

09.10.12

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

TRUSTEE COUNCIL MEETING TELECONFERENCE
Tuesday, October 28, 1997
1:30 o'clock p.m.

Fourth Floor Conference Room
645 G Street
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT (ALL TELEPHONICALLY):

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

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1 TRUSTEE COUNCIL STAFF PRESENT:

2 MS. MOLLY McCAMMON

Executive Director
EVOS Trustee Council

3 MR. ERIC MYERS

Director of Operations
EVOS Trustee Council

5 MS. REBECCA WILLIAMS

Executive Secretary
EVOS Trustee Council

6 MR. ALEX SWIDERSKI

State of Alaska
Department of Law

8 MS. CLAUDIA SLATER

Department of Fish and Game
State of Alaska

9 MR. BARRY ROTH
10 (Telephonically)

Attorney-Advisor
Conservation & Wildlife
Division
Department of the Solicitor

12 MR. JOE HUNT

Communications Coordinator
EVOS Trustee Council

13 MR. DAN SAKURA
14 (Telephonically)

Department of the Interior

15 MS. LOUISE MILKMAN
16 (Telephonically)

Department of Justice

17 MS. EILEEN O'BRIEN
(Telephonically)

Department of Justice

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TABLE OF CONTENTS

1		
2	Agenda	04
3	Reinvestment of Maturing Securities	05
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

P R O C E E D I N G S

(On record - 1:33 p.m.)

CHAIRMAN TILLERY: Okay, this is the October 28th, I think, continuation meeting for the Exxon Valdez Oil Spill Trustee Council. Present we have Jim Wolfe representing the United States Forest Service; Rob Bosworth representing the Department of Fish and Game; Deborah Williams with the Department of the Interior; Michele Brown with the Department of Environmental Conservation; Steve Pennoyer with NMFS; and Craig Tillery with the Department of Law. Molly McCammon, the Executive Director is in Anchorage and I believe there are a couple of public members there, Molly?

MS. McCAMMON: That's correct.

CHAIRMAN TILLERY: Okay. We don't -- well, I guess don't -- I don't believe -- I don't think we have any minutes, at least I haven't seen any.

MS. McCAMMON: No, we won't have any until the next meeting.

CHAIRMAN TILLERY: Okay. All right. Then, Molly, could you -- I haven't actually seen an agenda, can you lay out what would be the agenda for this meeting?

MS. McCAMMON: Mr. Chairman, there are two items on the agenda. The first is reinvestment of maturing securities and that's recommended as an action item. The second is executive session to discuss habitat acquisition.

1 CHAIRMAN TILLERY: Okay. And can you -- I
2 believe that you've been working on the reinvestment, can you
3 give us an explanation of where we are on that?

4 MS. McCAMMON: Yes. I've sent around a memo to
5 the Trustee Council on October 20th. The reserve consists of
6 12 separate Zero Coupon U.S. Treasury Securities. The first
7 one will mature on November 15th of 1997. The par value of
8 that security is \$6,520,000. We're still discussing with the
9 Court Registry Investment System what fees will be charged on
10 that investment. But if they do charge a fee of 10 percent of
11 earnings, which we believe they may, after the payment of the
12 registry fees a total of \$6,467,937.68 is anticipated to be
13 available for reinvestment.

14 There are two options. One option is to allow the
15 court to place the proceeds from the maturing security into the
16 liquidity fund. This would not require any Trustee Council
17 action. The current yield on the fund is 5.1 percent before
18 fees. The second option would be to reinvest the maturing
19 security in another Zero Coupon U.S. Treasury Security. Based
20 on the current market a security maturing November 15th, 2004
21 would pay 6.16 percent before fees. This requires Trustee
22 Council action requesting the Department of Law and the United
23 States Department of Justice to ask the court to reinvest the
24 security.

25 It is my recommendation that we go -- that the Trustee

1 Council reinvest the security into another Zero Coupon U.S.
2 Treasury Security. We do have the potential with this
3 investment of earning a higher rate of return. It would also
4 continue to be liquid and could be sold if we do come up with
5 an alternative investment. It could also be transferred to
6 another account, such as the NRDA account.

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

8 MR. PENNOYER: Second.

9 CHAIRMAN TILLERY: Okay. It has been moved and
10 seconded, are there any comments or questions from Council
11 members? And I think everybody is in a different location, so
12 I'll just leave some silence here if anybody has any questions.

13 MR. PENNOYER: Mr. Chairman, one question.
14 Molly, those are really the only two options then, correct?

15 MS. McCAMMON: At this point in time, yes.

16 MR. PENNOYER: Okay, thank you.

17 CHAIRMAN TILLERY: Does anyone else have a
18 question or a comment, discussion?

19 MS. McCAMMON: Mr. Chairman, just to clarify.
20 The motion would be that the Trustee Council reinvest the
21 maturing securities, principal plus interest, into a Zero
22 Coupon U.S. Treasury Security, maturing on or about November
23 15th, 2004.

24 CHAIRMAN TILLERY: Okay, thank you. And,
25 Deborah, that's the sense of your motion?

1 MS. D. WILLIAMS: Yes.

2 CHAIRMAN TILLERY: Okay, if there's not any
3 further discussion, all in favor say aye.

4 IN UNISON: Aye.

5 CHAIRMAN TILLERY: Opposed?

6 (No opposing responses)

7 CHAIRMAN TILLERY: It's carried unanimously, so
8 if you could note that and I will be back in town on Friday and
9 we'll probably try to get together with -- I don't know if Gina
10 is there then, but we'll try to get together with DOJ and do
11 that on Friday or Monday to get something into Judge Holland.

12 MS. McCAMMON: All right. She's back in town
13 so we can do that on Friday.

14 CHAIRMAN TILLERY: Okay. And the next order of
15 business, I take it, is executive session.

16 MS. McCAMMON: That's correct.

17 CHAIRMAN TILLERY: Okay, is there a motion to
18 go into executive session.

19 MR. PENNOYER: So moved.

20 MS. BROWN: Second.

21 CHAIRMAN TILLERY: Okay, it is moved and.....

22 MR. PENNOYER: For purposes of discussion of
23 habitat acquisition.

24 CHAIRMAN TILLERY: Okay, moved and seconded to
25 go into executive session for purposes of discussing habitat

1 acquisition. Discussion?

2 (No audible responses)

3 CHAIRMAN TILLERY: All in favor?

4 IN UNISON: Aye.

5 CHAIRMAN TILLERY: Opposed?

6 (No opposing responses)

7 CHAIRMAN TILLERY: Okay, we will go into
8 executive session and, Molly, can you explain to us what
9 we.....

10 MS. McCAMMON: Could we just hold one minute
11 while we clear the room here in Anchorage.

12 (Off record - 1:38 p.m.)

13 **NOTE:** The Trustee Council came out of executive
14 session at 2:43 p.m. It was moved by Mr. Pennoyer and seconded
15 by Mr. Rue to adjourn.

16 (Meeting adjourned - 2:44 p.m.)

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I, Joseph P. Kolasinski, Notary Public in and for the State of Alaska and Owner of Computer Matrix do hereby certify:

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SIGNED AND CERTIFIED TO BY:


Joseph R. Kolasinski
 Notary Public in and for Alaska
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