend to as late as July or early
25 August if we needed to.

1 CHAIRMAN PENNOYER: I guess it depends on the
2 considerations that are inherent and I suppose we'll have other
3 discussions on strategy and so forth later in the executive
4 session and what not, so I -- you've all heard the discussion,
5 is there any further discussion? Are you ready for the vote?

6 (No audible responses)

7 CHAIRMAN PENNOYER: Is there any objection to
8 proceeding as outlined in the motion?

9 (No audible responses)

10 CHAIRMAN PENNOYER: Hearing none that the
11 direction we'll go then. Thank you very much for your
12 presentation and the time to come here and present us this
13 information. And I'm sure you'll be requested further
14 information in the future as we delve into it.

15 MR. ROGERS: Thank you very much.

16 CHAIRMAN PENNOYER: Thank you.

17 MR. RUE: Yeah, thank you.

18 CHAIRMAN PENNOYER: Okay. Is that then -- now
19 was there anything that we needed to do on the two Kenai
20 parcels that are not up for vote, is there any further
21 description or should we just go to the executive session at
22 this time?

23 MS. McCAMMON: Mr. Chairman, I think we're
24 ready to go to executive session, in which case everyone would
25 hang up and the AT&T conference operator will call you back.

1 CHAIRMAN PENNOYER: Okay, we will do that now
2 at this time, go to an executive session for the purpose of
3 discussion of habitat acquisitions.

4 MS. D. WILLIAMS: Mr. Chairman, I so move.

5 CHAIRMAN PENNOYER: Thank you very much. Is
6 there a second? I guess I need a second.

7 MR. WOLFE: Second.

8 CHAIRMAN PENNOYER: Moved and seconded to go to
9 executive session. Is there any objection?

10 (No audible responses)

11 CHAIRMAN PENNOYER: Hearing none, we will hang
12 up and get back with everybody in a few minutes. Thank you
13 very much.

14 (Off record - 11:21 a.m.)

15 (On record - 12:06 p.m.)

16 **NOTE:** The Council went back into public
17 session at 12:06 p.m. Mr. Craig Tillery made a motion to
18 adjourn saying that in executive session the Council discussed
19 habitat protection as was detailed, on record, prior to the
20 executive session. Mr. Jim Wolfe seconded the motion to
21 adjourn.

22 (Off record - 12:10 p.m.)

23 (END OF PROCEEDINGS)

24

25

