

09.11.03

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

TRUSTEE COUNCIL MEETING
(Teleconference)
Thursday, April 2, 1998
2:00 o'clock p.m.

Fourth Floor Conference Room
645 G Street
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT:

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

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1	STAFF PRESENT:	
2	MS. MOLLY McCAMMON	Executive Director EVOS Trustee Council
3		
4	MR. ERIC MYERS	Director of Operations EVOS Trustee Council
5	MS. TRACI CRAMER (Telephonically)	Director of Administration EVOS Trustee Council
6		
7	MS. REBECCA WILLIAMS	Executive Secretary EVOS Trustee Council
8	MS. VERONICA CHRISTMAN	EVOS Staff
9	MR. JOE HUNT	Communications Coordinator EVOS Trustee Council
10		
11	MR. ALEX SWIDERSKI	State of Alaska Department of Law
12	MS. GINA BELT	Department of Justice
13	MR. GLENN ELISON	U.S. Fish and Wildlife
14	MR. MIKE WIEDMER	State of Alaska Department of Fish and Game
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P R O C E E D I N G S

(On record - 2:10 p.m.)

CHAIRMAN TILLERY: Yeah, this is Craig Tillery with the Department of Law. This is the continuation of the Exxon Valdez Oil Spill Trustee Council meeting. It's April 2nd of 1998. I believe that we have on the line Bill Hines from NOAA.

MR. HINES: Here.

CHAIRMAN TILLERY: Deborah Williams from the Department of Interior.

MS. D. WILLIAMS: Here.

CHAIRMAN TILLERY: Jim Wolfe from the United States Forest Service.

MR. WOLFE: Yes.

CHAIRMAN TILLERY: Al Ewing from the Department of Environmental Conservation.

MR. EWING: Yes.

CHAIRMAN TILLERY: Frank Rue from the Department of Fish and Game.

MR. RUE: Here.

CHAIRMAN TILLERY: Okay, then this is Craig Tillery from the Department of Law. Does everybody have an agenda?

MR. RUE: No.

MR. EWING: No

1 MR. WOLFE: No.

2 MS. McCAMMON: That was resounding.

3 CHAIRMAN TILLERY: Where did that get? Okay, I
4 will just read the agenda to you. The other thing is, did
5 everybody get a -- was there a package sent also?

6 MS. McCAMMON: With a copy of the resolution
7 and the maps and all, yes.

8 CHAIRMAN TILLERY: Yeah, was that -- did
9 everybody get a copy of a draft resolution along with some maps
10 and so forth?

11 MR. EWING: No.

12 MR. RUE: We got the maps but the res -- how
13 did you send it?

14 MS. McCAMMON: It was faxed to you, Frank, for
15 copying there and, Deborah, it was faxed to your office, they
16 were supposed to deliver it to you.

17 MR. RUE: Let me check.

18 MS. D. WILLIAMS: I have Barry's copy of the
19 draft resolution, but that's -- oh, oh, oh, look, here it is.
20 Great, all right, I got it.

21 MS. McCAMMON: Good.

22 MS. D. WILLIAMS: I don't see maps though.

23 MS. McCAMMON: I don't think we were able to
24 get you a map, Deborah.

25 MS. D. WILLIAMS: Okay, very good.

1 MS. McCAMMON: And, Jim Wolfe, we weren't able
2 to get you anything.

3 MR. WOLFE: Right.

4 MS. D. WILLIAMS: Were are you, Jim?

5 MR. WOLFE: I'm in New Mexico.

6 MS. D. WILLIAMS: Oh, great.

7 MR. RUE: The resolution is arriving, this is
8 Frank.

9 CHAIRMAN TILLERY: Okay, what I'll do, let me
10 just go through -- the proposed agenda is we will first have a
11 brief explanation of the status of the AJV Habitat Protection
12 Proposal.

13 (Off record comments - other people on line)

14 CHAIRMAN TILLERY: Anyway, the proposed agenda
15 is to first go through the AJV habitat protection package, then
16 we'll go into executive session to discuss certain aspects of
17 that package. We'll come back into public session and take
18 public comment, hopefully -- it says by about 2:30 but we'll
19 see when we go into. And then perhaps have an action item on
20 that protection package.

21 Is there a motion to approve that agenda?

22 MR. RUE: So moved.

23 MR. EWING: Second.

24 CHAIRMAN TILLERY: Anyone opposed?

25 (No opposing responses)

1 CHAIRMAN TILLERY: Hearing none the agenda is
2 approved. Ms. McCammon, who will be taking us through the
3 package?

4 MS. McCAMMON: Mr. Chairman, a negotiating team
5 made up of the State of Alaska is the lead -- we're having some
6 feed back on here, Joe, and I'm not sure if it's from your
7 recorder.

8 COURT REPORTER: It's not mine.

9 MS. McCAMMON: Okay. That was led by the State
10 of Alaska together with Fish and Wildlife Service representing
11 the Federal side, have been negotiating with Afognak Joint
12 Venture for more than three years now, most intensively since
13 last summer. There have been detailed, and as I said, intense
14 negotiations since we actually went an looked at a number of
15 the parcels under consideration.

16 The negotiating team reached agreement with Afognak
17 Joint Venture last Friday, we have a proposal that we would
18 like to present to the Trustee Council for your consideration.
19 This proposal totals approximately 41,750 acres on northern
20 Afognak Island for a net present value price of \$70,500,000.

21 MR. WOLFE: How many acres was that?

22 MS. McCAMMON: Forty-one thousand, seven
23 hundred and fifty acres, give or take.

24 MR. WOLFE: Okay. That's in fee. Everything
25 is in fee. I see.

1 MS. McCAMMON: Yes, there are approximately 300
2 acres or so of timber rights only on Delphin and Discoverer
3 Islands. Those lands are already held in fee with in the
4 Maritime Refuge, but this package also includes timber rights
5 there.

6 MR. WOLFE: Okay.

7 MS. McCAMMON: And what I'd like to do now is
8 to have Alex Swiderski go through the package, in detail, and
9 describe what the proposal is.

10 MR. SWIDERSKI: Mr. Chairman, this is Alex
11 Swiderski. What I'm going to do is walk through the package,
12 essentially subparcel by parcel. The first parcel AJV01a, the
13 proposal is that -- is for an acquisition for approximately
14 19,071 acres which is the large majority, all but about 500
15 acres of AJV01a as it was originally configured by the Council
16 back in 1994, and by the way, I think negotiations actually
17 started 1993, so I think we're closing in on five years of
18 working at this.

19 The only part of Parcel 01a that's not in the proposal
20 is the very southeastern corner of it, constituting about 500
21 to 700 acres that is west of Waterfall Creek. Parcel 01a would
22 include the three islands in Bluefox Bay, Hodd, Teck and Bear
23 Island containing about 386 acres. In addition there is a weir
24 site on Waterfall Creek and the package -- most of the weir
25 site is in the portion that would be acquired in fee. The

1 package would also provide for an easement for use of the land
2 on the other side, so that weir can be attached to the bank, et
3 cetera.

4 Parcel AJV01b was divided as shown on the map. The
5 acquisition would be for the western portion of the parcel,
6 including approximately 2,800 acres. This land is adjacent to
7 the Kodiak National Wildlife Refuge.

8 Parcel 03a is essentially the configuration that the
9 biologists from Fish and Game, the Fish and Wildlife Service
10 and the Forest Service put together last fall. There were some
11 very minor tweaks to that, made after discussions with AJV, it
12 provides for approximately 7,900 acres to be acquired in fee,
13 5,680 of those acres would be acquired at the time of closing.
14 Approximately 2,200 acres would be acquired following
15 completion of timber harvest on them, but not longer than 15
16 years.

17 In addition, AJV has agreed to add a 200 foot buffer
18 along the western shores of Laura and Pauls Lake, this was an
19 important addition from the restoration perspective that we
20 were able to secure on essentially the last day of negotiating
21 with them. That buffer would be -- permit in it up to two
22 lodges and cabins and related facilities and limited road
23 access to the cabins.

24 In addition, there's a provision that if a lesser
25 buffer suffices at any point around the lodge to provide the

1 necessary wildlife corridor and protection of the lake that
2 Fish and Game and the Fish and Wildlife Service would have the
3 authority to reduce the size of the buffer. I think the
4 thought is, in effect, that if a lodge were placed on a point
5 it may not require more than 200 feet going back from the point
6 to provide adequate protection. Let see, in addition, in
7 Parcel 03a the weir site at the mouth of Pauls Creek would be
8 protected by -- actually an easement for operation of the weir
9 site would be granted to the State of Alaska.

10 Parcel AJV07 is the same parcel that was originally
11 appraised by the Council, it's 256,000 acres and Parcel 08
12 contains 8,742 acres, that parcel has been slightly
13 reconfigured to add some land to the western portion of it and
14 another half section. That parcel does not have commercial
15 timber on it.

16 In addition, the two islands, Delphin and Discoverer
17 Islands in Perenosa Bay, the surface estates are already owned
18 by the United States, the timber rights are owned by AJV and
19 the timber rights would be acquired as part of this package.
20 So in addition to acquiring something less than fee on Delphin
21 and Discoverer, the 200 buffer easement around Laura and Pauls
22 Lake would be less than a fee acquisition. And that's for a
23 total of approximately 41,750 acres.

24 Thank you.

25 CHAIRMAN TILLERY: Okay. Ms. McCammon, do you

1 have anything to add to that?

2 MS. McCAMMON: No, that's fine.

3 CHAIRMAN TILLERY: Are there questions from
4 Council members?

5 MR. WOLFE: Mr. Chairman.

6 CHAIRMAN TILLERY: Mr. Wolfe.

7 MR. WOLFE: Did I hear two lodges? I don't
8 have the material so you may have to bear with me a little bit.

9 CHAIRMAN TILLERY: Yes.

10 MR. SWIDERSKI: Mr. Chairman, that's correct,
11 up to two lodges would be permitted in the buffer zone to the
12 west of Laura and Pauls Lake. And I may have misspoken a
13 little bit there, if they build a lodge they would be required
14 to maintain a 200 foot buffer behind the lodge, so to speak,
15 and in addition to the lodge. So the lodges won't impact the
16 buffer.

17 MR. WOLFE: Okay. Plus two cabins, did I hear?

18 MR. SWIDERSKI: There's not a limit on the
19 number of cabins.

20 MR. WOLFE: Oh, plus cabins.

21 MR. SWIDERSKI: Plus cabins.

22 CHAIRMAN TILLERY: Okay. Are there other
23 questions?

24 (No audible responses)

25 CHAIRMAN TILLERY: Mr. Swiderski, this buffer

1 is already inclusive of the existing 66 foot buffer?

2 MR. SWIDERSKI: That's correct, Mr. Chairman.

3 CHAIRMAN TILLERY: So it's not a 266 foot, it's
4 just a 200?

5 MR. SWIDERSKI: That's correct. There is a 66
6 foot buffer that already exists pursuant to Forest Practices
7 Act, the one thing this buffer would is that under the existing
8 66 foot buffer it is possible to get a waiver, so to speak, to
9 take specific trees out of the buffer and that would, of
10 course, no longer be possible.

11 CHAIRMAN TILLERY: Okay. Are there additional
12 questions from anyone?

13 (No audible responses)

14 CHAIRMAN TILLERY: Okay. I think at this point
15 I would entertain a motion to go into executive session to
16 discuss this portion of this package relating to financial
17 aspects. Is there a motion?

18 MR. WOLFE: Mr. Chair.

19 CHAIRMAN TILLERY: Yes, Mr. Wolfe.

20 MR. WOLFE: I would make a motion that we go
21 into executive session to discuss this acquisition in more
22 detail.

23 CHAIRMAN TILLERY: Okay. Is -- Ms. Williams.

24 MS. D. WILLIAMS: Yes, I'm sorry, Mr. Chairman.
25 Do we have representatives from AJV who will be presenting

1 testimony today?

2 CHAIRMAN TILLERY: We have representatives from
3 AJV who are here and I do not whether they will be making a
4 public comment or not.

5 MS. D. WILLIAMS: Okay.

6 CHAIRMAN TILLERY: Right now they're shaking
7 their heads like probably not.

8 MS. D. WILLIAMS: All right. Okay.

9 CHAIRMAN TILLERY: But there will be a public
10 comment following executive session.

11 MS. D. WILLIAMS: All right.

12 CHAIRMAN TILLERY: Okay. Is there a second to
13 the motion?

14 MS. D. WILLIAMS: Second.

15 CHAIRMAN TILLERY: All in favor say aye.

16 IN UNISON: Aye.

17 CHAIRMAN TILLERY: Opposed?

18 (No opposing responses)

19 CHAIRMAN TILLERY: Okay, hearing that we'll
20 adjourn from public session, go into executive session. I
21 understand that -- Ms. McCammon, the logistics, please?

22 MS. McCAMMON: Everyone needs to hang up and
23 those who will be included in the executive session will be
24 called back right away, so I do want you to hang up.

25 CHAIRMAN TILLERY: And for purpose of the

1 public, how long do you anticipate we'll be in there, half an
2 hour, you think, less?

3 MS. McCAMMON: Less.

4 MS. D. WILLIAMS: I think it would be less.

5 MS. McCAMMON: I think less.

6 CHAIRMAN TILLERY: Okay, so we could be back on
7 line anywhere in the next probably 20 minutes on, I'd say.
8 Okay, then we will hang up and move into executive session.

9 (Off record - 2:46 p.m.)

10 (On record - 3:16 p.m.)

11 CHAIRMAN TILLERY: Okay, thank you. We have
12 returned from executive session. During the executive session
13 we discussed issues relating to the proposed AJV acquisition.

14 At this time we're ready for public comment. And we
15 have Anchorage, Homer, Kodiak and Juneau. Why don't we start
16 with Homer. Ms. Brodie, did you have any comment?

17 MS. BRODIE: I just want to say as your
18 designated representative on the Public Advisory Group of
19 environmentalists in Alaska and around the country, I want to
20 thank your staff for their enormous effort, hard work and
21 dedication over five years, according to Alex, and to bring
22 this very difficult negotiation to a conclusion agreeable to
23 all parties. We are deeply grateful and delighted with this
24 proposal and I hope and trust that the Trustees will take
25 action today to protect this extraordinarily beautiful and

1 valuable area.

2 Thank you.

3 CHAIRMAN TILLERY: Okay, thank you. Is there
4 anyone else -- well, actually, first, are there any question
5 from Council members for Ms. Brodie?

6 (No audible responses)

7 CHAIRMAN TILLERY: Okay, is there anyone else
8 in Homer with you, Pam?

9 MS. BRODIE: No.

10 CHAIRMAN TILLERY: Okay. Let's move then to
11 Kodiak. Is there anyone in Kodiak who wishes to comment?

12 KODIAK LIO: No.

13 CHAIRMAN TILLERY: Okay. Thank you. Traci, is
14 there anyone with you in Juneau?

15 MS. CRAMER: There is a gentleman with me, I
16 don't know if he's interested in commenting.

17 CHAIRMAN TILLERY: Sir, do you have a comment?

18 MR. PETRICH: Well, this is Greg Petrich, I'm
19 the Wildlife Conservation Director for the Alaska Rain Forest
20 Campaign and I guess my only comment is we -- the campaign
21 certainly appreciates the efforts that the Trustee Council
22 staff and the landowners have put into these negotiations.
23 We've seen some important points over the years where you've
24 had to work on difficult issues, such as dividing up timbered
25 areas so you can retain the best habitat values in those areas

1 and still be able to work some operations through the timber
2 people. And we've been pretty impressed with the work that the
3 Alaska Department of Fish and Game and Department of Interior
4 staff that have been put in on that -- on those particular
5 issues which at some point have drawn concern that very
6 important habitat areas would be lost in this process and
7 dropped off the table. Field staff has been able to work
8 through some very difficult situations and bring considerably
9 valuable property back on the table through their efforts. On
10 behalf of the campaign I just wanted to say that we are
11 certainly grateful for the staff work that's gone into these
12 issues.

13 CHAIRMAN TILLERY: Okay. Thank you. Are there
14 questions from Council members for Mr. Petrich?

15 MS. D. WILLIAMS: This is Deborah Williams.

16 CHAIRMAN TILLERY: Ms. Williams.

17 MS. D. WILLIAMS: Greg, I assume you've had a
18 chance to review the contours of this proposal, do you support
19 it?

20 MR. PETRICH: I'm familiar with it and I -- the
21 map, I understand, wasn't made public, but I am familiar with
22 the components of the project area and, yes, we are in support
23 of it.

24 MS. D. WILLIAMS: Okay, thank you.

25 CHAIRMAN TILLERY: I want to note for the

1 record, the map is, in fact, public, it's up in Anchorage
2 anyway, it's here. I think we just got these maps yesterday
3 and were unable to get them to the.....

4 MS. CRAMER: No, he has one now, Craig, we were
5 just waiting for that.

6 CHAIRMAN TILLERY: Oh, okay. Any other
7 questions for Mr. Petrich?

8 (No audible responses)

9 CHAIRMAN TILLERY: Okay. And in Anchorage we
10 have two people who have indicated that they wish to make a
11 comment. John Schoen. Please move approach a mike, I'm not
12 sure what you speak in to.

13 MR. SCHOEN: Thank you for the opportunity to
14 be here today. My name is John Schoen, I'm the Executive
15 Director of the Alaska State office of the National Audubon
16 Society. And on behalf of the National Audubon Society and its
17 550,000 members, and specifically our Anchorage and Kodiak
18 Chapters, I would like to congratulate the Trustee Council,
19 your staff and Afognak Joint Venture for the successful
20 conclusion of the recent lands purchase agreement reached
21 between the Council and AJV on northern Afognak Island. This
22 is a great achievement for conservation and the restoration of
23 the Trustee Council.

24 The four major blocks of land on northern Afognak
25 Island, which includes lands along Shuyak Strait, Laura and

1 Pauls Lakes, East Tonki Bay and West Tonki Bay encompass
2 valuable marine shoreline habitat as well as old growth forest
3 lands which provide important habitat for marbled murrelets,
4 brown bear, bald eagles, black tail deer, elk, anadromous
5 salmon and a variety of other wildlife. The long term habitat
6 protection resulting from this action will enhance restoration
7 efforts and will leave a legacy for future generations to
8 enjoy.

9 The Audubon Society is very pleased with what has been
10 accomplished on northern Afognak Island and congratulates all
11 the participants on crafting a successful agreement for which
12 we can all be proud.

13 Thank you.

14 CHAIRMAN TILLERY: Thank you, Mr. Schoen. Just
15 to make sure the record is clear on this. There's no agreement
16 quite yet, there is a proposal that negotiators have agreed to
17 take to each of the bodies. Of course, the Council will be
18 considering today, I guess my understanding that AJV will be
19 having a meeting at a later date to also look at it.

20 Are there questions or comments from Council members
21 for Mr. Schoen?

22 (No audible responses)

23 CHAIRMAN TILLERY: Okay, thank you very much
24 and we appreciate your help in all this also. Grant Baker,
25 Mr. Baker.

1 MR. BAKER: Thank you. My name is Grant Baker
2 and I'm a commercial fisherman in Prince William Sound. I have
3 a salmon setnet in Eshamy Bay which is about 50 miles south of
4 Whittier. I bought my permit in 1988 from someone who had
5 fished the site for about the previous 40 years or so, since
6 the late '40s and early '50s. And he had a fish camp set up
7 and a cabin and I set up my fish camp at the same site and I
8 built a cabin there. And I had a contract with the Chenega
9 Corporation to use the cabin and site since it was their land.
10 And last summer that land was purchased by the Trustee Council
11 and prior to the sale I had been assured by the State that
12 there wasn't any problem of my usage of that area and also for
13 the cabin.

14 I talked to Chuck Totemoff, the President of the
15 Chenega Corporation and he said he had notified everyone -- or
16 at least had notified the proper people that I was out there
17 and my usage out there. And he said that he had thought that
18 they were going to honor my usage at the fish camp. Also I
19 talked to John Harmening, I believe he with the -- he was the
20 Forest Service negotiator, I believe, and he said he didn't see
21 any problem with continuing to use the fish camp and cabin as
22 is. In fact, he said that it wouldn't make sense to tear it
23 down or shut it down because the purpose of the Trustee Council
24 purchases were to protect and preserve the preexisting uses,
25 which it was, he said.

1 Unfortunately after the sale last summer that didn't
2 happen. The State doesn't have a mechanism in place for
3 issuing leases or even title those lands that were transferred.
4 And so for the last year essentially nothing has happened as
5 far as issuing of a lease, they don't know what to do and
6 they're also saying that they'll probably very likely tear down
7 the cabin, which would destroy the fish camp because that's
8 based on that cabin for protection and for storage and for use
9 during the fish camp season with my family.

10 And so what I would ask the Council -- well, also what
11 the State is doing is they say once they get a process in place
12 it will -- they'll send out some kind of a permitting paper to
13 be reviewed and after the review process, which they expect to
14 be very lengthy, but they're not sure when it will start. That
15 if there's any opposition, you know, to what they wrote in the
16 permit or about the reviews that I can then go through the
17 appeal process through the administrative appeal process, like,
18 the different levels and, I guess, eventually end up court,
19 which I think most of you know, that process is pretty lengthy,
20 expensive and would essentially put me out of business that
21 way, too.

22 So what I would ask the Council the do right now, for
23 these land purchases that are happening on Afognak, is that to
24 make sure if there are preexisting uses that they're protected
25 because it wasn't the intent of the Council to have this happen

1 to me, but it is happening and I wouldn't wish it on anyone
2 else. So if there -- I would ask the Council to make sure that
3 preexisting uses on the lands that they're going to purchase
4 are protected. And I also ask the Council to help me in my
5 situation to basically protect and preserve my usage of my fish
6 camp.

7 And that's it. Thank you very much.

8 CHAIRMAN TILLERY: Okay, thank you. Are there
9 questions for Mr. Baker or comments from Council members?

10 (No audible responses)

11 CHAIRMAN TILLERY: Okay. Thank you, Mr. Baker.
12 Is there anyone else either here -- is there anyone else here
13 in Anchorage that would like to make a comment? Anyone, for
14 example, from AJV, no?

15 MR. VALLEY: No, not at this time.

16 CHAIRMAN TILLERY: Not at this time, okay. Is
17 there anyone else out on the teleconference that would like to
18 make a comment?

19 (No audible responses)

20 CHAIRMAN TILLERY: Okay, the public comment
21 session then is closed.

22 MS. CRAMER: Craig.

23 CHAIRMAN TILLERY: Whoops, who's that?

24 MS. CRAMER: This is Traci.

25 CHAIRMAN TILLERY: Traci.

1 MS. CRAMER: I believe we have one more
2 comment.

3 CHAIRMAN TILLERY: Okay.

4 MR. PETRICH: This is Greg Petrich of the
5 Alaska Rain Forest Campaign again. And I'd like to say I was
6 caught short because I didn't exactly have the final version in
7 front of me of the layout on the buyout and all the components
8 that were important to us in this process has held together.
9 We're looking at some pretty extraordinary areas, coastal
10 habitat for marbled murrelets. I've heard mentioned that the
11 site along the coastline of Pauls and Laura -- the Pauls and
12 Laura parcel, AJV03, is the singular top site in the spill zone
13 and I've heard further comment that it could be one of the top
14 sites in North America, so it's really satisfying to see this
15 kind of quality come into a project area like this, an
16 acquisition.

17 As I mentioned before, the biologists have done some
18 good work on this area and has put a lot of work in holding
19 together recreational habitat values, such as for deer and elk
20 in wintering areas and, all and all, the way that this parcel
21 configuration enhances the part that is already in place, this
22 is really an impressive layout that the people have put
23 together, so on behalf of the Alaska Rain Forest Campaign and
24 all its member groups, we want to thank you for the work,
25 again, that you've put in this. And we recommend that you

1 approve this project.

2 CHAIRMAN TILLERY: Okay, thank you very much.
3 Are there any questions or comments of Mr. Petrich?

4 (No audible responses)

5 CHAIRMAN TILLERY: Okay, then the public
6 session -- public comment period will be closed. The last item
7 on the agenda is a tentative action item which is.....

8 MR. ANDERSON: Would it be possible that I
9 speak with the public?

10 KODIAK LIO: Somebody here in Kodiak to speak.

11 CHAIRMAN TILLERY: Oh, we went through Kodiak
12 and no one -- is there someone in Kodiak who would like to make
13 a comment?

14 KODIAK LIO: Yes, there is.

15 CHAIRMAN TILLERY: Please.....

16 MR. ANDERSON: I would. Thank you very much
17 for the opportunity to address this. My name Staush Anderson,
18 I'm speaking for myself. I sure appreciate all the work that
19 the Trustee Council has done in all the acquisitions. And this
20 certainly is a significant addition. With the watershed
21 management strategy that you've undertaken in acquisitions,
22 this is a real rounding out of what you've already acquired and
23 I think a real asset to the whole program that you had and for
24 the 10-year program.

25 Thank you very much.

1 CHAIRMAN TILLERY: Okay. Thank you,
2 Mr. Anderson. Are there comments or questions from Council
3 members?

4 (No audible responses)

5 CHAIRMAN TILLERY: Okay. Thank you. Is there
6 anyone else then in Kodiak that would like to say something?

7 MR. ANDERSON: No, sir.

8 CHAIRMAN TILLERY: Okay, thank you very much.
9 Then, I think, now public comment is closed.

10 MS. McCAMMON: Mr. Chairman.

11 CHAIRMAN TILLERY: Mc. McCammon.

12 MS. McCAMMON: I would just like to add for the
13 record though that the office here has received hundreds of
14 letters, postcards, phone calls in support of some kind of a
15 protection package on northern Afognak Island. This
16 acquisition, I think, is one of those areas that has received
17 the largest amount of public support. And we have copies of
18 all of these in the files, they have come in over the last five
19 years, especially in the last year or so as things have really
20 heated up. But I think in addition to the comments that you
21 heard on the record today, there is a tremendous amount of
22 public support throughout the state, in the Kodiak Region, in
23 the spill area for this acquisition.

24 CHAIRMAN TILLERY: Okay, thank you. That
25 brings to the last item on the agenda which is a tentative

1 action item on the AJV protection package, is.....

2 MS. D. WILLIAMS: Mr. Chairman, I move to
3 approve the resolution.

4 MR. RUE: Second.

5 CHAIRMAN TILLERY: There's been a motion to
6 approve the resolution as drafted, which for the record was
7 made by Ms. William and seconded by Mr. Rue. Is there any
8 comments or discussion on the motion?

9 MR. RUE: Yeah, this is Frank in Juneau.

10 CHAIRMAN TILLERY: Mr. Rue.

11 MR. RUE: Yeah, I guess I would encourage us
12 all to approve this, I think it's been a tremendously important
13 area for many of the species injured by the spill. I think
14 it's got the highest rating of any of the areas that we've
15 looked at previously. I think there's been a tremendous amount
16 of work that gone into crafting a very excellent package and I
17 would encourage us to approve this resolution.

18 CHAIRMAN TILLERY: Thank you, Commissioner Rue.
19 Are there other Council members that would like to make a
20 comment?

21 (No audible responses)

22 CHAIRMAN TILLERY: Okay, I would like to note
23 that I concur with Commissioner Rue's comments. I've been
24 involved in this process and watching this negotiation for four
25 or five years, it has been a struggle, but I have been

1 extremely impressed by the ability of the Council negotiators,
2 the AJV negotiators and some of the members of the public that
3 have sort of helped us to formulate the package. We have run
4 up against road blocks where there were, as I recall at times,
5 places that different parties didn't want to go, but people
6 have sat down and worked out, sometimes on acre by acre basis,
7 a reasonable compromise that would benefit all of the parties.
8 I am convinced after reviewing this and listening to the
9 testimony and reading those letters that Molly has mentioned
10 that this is in the public interest, that it is a good price
11 for the Council, that it is a fair price for the sellers and
12 that it is a deal that we should approve.

13 If there is no other comment then.....

14 MS. D. WILLIAMS: Mr. Chairman, I have.....

15 CHAIRMAN TILLERY: Ms. Williams.

16 MS. D. WILLIAMS: I have general comments and
17 then just a couple specific comments. Generally, I want to
18 thank very much the negotiating team for Exxon Valdez and thank
19 the staff members who both participated directly and indirectly
20 on that negotiating team. I also want to thank AJV for AJV's
21 patience and persistence and ultimately willingness to enter
22 into what I think is one of our most important land
23 acquisitions.

24 I believe, in monitoring the negotiations closely, that
25 this was the very best price that the Trustee Council could

1 pay, the lowest price that the Trustee Council could pay. I,
2 like you, Mr. Chairman, believe it is a very fair price, both
3 for the Trustee Council and for AJV. I think that the
4 restoration benefits from this acquisition are clear and
5 compelling. This acquisition is unequivocally in the public
6 interest. The restoration benefits, as I said, are unambiguous
7 with respect to numerous injured species, particularly the
8 marbled murrelets. And I strongly encourage Trustee Council
9 adoption of this resolution with to minor modifications.

10 And the two minor modifications I would recommend are,
11 first of all, that we specify any and all logging routes,
12 particularly in 3a, so that there is no question about where
13 those are going to go and to the land that is going to be cut.
14 And secondly, that we get clarification, particularly on the
15 cabin issue with respect to the cabins that are to go on --
16 near Laura and Pauls Lake on the lake front. I do not believe
17 that the cabin issue is specified clearly enough and there may
18 also be further clarification made of lodges, but with the
19 clarification on the lodge and cabin and with clarification
20 about the logging roads, this is a package that we can all be
21 very proud of and again I want to thank everyone involved and
22 particularly the negotiating team and AJV.

23 CHAIRMAN TILLERY: Okay, thank you,
24 Ms. Williams. I think you've just amended your own motion.....

25 MS. D. WILLIAMS: Yes, I've amended my own

1 motion.

2 CHAIRMAN TILLERY:to essentially ask that
3 in the purchase agreement that logging routes into 3a for the
4 areas that will be cut be specified and that there be a clearer
5 understanding in the purchase agreement as to the nature and
6 extent of any cabins that could be put in the buffer zone on
7 the west side of Laura and Pauls Lake. Is that correct; does
8 that summarize?

9 MS. D. WILLIAMS: Yes, that's correct.

10 CHAIRMAN TILLERY: Okay, are there other
11 comments from Council members?

12 MS. D. WILLIAMS: And, Mr. Chairman, I'd take a
13 second on my amendment or ask for the concurrence of the
14 seconder.

15 CHAIRMAN TILLERY: Yeah, I think that's what we
16 do.

17 MS. D. WILLIAMS: Okay.

18 MR. RUE: Well, I concur if that's.....

19 CHAIRMAN TILLERY: Okay, thank you, Mr. Rue.
20 Are there other comments by Council members? Mr. Wolfe?

21 MR. WOLFE: I'm okay.

22 CHAIRMAN TILLERY: Okay. Mr. Hines?

23 MR. HINES: We're okay, thank you very much.
24 And again I'd like to reiterate the comments made by Frank Rue
25 and Deborah Williams and thank the negotiators as well as AJV

1 for a process well done.

2 Thank you.

3 CHAIRMAN TILLERY: And, Mr. Ewing, any
4 comments?

5 MR. EWING: Just concur with the comments that
6 we've heard from other Council members.

7 CHAIRMAN TILLERY: Okay, thank you then. Then
8 the motion is before us as amended, all Council members in
9 favor say aye.

10 IN UNISON: Aye.

11 CHAIRMAN TILLERY: Opposed?

12 (No opposing responses)

13 CHAIRMAN TILLERY: The motion carries. Thank
14 you very much.

15 MS. D. WILLIAMS: I'm applauding from
16 Washington, D.C.

17 CHAIRMAN TILLERY: Okay. The last item of
18 business would be to adjourn, I believe. And we will accept a
19 motion to adjourn, we will not accept one to recess.

20 MS. D. WILLIAMS: Mr. Chairman, often times the
21 seller likes to speak at this point, is AJV interested in
22 saying few words?

23 CHAIRMAN TILLERY: Mr. Valley.

24 MS. McCAMMON: He will now.

25 MS. D. WILLIAMS: All right.

1 CHAIRMAN TILLERY: Would you state your name
2 for the record.

3 MR. VALLEY: My name is Howard Valley, I'm the
4 AJV Chairman. I have been involved in negotiations for the
5 last five years with the Trustee Council negotiators, as has
6 been mentioned by everybody here. The negotiations have really
7 been long, I think we've all worked hard to get a package that
8 both sides could agree on. I think the last few months here
9 with the configuration of 3a and so forth, that though very
10 difficult, it came out with an arrangement that both sides are
11 satisfied with and I look forward to working out the details of
12 this and taking it back to our board, hopefully about the 16th
13 of April.

14 CHAIRMAN TILLERY: Thank you, Mr. Valley.
15 Okay, with that, we'll entertain a motion to adjourn.

16 MR. RUE: So moved.

17 MR. EWING: Second.

18 CHAIRMAN TILLERY: It has been moved and
19 seconded that we adjourn, all in favor say aye.

20 IN UNISON: Aye.

21 CHAIRMAN TILLERY: Opposed?

22 (No opposing responses)

23 CHAIRMAN TILLERY: This meeting is adjourned.
24 Thank you very much.

25 (MEETING ADJOURNED - 3:40 p.m.)

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C E R T I F I C A T E

UNITED STATES OF AMERICA)
) ss.
STATE OF ALASKA)

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

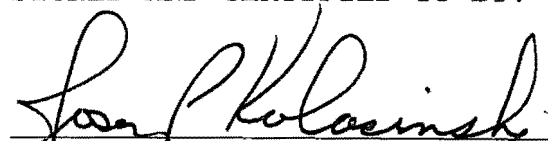
THAT the foregoing pages numbered 4 through 30 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Teleconference Meeting recorded electronically by me on the 2nd day of April 1998, commencing at the hour of 2:10 p.m. and thereafter transcribed by me to the best of my knowledge and ability.

THAT the Transcript has been prepared at the request of:

EXXON VALDEZ TRUSTEE COUNCIL, 645 G Street,
Anchorage, Alaska 99501;

DATED at Anchorage, Alaska this 9th day of April 1998.

SIGNED AND CERTIFIED TO BY:



Joseph P. Kolasinski
Notary Public in and for Alaska
My Commission Expires: 04/17/00