

09.11.04

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

TRUSTEE COUNCIL MEETING
Monday, June 8, 1998
10:00 o'clock a.m.

Fourth Floor Conference Room
645 G Street
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT:

U.S. DEPARTMENT OF INTERIOR:
(Chairwoman)

MS. DEBORAH WILLIAMS
Special Assistant to the
Assistant Secretary

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 AGRICULTURE -
U.S. FOREST SERVICE

MR. JIM WOLFE
for the Regional Forester

U.S. DEPARTMENT OF COMMERCE - NMFS:
(Telephonically)

MR. STEVE PENNOYER
Director, Alaska Region

STATE OF ALASKA - DEPARTMENT
OF ENVIRONMENTAL CONSERVATION:
(Telephonically)

MS. MICHELE BROWN
Commissioner

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1	TRUSTEE COUNCIL STAFF PRESENT:	
2	MR. ERIC MYERS	Director of Operations EVOS Trustee Council
3		
4	MS. REBECCA WILLIAMS	Executive Secretary EVOS Trustee Council
5	MS. TRACI CRAMER (Telephonically - Juneau)	Director of Administration EVOS Trustee Council
6		
7	MS. VERONICA CHRISTMAN	EVOS Staff
8	MS. SANDRA SCHUBERT	EVOS Staff
9	MR. JOE HUNT	Communications Coordinator EVOS Trustee Council
10	MR. HUGH SHORT	Community Facilitator Coordinator EVOS Trustee Council
11		
12	DR. BOB SPIES (Telephonically - California)	Chief Scientist
13		
14	MR. ALEX SWIDERSKI	State of Alaska Department of Law
15	MR. BUD RICE	National Park Service
16	MS. GINA BELT (Telephonically - Seldovia)	Department of Justice
17		
18	MR. STEVE SHUCK	U.S. Fish and Wildlife Service
19	MS. CLAUDIA SLATER	Alaska Department of Fish and Game
20		
21	MS. LISA THOMAS	U.S. Fish and Wildlife Service
22	MR. DOUG MUTTER	Department of Interior
23	MR. KEN HOLBROOK	U.S. Forest Service
24	MS. CATHERINE BERG	U.S. Fish and Wildlife Service
25	MR. BILL HINES	NOAA/NMFS

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P R O C E E D I N G S

(On record - 10:37)

CHAIRWOMAN D. WILLIAMS: Frank, who's in Juneau, please? Are all the Trustee Council members?

MR. RUE: Yes, you got Frank Rue, Michele Brown, Steve Pennoyer.

CHAIRWOMAN D. WILLIAMS: All right. In that event, I will call this meeting to order. I am Deborah Williams, the Department of Interior Trustee Council member. It's my privilege to chair the meeting today. And I said, I will now call to order the June 8th, 1998 meeting of the Exxon Valdez Oil Spill Trustee Council. Representing the other agencies and departments, here in Anchorage we have Jim Wolfe representing the United States Forest Service. We have Craig Tillery representing the Attorney General's Office and, as we just heard, in Juneau we have Steve Pennoyer representing NOAA/NMFS, we have Frank Rue representing ADF&G and we have Michele Brown representing Alaska Department of Environmental Conservation. And we have several public members here, thank you for joining us. We also have, at this time, Homer and Kodiak on line, as well as Gina Belt in Seldovia.

The first item of business is to review and approve the agenda. I have in front of me an agenda dated 6/4/98. I understand that if you have an agenda dated 6/3/98 it is the identical agenda. Are there any recommended modifications to

1 be made to the agendas dated either 6/3/98 or 6/4/98?

2 MR. PENNOYER: Deborah, I don't have a
3 suggested change, but I've got to leave for Dutch Harbor
4 tomorrow for North Pacific Council meeting on inshore/offshore
5 and other small topics and I'm going to get out of here about
6 noon, so Bill Hines will be sitting in for me.

7 CHAIRWOMAN D. WILLIAMS: Okay, thank you very
8 much, Steve. Are there any other comments or recommendations
9 with respect to the agenda?

10 (No audible responses)

11 CHAIRWOMAN D. WILLIAMS: Hearing none, do I
12 have a motion to approve the agenda?

13 MR. PENNOYER: So moved.

14 MS. BROWN: Second.

15 CHAIRWOMAN D. WILLIAMS: Okay, it has been
16 moved by Mr. Pennoyer, seconded by Michele Brown to approve the
17 agenda. Are there any objections?

18 (No audible responses)

19 CHAIRWOMAN D. WILLIAMS: Hearing no objections
20 the agenda is approved as written.

21 The next item of business is to approve the December
22 18th and 23rd and March 9, March 20th and April 2nd meeting
23 notes. Yes, Eric.

24 MR. MYERS: Just to draw special attention to
25 the meeting minute notes for April 2nd. On your chairs [sic]

1 you should have the correct version, there was one typographic
2 error that was corrected, so -- Rebecca, is there a way of
3 distinguishing these meeting minutes? Well, I guess there is
4 one way. The figure on the second page of the April 2nd
5 meeting minutes, approved motion, Item Number 3, the
6 appropriate figure should be 70,500,000 and there was a typo
7 previously, so that's the appropriate figure, otherwise the
8 meeting minutes were not changed.

9 CHAIRWOMAN D. WILLIAMS: Very good.

10 MR. RUE: Hey, Eric, we barely hear you in
11 Juneau, maybe you need to get closer to a microphone.

12 MR. MYERS: Okay.

13 MR. RUE: Thank you.

14 CHAIRWOMAN D. WILLIAMS: Okay. Do I hear a
15 motion to approve the meeting notes of December 18, 23 and
16 March 9th, March 20th and April 2nd.

17 MR. RUE: So moved.

18 MS. BROWN: Second.

19 MR. PENNOYER: Second.

20 CHAIRWOMAN D. WILLIAMS: I think it's moved by
21 Mr. Rue, seconded by, again, Ms. Brown that the meeting notes
22 be approved as written. Is there any objection to doing so?

23 (No audible responses)

24 CHAIRWOMAN D. WILLIAMS: Hearing none the
25 meeting notes are approved as written.

1 Our next item of business is Public Advisory Group
2 report by Rupert Andrews. Mr. Andrews, are you on the
3 conference call?

4 MR. ANDREWS: (Phone cut out) present the PAG
5 report if you're ready.

6 CHAIRWOMAN D. WILLIAMS: Yes. Is that you,
7 Mr. Andrews?

8 MR. ANDREWS: Yes.

9 CHAIRWOMAN D. WILLIAMS: Yes, please, if you
10 would proceed.

11 MR. ANDREWS: Can you hear me okay, Madam
12 Chair?

13 CHAIRWOMAN D. WILLIAMS: We can hear you very
14 well. Thank you very much.

15 MR. ANDREWS: Good morning. First off, I'd
16 like to thank you for the opportunity to report on the recent
17 activities of the Public Advisory Group. We did meet June 1
18 and June 2nd in Anchorage and my report today will be just a
19 brief summary. You have the full copy of the minutes before
20 you of the meeting.

21 But we reviewed three basic things. One, the fiscal
22 year '99 Work Plan, presented by Stan Senner. The fiscal '99
23 projects of special interest to PAG members. This was a
24 request of the PAG staff to revisit these projects of that
25 special interest. And last, and most important, we came to

1 somewhat of a general agreement on restoration reserve, the
2 estimated \$150,000,000 to continue activities, I think, after
3 2001. In fact, I'd like to apply an entire day and perhaps
4 part of the next day of our time there.

5 (Phone cut out) the PAG also received a summary by
6 Veronica Christman on the public comments and discussed that
7 briefly also.

8 Very briefly, the fiscal '99 Work Plan presented by
9 Stan Senner, there was a resolution about that plan and we
10 looked at the public comments and there were some general
11 agreement also that the public comments revealed a high degree
12 of ignorance of the restoration process by the public. And it
13 was a general consensus that more educational outreach is
14 probably needed. We noticed that organizations with Outside
15 membership dominated the responses in sheer numbers, that they
16 were all pretty much the same responses. We agreed that
17 probably a better of educational outreach has to be obtained in
18 Alaska.

19 I'd like to talk mostly this morning in the report, if
20 you will, for the next few minutes on the summary of areas of
21 the restoration reserve. A great amount of credit should go to
22 Chris Beck of the PAG who led the discussion. And he's also
23 the chairman of the special group that we established at our
24 June 2nd meeting, to look at a couple of areas for our July
25 meeting.

1 We did get through all the areas of science research,
2 education information, community projects, land acquisitions
3 and deferred on governance and timeframe. We'll be more
4 specific, hopefully, in our comments to the Trustees after the
5 July meeting. The overriding goals that we had general
6 agreement on was stewardship, long-term sustainable health of
7 the spill area ecosystems and two, restoration, replacement,
8 enhancement of injured resources and services.

9 This got a little bit poetic in doing the mission
10 statement as you read "sustain the health of the achingly
11 beautiful, living chunk of planet". Well, everybody believes
12 in it and we think it's good statement, so we left it in. And
13 "to seize the unique opportunity to make the spill area one of
14 the few places in North America where people are figuring out a
15 way to live in and actively use rich, complex coastal ecosystem
16 without incrementally erasing its life and wonder."

17 I'd like to point out that trying to get a consensus of
18 agreement in a 15-member group is as diverse -- representing as
19 many diverse public as the PAG is probably not obtainable, but
20 we came very close in general agreement on the goals and the
21 means to the goals.

22 Generally speaking, it was recommended that a balanced
23 approach be taken to the science and research -- education,
24 information -- education outreach, community outreach and land
25 acquisitions. Land acquisitions created quite a bit of

1 controversy. We took a poll of the members present and asked
2 what their idea of percentage of restoration funds should be
3 dedicated towards land acquisitions. Apparently there are no
4 large parcels left on the table for purchase, everyone pretty
5 much supported small parcel acquisition, if and when they
6 become available, so therefore the survey of the members range
7 from about 10 percent of the restoration reserve fund all the
8 way up to 75 percent. If you go 50 to 75 percent, of course,
9 you don't leave much for the other activities. And a lot of us
10 felt that 10 percent of \$150,000,000 is \$15,000,000 and that's
11 a lot of money, particularly if you're dealing with small
12 parcels.

13 I think with that my comments are at about at a close
14 here Madam Chair, unless there are some questions by the
15 Trustees up there. There are two of them here, of course, and
16 I would entertain any questions right now if they have any.

17 CHAIRWOMAN D. WILLIAMS: Are there any
18 questions by the Trustee Council members?

19 (No audible responses)

20 CHAIRWOMAN D. WILLIAMS: I actually have one.
21 What, again, do you hope to accomplish at your July meeting?

22 MR. ANDREWS: Yes, at the July meeting we're
23 going through the -- pretty much concentrating on the areas of
24 governance of the restoration reserve and the timeframe, you
25 know, should it be a short-term or in perpetuity? You know,

1 you can run the fund with final balance or you can invest it
2 and just work off the interest on it. There's still a lot of
3 problems about the governance, questions like, who will govern
4 this fund? You know, should the Trustees still be the
5 governing body? Should there still be a PAG group as a matter
6 of fact? And I think those area questions that we hope we can
7 come up with some options to present to the Trustees after the
8 July meeting.

9 CHAIRWOMAN D. WILLIAMS: Very good. Another
10 question I have is, did the PAG define and limit or define its
11 discussions by what was possible given existing authorities or
12 did you also explore things that you thought would require
13 legislation?

14 MR. ANDREWS: Actually a little bit of each,
15 Madam Chair. Basically there seems to be some discussion, and
16 we did explore that to a small extent, whether the Trustees
17 should be the group or whether we should actually be able -- or
18 recommend that there should be another option involved in
19 creating another governing body. No one had any ideas at that
20 time, we're hoping in July that we can come up with something
21 that we can put on paper.

22 CHAIRWOMAN D. WILLIAMS: Okay.

23 MR. WOLFE: Madam Chair.

24 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

25 MR. WOLFE: I do have a question now. It has

1 to do with the science research goals and objectives which say
2 "to help solve current and long-term resource management
3 issues." Could you elaborate a little bit on what that really
4 means? Are you trying to set up research that would replace
5 the normal research that would be done by the Trustee agencies
6 or this something that would compliment their long-term needs
7 for research, but be linked to the spill?

8 MR. ANDREWS: Actually the discussion centered
9 on continuing those projects that are necessary for continued
10 monitoring, if you will, the hydrocarbons through the food
11 cycles and the ecosystem, backed up by other types of research.
12 There are at least several people on the PAG that are very much
13 devoted to the basic research concept, I happen to be one of
14 them myself, but there also has to be some applied research
15 also. And we feel that a balanced program of both is probably
16 the way to go in the future on that.

17 Do you have anything more specific that you had in mind
18 on that or.....

19 MR. WOLFE: Well, it seems to be openended and
20 not focused on spill-related issues or monitoring. And that
21 was my point.

22 MR. ANDREWS: Yeah, that's correct, it's
23 openended on purpose and we hope to focus in and be more
24 specific after we've had a chance to take a break from this and
25 come back in July with more specifics, and I hope that we can

1 present those specific options to the Trustees at that time.

2 MR. WOLFE: Very good, thank you.

3 CHAIRWOMAN D. WILLIAMS: Any other questions
4 from the Trustee Council?

5 MR. PENNOYER: Madam Chair.

6 CHAIRWOMAN D. WILLIAMS: Yes, Steve.

7 MR. PENNOYER: Yeah, Rupe, when you say
8 governance you seem to be concentrating on legislation and
9 Trustee Council continuation and PAG continuing. How about the
10 actual management of this list and how it would interact with
11 other bodies or other groups or how you'd leverage? I mean,
12 how -- what should this thing look like? Not just you have a
13 Trustee Council signing off or a three member to vote on the
14 priorities or something like that, but actually how should this
15 be set up? Should it have staff? Does it need an Executive
16 Director? Did you get into things like that as well?

17 MR. ANDREWS: Madam Chair, Steve, that's
18 exactly the conundrum that we're in and that's why we postponed
19 it to the July meeting. This was discussed in a number of ways
20 and we don't have any good ideas at this time to present to
21 you. Stan.....

22 MR. PENNOYER: Will you do that in July, though
23 (indiscernible - interrupted).....

24 MR. ANDREWS: We hope to, yeah.

25 MR. PENNOYER: Okay, thank you.

1 MR. ANDREWS: Because you've just asked the
2 \$64,000 question here.

3 MR. PENNOYER: Maybe it's close to \$1,000,000.

4 MR. ANDREWS: Maybe it's a million now with
5 inflation.

6 Madam Chair, I have also another member of the PAG
7 group here, Chuck Meacham, I wonder if it would be appropriate
8 if the Trustees would hear a few remarks from him? He has some
9 comments.

10 CHAIRWOMAN D. WILLIAMS: Certainly. Chuck.

11 MR. MEACHAM: Thank you very much. Very
12 briefly, there's one item I wanted to correct in the meeting
13 summary of PAG on page three. I appreciate that this is a
14 draft, but on page three of the PAG's meeting results, about a
15 third of the way down from top, it's Meacham said. And it's
16 not zero percent should go for science, it was that 90 percent
17 should go for science and 10 percent for land, and specifically
18 small parcel-type acquisition. Just to clarify that. Again, I
19 appreciate it's a draft and it would have been caught
20 eventually.

21 Just very briefly in response to Mr. Pennoyer, I would
22 say that probably 90 percent of the discussion at our PAG
23 meeting dealing with the restoration reserve dealt with how we
24 thought the funding should be spent. And while we
25 superficially touched on the topics of governance and some of

1 the other items, we did not get into any detailed discussion,
2 in my view, and that would be the intent of our next meeting.

3 Thank you.

4 CHAIRWOMAN D. WILLIAMS: Very good. Any other
5 questions or comments?

6 (No audible responses)

7 CHAIRWOMAN D. WILLIAMS: All right. Well,
8 thank you so much for joining us, giving us your report and
9 your continued diligent work, we really appreciate it.

10 MR. ANDREWS: Thank you. I hope that we can
11 keep the pace up and momentum after the July meeting and
12 continue to be of a real service to the Trustees in their
13 decision-making. Thank you again.

14 CHAIRWOMAN D. WILLIAMS: Thank you.

15 MR. MEACHAM: Thank you.

16 CHAIRWOMAN D. WILLIAMS: Okay, it is not quite
17 11:00. We are scheduled to begin public comment period at
18 11:00 and so what I would like to do is have Eric, who will be
19 giving the Executive Director's report, go ahead and give as
20 much of it as you can in the next five minutes. Now, I assume
21 we can talk briefly about the finance report and perhaps status
22 of investments. Eric.

23 MR. MYERS: Well, I feel confident we can talk
24 about those two items, Madam Chair, in as much as the financial
25 report, there's really not anything other than to say than it's

1 in your binder, as it is traditionally provided.....

2 MR. RUE: Losing you, Eric.

3 MR. MYERS: Okay, I'm sorry, I'll speak a
4 little louder. The financial report is in the binder, it's
5 there for your reference. There's nothing more specific that I
6 intended to say in regard to that matter.

7 The status of investments. There is really no change
8 in the status of our efforts at this point, regarding our
9 ongoing long-term desire to see some additional ability to have
10 the funds of the Council earn a more productive rate of return.
11 So those items didn't take very long. You want me to just keep
12 going and we might be able to get through this other item if
13 you're interested?

14 CHAIRWOMAN D. WILLIAMS: I do have one
15 question, though. I'm looking at the financial report, I see
16 that in the restoration reserve we have 65,000,000. People are
17 now using the number 150,000,000. Do we have a level of
18 confidence that that is the number that we'll be talking about
19 and the date we'd be looking at the 150,000,000 would be 2002?

20 MR. MYERS: Okay. Traci, are you on line?

21 MS. CRAMER: I am, Eric.

22 MR. MYERS: Okay. Actually, I think that the
23 figure -- well, Traci, why don't you give them the background
24 for the genesis of the -- I refer to it as the \$140,000,000
25 number, but nonetheless, 150 and 140 are being bandied about.

1 And, Traci, why don't you tell us how we got to that figure.

2 MS. CRAMER: Deborah, we're estimating that the
3 principal already there will be roughly 140-150,000,000, that
4 is known -- in the year 2002. That assumes that the Trustee
5 Council continues to make \$12,000,000 payments and that the
6 fund earns roughly five percent.

7 CHAIRWOMAN D. WILLIAMS: Okay. And it works to
8 that, with those assumptions?

9 MS. CRAMER: That's correct.

10 CHAIRWOMAN D. WILLIAMS: All right, very good.

11 MR. MYERS: Continue?

12 CHAIRWOMAN D. WILLIAMS: Yes.

13 MR. MYERS: Okay. Madam Chairman, under tab
14 APEX you will find some material pertaining to a reallocation
15 of FY98 funds within the APEX Project. The memo describes what
16 has been proposed and authorized, pursuant to a polling of the
17 Board under emergency procedures. At this point what is
18 intended is simply that this action be ratified by the Council
19 and so a motion to that effect would be appropriate at this
20 time.

21 CHAIRWOMAN D. WILLIAMS: I will entertain a
22 motion to confirm our written approval of the reallocation of
23 the APEX funds. As all the Council members know and Eric just
24 stated, we all reviewed this in an emergency form and, as Eric
25 also stated, it is Trustee Council procedure to re-ratify an

1 emergency action in writing at the next Council meeting. So I
2 will take a motion to approve the reallocation of the APEX
3 funds.

4 MR. TILLERY: So moved.

5 MR. WOLFE: Second.

6 CHAIRWOMAN D. WILLIAMS: Okay, it has been
7 moved by Mr. Tillery, seconded by Mr. Wolfe, that we confirm at
8 this public meeting our emergency authorization of the
9 reallocation of the APEX funds. All in favor indicate by
10 saying aye.

11 IN UNISON: Aye.

12 CHAIRWOMAN D. WILLIAMS: Opposed?

13 (No opposing responses)

14 CHAIRWOMAN D. WILLIAMS: The ayes have it and
15 the allocation is authorized.

16 Okay, I think we are ready to go into public comment
17 period and we have several people here in Anchorage who have
18 indicated an interest in testifying this morning or speaking to
19 the Council this morning. Do we have people in Homer that are
20 interested in speaking to the Council this morning?

21 MS. BRODIE: Yes, this is Pam Brodie, I would
22 like to speak. Thank you.

23 CHAIRWOMAN D. WILLIAMS: Okay, very good. Do
24 we have people in Kodiak interested in speaking?

25 KODIAK LIO: No, they don't wish to speak, just

1 listen.

2 CHAIRWOMAN D. WILLIAMS: Okay, very good. And
3 do we have at this time anyone else who has joined us besides
4 people in Homer and Kodiak?

5 MR. PANAMARIOFF: You got Ouzinkie here.

6 CHAIRWOMAN D. WILLIAMS: Ouzinkie, great. And
7 is there -- are there people in Ouzinkie who wish to testify?

8 MR. PANAMARIOFF: I don't believe so at this
9 time.

10 CHAIRWOMAN D. WILLIAMS: Okay, very good.
11 We'll give everyone the opportunity after we've gone through
12 Homer and Anchorage. Let us then begin with Homer and, Pam, if
13 you'd like to testify at this time, please. And just to remind
14 everyone, please say your name slowly and spell your last name
15 at the beginning of your testimony.

16 MS. BRODIE: Thank you, Madam Chair. This is
17 Pamela Brodie, B-r-o-d-i-e, the Environmental representative on
18 the Public Advisory Group. Thank you for the opportunity to
19 testify. I would like to speak a little about the restoration
20 reserve and, as you heard from Rupe Andrews, the majority of
21 the Public Advisory Group members who were present at the last
22 meeting were not very supportive of putting a lot more money
23 into the restoration reserve, people were talking in the realm
24 of 10 or 20 percent.

25 We were talking mostly about small parcels and there

1 was general support for some money for small parcels. And the
2 general feeling was that there should be or, in fact, are not
3 large parcels still to buy. I hope Rupe Andrews is still with
4 you in Anchorage [sic], because I think there's something of a
5 misconception. And this was my fault at the Public Advisory
6 Group, we did not talk about Koniag and the Karluk parcels
7 still being available for sale, and I know Rupe is a lot more
8 familiar with that area than I am, and cares a lot about it.
9 And we didn't really talk about it. I know the Trustees do
10 have 16,000,000 set aside for that and I know, also, that there
11 may never be an agreement, but the environmental community is
12 still very hopeful that buyers and sellers can come to
13 agreement on price. And we would think it very important to
14 have -- for the Trustees to have the ability to spend more
15 money if they decide that that's appropriate, considering the
16 value of the area. So I just wanted to make it clear that the
17 PAG was not really looking at that possibility.

18 Another thing is the -- and I know this is very
19 controversial, but the environmental community has always
20 supported the Copper River Delta as being part of the oil spill
21 ecosystem and that the Trustees should be able to buy and
22 protect fish and wildlife habitat in that area, as well as the
23 area which is within the lines of the current maps, and we are
24 hoping that the Trustee Council will revisit those lines of the
25 maps before making final decisions about the restoration

1 reserve.

2 The environmental community supports 75 percent or I
3 should say, at least 75 percent, of the funds in the
4 restoration reserved being available for habitat acquisition.
5 It has been a very popular item in the past, it is still
6 getting a lot of public support. As you know the small parcels
7 can be very important to local communities. Here in Homer
8 we've had support for several of them, which the Trustees have
9 purchased and people are delighted about that. And this is
10 something that's hard to predict in terms of specifics, except
11 just to say that they do become available and will become
12 available, probably, indefinitely over time, so it's important
13 to be able to do that.

14 And there are other possibilities for large parcels. I
15 am, unfortunately, not up on what's going on with Lake Clark
16 right now, I haven't been doing my homework completely, but in
17 the past there has been some idea there might be a need for
18 significant funds there, so we think it's critical for the
19 Trustees to make adequate funding available for habitat
20 protection in the future for the sake of the natural resources
21 and for Alaskans now and in the future and for the people of
22 the United States who are owners of much of the public land
23 that was damaged.

24 Thank you.

25 CHAIRWOMAN D. WILLIAMS: Thank you very much,

1 Pamela. Are there any questions for Ms. Brodie at this time?

2 (No audible responses)

3 CHAIRWOMAN D. WILLIAMS: Thank you, Ms. Brodie.

4 One thing both your comments and the previous comments by
5 Mr. Andrews do reinforce in my mind is that I would very much
6 like to be invited to talk to the next PAG meeting and if I'm
7 not here because of VIP travel, to have someone from Fish and
8 Wildlife Service and Park Service talk about large parcel
9 possibilities. So assuming that is agreeable to the PAG, we
10 would very much like to talk about large parcels possibilities
11 at the next PAG meeting, and sorry that that did not occur at
12 the last PAG meeting. Because there are some potentials out
13 there that I think the PAG should know about before it proceeds
14 much further in its deliberations.

15 MR. RUE: Madam Chair.

16 CHAIRWOMAN D. WILLIAMS: Yes.

17 MR. RUE: This is Frank Rue.

18 CHAIRWOMAN D. WILLIAMS: Yes, Frank.

19 MR. RUE: Are those that are on our radar
20 scope?

21 CHAIRWOMAN D. WILLIAMS: Some, like Koniag,
22 that are and others that we've talked about, but not in a great
23 deal of detail. We've mentioned previous ones, such as Lake
24 Clark.

25 Okay, very good, any other questions or comment for

1 Ms. Brodie?

2 (No audible responses)

3 CHAIRWOMAN D. WILLIAMS: Thank you, Pamela.

4 MR. PENNOYER: I'm sorry, you mentioned Lake
5 Clark and a couple of -- can I ask what that is and how that
6 relates to the restoration reserve or the oil spill area?

7 CHAIRWOMAN D. WILLIAMS: Certainly. Of course,
8 all the Trustee Council members know about Koniag, so I don't
9 need to describe that in much detail, other than to say that,
10 as we all know, we have set aside \$16.5 million and the entire
11 price tag of the transaction, at our evaluation numbers is
12 larger than that, and so if we were to succeed in purchasing
13 both the Karluk as well as the Sturgeon we know that it would
14 be more costly than we have set aside.

15 Secondly, in terms of Lake Clark. Lake Clark shoreline
16 is part of the spill area. There are lands both in the
17 southern and northern portions of the Lake Clark National Park,
18 within the boundaries of the Lake Clark National Park that are
19 owned by Native corporations. There has been some expression
20 of interest by some Native corporations to have us sit down and
21 chat with them about possible acquisitions. These are some
22 extraordinary lands and this is something that we're looking
23 forward to the possibility of exploring more. Of course, in
24 our current funds there has been no money conceptually
25 allocated to these lands, but there are possibilities with

1 respect to the restoration reserve and also reallocating
2 current funds.

3 We've also discussed with the Trustee Council, but have
4 done nothing more than that, some lands to the south of Lake
5 Clark and the Becharof Refuge and there have been no specific
6 plans made in that regard but the Becharof Refuge is within the
7 spill area and there are the potential of large parcel
8 acquisitions there. Again, the idea being to talk with the PAG
9 about the possibilities, not probabilities, but just
10 possibilities at this point, so the PAG can make the best
11 recommendations possible given our current state of knowledge.

12 MR. PENNOYER: Thank you.

13 CHAIRWOMAN D. WILLIAMS: All right. Any other
14 questions or comments?

15 (No audible responses)

16 CHAIRWOMAN D. WILLIAMS: That brings us then to
17 Anchorage and the first person who has signed up is Matthew
18 Zencey.

19 MR. ZENCEY: May I reserve the balance of my
20 time to go last here? I'm learning as everyone speaks.

21 CHAIRWOMAN D. WILLIAMS: Matthew, no. First on
22 the list, first up.

23 MR. ZENCEY: First come, first served.

24 CHAIRWOMAN D. WILLIAMS: First come, first
25 served.

1 MR. ZENCEY: I never thought there would be a
2 disadvantage to showing up early. Give me that list, I want to
3 write my name at the bottom.

4 CHAIRWOMAN D. WILLIAMS: You get to influence
5 everyone else's presentation.

6 MR. ZENCEY: Okay. All right. Well, thank you
7 very much again for inviting public testimony. And it is
8 important, I think, for the Trustees to maintain the good
9 record that you've had on soliciting public comment and
10 listening to and responding public comment.

11 (Unidentified voices on teleconference)

12 CHAIRWOMAN D. WILLIAMS: Can Juneau hear
13 Matthew Zencey fine?

14 MR. ZENCEY: Can you hear okay down there?

15 MR. RUE: Yes.

16 CHAIRWOMAN D. WILLIAMS: Okay, very good.

17 MR. ZENCEY: Where is the microphone? I feel
18 like I'm talking into the Mars Rover here, it's a strange
19 looking microphone. That's it, huh? All right, thanks.

20 Okay, just briefly, we would like to reiterate the
21 comments that we have provided on the restoration reserve
22 process that habitat needs to be a highly significant component
23 of this -- of the planning for the Trustees, that it is the
24 most lasting, useful and demonstrable way to protect and help
25 enhance the restoration of resources that have been affected by

1 the spill. And some of those resources are, you know, most
2 overtly biological, some species still in need of recovery, but
3 also to keep in mind human uses, such as, you know, subsistence
4 and wilderness and sport fishing and sport hunting as well,
5 that have been affected by the spill and displaced into other
6 areas.

7 I'm encouraged to hear that there is some discussion
8 of, you know, potential opportunities that may be there for
9 habitat acquisition and we would like to reiterate some other
10 possibilities. The question of what may happen in the Bering
11 River area on the Copper River Delta, a highly significant
12 biological area on the coastal rim here and even though it was
13 not directly oiled, we feel that there are both connections
14 biologically and though human uses to this area and some
15 development and proposal there could have significant impact on
16 the ecosystems and also on the human systems that were affected
17 by the spill. So we'd encourage you to keep that in mind as
18 you undergo your decision-making for the restoration reserve.

19 I'd also like to allude to comments about the nature of
20 the public comment on the restoration reserve planning and I'll
21 be sure to come back here when you get to agenda Item 9,
22 restoration and reserve, discussion of public comments. I
23 think it's important not to dismiss the nature of the comments
24 merely because they may come from outside the state, these are
25 national resources that are issues here in many respects. And

1 these people are stakeholders, they may be far away, they may
2 not have the sophisticated understanding that those of you at
3 the table do, but nonetheless, I think they -- those comments
4 speak to the kinds of values that these resources represent and
5 there is a significant, if you check the analysis of the
6 comments, there is a significant interest in habitat
7 acquisition as being a major tool in the toolbox for use of the
8 restoration reserve and would urge you not to lightly dismiss
9 it simply because it may come from outside the state or in a
10 form that is not considered significant by some who have looked
11 at it.

12 And then finally I would like to -- since there is some
13 political controversy surrounding the nature of habitat --
14 surrounding habitat acquisition and how beneficial it may be or
15 how politically wise it may be, just like to make sure that the
16 Trustees are aware of some of the constituencies that have
17 spoken up in support of significant use of the restoration
18 reserve for habitat acquisition. Here we have the American
19 Sports Fishing Association which commends you for your prior
20 action to protect 120 salmon streams and intertidal spawning
21 areas in Prince William Sound. Another 76 anadromous streams
22 and rivers in the Kodiak, Afognak and Shuyak area. And the
23 Sports Fishing Association urges you to consider major
24 initiatives for further habitat protection with the restoration
25 reserve.

1 Here we have the National Rifle Association of America,
2 the Conservation Director, supporting habitat protection for
3 large and small parcels remaining a priority in the restoration
4 reserve. We have the Alaska Professional Hunters Association
5 encouraging allocation of up to 75 percent of reserve funds to
6 purchase key habitat areas. We have the Safari Club
7 International with a similar comment. We have the Alaska
8 Outdoor Council with a similar comment. These are not your
9 conventional environmental organizations and to the extent that
10 they are speaking up for habitat protection, I think it is the
11 kind of comment that deserves full attention from the Trustees.
12 The list goes on, here's Rocky Mountain Elk Foundation, which
13 point out that a number of the habitat protection measures that
14 have been taken also benefit the species that they're
15 interested in. We have the Congressional Sportsman's
16 Foundation which you may well know that probably at least one
17 of the lead critics of habitat acquisition is a member of that
18 Sportsman's Caucus where the foundation -- one of the groups
19 that the Sportsman's Foundation works with commends you for
20 taking one of the worst environmental disasters in the United
21 States and in its wake creating a legacy for the entire
22 country's present and future generations. There's this
23 completion of the Karluk River acquisitions and other
24 opportunities for habitat acquisition.

25 So I would like to suggest that there is a broad and

1 deep public interest in continued habitat protection as you
2 plan for the restoration reserve. Thank you.

3 CHAIRWOMAN D. WILLIAMS: Thank you very much,
4 Mr. Zencey. Questions or comment for Mr. Zencey?

5 (No audible responses)

6 CHAIRWOMAN D. WILLIAMS: Very good, thank you.
7 Okay, next on the list is David Grimes.

8 MR. GRIMES: Good morning and thanks for
9 allowing testimony. It's David Grimes, G-r-i-m-e-s from
10 Cordova. And this does look like the Mars Rover here.

11 I have a couple of comments and few questions and a few
12 questions also, but first I wanted to ask Craig Tillery if the
13 AG's office is planning any legal action to enforce a
14 moratorium on rain in the oil spill region. And if not, why
15 not?

16 MR. TILLERY: It's a Federal issue.

17 MR. GRIMES: Particularly what I would like to
18 address is my feeling that there clearly are large parcels yet
19 in the oil spill region and greater ecosystems that need
20 protection. And I wanted to speak about and Deborah has talked
21 about on the west and southwest side in Lake Clark area, I want
22 to focus attention again on the east side in the Copper River
23 Delta area. And it seems like one thread that's continuous
24 through the many hundred of millions of dollars on science that
25 has been spent trying to get a handle on how to approach

1 restoration and then take action. Because I assume we're not
2 spending this money for the sake of spending money but that we
3 hope to be able to take action based on the science. And one
4 of the things we keep talking about is ecosystem management,
5 that, you know, we can draw political boundaries but those
6 don't really reflect the ecosystem boundaries and that word
7 "ecosystem" seems to be throughout the literature that the
8 Trustees and other people are talking about, so I do want to
9 point out that the boundary that the Trustee Council has been
10 operating under on the east side runs down one side of the
11 Copper River. And I would certainly ask if anybody on the
12 Council thinks that that represents an ecosystem line? Does
13 anyone see how drawing that line down side of a river would be
14 ecosystem management?

15 (No audible responses)

16 MR. GRIMES: Hearing no one say that that is, I
17 assume that -- then the Trustee Council, if it were
18 demonstrated that there were restoration values for injured --
19 replacing injured resources and services in the Copper River
20 Delta that we would be considering that. And also point out
21 that the Prince William Sound/Copper River "Ecosystem News"
22 where with this ecosystem partnership, it's sort of implicitly
23 stated that Prince William Sound and the Copper River Delta are
24 one greater ecosystem.

25 Signing on with this is the Department of Environmental

1 Conservation in Alaska, Alaska Department of Fish and Game,
2 Department of Natural Resources, the Bureau of Land Management,
3 Chenega and Chitina Native Corporations, U.S. Geological
4 Survey, U.S. Fish and Wildlife, Chugach National Forest and
5 Wrangell/St. Elias National Park and Preserve. And I just
6 wanted to, just briefly, lay out what I think are the
7 restoration values of the Copper River Delta, including the
8 Bering River country on the east side.

9 We know, for example, the greatest concentration in the
10 world of sea otters, beavers and trumpeter swan are there,
11 along with the Federally listed Steller sea lions. It's
12 considered the most important habitat in the Western Hemisphere
13 for shorebirds, it's probably the most critical site on the
14 Pacific Coast flyway. It's the only Forest Service district in
15 the United States legislatively mandated, first and foremost,
16 to be managed for fish and wildlife habitat values. It's in
17 the spill region, it's the only uncompromised major salmon run
18 and, of course, everybody knows the Copper River red salmon are
19 world renowned. And in addition of the handful of rivers
20 available in Chugach National Forests for Federal designation
21 as wild and scenic rivers, three of those are in this
22 particular area.

23 And on top of all that I don't think you could find a
24 place in the country more significant to the history of
25 conservation. As many of you know, the Copper River Delta, in

1 specific the Bering River coal fields -- Gifford Pinchot was
2 fired as the first head of the Forest Service over trying to
3 protect those and keep those in the public trust. Teddy
4 Roosevelt came out of retirement and formed the Bull Moose
5 party to do that. The Bering River coal fields were the
6 catalyst for that, but the larger issue was a conservation
7 ethic stating that the public's resources should be developed,
8 if developed, or conserved for the greater public good and not
9 to be given to private interests for their own gain. And Teddy
10 Roosevelt must be turning over his grave these days, because if
11 he were to walk in today and ask what the nation's oil reserves
12 were, he would be told, "sorry, that's proprietary information
13 of the oil industry".

14 Then specifically what I wanted to talk about, one last
15 thing with this, is that there was an informal meeting a month
16 or so ago between some of the Trustee Council members and
17 Dr. Shin, the Korean -- and some of us here and Dr. Shin, the
18 Korean businessman who now is pretty much the sole owner of the
19 Bering River coal fields and what -- and expressing that while
20 he is moving forward with plans to develop these areas, and
21 indeed has met with the City of Cordova with the possibility of
22 looking at these coal fields as a way of generating power for
23 Cordova in the future, as well as other things. He also states
24 that he's entirely open to the idea of doing something with
25 these coal fields in the interest of conservation.

1 And so I think we have a sterling opportunity here to
2 come to someone who does own significant interests in this area
3 that would be vital, in my mind, for restoration objectives and
4 here's someone who's open at the beginning before there's an
5 imminent threat, someone is willing to come to the table and
6 present this opportunity.

7 So I guess that's mostly what -- oh, and then the other
8 concern is then last -- a week ago on -- well, I guess it was a
9 little bit more than a week ago, the Anchorage Daily News had
10 an article and at that point talking about -- I think Frank
11 Murkowski in his wisdom was complaining about the Trustee
12 Council looking at the Bering River area and Copper River Delta
13 for restoration. And Molly McCammon was quoted, and a Forest
14 Service spokesperson were quoted as saying "absolutely there's
15 no interest in that". I wonder if there's some clarification
16 because my understanding, from our informal meeting, was that
17 indeed there was significant interest, however, there were
18 protocols that would have to be followed before the Trustee
19 Council could formally take this up. And so I'm wondering if
20 someone was misquoted or if, indeed, the Forest Service or
21 others are still drawing the link to restoration values here.
22 Is that -- maybe, Jim, I don't know if you have any comments on
23 that.

24 CHAIRWOMAN D. WILLIAMS: Certainly.

25 MR. WOLFE: Okay. The one thing that probably

1 is confusing is that there's no Trustee Council approval to do
2 any work with respect to evaluating the link with the spill
3 injuries in the coal field area. But the Forest Service has
4 agreed that we will look at that, as being a major land owner,
5 and we still propose to proceed with that. We've got a few
6 other alligators that we're working on right now, with the road
7 and some other things, but we do expect to get to that. We did
8 say that we would try to bring something to the table and
9 discuss it at our August, if I recall, August 8th, Trustee
10 Council meeting that's scheduled. And I don't see why we can't
11 still do that.

12 MR. GRIMES: Well, then the Forest Service
13 spokesperson who was quoted in the Daily News saying the Forest
14 Service was not proceeding in this fashion, was that a misquote
15 then?

16 MR. WOLFE: I have no idea who it was, but you
17 just heard where we're at.

18 MR. GRIMES: Okay. Well, I'm just concerned --
19 I mean it doesn't look good for the Trustee Council to be
20 bending over because a Federal Senator is complaining about
21 these things. I'm just hoping, again, to as much possible, I
22 know we can't remove politics entirely from this process, but I
23 would remind us all that the oil spill cut across all
24 boundaries, political and ecosystem and otherwise, so we have
25 to keep our eyes on the prize.

1 And I hope that you all will do what you can. I really
2 think there are some large parcels still here. And it's also
3 my belief that with the science that we already have in this
4 arena that we know how to conduct triage for restoration.
5 Ninety percent of efforts surely would go into preventing oil
6 spill and protecting habitat. And I would just have to say,
7 surely, any triage system would put 90 percent of your effort
8 in those things and perhaps 10 percent in science. But you
9 don't -- in the emergency room you don't propose to study that
10 patient initially, you propose to save the patient and do no
11 further harm before you do any more science.

12 So, anyway, thank you so much for this opportunity.

13 CHAIRWOMAN D. WILLIAMS: Thank you. And if I
14 could, just to remind the public of what the Trustee Council
15 process has always been. Whenever someone who owns an interest
16 in land comes to the Trustee Council and expresses an interest
17 in selling that land or being involved in the Trustee Council
18 process, we listen to that request, but then we ask that the
19 land-managing entity that owns or manages land adjacent to or
20 surrounding that land is the one that does the analysis to
21 determine whether it's something that they believe merits
22 further Trustee Council consideration. That's what is
23 happening now with the Forest Service.

24 I do not know what the Forest Service is going to
25 recommend to the Trustee Council, I don't think the Forest

1 Service knows now either. If the Forest Service does not
2 recommend any action, which has happened in other instances,
3 then that is the end of it because the Trustee Council does not
4 seek to have land managers outside of the managing area, you
5 know, involved at that point. If the Forest Service does
6 recommend further action then the Trustee Council will look at
7 it at that time. And, of course, this issue is complicated,
8 substantially, by the fact that this is outside of the spill
9 area as defined.

10 Yes, Mr. Tillery?

11 MR. TILLERY: Just to clarify my own ease on
12 that.

13 CHAIRWOMAN D. WILLIAMS: Yes, please.

14 MR. TILLERY: As I understand it, when you say
15 the Trustee Council asked the Forest Service to look at
16 something.....

17 CHAIRWOMAN D. WILLIAMS: No, no, no.

18 MR. TILLERY:the Trustee Council has not
19 asked the Forest Service to do anything.

20 CHAIRWOMAN D. WILLIAMS: No.

21 MR. TILLERY: The Trustee Council is not
22 putting any nickels behind any analysis that the Forest Service
23 does. It is taking any action it takes as part of its job as
24 the Forest Service and not at the request of the Trustee
25 Council.

1 CHAIRWOMAN D. WILLIAMS: Yes. Thank you. If I
2 misspoke, thank you for clarifying that, Mr. Tillery. Yes, we
3 did not -- the Trustee Council did not ask Forest Service to
4 look at it as a course of action, the land-managing entity,
5 adjacent to the areas, you know, looks at it if they wish to
6 pursue it or wish to consider it.

7 Okay, any other comments on this item?

8 MR. RUE: Yeah, Madam Chair.

9 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Rue.

10 MR. RUE: There was a couple of question posed
11 by the last person testifying and they suggested, just by
12 silence, the Trustee Council was agreeing, and I think that
13 could not necessarily be true. I also think the "protocols" we
14 have to go through is a fairly significant action to change the
15 boundaries of the area that we're even looking at. There's
16 sort of major questions out here that need to be looked at.
17 And I think -- I have not, certainly, from the Division of Fish
18 and Game made up my mind one way or another. I haven't even
19 really been presented by [sic] a very thorough analysis of the
20 merits and demerits of this proposal.

21 CHAIRWOMAN D. WILLIAMS: Yes, thank you,
22 Mr. Rue. Any other questions or comments?

23 (No audible responses)

24 CHAIRWOMAN D. WILLIAMS: Okay. Our next
25 testifier is Rick Steiner.

1 MR. STEINER: Hi, folks. Thank you, again.
2 Basically I just wanted to reiterate and support some of the
3 comments that have been already made today by Pam Brodie, David
4 Grimes and also the Alaska Rain Forest Campaign ala Matt
5 Zencey. And I also wanted to fill in a couple of blanks. But
6 first of all, on the issue that Deborah just brought up on the
7 -- that the protocols are that the adjacent land owner would
8 evaluate potential habitat parcel for acquisition or its
9 restoration value. In some of these place, for instance, the
10 Bering River area that we're talking about, the agencies that I
11 believe have perhaps -- I have great confidence in the Forest
12 Service in making a positive recommendation of this place, but
13 the agencies that have more responsibility for the resource
14 that would be impacted by any development there would be the
15 Department of Interior and the Department of Fish and Game.

16 So I -- you know, while I appreciate you have to
17 develop some protocol for a way to proceed in these habitat
18 parcels, I would think even if the Forest Service came to you
19 with a negative recommendation, that should not be the end of
20 the discussion on a particular area.

21 Further on this boundary issue that Commissioner Rue
22 just mentioned and several other people have mentioned and, I
23 believe, you've received written comments concerning the
24 boundary. First of all, your restoration program is not
25 limited to your -- what I consider quite arbitrarily or

1 politically drawn boundary. Your Restoration Plan states that
2 restoration activities, while they will occur primarily within
3 the spill area, they are not limited to the spill area and this
4 policy provides some flexibility to restore and monitor outside
5 of the spill area.

6 So you do have the abilities to do things outside of
7 the drawn boundary. The boundary was drawn, I think
8 Mr. Tillery was around, and Mr. Wolfe was around when the
9 boundary was drawn. And my recollection of that was it was
10 drawn specifically because in House Bill 411 we had -- or Cape
11 Suckling was in House Bill 411, which was the State's first
12 attempt at appropriating the criminal restitution area
13 recoveries.

14 It was the intent of the Alaska Legislature, at that
15 time, as passed by the Alaska Legislature in 1992 or '93, I
16 can't remember which, '93, that areas as far east as Cape
17 Suckling were, indeed, within the spill-affected area. And
18 then by acquiring habitat protections in this region you were
19 at least replacing damaged and threatened -- or damaged
20 resources and populations within the immediate spill-impacted
21 region. That was the intent of the Alaska Legislature just a
22 few years ago. That bill, as we all know, was vetoed by the
23 Governor at the time, but it was passed by the Legislature.

24 The area, the Bering River area, is only 100 miles from
25 the geographic ground zero of the spill, which is Western

1 Prince William Sound. It's much more biologically connected
2 than areas such as Ivanof Bay and Chignik Bay, which are some
3 400 miles from the geographic center and the biological center
4 of damage. There's a number of resources and services that
5 would be protected and would provide replacement for injured
6 resources and services, if this area were included, including
7 bald eagles, salmon, cutthroat trout, Dolly Varden, river
8 otters, harbor seals, which go up and use the Bering River area
9 extensively, harlequin duck, marbled murrelet, pink salmon,
10 well, I mentioned salmon.

11 Significant archaeological resources, designated
12 wilderness areas, if this area were protected it would replace
13 a number of injured, very special wild, achingly beautiful, to
14 steal the phrase. Wild area in Western Sound on Kodiak Island.
15 And then, perhaps, as importantly or possibly most importantly,
16 the resource services that protection of this area would help
17 replace, and that's commercial fishing. Passive uses, such as
18 recreation -- including recreation and tourism, sport fishing,
19 sport hunting, other recreational uses and subsistence.

20 There's no question that this, that the Eastern Copper
21 River Delta and the Bering River region is perhaps your most
22 significant restoration opportunity remaining. I strongly
23 support the Koniag discussions and whatever can be done in Lake
24 Clark, it is a very special place as well.

25 Lastly, there is imminent threat in that region and I

1 believe by -- simply the coal field alone, by taking care of
2 the coal field, conserving it, leaving it in the ground, where
3 it should be, you're providing a symbolic gesture to the Kyoto
4 agreements that the United States is a party to, that the U.S.
5 Senate has yet to ratify and possibly will never, but it's at
6 the foot of the extensive ice field in the world, outside of
7 Greenland and the Polar Ice Caps and an ice field that is
8 showing response to global warming here. You would be leaving
9 100,000,000 tons of coal right in the ground and not putting it
10 up into the atmosphere and assisting climate change.

11 On the restoration reserve, I would underscore comments
12 that the bulk of it should go towards habitat, I think I've
13 commented that way before. And I would encourage you to
14 incorporate the comments from day one until now in trying to
15 make a decision of how to disperse these monies. Not just the
16 comments specific to the restoration reserve. There have been
17 tens of thousands of comments, if not more, supporting habitat.
18 I would imagine from day one until now the bulk of the weight
19 of the comments has been 90 some percent in favor of the bulk
20 of the monies going toward habitat protection.

21 Secondly, the marine research community has -- it's a
22 whole different set of circumstances today than it was two or
23 three years ago when the restoration reserve was discussed.
24 The Dinkum-Sands monies are forthcoming, that's a significant
25 -- that will provide, perhaps, \$10,000,000 a year to the marine

1 research community in Alaska. There's this new \$100,000,000
2 facility that NMFS has to be constructed in Juneau, this big
3 Seward aquarium, \$50-60,000,000 facility, the Oil Spill
4 Recovery Institute that Senator Stevens found monies for.
5 There's a substantial amount of new support. Infrastructure
6 and research funding for marine research in Alaska now, that
7 was not in existence three or four years ago. That should be
8 factored into your consideration.

9 And lastly, I would like to have -- all of us want
10 closure to this event and the specter of waking up in the year
11 2020 and reading the Anchorage Daily News and finding out what
12 the Exxon Valdez Oil Spill Trustee Council restoration reserve
13 is doing today, over my morning coffee is not all that enticing
14 to be honest with you. If you look at some of Steve Picou's
15 (ph) work, he finds that these things need closure and they
16 will not find it unless the appropriate government agencies and
17 the polluter, the perpetrator of the incident, give it closure.
18 So I think the restoration reserve, whatever you're going to
19 continue spending on science out of it, ought to be folded into
20 the Dinkum-Sands money or however you can do it legally, but I
21 guess I'm saying, as politely as possible, is it should go
22 away, you know.

23 And I think that's all I have to mention on that.
24 Thank you.

25 CHAIRWOMAN D. WILLIAMS: Any questions or

1 comments for Mr. Steiner?

2 (No audible responses)

3 CHAIRWOMAN D. WILLIAMS: All right. The next
4 person I have listed who wishes to testify is Beth Carlson.

5 MS. CARLSON: Good morning and thank you for
6 letting me comment this morning on the future of the
7 restoration reserve fund. My name is Beth Carlson,
8 C-a-r-l-s-o-n, and I am commenting on behalf of the Sierra
9 Club, whose members have a great interest in the decisions made
10 by the Trustee Council.

11 A little over a month ago in a letter dated April 30th,
12 1998, Sierra Club submitted written comments concerning the
13 restoration reserve. As this is the case, I'm only going to
14 briefly highlight today what was submitted in those comments.
15 First, with regard to the use of the funds, the Sierra Club
16 believes that protection of fish and wildlife habitat remains
17 the most lasting and beneficial use. We recommended 75 percent
18 of the restoration reserve be set aside for this purpose.
19 Whether the funds are used to acquire large or small parcels
20 will depend on what land become available in the future.
21 However, we believe that the importance of purchasing parcels
22 of land for habitat protection, as well for public use, for
23 public education and for peaceful enjoyment cannot be
24 overstated.

25 Second, we recommend that the Trustee Council divide up

1 the restoration reserve into separate categories or accounts,
2 according to the types of uses that will exist in the future.
3 By doing this, the Trustee Council can insure that monies
4 designated for a particular purpose will, in fact, be used for
5 that purpose. Further we would recommend that these separate
6 accounts be under the control of separate governing bodies.
7 The reason for this is quite simply that the individuals best
8 qualified to make determinations regarding the use of money in
9 one category or account are not necessarily the individuals
10 best qualified to make determinations regarding the best use of
11 money in another category or account.

12 If this recommendation is not followed, the Trustee
13 Council should keep its present form and resist any pressure to
14 put full restoration reserve under the control of
15 representatives from different interest groups due to the
16 difficulty that these groups often have in reaching a consensus
17 in the future.

18 Third, if our recommendation regarding division and
19 separation of the restoration reserve into separate accounts
20 with separate governing bodies, for separate purposes, is
21 adopted, kind of the same way that the Federal government puts
22 monies into separate categories for separate purposes within an
23 agency, then we believe that these accounts should also have
24 separate terms. The terms on the account, such as its length
25 of existence and the amount of money which could be used at any

1 one time for any one purpose within the category would depend
2 on the particular category of use for that money for which it
3 is designated. Only by providing separate terms for the
4 separate accounts can the Trustee Council ensure that the best
5 use of money is made for the intended purpose.

6 Finally, as the Trustee Council and its staff have done
7 an admirable job of listening and responding to public opinion,
8 and as less money will be available for public participation in
9 the future, the Trustee Council should consider discontinuing
10 the Public Advisory Group. The current PAG is expensive and
11 it's not effectively providing advice from the interest groups
12 its members are supposed to represent in all cases.

13 Individuals and groups interested in this process here in
14 Alaska and Outside wisely communicate with the Trustee Council
15 directly as the Trustee Council is a decision-maker.

16 Dismantling the PAG will save money and ensure that comments
17 made by individuals and groups interested in the work of the
18 Council actually reach the decision-makers directly.

19 Although the Trustee Council has not requested comments
20 on what area or areas should benefit from the oil spill
21 restoration funds, the Sierra Club would like to see the
22 official oil spill area expanded to include the Copper River
23 Delta, as other speakers have mentioned today. We certainly
24 hope this important and essential section of the Prince William
25 Sound ecosystem will be included at some point in the future.

1 On behalf of the Sierra Club, I would like to thank the
2 Trustee Council for the permanent protection of nearly 600,000
3 acres of valuable wildlife habitat throughout the oil spill
4 area, to date, and for the opportunity to comment today. Thank
5 you.

6 CHAIRWOMAN D. WILLIAMS: Thank you. Very good
7 comments. Any questions for Beth?

8 (No audible responses)

9 CHAIRWOMAN D. WILLIAMS: Okay, hearing none, we
10 will go to our next testifier. Patty Brown-Schwalenberg.

11 MS. BROWN-SCHWALENBERG: Good morning. My name
12 is Patty Brown-Schwalenberg and I'm Executive Director of the
13 Chugach Regional Resources Commission. That's
14 S-c-h-w-a-l-e-n-b-e-r-g.

15 I wanted to comment on a few issues and bring you up to
16 date on some of the other issues that are currently ongoing.
17 We just finished last Saturday with a retreat with the 10
18 community facilitators where we talked about restoration
19 reserve, the TEK project, community involvement project, 10th
20 anniversary. A lot of the issues that are on the table right
21 now, plus future directions for some of the projects that we're
22 working on in Chugach Region or the oil spill area.

23 The last time I addressed the Trustee Council we were
24 discussing the TEK protocols, that was one topic of discussion
25 at our retreat. And the community facilitators are in support

1 of the protocols, we drafted a resolution, we're going to be
2 going to all the village councils this month and next month to
3 get the resolution passed, that all the village councils will
4 have passed the TEK protocols.

5 We also learned that the facilitators were in support
6 of the TEK project and they were a little concerned that the --
7 that it's listed as a "do not fund as proposed", but we're
8 hoping to work with the Trustee Council staff and discuss the
9 directions that we had shared at the retreat to see if we can
10 address the concerns raised by the Trustee Council staff, so
11 that we can come up with a program that will be advantageous to
12 everyone. Because we do think it's an important component of
13 the restoration effort.

14 We also talked about the subsistence assessment project
15 that the Alaska Department of Fish and Game is proposing and
16 the communities are very positive about it. We look forward to
17 working with Alaska Department of Fish and Game on it, if it is
18 funded. It provides for a active involvement by the tribes and
19 by the tribal people to help collect some of that data, but not
20 only collect the data, but also to teach them what happens once
21 the data is collected, so they're not just out going and
22 getting the surveys filled out and sending them to Anchorage,
23 we're actually going to have some kind of a -- hopefully have a
24 program where they can find out what happens to that data after
25 it's collected, so it more meaningful. And the project will be

1 -- there will be more of an ownership of the project by the
2 communities if that kind of an approach is taken, so we really
3 appreciate working with Jim Fall and Rita Miraglia on that and
4 I think it'll be a real positive thing.

5 In regards to the 10th anniversary, the communities are
6 looking forward to being involved in that. We'd like to put a
7 paper on for that event in March. But one concern they did
8 express and I'd like to relay it to the Trustee Council, is
9 that the term 10th anniversary to them connotated like it was
10 some kind of a celebration, and to them it's not a celebration.
11 They would prefer something, like a 10-year memorial or some
12 other kind of name, rather than anniversary. And I think they
13 have a good point there.

14 As far as the FY99 Work Plan, we support the projects
15 that have been proposed by the communities and we're especially
16 interested in getting the clam project funded again. I
17 understand that it's been deferred for another review and data
18 from this last fiscal year, so we hope that the Trustee Council
19 continues to support that project now that the Qutekcak Tribe
20 is in the new hatchery and things seem to be working very well.

21 And the -- let's see what else here. Under the
22 restoration reserve, Chugach Regional Resource Commission Board
23 did submit a position paper which I think you all have
24 received, maybe in the past. But one of the main components of
25 our position paper was a \$20,000,000 set aside for

1 community-based projects and I think that's real important and
2 if you use some kind of a funding mechanism, such as the DCRA
3 it would be -- it's more user friendly to the communities,
4 they're not competing with universities and Ph.D. professionals
5 to get their projects funded and they would be able to have
6 more access, I think, and more involvement in the restoration
7 effort.

8 As far as the archaeological repository project is
9 concerned, we attended a meeting that Chugachmiut hosted of all
10 the communities, village councils, corporations, to try and
11 come together with a plan. I understand they've requested an
12 extension in submitting the proposal, so I hope the Trustee
13 Council considers that. It was real heartening to see that the
14 communities are working together and they're committed to
15 coming forward with one plan that everyone supports, so it was
16 real pleasing to see that everyone is in one room and really
17 trying to work hard to come up with something.

18 And I guess I would be remiss if I didn't talk about,
19 what you call, habitat protection and acquisition. Under your
20 current Work Plan, I understand that's what you are planning on
21 doing and continuing to do whatever the restoration reserve,
22 the communities really do not support any land acquisition
23 [sic]. I think it's a travesty to be purchasing lands from the
24 tribe, and I'm speaking not only from the tribes in the Chugach
25 region but personally as well. I come from a reservation back

1 in Wisconsin and the tribes in the Lower 48 now are struggling
2 to buy back land that was sold, in one form or another, back
3 in, you know, early history of the United States. And I can
4 see it all happening again here and I have to agree with the
5 villages and community facilitators when they say that the
6 habitat protection and acquisition program is not something
7 that's going to support the traditional tribal people, it's not
8 something that's going to be good for them. And one of these
9 days they're going to be going out subsisting and there will be
10 a bunch of kayakers coming along when they're in the middle of
11 their subsistence activities, and that's not good.

12 And as far as the habitat protection, because you want
13 to protect the fish and wildlife habitat, to me that's almost
14 saying that the corporations -- you're not giving them enough
15 credit that they can protect the wildlife, fish and wildlife
16 habitat themselves. They do have land management plans and
17 unfortunately because of ANCSA they've been turned into
18 capitalistic mentalities, so that they have to make money in
19 selling their land, it just happens to be one of it, cutting
20 timber, maybe another part of it, but traditionally speaking, I
21 think that you should really take a serious look at how you're
22 going to address the habitat protection and acquisition under
23 the restoration reserve.

24 And finally, we hear Molly was back in the hospital
25 last week, we hope she has a quick recovery and extend our

1 condolences and everyone in our region is concerned and we send
2 our prayers.

3 CHAIRWOMAN D. WILLIAMS: Thank you very much,
4 Patty. Are there questions or comments for Patty?

5 (No audible responses)

6 CHAIRWOMAN D. WILLIAMS: Patty, I have one
7 question about -- and thank you for the update on so many
8 important topics. On the TEK protocols, do they pretty much
9 look like the last draft that we've all seen?

10 MS. BROWN-SCHWALENBERG: Yeah, it's the draft
11 that was approved by the Trustee Council.

12 CHAIRWOMAN D. WILLIAMS: Great.

13 MS. BROWN-SCHWALENBERG: The same thing, same
14 document, yeah.

15 CHAIRWOMAN D. WILLIAMS: Terrific. Thank you
16 for doing that.

17 MS. BROWN-SCHWALENBERG: It was just a -- like
18 I said the last time I addressed the Trustee Council, it was a
19 basic misunderstanding of what was actually in the protocols
20 and what was going to be negotiated between the village and the
21 researcher once it got down to that point. And so once they
22 understood how it read in the protocol, those people were
23 pretty willing to support it.

24 CHAIRWOMAN D. WILLIAMS: Good. And with
25 respect to the anniversary, any further recommendations you

1 have on that would be greatly appreciated.

2 MS. BROWN-SCHWALENBERG: Okay.

3 CHAIRWOMAN D. WILLIAMS: Thank you.

4 MS. BROWN-SCHWALENBERG: Thank you.

5 CHAIRWOMAN D. WILLIAMS: Any other questions of
6 Patty?

7 (No audible responses)

8 CHAIRWOMAN D. WILLIAMS: Very good.

9 MR. PANAMARIOFF: Madam Chair.

10 CHAIRWOMAN D. WILLIAMS: Yes.

11 MR. PANAMARIOFF: I just wanted to say hello to
12 Patty and hello to Deborah before I leave, I got to be leaving
13 the teleconference at this time. Thank you.

14 CHAIRWOMAN D. WILLIAMS: Thank you.

15 MS. BROWN-SCHWALENBERG: Bye.

16 CHAIRWOMAN D. WILLIAMS: Is that Rupert do we
17 think?

18 MS. BROWN-SCHWALENBERG: No.

19 MR. MYERS: It was the person in Ouzinkie.

20 CHAIRWOMAN D. WILLIAMS: The next person we
21 have listed to testify is John Schoen.

22 MR. SCHOEN: Thank you for the opportunity to
23 address the Trustee Council, even though I'm a little bit late,
24 but I had an early morning run, so I'm all set and fresh.

25 I'd like to make recommendations on the restoration

1 reserve fund on behalf of the National Audubon Society and our
2 550,000 members throughout the nation and our 2,000 members in
3 Alaska, based in chapters in Juneau, Kodiak, Anchorage, and
4 Fairbanks.

5 We commend the Trustee Council for its twin emphasis on
6 both habitat protection and ecological research and monitoring
7 in the spill area and note that the EVOS Trustee Council and
8 your staff have carried out this effective program with
9 widespread public involvement and support. We also commend the
10 Trustee Council for its decision to set aside funds in the
11 restoration reserve which will total about 450,000,000 in the
12 year 2001.

13 National Audubon strongly supports the Trustee
14 Council's habitat protection program, including the most recent
15 acquisition to acquire additional superb coastal habitat on
16 Afognak Island. The more than 600,000 acres of coastal habitat
17 that have been or will be acquired by the Trustee Council is an
18 extraordinary legacy, the value of which will only increase
19 over time.

20 Recognizing the strategic importance of critical
21 habitat to long-term ecosystem conservation, we favor
22 earmarking one-half of the restoration reserve for additional
23 habitat acquisitions. These funds should be invested to obtain
24 the best possible yield to build the fund. This fund should
25 provide the Trustees with the flexibility, however, to use the

1 income and, in some unique circumstances, even the principal to
2 strategically acquire critical habitats. Habitat acquisitions
3 could either be small or large parcels with high fish and
4 wildlife values. For example, inholdings within existing or
5 newly acquired conservation units.

6 The National Audubon Society favors using the balance
7 of the restoration reserve to endow a long-term research and
8 monitoring program in the Northern Gulf of Alaska. If the
9 Trustee Council proceeds with a long-term science program, we
10 encourage the restoration office in Trustee agencies to work
11 actively with the public, industry and others to apply the
12 results of the program to management and conservation needs
13 across the spill area, including the identification and
14 protection of sensitive habitats.

15 Any long-term research and monitoring program should
16 strive for the best possible science and, to that end, we favor
17 a competitive process with thorough outside peer review. We
18 favor retention of existing Trustee Council for purposes of any
19 long-term science and acquisition programs.

20 Finally, we recommend that additional resources be
21 devoted to responding to restoration needs in and around
22 communities and villages, but ideally such funds would come out
23 of the remaining annual payments from Exxon rather than the
24 reserve fund itself.

25 Thank you.

1 CHAIRWOMAN D. WILLIAMS: Very good. Are there
2 any questions or comments for John?

3 (No audible responses)

4 CHAIRWOMAN D. WILLIAMS: Actually I have one,
5 and that is with respect to one of the latter comments you
6 made. One of the previous testifiers pointed out that there
7 may be some efficiencies associated with merging the future
8 research functions of the Trustee Council with the North
9 Pacific Research Board. Do you have any observations on that?

10 MR. SCHOEN: I haven't given that specific
11 thought, but I'd certainly be willing to think that through.
12 You know, I think it's potentially a unique opportunity.

13 CHAIRWOMAN D. WILLIAMS: Right.

14 MR. SCHOEN: I'd have to sort that through.

15 CHAIRWOMAN D. WILLIAMS: And that is one
16 question I would be particularly interested in having the
17 Public Advisory Group think about, particularly as soon as the
18 North Pacific Research Board gets any money.

19 All right, any other questions or comments for
20 Mr. Schoen?

21 (No audible responses)

22 CHAIRWOMAN D. WILLIAMS: I have no further
23 names of people who have indicated today a desire to testify,
24 but I will, of course, open up at this time. Is there anyone
25 here in Anchorage who desires to testify?

1 MS. OBERMEYER: Madam Chair.

2 CHAIRWOMAN D. WILLIAMS: Yes.

3 MS. OBERMEYER: Theresa Obermeyer waiting
4 patiently, telephonically. Greetings. May I speak now?

5 CHAIRWOMAN D. WILLIAMS: Yes, you may.

6 MS. OBERMEYER: Good morning, ladies and
7 gentleman, although I think it's almost noon, so good day. I
8 am really always fascinated by everything that goes on in our
9 state. I wrote down as I thought for the almost hour of public
10 testimony all these very idealistic and caring people that care
11 so much about our state and the beauty of our state and making
12 sure that it is maintained.

13 And the two themes that I have to speak about today are
14 the miscommunication among us and the fact that I fully
15 conclude now, after over 20 years of living here, raising four
16 children, having been the Democratic nominee to the U.S.
17 Senate, that I live in a dictatorship. I am now sure that I
18 live in a place where the only thing that people are focused on
19 is money. I mean truly, if you'll forgive me, Ms. Williams, I
20 listen to all this and all reminds me of the Anchorage School
21 Board. I am fascinated when I hear these people speak and how
22 many wonderfully, well-intentioned, members, they have the
23 Sierra Club, the Audubon Society.

24 We live in such a great country, but you see and I, in
25 the case of myself, I am trying to lead by example. At least

1 over 17,100 citizens thought so highly of me as long ago as
2 1990 that they elected me to the foremost elected non-partisan
3 board in the state, the Anchorage School Board. And look,
4 ladies and gentleman, at the way my husband, my four children
5 and I have been treated in this state. What I say is the
6 Obermeyers are lepers and I am very proud to say that.

7 And let me also mention I did prefer, if you would
8 allow it, to fax to you materials, because see -- if you
9 forgive me nothing that is going on is real. I look at the
10 organizations that are involved in your Council and do we know
11 that Bruce Botelho is prosecuting me? Do we know that for over
12 five years, as I raised four children, I have had endless court
13 charges fabricated against me. Do we know, Ms. Williams, that
14 on February 20th I incurred the most serious injury of my 52
15 years of life as a collage administrator with a Ph.D. You
16 know, if you'll forgive me, I do not expect to be treated in
17 any violent way by anybody.

18 I have formed a self-concept over 52 years of life and
19 all of this is so unexpected. But I was literally knocked out
20 cold by a bunch of underworld figures in the Anchorage Hilton
21 Hotel. And as a thinking person I said, how -- why does this
22 happen? I want to mention I was knocked out cold, I woke up in
23 a pool of blood, I had to have seven stitches in the back of my
24 head. I still have -- you know, it still hasn't totally healed
25 over three months later.

1 But I then went to the library and I realized that the
2 Anchorage Hilton, of course, is owned by Baron Hilton and as of
3 1996, Bally's International was bought by the Anchorage --
4 excuse me the Hilton International. Sixty percent of the
5 holdings of the Hilton International are now in gambling
6 casinos. Can we grow up? You see, and would you forgive me, I
7 must say I don't ever in my life grow up. I want to always
8 take people at face value. I want to know that people are so
9 good. They care and they are very nice. And that's what
10 motivates me so much. How could this still be going on,
11 Deborah?

12 I mean, would you forgive me bringing up during my
13 general election campaign for the U.S. Senate, to my memory, I
14 came to the Trustee Council and you adjourned into executive
15 session with Cliff Groh and his son. Deborah, you know exactly
16 -- I mean do you know, do we know how to read? That Cliff Groh
17 was the Chairman of Ted Stevens' Reciprocity Committee. He
18 holds the key to the fraud Ted Stevens. And how much did you
19 pay him? May I simply ask directly if I can have the documents
20 from your executive session; are they releasable?

21 CHAIRWOMAN D. WILLIAMS: Ms. Obermeyer, we did
22 not pay Cliff Groh any funds whatsoever.

23 MS. OBERMEYER: Well, you see -- and let me go
24 back to the open meeting forum. You should announce what the
25 topic that you are going into executive session about was --

1 now, I'm looking on your agenda right now and I see that you
2 have an executive session for lunch and you have listed the
3 topics. But to my memory the topic of your executive session
4 was not listed when I was there and Cliff Groh, Senior and
5 Junior, sat there and you went into executive session.

6 CHAIRWOMAN D. WILLIAMS: I'm sorry,
7 Ms. Obermeyer, when we go into executive session we always go
8 in pursuant to a motion and almost.....

9 MS. OBERMEYER: Well, I did not hear one at the
10 time. Let's not really go over, you know, something that is
11 historic, but I remember, Ms. Williams, your colleague from
12 Harvard law. Ms. Williams, no. N-O. It is time for you, you
13 all are so bright, you have colleagues and friends and you are
14 caring. You and I and Matt Zencey, we are raising children in
15 this town. What can the future be if this is the way that
16 someone gets treated who is nice, honest and cares enough to go
17 forward. I simply am really trying to ask you, and all of you,
18 I mean, where's (indiscernible - yelling)? I mean, is Craig
19 Tillery there?

20 CHAIRWOMAN D. WILLIAMS: Ms. Obermeyer, you
21 have spoken for 10 minutes and so.....

22 MS. OBERMEYER: Yes, Ma'am, and would you
23 forgive me, this is the first time of any of the speakers, you
24 have even talked about time. I don't know how long they spoke.
25 And how much time does one have?

1 CHAIRWOMAN D. WILLIAMS: We try and ask people
2 to restrict their comments to 10 minutes and no.....

3 MS. OBERMEYER: Okay. And let me make sure.
4 Would you -- I wanted to fax -- I was thinking of about eight
5 pages just because I want to make sure that things that I say
6 are in writing and logical. May I fax this and would you
7 distribute this today?

8 CHAIRWOMAN D. WILLIAMS: Yes, we would,
9 Ms. Obermeyer.

10 MS. OBERMEYER: And that's to 276-7178?

11 MS. SCHUBERT: That's right.

12 CHAIRWOMAN D. WILLIAMS: That is correct.

13 MS. OBERMEYER: And, lastly, would you tell
14 Bruce Botelho to resign as Attorney General and Tony Knowles to
15 resign as Governor. How could they? They are -- they're
16 control freaks. They aren't Americans and I mean, Deborah, you
17 know exactly what I'm talking about.

18 Did anyone on the Council have a question? Does anyone
19 have a question?

20 CHAIRWOMAN D. WILLIAMS: I do not believe so.
21 And we'll look forward to your fax, Ms. Obermeyer.

22 MS. OBERMEYER: And thank you so kindly. Have
23 a good meeting.

24 CHAIRWOMAN D. WILLIAMS: And let me clarify one
25 thing. The Trustee Council, of course, did not pay Mr. Groh

1 for any kind of consulting or anything of that sort, but he was
2 part-owner of some of the small parcels that we have acquired
3 and, of course, as owner of property he did receive
4 compensation for the sale of his property.

5 All right, thank you very much. Is there anyone else
6 in Anchorage who wishes to testify at this time?

7 (No audible responses)

8 CHAIRWOMAN D. WILLIAMS: Is there anyone in
9 Homer who wishes to testify at this time?

10 MS. BRODIE: Madam Chair, this is Pam Brodie
11 again, I'd just like to add one thing to my previous testimony,
12 if I may?

13 CHAIRWOMAN D. WILLIAMS: That would be fine.

14 MS. BRODIE: Thank you. I forgot to mention
15 when I was talking about possible large parcel acquisitions in
16 the future I forgot to mention Leisnoi land, Cape Chiniak,
17 which I hope that the Trustee Council will take a look at that
18 land and consider the value. Thank you very much.

19 CHAIRWOMAN D. WILLIAMS: Thank you very much.
20 Is there anyone else in Homer who wishes to testify?

21 (No audible responses)

22 CHAIRWOMAN D. WILLIAMS: Is there anyone in
23 Kodiak who wishes to testify at this time?

24 (No audible responses)

25 CHAIRWOMAN D. WILLIAMS: Is there anyone in

1 Ouzinkie who wishes to testify?

2 (No audible responses)

3 CHAIRWOMAN D. WILLIAMS: Is there any other
4 remote site and any other public members who wish to testify?

5 (No audible responses)

6 CHAIRWOMAN D. WILLIAMS: Hearing none, I will
7 call to a close this period of public testimony. Thank you
8 again all public members who have taken time to share your
9 views with the Trustee Council.

10 The next item we have on the agenda is Executive
11 Director's report continuation of the previous report. Trustee
12 Council, I will look to you, do we wish to continue with the
13 Executive Director's report until, say, 12:30 at which time we
14 would go into lunch, or do we prefer to adjourn to lunch and
15 our executive session at this time?

16 MR. WOLFE: How long will it take to finish?

17 CHAIRWOMAN D. WILLIAMS: Eric, how long to you
18 estimate it will take to finish the Executive Director's
19 report?

20 MR. MYERS: I think there's -- I can be pretty
21 quick about it, there's one item that warrants -- I think I can
22 be pretty quick. I think I can get done in about another 10
23 minutes at the most.

24 CHAIRWOMAN D. WILLIAMS: Okay, under those
25 circumstances, go ahead and finish.

1 MR. TILLERY: Potentially, it's 10 minutes
2 beyond my parking meter.

3 (Off record comments - parking meters)

4 CHAIRWOMAN D. WILLIAMS: Juneau, do you agree
5 that we should proceed and finish the Executive Director's
6 report before lunch and the executive session?

7 MR. PENNOYER: Sure, go for it.

8 CHAIRWOMAN D. WILLIAMS: Okay, let's go for it.

9 MR. MYERS: Okay.

10 CHAIRWOMAN D. WILLIAMS: All right, Eric,
11 please.

12 MR. MYERS: Well, the next item is in reference
13 to the departure of Phil Janik who, as you all know, has served
14 in his capacity for the Forest Service as a Trustee for quite
15 some time now and is now in the process -- or maybe you can
16 tell me, has he relocated? He's gone, okay. So he moved to
17 Washington, D.C. to take a position as the Deputy Chief for
18 State Private Forestry, did I get that correct?

19 MR. WOLFE: Correct.

20 MR. MYERS: We have here a certificate of
21 appreciation which I will read aloud. Certificate of
22 appreciation, the Exxon Valdez Oil Spill Trustee Council
23 members extend our deep appreciation to Phil Janik for your
24 contribution to restoration of the resources and services
25 injured by the Exxon Valdez Oil Spill as Trustee for the U.S.

1 National Forest Service. And there are signature blocks that
2 we can have circulated. And I'll give this to Rebecca to
3 circulate, but just to let you know about that.

4 The next item.....

5 CHAIRWOMAN D. WILLIAMS: Any comments, Jim?

6 MR. WOLFE: Well, I didn't have any comments.
7 We certainly hated to see Phil leave and we'll miss him not
8 only in the Trustee Council but in the Alaska Region of the
9 Forest Service, but his new job, he has a much broader scope of
10 responsibilities and we may hear from him in the future, who
11 knows.

12 CHAIRWOMAN D. WILLIAMS: Very good. Any other
13 Trustee comments?

14 (No audible responses)

15 CHAIRWOMAN D. WILLIAMS: I would just like, for
16 the record, to thank Phil very much for his service on the
17 Trustee Council, it was a pleasure to work with him and he did
18 some very important work for the Trustee Council during his
19 tenure.

20 MR. PENNOYER: Madam Chairman, I'll second your
21 remarks and Phil has been a very wonderful addition to this
22 Council during the time he was here.

23 CHAIRWOMAN D. WILLIAMS: Thank you,
24 Mr. Pennoyer. Any other comments?

25 (No audible responses)

1 CHAIRWOMAN D. WILLIAMS: Okay. Eric.

2 MR. MYERS: Okay. The next item, as you know,
3 the Public Advisory Group is chartered for two-year terms, we
4 are approaching the end, again, of our current PAG membership
5 and charter cycle, this was brought to my attention by Doug
6 Mutter, who is here. We need to move forward with reupping the
7 PAG, if you will. The process includes reaffirming the charter
8 as well as soliciting nominations for the PAG membership anew
9 and, in that process, if we're going to pursue that needs to be
10 initiated here shortly. It's primarily a matter of information
11 and I just wanted to bring that to the Council's attention. I
12 don't know if there's any comment.

13 CHAIRWOMAN D. WILLIAMS: Well, will you be
14 presenting us with a motion at our next meeting?

15 MR. MYERS: Well, if we could get a motion now.
16 Actually I wasn't aware that a motion, per se, was necessary,
17 but I guess it is, and so if we could get a motion now to
18 affirm that we proceed in that manner that would be
19 appropriate, Madam Chair.

20 CHAIRWOMAN D. WILLIAMS: Okay. I would
21 entertain a motion that the Trustee Council endorse the
22 extension of the Public Advisory Group as a FACA entity,
23 Federal Advisory Committee Act entity, for two more years.

24 MR. MYERS: Okay. And that would include the
25 solicitation of the nominations for recommendation to the

1 Secretary of the Interior who would ultimately affirm the
2 charter and the membership, correct?

3 CHAIRWOMAN D. WILLIAMS: Yes.

4 MR. MYERS: Just want to be clear.

5 CHAIRWOMAN D. WILLIAMS: Yes.

6 MR. TILLERY: So moved.

7 CHAIRWOMAN D. WILLIAMS: Okay.

8 MR. WOLFE: And second.

9 CHAIRWOMAN D. WILLIAMS: Okay, it's been moved
10 by Mr. Tillery and seconded by Mr. Wolfe. Is there any
11 discussion of the motion?

12 MR. PENNOYER: Madam Chair, I'm sorry, we're
13 voting on extending the process but then we're going to get a
14 slate -- I'm not sure everybody wants to continue on that. Are
15 we going to get individuals then at the next meeting or
16 something?

17 CHAIRWOMAN D. WILLIAMS: That's correct. We're
18 voting on extending the Public Advisory Group by two years
19 under the Federal Advisory Committee Act.

20 MR. PENNOYER: Thank you.

21 CHAIRWOMAN D. WILLIAMS: Any further questions
22 or comments?

23 (No audible responses)

24 CHAIRWOMAN D. WILLIAMS: All in favor of the
25 motion indicate by saying aye.

1 IN UNISON: Aye.

2 CHAIRWOMAN D. WILLIAMS: Opposed?

3 (No opposing responses)

4 CHAIRWOMAN D. WILLIAMS: The motion passes.

5 MR. MYERS: The next item on the agenda is
6 simply to draw your attention to, in the packet you have both
7 the most current habitat protection status reports for the
8 large parcel program and the small parcel program. I guess the
9 most recent accomplishment of significance is that the Tatitlek
10 purchase has been consummated and, as we all know, that was the
11 product of long labor. So I guess that's the most significant
12 change in the status report, but otherwise it's just there for
13 your reference unless members have questions or comments.

14 CHAIRWOMAN D. WILLIAMS: And the closing on
15 Tatitlek represented approximately two-thirds of the
16 acquisition?

17 MR. WOLFE: That's correct.

18 CHAIRWOMAN D. WILLIAMS: Okay.

19 MR. MYERS: The next item concerns the 10th
20 anniversary, and I will again take to heart the comments that
21 Patty Brown-Schwalenberg provided regarding the use of that
22 term. I'll have to think about what kind of printed materials
23 may have already been initiated in that regard, but certainly
24 the sentiment of the comment is noted and we will do what we
25 can to respond to that.

1 More than anything else at this point, I wanted to draw
2 to your attention, and it is included in your packet, the
3 detailed project description and the detailed budget that will
4 be available for your consideration, for formal action in
5 August at your next meeting as part of the FY99 Work Plan.
6 There is within the packet of materials, if I can -- okay, in
7 your packet there is a day one agenda which reflects efforts on
8 the part of a planning committee to try and put together an
9 agenda for the day one session. It'll be a five-day -- what
10 we've planned is a five-day symposium across the period of
11 March 23rd to March 27th. The first day very much geared
12 toward the public, in general, to try and communicate with the
13 public where we are 10 years later after the Exxon Valdez Oil
14 Spill.

15 The plan is to partner in this effort with the Prince
16 William Sound Regional Citizens Advisory Council, as well as
17 work with the Alaska Sea Grant Program as co-sponsors. The
18 public symposium will open with an overview session and then
19 followed by more technical sessions for the following several
20 days.

21 The symposium itself will be the center piece of
22 several anniversary-related events, these will include a
23 traveling exhibit in the spill region communities and a special
24 edition of the Annual Status Report, in effect, to look back
25 over the last 10 years to that point and, to the best of our

1 ability, communicate to the public what has come of the efforts
2 through the Restoration Program.

3 At this point, fundamentally, what the Executive
4 Director, Molly McCammon, was hoping to do was to draw to the
5 Council's attention that this is a significant undertaking,
6 there will be some substantial costs associated with a five-day
7 symposium, it will be a national, if not even international,
8 event with, we hope, presentations coming from across the
9 spectrum in terms of the Restoration Program and we hope to
10 attract quite a bit of attention to share the results of the
11 Restoration Program nationally and even internationally.

12 There is a detailed budget, we've anticipated having
13 the event at the Egan Convention Center. The detailed budget
14 reflects significant costs including day one and a luncheon
15 event. We're hopeful that we can recoup the lion's share, if
16 not the total cost, through registration fees associated with
17 that event. There are some receptions as well which we hope to
18 be able to get hosted, but in any case we wanted to make the
19 Council aware of this material and to allow you to look at it.
20 If you have any questions about any of the planned events or
21 the cost of the event, please let us know, we do want to move
22 forward with this and feel that we've got it fairly well
23 organized in concept, but we didn't want to get too far in
24 front of things without the Council having a chance to
25 familiarize yourself with it.

1 There was one component of this enterprise that is
2 noted on the agenda pertaining to the video project that has
3 been ongoing for some time now. Upon further reflection we had
4 decided that there is no, in fact, no need for action at this
5 time. The sponsor of the video project effort -- or the
6 contractor that we've in place working on the project
7 essentially has been responsible for several deliverables and
8 we will be able to obtain those all within the structure of the
9 current contract. Those have included the several-hour source
10 reel, documentary source reel, that anyone is able to use,
11 which includes video footage from throughout the spill area and
12 documents a wide variety of restoration activities. And
13 included the production of the 12-minute restoration reserve
14 orientation film that we used during the community meetings
15 throughout the spill impact area, and Juneau and Fairbanks and
16 Anchorage.

17 It included a wide range of photographs. It will also
18 include a 30-minute video documentary as the final major
19 product. And there was some discussion about the contractor
20 trying to expand, as yet another deliverable, the video into a
21 full one-hour documentary, in partnership with a major film
22 production entity, Turner Broadcasting, the Discovery Channel.
23 Some major video entity along those lines. They feel as if
24 they can proceed with that effort without any additional work
25 on our -- any additional funding at this time.

1 So that was basically the reason the video item was on
2 there, but at this time we require no actions. If there are
3 any questions about the 10th anniversary effort I'd be happy to
4 answer them.

5 CHAIRWOMAN D. WILLIAMS: I have a question,
6 Eric. It looks like the projected budget is about 162,000
7 minus the video? Minus the 9.5?

8 MR. MYERS: There is a line item in there for
9 9.5. That would no longer be there.

10 CHAIRWOMAN D. WILLIAMS: Okay. So.....

11 MR. MYERS: And within the largest share of
12 those costs are.....

13 CHAIRWOMAN D. WILLIAMS: The Egan Center.

14 MR. MYERS:the Egan Center event-related
15 costs and the large cost component within that still is the
16 food service cost which we hope to be able to recoup through
17 registration fees and -- a combination of registration fees and
18 also a hosting of certain reception events, that's our
19 intention and hope at this point.

20 CHAIRWOMAN D. WILLIAMS: That was my question.
21 That's now, let's say, a little over 150,000, what would we
22 hope to recoup?

23 MR. MYERS: I think it's approximately 40 to 50
24 depending upon attendance and registration fee. There are
25 various scenarios that we've developed using different

1 estimated attendance levels and also different registration
2 fees and we think that we have settled upon, roughly, a
3 registration fee which would be an \$80 registration fee for the
4 full event, if it's early registration, \$100 if it's late.
5 According to the Sea Grant Program that we have been working
6 with those are very comparable or consistent with other kinds
7 of registration fees for events of this magnitude and nature.

8 CHAIRWOMAN D. WILLIAMS: Any other Trustee
9 Council questions?

10 (Tape malfunction)

11 MR. MYERS:and essentially information
12 for you to review and familiarize yourself with, but no action
13 is being requested at this time.

14 CHAIRWOMAN D. WILLIAMS: I have one question
15 about the agenda for the first day and that is really the last
16 -- or second to the last substantive item, starting at 3:15,
17 preventing and responding to oil spills. Are we -- obviously
18 that is something that is not within our mandate or
19 jurisdiction.

20 MR. MYERS: We are working with Prince William
21 Sound Regional Citizens Advisory Council as a co-sponsor of the
22 event.

23 CHAIRWOMAN D. WILLIAMS: Okay, they would be a
24 co-sponsor?

25 MR. MYERS: Yes. And that is part of what --

1 what we are trying to do is respond to what will be an
2 obviously interesting question on the part of the public. Not
3 only how are the biological systems functioning, not only how
4 are the services that were damaged by the oil spill doing, but
5 an inescapable question is, are we any better off today in
6 terms of response preparedness than we were 10 years ago? And
7 in order to be able to address that question, we felt that some
8 portion of the agenda should be devoted to that and in order to
9 accommodate that, we have been working with the Prince William
10 Sound RCAC as a co-sponsor to accommodate that within the
11 context of this symposium.

12 CHAIRWOMAN D. WILLIAMS: Any Trustee comments
13 on that particular item? Mr. Tillery.

14 MR. TILLERY: Only that it is not as obvious to
15 me that that is not part of the Trustee Council's mission. I
16 believe it's most obvious to the Department of Justice, but to
17 me it's not that obvious.

18 CHAIRWOMAN D. WILLIAMS: All right. Thank you.
19 Mr. Tillery wishes to clarify that point on behalf of the
20 State, yes.

21 All right, so Trustee Council members feel comfortable
22 with this?

23 MR. RUE: Madam Chair, I'm not sure -- it seems
24 to me we've spent a fair amount of time on this first day
25 agenda but, actually spent half an hour on status, on injury

1 recovery and 45 minutes on human dimensions of the oil spill.
2 At first glance I'm not sure we got the weight were we want it.
3 I don't want to spend any time today to do this.

4 MR. MYERS: Well, that is why it is in your
5 packet and that is why it's stamped "draft".

6 MR. RUE: Right.

7 CHAIRWOMAN D. WILLIAMS: Well, that was
8 certainly one reaction I also had, Commissioner Rue, was the
9 time allocations, particularly the hour and 15 minutes on that
10 item versus some of the shorter time periods for earlier
11 topics.

12 MR. MYERS: Okay. Well, any and all
13 suggestions are welcome. This will be followed by several days
14 of detailed papers and presentations on projects so that
15 CED.....

16 MR. RUE: I guess what would help me to see to
17 see the groupings of the -- the rough outline, if you have it,
18 of how those next few days will go and what blocks of things
19 you see presented. If you have an idea, then that let's you
20 see how the introduction sets up those next few sessions.

21 MR. MYERS: Right. Okay.

22 CHAIRWOMAN D. WILLIAMS: Uh-huh.

23 MR. RUE: I also think we can do -- I sort of
24 like Eric's -- the way he described the 3:15 session as "Are we
25 any better prepared?" versus preventing and responding to oil

1 spills. Let's get a little exciting in our titles here.

2 MR. MYERS: I will convey your sense to the
3 Science Coordinator, Stan Senner, who will be encouraged to be
4 more exciting in future drafts.

5 MR. RUE: Very good. Make people want to come.

6 MR. MYERS: Okay. Let's see, do we want to
7 continue?

8 CHAIRWOMAN D. WILLIAMS: How long do you think
9 it will take us to Work Plan, archaeology?

10 MR. MYERS: Well, actually there's one item
11 that I would, if I could, I would like to rearrange the order
12 and take the archaeology question first and defer the '99 Work
13 Plan discussion until after our break, because something has
14 just been handed to me that I need to read.

15 DR. SPIES: Eric.

16 MR. MYERS: Yes, Bob.

17 DR. SPIES: I just wanted to let you know that
18 I'm on the line and prepared to discuss that issue at any time.

19 MR. MYERS: Okay. Well, I would like to defer
20 it if I could.

21 DR. SPIES: Sure.

22 MR. MYERS: If I could, Madam Chair, just flip
23 those two in order?

24 CHAIRWOMAN D. WILLIAMS: Please.

25 MR. MYERS: The issue with the archaeology RFP,

1 and Veronica Christman is here to help me if I misstate
2 something mistakenly, so please do speak up. But things have
3 been progressing well, as reflected by -- actually in the
4 comments that Patty Brown-Schwalenberg gave earlier we have
5 reason to believe that there's good cause for hope that we will
6 be receiving a number of substantial responses to the RFP that
7 is out. In response to the RFP and in response to some of the
8 most recent deliberations we did receive, last week, a written
9 request from Laura Johnson at Chugachmiut to extend the
10 deadline for submitting proposals from July 8th to September
11 8th, two months, to allow Chugachmiut additional time to
12 develop its proposal.

13 After reflecting upon this and also the prior guidance
14 given to try to keep this process within the timeframe of the
15 FY99 funding cycle, and actually after having discussed it with
16 Molly McCammon also, I would suggest that the way to proceed
17 would be to extend the deadline by one month, to August 7th for
18 one of a number of several reasons. That length of extension
19 would, I feel, be responsive to community desires, as expressed
20 by Chugachmiut. The one-month extension will provide ample
21 time to develop proposals and obtain statements of support.
22 The one-month extension will still enable us to keep the
23 project on track for a grant award in early -- in FY99. Other
24 groups are preparing proposals for submission by July 8th for a
25 grant they expect will be awarded in October of '98. And for

1 all of these reasons a one-month extension, I feel, would be
2 reasonably responsive, but also allow us to keep moving forward
3 with the project in an expeditious manner.

4 CHAIRWOMAN D. WILLIAMS: Do you believe we need
5 a motion for that?

6 MR. MYERS: We don't need a motion for that. I
7 did want to -- we've consulted with -- Veronica's consulted
8 with the DNR contract procurement specialist and has advised
9 that we have the ability to do this with proper notification to
10 the various interested and affected parties, but I did want to
11 bring to the Council's attention this proposed -- both the
12 proposed extension as well as the proposed response to the
13 extension.

14 CHAIRWOMAN D. WILLIAMS: Are there any Trustee
15 Council member comments on Eric's proposal that we extend the
16 deadline for the archaeological proposals by one month?

17 Mr. Tillery.

18 MR. TILLERY: I just -- I don't have a copy of
19 it, but I have a vague recollection that we actually had a
20 deadline in the last resolution; is that incorrect?

21 CHAIRWOMAN D. WILLIAMS: That's what I was
22 trying to recall.

23 MR. TILLERY: That would need to be changed.

24 MR. MYERS: Is that correct, Veronica?

25 MS. CHRISTMAN: The resolution says April 15th

1 is the deadline for the receipt of.....

2 MS. CRAMER: Can't hear Veronica in Juneau.

3 CHAIRWOMAN D. WILLIAMS: We'll have Veronica
4 move closer to the speaker phone. And I believe this is a
5 speaker phone here, Veronica.

6 MS. CHRISTMAN: Okay. The resolution stated
7 April 15th as the deadline for proposals to be submitted. And
8 then in February it became obvious to us that there would be a
9 delay in getting the RFP out and at that time Molly did consult
10 with all six Trustee Council members and informed me on
11 February 20th that she had received six votes to extend the
12 deadline. There was, to my knowledge, no motion. So a motion
13 wouldn't hurt.

14 MR. TILLERY: Something would have been
15 approved. I'm just wondering whether it had time period in it
16 that now needs to be formally extended?

17 CHAIRWOMAN D. WILLIAMS: Why don't we just do a
18 motion, so there's no question about it?

19 MR. TILLERY: That's a good idea.

20 CHAIRWOMAN D. WILLIAMS: I will entertain a
21 motion to extend the deadline for receipt of archaeological
22 RFPs to.....

23 MR. MYERS: Friday, August 7th.

24 CHAIRWOMAN D. WILLIAMS:Friday, August
25 7th.

1 MS. BROWN: So moved.

2 CHAIRWOMAN D. WILLIAMS: Do I hear a second?

3 MR. WOLFE: I second that. I have a question.

4 CHAIRWOMAN D. WILLIAMS: Okay, it's been moved
5 by Ms. Brown and seconded by Jim. And now discussion. Jim.

6 MR. WOLFE: If we move the deadline schedule
7 for proposals to the 7th, are we going to be in the position to
8 act on it on the 8th, that's kind of a short time line.

9 MS. CHRISTMAN: It would require a special
10 meeting on this issue.

11 MR. WOLFE: Okay.

12 MS. CHRISTMAN: And it does make things a
13 little bit tight. The general notion would be it would take us
14 approximately a week and a half to complete the evaluation. We
15 then provide a summary of the evaluation to the Trustee Council
16 and at that point begin discussions about when is a reasonable
17 date for a meeting or perhaps it would be a teleconference
18 meeting at the end of August or beginning of September, which
19 could be a nightmare, but nonetheless it could be arranged at
20 that time for the Trustee Council to consider it. And, as you
21 know, you have not really approved the project, so it does take
22 some deliberation. And then that would allow us the rest of
23 September to conclude a contract and complete negotiation. And
24 looking to grant award in October.

25 CHAIRWOMAN D. WILLIAMS: Any other questions or

1 comments regarding the motion?

2 (No audible responses)

3 CHAIRWOMAN D. WILLIAMS: All in favor of the
4 motion indicate by saying aye.

5 IN UNISON: Aye.

6 CHAIRWOMAN D. WILLIAMS: Opposed?

7 (No opposing responses)

8 CHAIRWOMAN D. WILLIAMS: The motion passes.
9 Thank you, Veronica.

10 It is 12:30 now and I do think it would be a good time
11 to take our lunch break and go into executive session. After
12 executive session we will complete the Executive Director's
13 report and then move into the remainder of the agenda. I'll
14 entertain a motion for executive session, Mr. Tillery.

15 MR. TILLERY: I would move that we go into
16 executive session for purposes of discussing the Executive
17 Director's evaluation and the staff's and activities with
18 regard to habitat protections negotiations.

19 CHAIRWOMAN D. WILLIAMS: Is there a second?

20 MR. PENNOYER: Second.

21 CHAIRWOMAN D. WILLIAMS: Okay. It's been moved
22 by Mr. Tillery and seconded by Mr. Pennoyer that we go into
23 executive session for purposes of discussing the Executive
24 Director's evaluation and habitat protection negotiations. Is
25 there any objection to going into executive session at this

1 time?

2 (No opposing responses)

3 CHAIRWOMAN D. WILLIAMS: Hearing none the
4 motion passes and we will be going into executive session. For
5 purposes of the public, I would estimate that our executive
6 session would last approximately an hour and a half. And so it
7 is anticipated that we would be resuming in general session at
8 approximately 2:00 o'clock. Thank you very much.

9 (Off record comments - directions on reconnecting)

10 (Off record - 12:34 p.m.)

11 (On record - 2:15 p.m.)

12 CHAIRWOMAN D. WILLIAMS: Welcome, everyone,
13 back from lunch and executive session. We have with us six
14 Trustees as follows: Bill Hines has replaced Steve Pennoyer in
15 representing NOAA/NMFS; Commissioner Frank Rue representing
16 ADF&G; Michele Brown representing ADEC; Craig Tillery
17 representing the Attorney General's Office; Jim Wolfe
18 representing Forest Service; and myself, Deborah Williams,
19 Chair, representing the Department of Interior.

20 We concluded our executive session and as our motion
21 going into executive session reflected, we discussed habitat
22 protection negotiations and the Executive Director's
23 evaluation.

24 We will now go back to our agenda and take up where we
25 left off, specifically our next item is under the Executive

1 Director's report, the fiscal year '99 Work Plan. Eric.

2 MR. MYERS: Madam Chair, I'll try and move this
3 right along. Nothing earth shattering, but we are on track
4 with the '99 Work Plan. The Draft Work Plan will go to the
5 printer on the 11th, whereafter it will be subject to
6 approximately six weeks worth of public review and comment.
7 There will be a -- we plan to have a public meeting on the 27th
8 followed by another.....

9 CHAIRWOMAN D. WILLIAMS: Of?

10 MR. MYERS: I'm sorry, July. 27th of July and
11 then a PAG -- we hope to have the PAG meeting perhaps on the
12 next day to get additional PAG input. And then eventually we
13 will have the full Council meeting -- and actually that's
14 something that we should before -- I think we're shooting for a
15 full Council meeting on August 13th, at this point. And I
16 believe that Rebecca has been in consultation with your
17 respective offices, I hope so. She's not here to defend
18 herself, but that's what's been represented to me. So that's
19 the most current thinking about the schedule.

20 With regard to the '99 Work Plan, I did want to draw to
21 your attention a project of particular interest that is in
22 response to a part of the invitation, the '99 invitation, there
23 was a -- as you know, there were several items or issues that
24 were highlighted for potential proposers to respond to. One of
25 those had to do with the additional research defining the

1 acoustic target strengths of different age classes of herring
2 and other schooling forage fishes in order to approve the
3 ability to assess their biomasses. We have a lot of
4 hydroacoustics data and the Chief Scientist and reviewers have
5 identified an interest in having some research done that will
6 help with the interpretation -- to strengthen the
7 interpretation of the hydroacoustics data, and essentially it
8 involves doing some controlled tests to take -- or to develop
9 hydroacoustic measurements on fish that we know exactly what
10 they are through the staging experiments, if you will.

11 There was a project proposal in response, 99468, and
12 that has been reviewed by the Chief Scientist and the peer
13 reviewers and regarded favorably. Upon further reflection, the
14 Chief Scientist and the Scientist Coordinator have identified a
15 need to try to accelerate a portion of that project. We've
16 been in conversation with the project PI to see if there would
17 be -- and that purpose of that would be in order to make sure
18 that we could stay on track with the interpretation of data in
19 the APEX and SEA Projects, so that there would be no disruption
20 to the close-out schedule that had been previously established.

21 What has emerged from those discussions is the idea of
22 roughly, perhaps 20 -- roughly \$25,000 worth of work in FY98,
23 that's the current fiscal year. We don't have all of the
24 detailed documentation for your consideration today. It's my
25 understanding that there may well be another Trustee Council

1 meeting in the near future to address some other issues and we
2 would hope to bring back for your further consideration the
3 issue at that time.

4 There is a memo in the materials that you were faxed.
5 A memo from the Chief Scientist that reflects on this. I don't
6 know that there's anything more that needs to be said at this
7 point. If you do want to discuss it further, I believe
8 Dr. Spies is on line. Are you on line, Dr. Spies?

9 DR. SPIES: Yes, I am. Notwithstanding the
10 weed-eater the gardener's got in the background.

11 MR. MYERS: Okay. And I guess it would -- have
12 I done substantial injury to the concept in my description of
13 it?

14 DR. SPIES: No, you were just about right on,
15 Eric. What's being asked for is really calibration exercise
16 that looks at the target strength of the acoustic herring, in
17 particular, and eventually sand lance. And this data is really
18 needed for the proper interpretation of data from a number of
19 different projects so we felt that it wasn't fair to
20 necessarily to hold one project responsible for this work. So
21 this cuts across a number of projects, including SEA and APEX
22 and some others. And work that I think is of the utmost
23 importance to get done as soon as possible in order to go
24 forward with closing out APEX and some other large projects and
25 getting those data into the open literature.

1 So the Prince William Sound Science Center, Jay Kirsh,
2 in particular, has been very cooperative in putting forth --
3 working with us and the reviewers and the administrative staff
4 up there, putting forward a reasonable kind of Work Plan that
5 would implement those kinds of studies as soon as possible. If
6 we're able to revisit the issue I think what is being
7 recommended here is to spend about \$25,000 this summer to get
8 some material fabrication done, so the work can be done, at
9 least the target strength on the herring, which is the major
10 issue to be addressed here, would be done early in fiscal year
11 '99, in October. And then completed later in the fiscal year
12 '99. And then the initial data would become available to the
13 APEX investigators, for instance, right around December of this
14 year.

15 MR. MYERS: Madam Chair, with that, I guess,
16 that we just propose that we move on, but I did want to flag
17 that because it's going to be coming back to you very quickly
18 in the near future.

19 CHAIRWOMAN D. WILLIAMS: Okay. Any questions
20 for Eric or Dr. Spies on this topic?

21 MR. RUE: Just one quick one. This is Frank
22 again. When did you think you would be coming back to us with
23 a specific action item?

24 MR. MYERS: Well, in the interim, just at the
25 break, I consulted with Mr. Tillery who suggested that there

1 might be need for a meeting here in another approximately 10
2 days or so to address some other issues, maybe a teleconference
3 meeting, having to do with some of the habitat issues and so at
4 that time would be the thinking.

5 MR. RUE: Okay.

6 CHAIRWOMAN D. WILLIAMS: Okay, anything else?

7 MR. MYERS: Just very quickly, and I'll keep
8 this to a minimum. The Alaska SeaLife Center did open and a
9 lot of people in this room, I think, we're there, it is a
10 spectacular facility and I encourage everyone to visit.

11 During the early part of May, I think in conjunction
12 with the Shorebird Festival in Cordova, there was a dedication
13 ceremony for the EVOS waste station in Cordova, that Molly was
14 at. I was -- I've seen the one that's in Tatitlek and I think
15 they're identical, they were -- it's a very well-received part
16 of the Prince William Sound Solid Waste Management Project.
17 It's the end result, the end product of that, a physical
18 facility where the oil can be burned and hazardous material can
19 be either exchanged and disposed of. There was a celebration
20 there or a dedication there.

21 And then also in conjunction with the Katchemak Bay
22 Shorebird Festival there was a dedication ceremony for the
23 lands on the Homer Spit, as well as a great deal of recognition
24 of the importance of that and appreciation of that at the
25 keynote address that occurred that evening and that the

1 community of Homer was extremely appreciative of the Homer Spit
2 and Beluga Slough acquisitions and the Council's work was very,
3 very much appreciated.

4 And that's it.

5 CHAIRWOMAN D. WILLIAMS: Terrific, any
6 questions or comments?

7 MR. RUE: How many researchers do we have in
8 the SeaLife Center, does anyone know?

9 MR. MYERS: Actually Sandra Schubert can speak
10 to the number of projects that we have ongoing, but in terms of
11 the total capacity, if you're asking whether the capacity is
12 being filled, I think they're -- they got a bumper crop of
13 projects going on down there. And I think we've got five
14 projects that are gearing up or in progress presently.

15 MR. RUE: Okay.

16 CHAIRWOMAN D. WILLIAMS: Okay, very good. Any
17 other questions or comments?

18 (No audible responses)

19 CHAIRWOMAN D. WILLIAMS: All right, we can
20 proceed then to Item 6 on the agenda, which is small parcels.
21 Eric, Craig or Alex, do you believe there's anything that needs
22 to be said on Patson or Blondeau at this time?

23 MR. TILLERY: I don't believe so, no.

24 CHAIRWOMAN D. WILLIAMS: Okay. Then let's move
25 to Termination Point. Alex.

1 MR. SWIDERSKI: You should have before you a --
2 actually, you probably don't have before you, a draft of the
3 proposed resolution for Termination Point. The Termination
4 Point appraisal has been approved for \$1,865,000 and the
5 resolution would authorize this group to make an offer to the
6 Leisnoi Corporation to buy Termination Point for that amount.
7 The resolution is subject to provisions as to no additional
8 timber harvesting on the land, a hazmat survey, compliance with
9 NEPA and showing of adequate title on the land. The
10 Termination Point land consists of 1,028 acres of land adjacent
11 to Monashka Bay on Kodiak Island, just a few miles outside the
12 town of Kodiak.

13 The habitat there is important for bald eagle nesting,
14 for intertidal and subtidal organisms for marbled murrelets,
15 for pigeon guillemots. It's also an area that's used for
16 subsistence gathering. There are archaeological resources
17 there including middens and biotic depressions. It's also
18 important locally for recreational and tourism purposes. The
19 parcel has commercially viable Sitka spruce on it, quite a bit
20 of it. In fact, that's the main portion of the value of the
21 parcel.

22 And I think that's it. If there are questions from the
23 Council?

24 CHAIRWOMAN D. WILLIAMS: Alex, if you could
25 remind us who would be managing this parcel if we purchased it?

1 MR. SWIDERSKI: I would think the State of
2 Alaska would be managing it as State Park lands. There has
3 been some discussion about it being acquired by the City of
4 Kodiak or the Kodiak Island Borough, I'm sorry, but this
5 resolution contemplates that it'll be managed by the State.

6 CHAIRWOMAN D. WILLIAMS: Okay. Yes,
7 Mr. Tillery.

8 MR. TILLERY: The price you mentioned, 1,865,
9 that's slightly different than what was in some earlier
10 materials, did you -- is that confirmed; is that a correct
11 appraised price?

12 MR. SWIDERSKI: Yes. Apparently the appraisal
13 initially had a technical error in it and printed appraisal was
14 initially for \$1,882,000 and there's a handwritten correction
15 in to \$1,865,000, which I checked on this morning. That is the
16 correct appraised value.

17 CHAIRWOMAN D. WILLIAMS: Okay, very good. Any
18 other questions or comments regarding Termination Point?

19 (No audible responses)

20 CHAIRWOMAN D. WILLIAMS: There is, as the
21 public may know, a question of title and this resolution is
22 subject to satisfactory title and so that's a condition we just
23 want to make sure everyone understands. Also for those of us
24 who have had the opportunity to see this parcel it certainly is
25 a very lovely piece of land with high restoration values.

1 Okay. Do I hear a motion? Yes, Mr. Tillery.

2 MR. TILLERY: I would move that the Council
3 resolve to authorize the State to negotiate the purchase of
4 Termination Point parcel for the price of \$1,865,000, subject
5 to the terms that Mr. Swiderski described. The Council to sign
6 a written resolution that I understand should be prepared by
7 the end of the day.

8 MR. SWIDERSKI: The resolution is available
9 now.

10 CHAIRWOMAN D. WILLIAMS: All right. Is there a
11 second to the motion?

12 MS. BROWN: Second.

13 CHAIRWOMAN D. WILLIAMS: Okay, a motion's been
14 made by Mr. Tillery and seconded by Ms. Brown. Is there
15 further discussion on the motion?

16 (No audible responses)

17 CHAIRWOMAN D. WILLIAMS: All right, hearing
18 none, all in favor of the motion indicate by saying aye.

19 IN UNISON: Aye.

20 CHAIRWOMAN D. WILLIAMS: Opposed?

21 (No opposing responses)

22 CHAIRWOMAN D. WILLIAMS: The motion passes.
23 Thank you very much, Mr. Tillery.

24 The next item on our agenda is the Kodiak Tax Parcels.
25 Steve, if you could come to the microphone, please.

1 And, Trustee Council members, if I may give a brief
2 overview of this. What we're bringing you today are two
3 motions and one resolution. And I think, logically, it makes
4 most sense to talk about the resolution first and then the two
5 motions.

6 The first resolution arises out of an authorization
7 that occurred on December 11th, 1995 by this Trustee Council in
8 connection with the Shuyak Island resolution. At that time, as
9 the Trustee Council recalls, the Trustee Council authorized the
10 Fish and Wildlife Service to work with the Kodiak Island
11 Borough for the acquisition of up to \$1,000,000 of parcels that
12 have been forfeited for a failure to pay taxes. And the
13 Trustee Council, at that time, asked that before we purchase
14 any of those parcels that we come back to the Trustee Council
15 and seek specific authorization for the purchase of those
16 parcels after approved appraisals have been rendered.

17 We now are coming to you with a resolution to seek
18 specific approval for the purchase of seven tax parcels for a
19 value of \$102,000. And, Mr. Shuck, if you could tell the
20 Council briefly about the restoration values of those seven tax
21 parcels.

22 MR. SHUCK: The restoration values of those
23 seven parcels lie primarily in the fact that they will connect
24 the shoreline to the back lands that the Service will purchase
25 using restoration funds this fall. They are valuable as bald

1 eagle nesting habitat, the intertidal zone, and will provide
2 islands of access through other private lands to reach public
3 lands managed by Kodiak refuge.

4 CHAIRWOMAN D. WILLIAMS: Very good. Does the
5 Trustee Council have any questions or comments? We have before
6 us a resolution regarding certain Kodiak Island Borough tax
7 parcels. Do all members have the resolution in front of them?

8 MS. BROWN: Yes.

9 CHAIRWOMAN D. WILLIAMS: Okay. I will
10 entertain a motion regarding the resolution. Yes, Mr. Tillery.

11 MR. TILLERY: I would move that we adopt the
12 resolution as proposed.

13 CHAIRWOMAN D. WILLIAMS: Is there a second to
14 this motion?

15 MR. HINES: Seconded.

16 MR. WOLFE: Second.

17 CHAIRWOMAN D. WILLIAMS: Okay, it was moved by
18 Mr. Tillery and seconded by -- was that Mr. Rue or Mr. Hines?

19 MR. HINES: Hines.

20 CHAIRWOMAN D. WILLIAMS: Mr. Hines. Is there
21 discussion regarding the resolution?

22 (No audible responses)

23 CHAIRWOMAN D. WILLIAMS: All in favor of the
24 resolution indicate by saying aye.

25 IN UNISON: Aye.

1 CHAIRWOMAN D. WILLIAMS: Opposed?

2 (No opposing responses)

3 CHAIRWOMAN D. WILLIAMS: The resolution passes.

4 Thank you very much.

5 That then brings us to our first motion. And what we
6 found in investigating the tax parcels was that we realized
7 that the million dollars that was authorized for purposes of
8 purchasing the forfeited tax parcels could be better spent on
9 other parcels that would be available. And so while, in fact,
10 while we believe that there will be approximately \$350,000 of
11 money very well spent for restoration in the tax parcels, we
12 believe that \$645,000 would be better spent for restoration
13 values for other parcels around Larsen Bay. And so we are
14 seeking at this time the authorization to move \$645,000 from
15 tax parcels for the potential purchase of approximately 42
16 small, generally 10-acre, parcels in the Larsen Bay area. By
17 this motion we are seeking to have these 42 small parcels be
18 designated as parcels meriting special consideration. And, of
19 course, any final approval for purchase would be subject to
20 Trustee Council motion in the future.

21 Steve, would you like to tell us a little bit more
22 about the restoration values of these 42 small parcels and
23 where they're located?

24 MR. SHUCK: The restoration values are very
25 similar to those for the seven tax parcels that you just acted

1 on. The parcels are located in Zachar Bay, Uyak Bay and the
2 head of Larsen Bay and make up some of the lands that Larsen
3 Bay Tribal Council conveyed to tribal members. We are noticing
4 an increase in the sale of those parcels to non-tribal members,
5 in many cases, who are developing either hunting cabins or in
6 some instances eco-tourism or guiding businesses on those
7 lands. Each time that happens there is a subsequent
8 interruption of migratory patterns and use patterns of the fish
9 and wildlife that inhabit the island.

10 We feel that the acquisition of these lands will serve
11 to protect the species and the habitat and make the land
12 available to all of us instead of just a select few.

13 CHAIRWOMAN D. WILLIAMS: Very good. Are there
14 questions or comments on the motion?

15 MR. RUE: Yeah, this is Frank.

16 CHAIRWOMAN D. WILLIAMS: Yes, Frank.

17 MR. RUE: My understanding is there will be
18 quite a few parcels still in the general area that would be
19 available for development around Larsen Bay should people wish
20 to do that. And your strategy is to consolidate these pieces
21 around those previous purchases, maintain the highest value
22 there is around the refuge for public use; is that right?

23 MR. SHUCK: That is correct. We would not be
24 looking at acquiring any of the properties within the Larsen
25 Bay city limits or on Amook Island which is the large island

1 within Uyak Bay. Those lands would remain available for
2 whatever development the owners might choose.

3 Also, there are a number of people who have indicated,
4 even within the areas that we would like to protect, that they
5 are not interested in selling and, of course, we would buy only
6 from willing sellers.

7 MR. RUE: Okay.

8 CHAIRWOMAN D. WILLIAMS: Mr. Wolfe.

9 MR. WOLFE: I was just trying to figure out how
10 much was going for various parcels. Have you acquired some of
11 the parcels out of the tax base using these funds already? Is
12 that part.....

13 CHAIRWOMAN D. WILLIAMS: Well, that is the
14 102.....

15 MR. WOLFE: The 107, but that leaves another
16 250,000 or so.

17 CHAIRWOMAN D. WILLIAMS: That's correct.

18 MR. WOLFE: And that money is still going to be
19 used to acquire the small parcels in the tax.....

20 CHAIRWOMAN D. WILLIAMS: Correct.

21 MR. WOLFE: Okay. Very good, thank you.

22 CHAIRWOMAN D. WILLIAMS: Any other questions?

23 (No audible responses)

24 CHAIRWOMAN D. WILLIAMS: All right, I will
25 entertain a motion. Can the Chair make a motion? I forgot.

1 MR. WOLFE: So moved.

2 CHAIRWOMAN D. WILLIAMS: Okay, thank you. The
3 motion is in front of us and the Chair will read it. I forget
4 my Robert's Rule, but somehow I remember the Chair is not
5 supposed to make a motion. But I will read the motion. It
6 says, and Mr. Wolfe moved, that within the \$1,000,000
7 authorized by the Shuyak Island resolution of December 11th,
8 1995 for the purchase of small parcels in Uyak Bay owned by the
9 Kodiak Island Borough as a result of tax forfeitures, up to
10 \$645,000 of that amount is authorized for the purchase of
11 approximately 42 small, generally 10-acre, parcels owned by
12 Larsen Bay shareholders, their heirs, or successors in
13 interest. As these parcels are surrounded by large parcel
14 purchases previously funded by the Council in the Koniag
15 acquisition, they are parcels meriting special consideration.

16 Any acquisition are to be made only from willing
17 sellers at fair market value. The Council will address the
18 specific parcels to be acquired by specific resolutions after
19 Interior has obtained approved appraisals and indication of the
20 owner's willingness to sell.

21 Is there a second to the motion?

22 MR. RUE: Second.

23 MR. HINES: Second.

24 CHAIRWOMAN D. WILLIAMS: Frank, did you win on
25 that one?

1 MR. RUE: I beat him by a nose.

2 CHAIRWOMAN D. WILLIAMS: Okay. It's been moved
3 by Mr. Wolfe and seconded by Mr. Rue. Is there further
4 discussion on the motion? Mr. Tillery.

5 MR. TILLERY: Madam Chair, I would note that,
6 as one phrases, it says in here, any acquisitions will be only
7 from willing sellers at fair market value. I think as part of
8 our Restoration Plan other things did not impose that kind of a
9 limit. The willing sellers, yes, but not the fair market value
10 as a specific limitation on it. And I would suggest that we
11 delete those words "at fair market value" and simply say that
12 any acquisitions are to be only from willing sellers.

13 CHAIRWOMAN D. WILLIAMS: Okay. Is there any
14 opposition by the mover or the seconder to that?

15 MR. WOLFE: Well, just some discussion, further
16 discussion. I thought that on small parcels we generally
17 agreed that we would stay with fair market value.

18 MR. TILLERY: We do not pay more than fair
19 market value for small parcels, but.....

20 CHAIRWOMAN D. WILLIAMS: Uh-huh.

21 MR. WOLFE: Okay. Oh, I see your point. Okay,
22 I see your point. Very good.

23 CHAIRWOMAN D. WILLIAMS: Uh-huh. Friendly
24 limits, so mover and seconder would agree to it?

25 MR. WOLFE: I concur.

1 CHAIRWOMAN D. WILLIAMS: Okay.

2 MR. RUE: Yes.

3 CHAIRWOMAN D. WILLIAMS: Okay. Any further
4 discussion of the motion?

5 (No audible responses)

6 CHAIRWOMAN D. WILLIAMS: All in favor of the
7 motion, as amended, indicate by saying aye.

8 IN UNISON: Aye.

9 CHAIRWOMAN D. WILLIAMS: Opposed?

10 (No opposing responses)

11 CHAIRWOMAN D. WILLIAMS: Thank you very much.
12 The last motion we have before you today is also a substitution
13 motion. As the Trustee Council recalls, in November of 1996
14 the Trustee Council authorized \$281,000, a little more than
15 \$281,000, to purchase KAP-1055, which has turned out that owner
16 of KAP-1055 has chosen not to sell the parcel in question and
17 so we have three parcels that we would seek Trustee Council
18 approval to go forward with in terms of appraisals and
19 approving appraisals and that we would bring back to the
20 Trustee Council once those have been concluded.

21 The total value of the three substitute parcels we
22 believe to be around \$264,000. We are seeking Trustee Council
23 designation of these three substitute parcels as parcels
24 meriting special consideration.

25 Steve, if you could talk about the restoration values

1 of these three parcels, please?

2 MR. SHUCK: Yes, these three parcels are all
3 located west of the Village of Old Harbor in and near Three
4 Saints Bay. Three Saints Bay has historical significance as it
5 was the site of the first Russian community in Alaska inhabited
6 in the late 1700s. These properties are prime for development,
7 one of them being the only privately owned land between the
8 Village of Old Harbor and Three Saints Bay itself. We feel
9 that because of the historical significance and the nearness to
10 the Village of Old Harbor, they are particularly at risk for
11 development and the consequential harm to the natural
12 environment that may occur because of that.

13 CHAIRWOMAN D. WILLIAMS: Okay.

14 MR. RUE: I have a question.

15 CHAIRWOMAN D. WILLIAMS: Yes, please, Frank.

16 MR. RUE: Can you discuss the restoration
17 values of these parcels?

18 MR. SHUCK: Certainly.

19 MR. RUE: I heard the rest, but I didn't hear
20 about the restoration.

21 MR. SHUCK: The shallow bay immediately east of
22 property 126 supports winter feeding concentrations of common
23 murre. The coastal section of the property and the flat
24 peninsula is a favorite site for subsistence hunting of Sitka
25 black-tailed deer. All accessible shorelines and the nearshore

1 waters of Three Saints Bay are used for subsistence purposes,
2 primarily by residents of Old Harbor, for seals, herring,
3 salmon, shellfish, Sitka black-tailed deer and berries.
4 Archaeological sites are most likely found on all accessible
5 beaches, even though they have not been fully explored.

6 There is one cabin, also, that has been used in the
7 area. We are also entering into -- or considering entering
8 into negotiations to purchase that with restitution funds.

9 Does that help?

10 MR. RUE: Yes, thank you.

11 CHAIRWOMAN D. WILLIAMS: Are there any other
12 questions?

13 MR. HINES: Just one other one. That is these
14 parcels are also part of a much broader -- parcels that were
15 purchased earlier; is that correct? They're contiguous with
16 former -- with initial purchase of the Old Harbor land?

17 MR. SHUCK: That is correct, they are all
18 adjacent and bounded by properties that were purchased though
19 the Old Harbor large parcel acquisition.

20 CHAIRWOMAN D. WILLIAMS: Okay, are there any
21 other questions?

22 (No audible responses)

23 CHAIRWOMAN D. WILLIAMS: I would entertain a
24 motion, then, on this matter. Mr. Tillery.

25 MR. TILLERY: I want to make a motion, and it's

1 slightly different from what you have written here.

2 CHAIRWOMAN D. WILLIAMS: Okay.

3 MR. TILLERY: But I would move that as a result
4 of the owner not to sell, it's the Abston parcel, I move the
5 Trustee Council authorization approved November 8th, 1996 to
6 purchase for \$281,300, KAP-1055, the Virginia Abston Native
7 allotment within the Kodiak Refuge be rescinded. And I further
8 move the Trustee Council in its place authorize the Fish and
9 Wildlife Service to negotiate for the acquisition for parcels
10 KAP-95, KAP-126 and KAP-134 located in Three Saints Bay and
11 Sitkalidak Strait within the Kodiak National Wildlife Refuge.
12 These parcels are Native allotments surrounded by lands
13 recently acquired from Old Harbor Native Corporation with
14 Council funding. These parcels qualify as parcels meriting
15 special consideration. The parcels are estimated to cost
16 264,000, and the Council will address the specific parcels to
17 be acquired by specific resolution after the Department of
18 Interior has obtained approved appraisals and an indication of
19 the owner's willingness to sell.

20 CHAIRWOMAN D. WILLIAMS: Very good. Is there a
21 second to that motion?

22 MR. WOLFE: Second.

23 CHAIRWOMAN D. WILLIAMS: Okay, it's been moved
24 by Mr. Tillery and seconded by Mr. Wolfe. Is there any further
25 discussion of the motion?

1 (No audible responses)

2 MS. BROWN: Nobody seems to know you were here.

3 (Indiscernible discussion on teleconference)

4 CHAIRWOMAN D. WILLIAMS: Juneau, if you're
5 having a discussion -- I don't know if it's about the motion,
6 but..... Okay. Hearing no further discussion I will call for
7 the motion. All in favor indicate by saying aye.

8 IN UNISON: Aye.

9 CHAIRWOMAN D. WILLIAMS: Opposed?

10 (No opposing responses)

11 CHAIRWOMAN D. WILLIAMS: All right, the motion
12 carries, thank you very much. And thank you, Steve.

13 MR. SHUCK: Thank you.

14 CHAIRWOMAN D. WILLIAMS: Okay. Do we need,
15 Eric or Alex or Craig, to say anything about the Afognak Joint
16 Venture payment schedule at this time?

17 MR. SWIDERSKI: (Shakes head no)

18 CHAIRWOMAN D. WILLIAMS: No. Okay, very good.
19 That brings us then to Item 8 on the agenda, which is
20 restoration of services. Who's going to walk us through this?

21 MR. MYERS: Madam Chair, we have Jim Fall and
22 Sandra Schubert here and Sandra will steer us through this.

23 CHAIRWOMAN D. WILLIAMS: Very good, Sandra.

24 MS. SCHUBERT: In your packet is a memo from
25 Molly McCammon dated April 22nd that discusses the possibility

1 of updating the status of the four services that are recognized
2 as lost or reduced by the spill. These services are
3 subsistence, commercial fishing, recreation and tourism and
4 passive use. As you know, in preparation for the 10-year
5 symposium on the spill, Dr. Spies and Stan Senner are going to
6 be updating the status of the injured resources and Molly would
7 like some direction from you on updating the services.

8 The memo presents a couple of options for each service,
9 which basically represent different levels of effort. In
10 general, option one calls for Trustee Council staff to update
11 the status of the service, based on the status of the resources
12 on which the service depends, which could be done with
13 information available from ongoing Trustee Council projects.
14 And a simple example of this would be, say, with subsistence
15 that we would look -- well, one of the resources we would look
16 at would be the harbor seal, which is an important subsistence
17 resource. If the harbor seal is not recovered we would
18 conclude that subsistence is not recovered.

19 The second option generally calls for commissioning
20 agency personnel or outside experts to review or gather
21 additional information that would allow a more complete story
22 to be told about what has happened to the service in the 10
23 years since the spill. So, for example, with commercial
24 fishing, in addition to looking at the status of pink salmon,
25 sockeye, herring, the other commercially fished species, we

1 would also describe market conditions or other changes that
2 have taken place since the spill and try to identify any
3 relation to the spill or any lingering effects from the spill.

4 The only service that Molly has specific recommendation
5 on is subsistence and her recommendation is option two, which
6 in this case would have the Alaska Department of Fish and Game
7 Subsistence Division in collaboration with the Chugach Regional
8 Resources Commission repeat household harvest surveys that were
9 last conducted in 1994. And Jim Fall is here from Subsistence
10 Division to present that recommendation in more detail, if
11 you'd like.

12 CHAIRWOMAN D. WILLIAMS: Yes, please, Jim.

13 MS. SCHUBERT: And Patty Brown-Schwalenberg who
14 this morning, during the public testimony, endorsed it, is here
15 also.

16 And before Jim begins, I'll just -- there are really
17 three things, I think, that we're asking for today and the
18 first is for general guidance on updating all of the services.
19 Then if you decide to proceed with updating, second thing we're
20 asking for is conceptual approval of this household survey
21 approach to subsistence. And if you give your conceptual
22 approval to the household survey then we're asking for
23 authorization to spend \$8,700 in FY98 money, which is current
24 year money, so they can hold a planning meeting next month.

25 The additional money for updating subsistence or any of

1 the other services you decided you'd like to address would be
2 funding through the FY99 Work Plan. And after today's meeting
3 we'll be preparing a detailed project description and detailed
4 budget for your further consideration as part of the '99 Work
5 Plan.

6 CHAIRWOMAN D. WILLIAMS: Okay, thank you. Jim.

7 MR. FALL: Thank you. My name is Jim Fall and
8 I'm the Regional Program Manager for the Division of
9 Subsistence, Department of Fish and Game in Anchorage. And I
10 would direct your attention to several items which I believe
11 the Council was provided with last week. The first is a letter
12 from me to Molly McCammon dated May 29th, 1998, that briefly
13 describes the planning meeting that we propose to hold in July
14 to define the purposes, objectives and methods of where the
15 study, in collaboration with the proposed study communities,
16 is.....

17 CHAIRWOMAN D. WILLIAMS: Jim, one moment,
18 because -- let's see.....

19 MR. WOLFE: You can borrow mine.

20 CHAIRWOMAN D. WILLIAMS: Okay.

21 MR. WOLFE: You got your package, it's up here.

22 CHAIRWOMAN D. WILLIAMS: Oh, it's here. Okay,
23 does Juneau have this? This was something passed out today.

24 MR. RUE: We've had it, we're trying to find it.

25 MS. BROWN: Yes.

1 CHAIRWOMAN D. WILLIAMS: Okay. Very good,
2 thank you. Go ahead, Jim.

3 MR. FALL: And this is really the next step in
4 planning this project where we propose to bring in two or three
5 representatives from each of the proposed eight study
6 communities to meet with personnel from the Division of
7 Subsistence and from some Federal agencies that have worked
8 with us in the past to review the research on subsistence in
9 the spill area that took place for the first five years after
10 the spill. Talk about the methods that we've used, then hear
11 from the communities about ongoing issues, continuing issues
12 and concerns. And then work together to define objectives, to
13 identify some research topics that need to be addressed in the
14 research. So this is both a training and a planning workshop
15 that basically gets everybody on board.

16 After that workshop we'll work on the details of the
17 project plan and prepare a detailed project description and a
18 final budget for the project. And I can describe in more
19 detail how we would organize this workshop, if you like. If
20 you don't need any more detail, I'll move on to the second
21 piece.

22 CHAIRWOMAN D. WILLIAMS: Why don't you go ahead
23 with your entire presentation and then we'll ask questions
24 after you're through.

25 MR. FALL: There are two other items that were

1 also provided to you, one is a letter dated June 3rd, 1998 from
2 me to Molly McCammon which is a brief overview of our
3 preliminary research plan with a set of bullets. The third
4 item is a more detailed brief project overview which provides
5 background on the project, a set of preliminary objectives, and
6 which study communities we propose to include, the kinds of
7 research data that we would collect, a schedule and preliminary
8 budget.

9 And turning to the letter, I would just point out a
10 couple of key items. There's really two purposes to this
11 project, as we see it, the first is to respond to the need to
12 update the status of the subsistence service by collecting
13 information that is comparable to that which is collected --
14 that was collected previously. That means using similar
15 methods and techniques that have proven to be effective in
16 assessing subsistence in the past. Acknowledging that things
17 change and that there might be new items that need to be
18 investigated and we need to continue to pay attention to what
19 the communities are asking for and what they're indicating to
20 us are issues for them today.

21 The second purpose, though, is to follow through on the
22 Trustee Council's role to enhance community involvement in the
23 restoration process and, for that reason, this project is going
24 to be designed to be a fully collaborative effort between the
25 Department of Fish and Game, representing the Trustee Council,

1 and the eight study communities that we propose. That means
2 that the study communities will be involved in the planning of
3 the research, members of each community will be trained to help
4 us conduct the work and there will be a second workshop after
5 the information is collected and a preliminary set of tables
6 and figures prepared during which the study community
7 representative will again meet with us to talk about the work,
8 to help us interpret what the results mean, all leading up to a
9 report that would be prepared in time for the event marking the
10 10th anniversary of the oil spill next March.

11 So there really is that double goal that we have here.
12 We picked eight study communities tentatively, this depends
13 upon approval of our study plans and each community, of course,
14 will have the option of participating or not participating.
15 And preliminarily it's Cordova, Chenega Bay, Tatitlek,
16 Nanwalek, Port Graham, Ouzinkie, Larsen Bay and Old Harbor.
17 There are one or more years of pre-spill data for each of these
18 communities and three to five years of post-spill data for each
19 of these communities, so they will provide us with a good set
20 of information to compare our results with.

21 This work will be face-to-face interviews, it's the
22 best way to collect this kind of detailed information. Again,
23 it will be designed to be consistent with what we've done
24 earlier. We'll try to do most of the work in October and early
25 November. Two reasons for that. One, that's when your funding

1 cycle starts. And equally important, October is a good sort of
2 time out in most of these communities from subsistence
3 activities. To do something in the late fall, early winter, is
4 a good time to not interrupt too many ongoing activities.
5 Salmon is over, fall hunting is over and we can get a good
6 representative study by doing it then. We'll then have the
7 follow-up workshop with everything winding up, we hope, in
8 March.

9 I would end by saying that this is an ambitious
10 undertaking, we anticipate doing about 400 interviews, it's
11 going to be an intensive field season. I think we can do it,
12 with the help of the communities, but it's going to be close.
13 But it's not as if we're reinventing the wheel here, we've done
14 thousands of these interviews in the past, we're confident that
15 we can get a good product.

16 Thank you.

17 CHAIRWOMAN D. WILLIAMS: Okay. Questions by
18 the Trustee Council on the subsistence component of this memo?

19 (No audible responses)

20 CHAIRWOMAN D. WILLIAMS: Actually I have one
21 question, both for you, Jim and for you, Frank. And that is,
22 how this differs from the information that ADF&G gathers
23 currently on subsistence? And whether one alternative is to
24 just carefully analyze the existing data that we have?

25 MR. FALL: Frank, I can take a crack at that.

1 MR. RUE: Go for it, Jim.

2 MR. FALL: The big difference is that this
3 survey is a comprehensive overview of all subsistence uses in
4 these communities. ADF&G does not monitor all subsistence
5 activities in these communities. For example, most marine
6 fish, which comprise a very large percentage of the total
7 subsistence harvest, there's no way to tap into halibut and
8 ling cod and Dolly Varden harvest in most of these communities.
9 Then there are other examples. Marine invertebrates are
10 another example. Wild plants are another example. In
11 addition, the quality of some of our ongoing harvest monitoring
12 is good in some communities, not as good in others. The level
13 of participation in salmon permit programs is good in some
14 communities, not particularly good in others. So we think that
15 this is the best way to get at maximum participation.

16 The third, maybe this is the fourth, reason for doing
17 this way is that in addition to harvest and use information, we
18 collect other kinds of information in these surveys.
19 Demographic information, economic information, evaluation from
20 the respondent about how subsistence is doing, how it's
21 changing, why it's changing, and then those kinds of
22 qualitative things that we can look at, and we can link all
23 that information together by household, by community. We would
24 not be able to do that if we relied on existing databases for
25 the information.

1 CHAIRWOMAN D. WILLIAMS: Other questions or
2 comments on the subsistence component?

3 MR. HINES: Madam Chair.

4 CHAIRWOMAN D. WILLIAMS: Yes.

5 MR. HINES: Yes, in looking at that letter
6 dated June 3rd, there's four tables of four different figures
7 in terms of the costs, but yet in the memo it indicates
8 \$150,000 as the budget for this one particular component; is
9 that my understanding; am I correct in that?

10 MS. SCHUBERT: \$150,000.

11 CHAIRWOMAN D. WILLIAMS: Jim or Sandra, if you
12 could just, again, review the bidding [sic]. Sandra talked
13 about if we would go forward with option two we would want an
14 appropriate -- you want an appropriation of how much for this
15 fiscal year again?

16 MS. SCHUBERT: \$8,700.

17 CHAIRWOMAN D. WILLIAMS: Eight thousand, seven
18 hundred. And then on top of that in fiscal year '99 you would
19 expect how much to finish the project?

20 MR. FALL: About 150,000, maybe a little bit
21 more with the general administration line.

22 CHAIRWOMAN D. WILLIAMS: Okay, so approximately
23 \$158-159,000 project. Okay. Does that answer your question,
24 Bill?

25 MR. HINES: Well, sort of like Table 1, \$84,349

1 to do something; Table 2 has 8,085; Table 3 is 148,098; and
2 Table 4 is 27,514. How much of those projects or what are we
3 voting on here today?

4 MR. RUE: Eight thousand.

5 MR. HINES: Just the 8,000?

6 MR. RUE: Right. All we're voting on today is
7 the planning project for next month.

8 MR. FALL: One point of clarification. This is
9 Jim Fall. Table 2 in that overview looks at the request for
10 this fiscal year and when I put this together I neglected to
11 include the general administration charge. The cost of the
12 actual conference workshop is about \$8,100 and there's an
13 additional \$600 of general administration for 8,700. The
14 estimated preliminary costs for the research itself is on Table
15 3 and that's about \$148,000, not including general
16 administration. Table 4 in that packet is a subportion of that
17 148 of about 27.5 which would be the subcontract with the
18 Chugach Regional Resources Commission as part of that work.
19 They would be subcontracted to hire the local researchers and
20 to organize the second workshop that we would have.

21 MR. HINES: Yeah, thank you very much for that
22 clarification.

23 CHAIRWOMAN D. WILLIAMS: Okay, are there any
24 other questions or comments on the subsistence component of
25 this memo?

1 MR. WOLFE: Madam Chair.

2 CHAIRWOMAN D. WILLIAMS: Yes, Jim.

3 MR. WOLFE: I have a question. I'm not sure
4 I'm totally ready to ask it, but I'll try. Option one was to
5 use the resources recovery as an indication of subsistence and
6 option two, then, would be go out and do surveys. I wonder if
7 there's room for an option three that would say, let's do
8 option one, pick out the resources that we think we have some
9 problems with and then only survey for those that we know we
10 have problems for. See if we can't expedite the process a
11 little bit or cut the cost a little bit. Is that feasible?

12 CHAIRWOMAN D. WILLIAMS: What are your thoughts
13 on that, Jim and Sandra?

14 MR. FALL: I don't think that that really saves
15 all that much money, for one thing, especially if you want to
16 keep the same level of involvement of the eight study
17 communities. The big expense is in getting researchers down
18 there and training them and analyzing the information
19 afterwards. And whether you ask a set of questions about three
20 or four or five or six resources or the full range, it's not
21 that much different in terms of setting up the interviews,
22 explaining the purpose of the study and then analyzing it
23 afterwards.

24 And I think in addition we've heard from the study
25 communities, from the affected communities, that to understand

1 the effects that the oil spill had on subsistence and continues
2 to have on subsistence it's important to look at their harvest
3 and use patterns within the cultural context of the community.
4 And that's what we have done in the past and we propose to do
5 here too.

6 MR. WOLFE: Okay. So option one really isn't
7 considered a viable option then? Is that what you're telling
8 me?

9 MR. FALL: In my view as a cultural
10 anthropologist I would say no, but to understand the status of
11 subsistence at this point it is important to look at it broadly
12 and that would be our recommendation from our department.

13 MR. RUE: It strikes me, Jim, that besides --
14 or once you've mobilized and asked the question about the half
15 the resources, you've really done most of the work, so asking
16 about the other half is really not -- you won't save much and
17 you learn a lot more. The other (indiscernible) that might be
18 interesting is to look at the perception and use pattern versus
19 our understanding of recovery of science. You might find that
20 we might believe it's recovered from the scientific
21 perspective, but from a broad Prince William Sound or spill
22 area perspective that there may be users out there who either
23 local -- because of localized reasons or problems still are
24 using the resource. So I think you might not see a one-on-one
25 comparison between our assessment of recovery and their

1 assessment of their continuing use of the resources.

2 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

3 MR. WOLFE: I really -- you know, as a part of
4 whatever project we wind up doing, I think option one needs to
5 be built into it, so that we can see the comparison that Frank
6 was talking about. To me that should be the foundation for how
7 we look at how we're doing and then we work from there on the
8 perception or how they're dealing with in distribution of those
9 resources out in the regions.

10 MS. SCHUBERT: I might add that one of the
11 things that we are interested in, including in the survey, if
12 possible, are some very localized questions about specific
13 projects that the Trustee Council has funded. For example, in
14 Chenega Bay, inquiring of people whether the Chenega Chinook
15 Release Project made a difference to their subsistence use. So
16 I think this planning meeting that we're asking for a little
17 bit of money for today will look at really at what questions
18 need to be asked.

19 CHAIRWOMAN D. WILLIAMS: Okay. Any other
20 comments on the subsistence component of this memo.

21 MR. RUE: This is Frank again. I would just --
22 for Jim's point, I would suggest that we keep the Subsistence
23 Division doing what they do well, which is doing a survey like
24 this, work with the communities to come up with some sort of
25 survey. And the Trustee Council agencies figure out we might

1 compare those results with "restoration of the resources"
2 (indiscernible).....

3 CHAIRWOMAN D. WILLIAMS: Yes.

4 MR. WOLFE: That was option one, yeah.

5 CHAIRWOMAN D. WILLIAMS: Yes. All right, any
6 other comments?

7 (No audible responses)

8 CHAIRWOMAN D. WILLIAMS: Okay, before we act on
9 it, I'd like go through the others. Commercial fishing.
10 Sandra, you're going to do this?

11 MS. SCHUBERT: Sure. If you're looking at your
12 memo, commercial fishing begins at the top of page three and
13 what's repeated there is the recovery objective that is in the
14 current update of the injured resources, which was prepared in
15 '96. And I might point out that when the resource status
16 update was prepared the services were really not updated, they
17 were kind of left the same. So there hasn't been an update on
18 this since the Restoration Plan was adopted in '94.

19 It then points out what the previous studies that were
20 done on commercial fishing were and this takes a look back to
21 the economic studies that were done just after the spill and
22 that was kind of our point of initial consideration, how to
23 look at commercial fishing? But you'll see that the previous
24 study really focused on economic losses and, of course, now
25 with the Council's restorations objectives being focused on the

1 resources, there isn't much of a match, really, between the
2 objectives of those economic studies and what you might be
3 interested in today.

4 So the options here are to update -- option one is to
5 update the status, based on the status of commercially
6 important fish species and also the presence or absence of
7 fishery closures. Which both of these go back to the recovery
8 objective and so we would just look to kind of a literal
9 interpretation of what the recovery objective says.

10 Then option two would broaden this out a little bit.
11 We had talked here at the office about commissioning a
12 fisheries analyst to prepare a short memo or report that would
13 look at the economic issues that have affected the industry
14 since the oil spill, just to try to present a better picture or
15 more complete picture of where commercial fishing is today
16 versus where it was at the time of the spill. So this report
17 would probably discuss things that aren't related to the spill
18 or caused by the spill but have, nonetheless, affected the
19 industry since then. And it's kind of a recognition that the
20 status of commercial fishing is complex question, there have
21 been so many factors in the last 10 years and it's hard to
22 tease out what was caused by the spill and what wasn't. But to
23 only look at the status of the injured resources themselves
24 might oversimplify or miss some important things that should be
25 taken into consideration when you talk about where commercial

1 fishing is today.

2 CHAIRWOMAN D. WILLIAMS: Okay. Trustee Council
3 questions or comments?

4 MR. WOLFE: Some of the same thoughts come to
5 mind here. It looks like this option one flows from everyone
6 of these. And if we do one time an option one, it would cover
7 all of the resources and then it could be used for all the
8 different studies then.

9 CHAIRWOMAN D. WILLIAMS: I will be candid, my
10 reaction to option two was quite negative, because I just don't
11 know how we can separate out the influences. And separate out
12 the factors is -- seems -- would be a tremendous task. I'm
13 sure there will be criticism about whatever approach one took
14 and so I would see a product from option two either not being
15 useful or being so highly criticized that its usefulness would
16 be substantially compromised.

17 One alternative I've thought about to a new study in
18 option two, is just have someone do a brief analysis of the
19 information that came out of the lawsuit. I mean obviously the
20 purpose of the lawsuit was to quantify and also, I think in
21 some instances, qualify the impact of the spill on the
22 commercial fishing industry. Maybe that already exists, maybe
23 we don't need to reinvent that, but in my mind the best
24 evidence out there came from the lawsuit. I think doing option
25 one for commercial fishing is all that needs to be done, but if

1 we were to do an option two, I would recommend looking at the
2 lawsuit instead of reinventing the wheel.

3 Mr. Tillery.

4 MR. TILLERY: I think the materials in the
5 lawsuit are too dated to accomplish the goal of finding out the
6 extent to which there have been sort of recovery of the
7 services, which would be the purpose, as I understand the
8 exercise, so I don't think that's really how to go about it. I
9 share your concerns of it not really -- I don't think we're
10 going to find anything out by doing this. I don't believe
11 we've really had a very good -- we didn't have a study --
12 unlike some of the other areas, we didn't have a study to begin
13 with of this. But I don't think the lawsuit way.....

14 CHAIRWOMAN D. WILLIAMS: Okay.

15 MR. TILLERY: Reusing that I don't think is
16 going, it's going to accomplish much.

17 CHAIRWOMAN D. WILLIAMS: Okay. Very good.

18 MR. RUE: This is Frank. I would be interested
19 in discussing for one second whether we should look and see if
20 there were some sort of threshold events that happened around
21 '89 and whether the herring, you know, the three-year herring
22 closure which may or may not have been, you know, the -- we
23 don't know how much of that was oil spill-related or not.
24 Plant closures in Cordova was economic, they were on the edge.
25 Did the spill take them over the edge? They closed, they

1 haven't come back. I think at least asking the fishing
2 industry or the fishing representative on the PAG or may be the
3 Mayor of Cordova and Valdez or some local officials, do they
4 think there's anything useful to look at here? Were there key
5 events that happened around '89 and the spill that had a
6 lingering impact on fishing that you can actually tease out
7 before we totally dismiss it. I think it would be worth asking
8 a few more folks their opinion, I guess, is all I'm saying.

9 CHAIRWOMAN D. WILLIAMS: What do other Trustee
10 Council members think?

11 MR. RUE: They're asleep.

12 CHAIRWOMAN D. WILLIAMS: Bill, do you have any
13 thoughts on this?

14 MR. HINES: Well, Madam Chair, I guess I'm a
15 little confused, and that's not unusual, obviously, we're going
16 through various options and first of all, are we going to vote
17 on, like.....

18 CHAIRWOMAN D. WILLIAMS: Yes.

19 MR. HINES: We're going to go as a package or
20 are we going to identify which option we want to go with at
21 this time? For example, option two on commercial fishing, it
22 talks about funds for this purpose would be needed. Don't even
23 have an estimate, so I don't think we can necessarily make an
24 informed judgment without some type of description of an
25 estimate for it.

1 CHAIRWOMAN D. WILLIAMS: I think once we're
2 done with the whole package we'll go category by category,
3 Bill.

4 MR. RUE: This is my suggestion, Bill, would be
5 that on commercial fishing we ask the opinion of a few key
6 folks in the spill area, in the fishing industry and perhaps,
7 say, in local government, too. (Indiscernible) happen if
8 communities in the fishing industry, ask them were there
9 particular events you think are worth analyzing and to see if
10 they've had a lingering effects.

11 MR. HINES: Determine if that'll be useful.

12 MR. RUE: And then if they come back and say,
13 yes, here it is and this is what would be really important to
14 look at, then we could reconsider whether or not we would want
15 to do it. That would be my only suggestion for that.

16 CHAIRWOMAN D. WILLIAMS: Okay, any other
17 thoughts on commercial fishing before we go to the next
18 category. And again, when we get through it all, we'll go back
19 and vote.

20 MS. SCHUBERT: Madam Chairman, could I.....

21 CHAIRWOMAN D. WILLIAMS: Yes.

22 MS. SCHUBERT:clarify something.....

23 CHAIRWOMAN D. WILLIAMS: Yes.

24 MS. SCHUBERT:for Mr. Hines? We're not
25 asking for approval of any amount of funding for any of these,

1 other than subsistence today. And the memo does make a
2 reference to needing the money in FY98, which was our thinking
3 when the memo was prepared back in April and we've now decided
4 that if we have direction from you and can start putting
5 something in place, if the money is approved for the '99 Work
6 Plan, which means it would be available October 1st, that
7 should be plenty of time. So you will have an opportunity in
8 the FY99 Work Plan to approve specific budgets and so on for
9 each of these.

10 CHAIRWOMAN D. WILLIAMS: Okay, very good.
11 Let's move to recreation and tourism then. Sandra.

12 MS. SCHUBERT: Again at the top, now, of page
13 four is the recovery objective as it reads today. And this is
14 kind of a three-part objective. It says that
15 recreation/tourism will have recovered when the fish and
16 wildlife resources on which they depend have recovered, when
17 recreation use of oiled beaches is no longer impaired and
18 facilities and management capabilities can accommodate changes
19 in human use.

20 So option one here, again, goes back to this recovery
21 objective, and option one would have us looking at the recovery
22 status of important fish and wildlife species, such as salmon,
23 Dolly Varden, sea otters and so on. We would also look at the
24 presence of oil on beach, which we would do by looking back to
25 the studies that the Council has funded, the Kodiak Shoreline

1 Survey, the work around Chenega last year. And we would also
2 look at the presence of recreational facilities to accommodate
3 changes in use that have happened since the spill.

4 Option two would go a little bit farther and we would
5 try to look at numbers of people who are recreating. And this
6 is tricky because there has been such a tremendous increase in
7 the number of tourist in Alaska in the last five years from --
8 or the last 10 years, from about 600,000 in '89 to over a
9 million in '96 that there's a concern that just looking at the
10 numbers won't tell you the whole story because the numbers are
11 going to be up, we know that.

12 So for recreation there's actually a third option which
13 would take into account recreational users' perceptions, so
14 this would involve talking to people who were familiar with
15 Prince William Sound, the spill region, before the spill and
16 who continue to recreate there now. And to see, through
17 interview, what their perception of recovery is. Even though
18 the number of people -- number of tourists is up, people who
19 were familiar with the Sound before the spill have said that
20 there's still certain beaches that aren't being used, sightings
21 of wildlife are diminished and so on.

22 MS. BROWN: (Indiscernible).....

23 CHAIRWOMAN D. WILLIAMS: Yes, Michele.

24 MS. BROWN: Is it necessary to do -- if you're
25 going to do option three to do one and two as well? I mean,

1 couldn't you just do one and three? I have the same concern
2 that Deborah raised on the commercial fisheries. If we start
3 counting numbers, there's so many variables in there that
4 you're just kind of throwing money after a bunch of numbers
5 that aren't going to necessarily be meaningful. I don't see
6 why you couldn't do option one and then the additional part
7 three of the phone interviews without having to collect all
8 that other data.

9 CHAIRWOMAN D. WILLIAMS: I had that same
10 reaction, uh-huh.

11 MR. RUE: I was wondering, in line with that, I
12 think. I wonder if there aren't statistics already that would
13 show kind of trends around the state and see whether, say,
14 Prince William Sound is keeping up with the overall trend and
15 them maybe expand three as potential visitors. Does the fact
16 that there was an oil spill in '89 affect where you go and is
17 it a negative for Prince William Sound? Are you avoiding the
18 Sound because of that, I guess, is the -- I wonder if anyone,
19 you know, asking -- if that would be a useful question to see
20 if the public out there in the larger world, as opposed to
21 people who know the Sound are still harboring a perception that
22 they shouldn't go to Prince William Sound.

23 I still, I mean AVA does all sorts of surveys, these
24 would be potential travelers. I'm not sure I'm in favor of
25 that, but I think it might be an interesting thing to see if

1 there's a lingering perception that's keeping people from
2 coming to that part of Alaska.

3 MS. SCHUBERT: Madam Chairman.

4 CHAIRWOMAN D. WILLIAMS: Yes, Sandra.

5 MS. SCHUBERT: I did talk to a few people about
6 each of those, you know, as I was developing the options, and
7 so I did talk to the AVA and they have not asked the question
8 about whether or not the oil spill's affected your travel plans
9 for several years. I mean it was really the couple of years
10 after the spill. Because one of Molly's general thoughts was
11 -- I mean, kind of her opinion was to use existing data
12 wherever we could and in the area of recreation there is quite
13 a bit available. Usage statistics are available and I believe
14 that the Forest Service has done some user surveys in Whittier,
15 people who are coming out of the Sound, asking some questions.
16 Not necessarily related to the oil spill, but asking what their
17 experience was like and so on. So there is some data out there
18 and, you know, with more digging we might find more.

19 CHAIRWOMAN D. WILLIAMS: Yeah, you want to tell
20 us a little about that data?

21 MR. WOLFE: Well, we did a use survey just to
22 see what was happening out there as far as use. And I haven't
23 seen all the results from that, but it was really hard to pick
24 up that the spill was affecting anything because the use is
25 going up dramatically, so it's hard to say. Our main concern

1 are the impacts on the resources from that use, rather than do
2 we perceive there's still recreation opportunities out there,
3 we're know they're out there. So I would say, maybe we don't
4 need to discuss option two or three any further. I think -- I
5 would like to see a more, and talk to a lot more people before
6 I'd talk about doing option two or option three here, because I
7 think option one is adequate at this point in time.

8 MR. TILLERY: May I?

9 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Tillery.

10 MR. TILLERY: The only thing I would -- I agree
11 with that, I don't -- and I think these things can get hugely
12 expensive, I know because we bought some of these once. But
13 the alternative that you mentioned of the Trustee Council staff
14 conducting telephone interview of key informants [sic]. I
15 think this sort of perceptual stuff is the only thing that's
16 going to have any meaning and that one might fit in with option
17 one. It would be relatively inexpensive, it could be done --
18 it would be done with existing staff and that might tell us if
19 there's any reason go further.

20 MR. WOLFE: You'd turn that over in the passive
21 use of.....

22 MR. TILLERY: No, in option three, I thought
23 that as an alternative, as opposed to hiring a consultant or
24 something, having the Council staff simply identify and speak
25 to people that are identified as people of information.

1 MR. WOLFE: As long as it's done by some
2 protocol that we all agree that it would be.....

3 MR. TILLERY: Well, it's.....

4 MR. WOLFE: Yeah.

5 CHAIRWOMAN D. WILLIAMS: Uh-huh. Okay. Any
6 other comments at this time on recreation and tourism?

7 MR. RUE: I suggest -- did Craig say that the
8 staff -- what he was thinking was the staff would call
9 operators or people in the Sound and ask them the question
10 about whether the spill was still affecting either their
11 business or their profession or their use?

12 MR. TILLERY: That's correct. I mean Sandra
13 can explain what she meant by that, but that's what I
14 understood.

15 MS. SCHUBERT: The other types of people we
16 were thinking of talking to were some of the guides that work
17 in the Sound, and there are some recreation and eco-tourism
18 organizations that I think have looked at some of these
19 questions of use quite a bit.

20 CHAIRWOMAN D. WILLIAMS: Okay. Passive use.

21 MS. SCHUBERT: So passive use, what was looked
22 at after the spill was, as you know, a contingent valuation
23 study that was looking at the value of the loss. And the
24 recovery objective here reflects people's perceptions, whether
25 people believe that the spill area is still diminished in some

1 way. So this recovery objective does not look back to any
2 injured resources, where all of the other say, in one form or
3 another, when the injured resources are recovered, then the
4 service will be recovered, this one does not.

5 So option one talks about modifying the recovery
6 objective to reflect the injured resources and services, so
7 that passive use would be declared recovered when all of the
8 resources and services that were injured by the spill are
9 recovered.

10 And option two calls for a survey of people's
11 perceptions, which would mean calling a random sample of people
12 and asking them whether they still perceive Prince William
13 Sound, and the rest of the spill area, to be injured.

14 CHAIRWOMAN D. WILLIAMS: Any comments on
15 passive use?

16 MR. TILLERY: Madam Chair.

17 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Tillery.

18 MR. TILLERY: Having been involved in the
19 original \$3,000,000 passive use study, I am not anxious to
20 replicate that. I really don't think option two is very
21 viable, it's usually expensive to do it right and I don't think
22 we'd want to do it if we weren't going to do it right, so I
23 would, I guess, feel very strongly that we should limit
24 ourselves to option one.

25 CHAIRWOMAN D. WILLIAMS: I don't fully

1 understand option one because even though all of the recovery
2 objectives can be met and all of the injured resources,
3 potentially, can be in the recovered stage, I'm not sure we're
4 ever going to be in the position of all of the injured
5 resources being recovered, in fact, my guess is we will never
6 be able to say all the injured resources are recovered. Even
7 if all of the injured resources were determined to be
8 recovered, there could still be perception that the spill area
9 was diminished by the spill, so I guess I don't conceptually
10 agree with option one.

11 MR. RUE: I have the same problem that you do.
12 I'm not sure that leads me to option two.

13 CHAIRWOMAN D. WILLIAMS: No.

14 MR. RUE: But certainly I don't want to just
15 reject the notion that there isn't passive value out there,
16 passive use value.

17 MR. TILLERY: I think you're correct, it
18 doesn't tell you that passive use has been restored, because
19 people's perceptions you can only find that out by asking them.

20 CHAIRWOMAN D. WILLIAMS: Right.

21 MR. TILLERY: And, again, I think that's too
22 major of an undertaking for us to do.

23 CHAIRWOMAN D. WILLIAMS: Right.

24 MR. TILLERY: I do think, though, that it does
25 collect in one thing -- if we would go back, I think, and look

1 at our original passive use survey and look at the information
2 we provided the recipients of that and, as I understand it, it
3 would essentially say, okay, if you were doing it again,
4 really, how would you have changed those things so that things
5 would be different, you wouldn't -- perhaps you would be saying
6 the same things or you'd be inviting additional information as
7 to how stuff has changed. I mean we talked about bald eagles
8 and today we would say, bald eagles are back and so forth, but
9 I don't think you could draw any conclusions from it, I think
10 you would just be so reporting, that this was what this
11 original damage was based on and now the information would be
12 different that we provide people, but we can't reach conclusion
13 as to what difference that's going to be.

14 CHAIRWOMAN D. WILLIAMS: Okay, any other
15 thoughts on passive use?

16 (No audible responses)

17 CHAIRWOMAN D. WILLIAMS: All right, let's go
18 back then. What Sandra said she needed from us was general
19 guidance on each of these issues and then specifically on
20 subsistence, a motion if we wish to proceed with option two.
21 So let's start with subsistence. Sandra reminded us or told us
22 that Molly recommended option two in subsistence and we had, I
23 think, a very good discussion about subsistence. Does anyone
24 wish to make a motion with respect to the subsistence issue?

25 MR. RUE: I guess, Madam Chair, I will make a

1 run at a motion that we approve, I think, it's \$8,100.....

2 CHAIRWOMAN D. WILLIAMS: Eighty-seven hundred?

3 MR. RUE:700, that's true, you have to
4 include the administration, for the Subsistence Division to
5 sponsor a workshop to develop a subsistence recovery survey of
6 the communities in the spill-affected areas.

7 CHAIRWOMAN D. WILLIAMS: Okay. Is there a
8 second to that motion?

9 MS. BROWN: I second it.

10 CHAIRWOMAN D. WILLIAMS: Okay, it's been moved
11 by Commissioner Rue and seconded by Commissioner Brown that the
12 Trustee Council allocate from fiscal year '98 \$8,700 for a
13 workshop to put together a plan for executing option two.

14 MR. RUE: A simpler way of putting it.

15 MR. WOLFE: Question.

16 MR. RUE: That works.

17 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

18 MR. WOLFE: Now, how we going to deal with
19 option one?

20 CHAIRWOMAN D. WILLIAMS: That would be
21 included.

22 MR. WOLFE: That would be included?

23 CHAIRWOMAN D. WILLIAMS: Yes.

24 MR. WOLFE: Okay.

25 MR. RUE: I'm sorry, option one would be

1 included?

2 CHAIRWOMAN D. WILLIAMS: Because option two
3 says, in addition to option one.

4 MR. RUE: Okay.

5 MR. WOLFE: All right.

6 CHAIRWOMAN D. WILLIAMS: Okay. Are there any
7 other questions or comments about the motion?

8 (No audible responses)

9 CHAIRWOMAN D. WILLIAMS: Hearing none, all in
10 favor of the motion indicate by saying aye.

11 IN UNISON: Aye.

12 CHAIRWOMAN D. WILLIAMS: Opposed?

13 (No opposing responses)

14 CHAIRWOMAN D. WILLIAMS: All right. Commercial
15 fishing. I'm not sure we need a motion here but more a sense
16 of the Council. The sense of the Council I heard was a lack of
17 enthusiasm for pursuing option two. Is there any Council --
18 oh, except, Frank -- at this time, but Frank did say that he
19 wanted some specific inquiries from some specific people to see
20 if there is an option two that would be more beneficial.

21 MR. WOLFE: Appropriate.

22 CHAIRWOMAN D. WILLIAMS: Or more appropriate.
23 Okay, proceed under that assumption. All right. On
24 recreation/tourism I heard a lack of enthusiasm for option two
25 and, in fact, there was some discussion about doing an option

1 three, a scaled-down option three which would involve staff
2 making selected calls to various, you know, high-end users of
3 the area to get their perceptions of the impact of the spill on
4 that area, but it sounded like the staff project would not
5 require additional money in fiscal year '99.

6 Is that the sense of the group?

7 (No audible responses)

8 CHAIRWOMAN D. WILLIAMS: Okay. And with
9 respect to passive use, I think there was a lack of enthusiasm
10 for option two and not even a lot of enthusiasm for option one,
11 but option one, if we were to do it, it sounds like a small
12 staff project anyway.

13 Okay, so at this point with respect to our Work Plan it
14 sounds like we would not have a Work Plan entry with respect to
15 recreation/tourism or passive use and we'll be seeking
16 additional information to see if there is any utility to having
17 an option two Work Plan entry for commercial fishing.

18 Does that sound about right?

19 MR. RUE: Yeah.

20 MS. BROWN: Okay.

21 MS. SCHUBERT: Thank you. As I mentioned, I
22 will be putting together a detailed project description and
23 budget that you'll have another opportunity to look at.

24 MR. WOLFE: Thank you.

25 CHAIRWOMAN D. WILLIAMS: Okay, that leads us

1 then to our last item on the agenda, restoration reserve,
2 discussion of public comments. It is late in the day.
3 Mr. Tillery.

4 MR. TILLERY: Actually I know I'm going to have
5 to report for surgery early in the morning, but I don't know
6 when, so I'm going to ask Mr. Swiderski to sit in for me during
7 this discussion and I'll just read the minutes later.

8 CHAIRWOMAN D. WILLIAMS: Okay. Very good. And
9 I also have to leave at approximately 3:45. I'm not sure this
10 needs to take very long, right, it'll be a very short summary
11 at this point? Thank you, Mr. Tillery.

12 MR. MYERS: Madam Chair, as short as the
13 Council wants to be. Actually we've got two things in
14 particular that we'd like to focus on. One is Veronica
15 Christman has prepared an analysis of the public comment that
16 you have under your tab, and I think it would be appropriate
17 for her to give the benefit of that summary analysis.

18 Molly was hoping, as much as anything else, to try and
19 get the Council to focus on this topic in the interest of
20 trying to see whether there is a timeline or a schedule that
21 the Council would like to set for itself regarding the process
22 for making some sort of decision. So there wasn't anything --
23 any action, per se, that was essential at this juncture but
24 Veronica, if you would.

25 CHAIRWOMAN D. WILLIAMS: Okay. And I would

1 note for the public that the Trustee Council has been given a
2 copy of all the comments.

3 MS. CHRISTMAN: Yes.

4 CHAIRWOMAN D. WILLIAMS: And in those instances
5 when comments were identical because of a postcard format or
6 letter form format, we were told how many of those identical
7 postcards or letters had been received, so I believe we have a
8 comprehensive collection of all of the comments in our folder.

9 MS. CHRISTMAN: Yes, that we received as of the
10 date. We have received about a dozen comments since.

11 CHAIRWOMAN D. WILLIAMS: Okay. You'll send
12 those to us?

13 MS. CHRISTMAN: Yes, yes, they will be
14 packaged. And we did receive nearly 1,100 comments in response
15 to the newsletter article that went out in the spring, in
16 March. And approximately half of those comments were from
17 within the state, approximately half were from outside the
18 state. And about two-thirds of the responses appeared to have
19 resulted from an outreach effort. That actually was discussed
20 earlier today by the Sierra Club, the Alaska Center for the
21 Environment and Alaska Rain Forest Campaign. And these
22 responses, many of which were the multiple responses that were
23 in your packet, all shared one common theme, which was to urge
24 the use of at least 75 percent of the restoration reserve for
25 habitat protection.

1 All of the comments we received did address the issue
2 of use. The newsletter also asked about governance, how should
3 decisions be made with regard to the restoration reserve, also
4 public advice that mainly should the Public Advisory Group
5 continue and also term, whether we'd be looking at a fixed term
6 or a endowment. Although all the comments addressed use, very
7 few -- relatively few of the comments addressed other issues.
8 In terms of use, the strong preference was for a primary use of
9 the reserve to be for habitat protection. It varied from 60
10 percent to 80 percent. There were variations.

11 One of things I did for summary that you have before
12 you is I did take a look at any variations we would have in the
13 responses based on the location, the origin of the response.
14 And what I found was that with regard to use, only a fifth of
15 the responses from the spill area advocated use of the reserve
16 primarily for habitat protection and nearly half of the
17 responses from the spill area proposed other combinations of
18 use, although there was no real pattern to the other
19 combinations of uses. Some entailed research and monitoring,
20 some entailed community-based projects, but there was no real
21 theme to those.

22 In terms of governance, there were only 174 responses
23 to this issue at all, so this was not an issue that captured
24 much response, however, the strong preference among those who
25 did address this issue was to continue the Trustee Council in

1 its present form. And once again the residents -- the
2 responses from the spill area, although they were quite small
3 in number, I think they are significant in that the pattern of
4 response differed significantly from the overall trend and the
5 responses were about evenly split between retaining the Trustee
6 Council and changing the governance, either establishing a new
7 board or using a foundation.

8 In terms of public advice, the overall trend among the
9 140 responses that we received was to retain the existing PAG
10 structure, although the responses from the spill area were
11 about evenly split among three opinions, retaining the PAG,
12 disbanding it or establishing a different group.

13 And in finally in terms of term, this issue did attract
14 more responses than we received for any of the minority issues
15 or secondary issues. About 400 responses were submitted and
16 most of those responses were -- did advocate maximum
17 flexibility, that is to retain the flexibility to be able to
18 tap the principal, if needed, if there were an opportunity
19 available. And again, within the spill area about
20 three-quarters did favor a permanent endowment.

21 So that was the summary.

22 CHAIRWOMAN D. WILLIAMS: Very good. Are there
23 questions for Veronica regarding the summary?

24 (No audible responses)

25 CHAIRWOMAN D. WILLIAMS: Thank you, Veronica,

1 very good summary and thank you for providing us those
2 additional comments.

3 I'd now like to see if the Trustee Council would like
4 to, at this time, address timing. Do any Trustee Council
5 members have a -- first of all, do you wish to address timing
6 at this time or is the hour late enough that we would discuss
7 this at our next meeting?

8 MR. WOLFE: Timing of?

9 CHAIRWOMAN D. WILLIAMS: Timing of making a
10 decision on.....

11 MR. WOLFE: On the restoration.....

12 MS. WILLIAMS:the restoration reserve. I
13 think one of our -- let's see if we can talk about an ultimate
14 timing goal and work back from there. Did the Trustee Council
15 members believe that it is important for the 10th year event to
16 announce to the public what our plans are or recommendations
17 are with respect to the restoration reserve? That's the only
18 objective event out there that I can think of that we could
19 either decide to tie this to or not tie this to. If we decide
20 that we should announce at or before the 10th year event our
21 recommendation on the restoration reserve then we can work
22 backward from there. If we don't feel it's necessary,
23 appropriate or desirable to do that, then, of course, we have
24 all the flexibility in the world on timing between now and
25 2002.

1 One thought we had with respect to timing, as some
2 people know, is some of the options might require legislation
3 and so we are going to build that into the timeframe. Do we
4 want to discuss this now or do we want to defer this? Jim.

5 MR. WOLFE: Madam Chair, I think having
6 something on the table by the 10th year, as a minimum, would be
7 our target, maybe sooner, would be my preference. I was
8 thinking that our original schedule was to have something on
9 board by August of this year; is that right?

10 MR. MYERS: Well, there's been discussion in
11 the past of trying to perhaps this late summer or fall -- and
12 all along what we have been trying to do through the schedule
13 of the public meetings and the collection of public comment is
14 to be able to provide the information to the Trustee Council
15 through the public comment process that would inform the
16 Council in its deliberations. And there has been, as I say,
17 informal discussion about the late summer, fall, but nothing
18 definitive and that's what we wanted to bring before you today.

19 CHAIRWOMAN D. WILLIAMS: Do we want to target
20 -- I assume we should spend an entire meeting just on this.

21 MR. RUE: I think it might be worth that, Madam
22 Chair.

23 MR. WOLFE: Work session.

24 CHAIRWOMAN D. WILLIAMS: I think so.

25 MR. RUE: Let me ask a process question. It

1 seems to me that going out and ask the public question, if our
2 next step might be to go out with a proposal, having heard the
3 public, sort of summarize what we heard, the way Veronica did a
4 very nice job of, and say, here's what we heard, here's what
5 we're thinking or here's a proposal, public, and then get a
6 reaction to a proposal. Maybe I'm.....

7 MR. MYERS: The only other -- I was simply
8 going to note that the PAG is still in mid-stride, as it were,
9 with its deliberations and it did wrestle mightily with this
10 question for a good day and a half solid, so it's one that's
11 challenging, but they do not plan to have their deliberations
12 concluded until at least the next meeting, which would be, as I
13 indicated, in late July. So that additional piece of
14 information is as yet forthcoming in terms of your own
15 thinking.

16 MR. RUE: I was suggesting that we not do that
17 today. Suggesting that we figure out that our next meeting
18 ought to be to discuss process, timing and then perhaps even
19 start laying out a preference which could fleshed out and we'd
20 probably have to have subsequent meetings on it. But I'm just
21 thinking before next March we're probably going to go out to
22 the public with a proposal before we make a final decision.
23 Which means we probably ought to go out with a proposal next
24 fall, early winter, having heard from the PAG and thought about
25 this; is that right?

1 CHAIRWOMAN D. WILLIAMS: Do we want to target a
2 September, mid-September meeting for this?

3 MR. RUE: Just on this issue after the PAG has
4 had a chance to.....

5 CHAIRWOMAN D. WILLIAMS: Early September?

6 MR. RUE: The PAG is going to give us their
7 stuff, when, late July?

8 CHAIRWOMAN D. WILLIAMS: Maybe.

9 MR. RUE: Maybe?

10 CHAIRWOMAN D. WILLIAMS: Uh-huh (affirmative).

11 MR. WOLFE: Maybe August.

12 CHAIRWOMAN D. WILLIAMS: August is tough.

13 MR. MYERS: August is the Work Plan meeting.

14 CHAIRWOMAN D. WILLIAMS: August is the Work
15 Plan meeting, we're really going to be focused on the Work
16 Plan.

17 MR. RUE: Yeah.

18 CHAIRWOMAN D. WILLIAMS: I think we ought to
19 let the dust settle on the Work Plan and then really.....

20 MR. RUE: Maybe September?

21 CHAIRWOMAN D. WILLIAMS:do this in
22 September.

23 MR. WOLFE: Yeah.

24 CHAIRWOMAN D. WILLIAMS: People feel
25 comfortable with September?

1 MR. WOLFE: Yeah.

2 CHAIRWOMAN D. WILLIAMS: And then I think it's
3 just Rebecca's job to find a date in September, we're won't
4 even restrict you to early, mid or late and let you.....

5 MR. MYERS: You say that now.

6 CHAIRWOMAN D. WILLIAMS: We'll just let you
7 meet the challenge of finding a date. And I really think this
8 is a topic where we all should be in the same location. Do we
9 agree?

10 MR. WOLFE: Yes.

11 CHAIRWOMAN D. WILLIAMS: Be it Anchorage or
12 Juneau.

13 MR. RUE: How about Juneau.

14 CHAIRWOMAN D. WILLIAMS: I think we need to
15 look at each other. Are we having the Work Plan meeting here,
16 I assume?

17 MS. R. WILLIAMS: Yes.

18 CHAIRWOMAN D. WILLIAMS: Okay.

19 MS. BROWN: Work Plan meeting is in Anchorage.

20 CHAIRWOMAN D. WILLIAMS: Work Plan meeting is
21 in Anchorage, we'll let Rebecca work out the logistics of
22 location, too, but I do think our goal should be to have
23 everyone there physically present.

24 MR. RUE: Okay.

25 CHAIRWOMAN D. WILLIAMS: September sounds good.

1 MR. RUE: Juneau's beautiful in September,
2 we'll want to stay inside.

3 CHAIRWOMAN D. WILLIAMS: Yeah. Okay,
4 excellent. Is there any other business to bring to the Trustee
5 Council at this time?

6 (No audible responses)

7 CHAIRWOMAN D. WILLIAMS: I will entertain a
8 motion to adjourn.

9 MR. TILLERY: Madam Chair, I would move to
10 recess.

11 CHAIRWOMAN D. WILLIAMS: I knew you were going
12 to do that. I tried though.

13 MS. BROWN: Second.

14 MR. WOLFE: If something comes up?

15 MR. TILLERY: If we have to come back
16 (indiscernible - lowers voice).....

17 CHAIRWOMAN D. WILLIAMS: We have been informed
18 there are a couple of items that we will probably have to
19 address in the next week or two and so Mr. Tillery has made a
20 motion to recess. All in favor of the motion to recess
21 indicate by saying aye.

22 IN UNISON: Aye.

23 CHAIRWOMAN D. WILLIAMS: Opposed?

24 (No opposing responses)

25 CHAIRWOMAN D. WILLIAMS: Thank you again,

1 public and Trustee Council members, look forward to talking to
2 you in the next couple weeks and let it shine.

3 (Off record)

4 (Council recessed at 3:46 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:

of: THAT the Transcript has been prepared at the request

DATED at Anchorage, Alaska this 14th day of June 1998.

SIGNED AND CERTIFIED TO BY:



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