

9.12.07

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

Teleconference
Thursday, September 9, 1999
10:00 o'clock a.m.

Fourth Floor Conference Room
645 G Street
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT (TELEPHONICALLY):

STATE OF ALASKA - DEPARTMENT OF LAW: (CHAIRMAN)	MR. CRAIG TILLERY Trustee Representative for the Attorney General
STATE OF ALASKA - DEPARTMENT OF FISH AND GAME:	MR. GERON BRUCE for MR. FRANK RUE Commissioner
U.S. DEPARTMENT OF INTERIOR:	MR. BARRY ROTH for MS. MARILYN HEIMAN Special Assistant to the Secretary for Alaska
U.S. DEPARTMENT OF AGRICULTURE - U.S. FOREST SERVICE	MR. DAVID GIBBONS Trustee Representative
U.S. DEPARTMENT OF COMMERCE - NMFS:	MR. BRUCE WRIGHT for MR. STEVE PENNOYER Director, Alaska Region
STATE OF ALASKA - DEPARTMENT OF ENVIRONMENTAL CONSERVATION:	MS. MARIANNE SEE for MS. MICHELE BROWN Commissioner

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1 **TRUSTEE COUNCIL STAFF PRESENT:**

2 MS. MOLLY McCAMMON

Executive Director
EVOS Trustee Council

3 MS. SANDRA SCHUBERT

Director of Restoration
EVOS Staff.

4 MS. REBECCA WILLIAMS

Executive Secretary
EVOS Staff

5 MS. VERONICA CHRISTMAN

Department of Natural
Resources; EVOS Staff

6 MR. BARRY ROTH
7 (Telephonically)

Attorney-Advisor
Conservation & Wildlife
Division
Department of the Solicitor

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P R O C E E D I N G S

(On record - 10:03 a.m.)

3 CHAIRMAN TILLERY: This is Craig Tillery with
4 the Department of Law, this is the September 9th meeting of the
5 Exxon Valdez Oil Spill Trustee Council that has been noticed on
6 somewhat of a quick time line, but the public notice did go out
7 on it. On line we have myself, Dave Gibbons representing the
8 Forest Service; Geron Bruce representing Fish and Game;
9 Marianne See representing DEC; Barry Roth representing the
10 Department of the Interior; and Bruce Wright representing NOAA.

11 And I understand that the sole item on the agenda for
12 this meeting is a proposal to determine the level of funding
13 for project management for the archaeological repositories; is
14 that correct, Executive Director?

15 MS. McCAMMON: That's correct.

16 CHAIRMAN TILLERY: Okay. Who will -- are there
17 any questions by any Council members at this point?

18 (No audible responses)

19 CHAIRMAN TILLERY: Anything else that needs to
20 come up before the Council?

21 (No audible responses)

22 CHAIRMAN TILLERY: Okay. Molly, who will be
23 describing the issue?

24 MS. McCAMMON: I will.

25 CHAIRMAN TILLERY: Okay. Can you go ahead and

1 do that?

2 MS. McCAMMON: Yes. Mr. Chairman, on January
3 22nd, 1999, the Trustee Council approved a resolution which
4 resolved to provide 2.8 million to the Alaska Department of
5 Natural Resources to administer as a grant award to Chugachmiut
6 to restore archaeological resources in Prince William Sound and
7 Lower Cook Inlet. In addition to the 2.8 million, the
8 resolution also said, plus a reasonable amount of funding for
9 project management and general administration to be approved by
10 the Council to the Department of Natural Resources.

11 What we have before you today is the first request for
12 project management costs for the initial phase of the project.
13 In our discussions with Chugachmiut and its partner, Chugach
14 Alaska, the first phase of the project will be to develop a
15 business plan for the regional repository and to begin some
16 initial solicitations in the local communities for the local
17 display facility. The repository business plan would assess
18 the financial viability of the repository proposed in the grant
19 proposal. And the proposal is to have displays in the railroad
20 depot and the repository storage function in the Orca Building.

21 In addition, the repository plan will look at
22 potentially some other options for Chugachmiut and Chugach
23 Alaska. Some alternatives could be small space in the Orca
24 Building, possibly some cooperative agreements with existing
25 museums, such as the Valdez Museum, possibly the Pratt Museum

1 in Homer.

2 The business plan will help both Chugachmiut and the
3 Council decide whether to proceed with the project as
4 originally conceived. And the agreement is to submit that
5 business plan by November 24th. We will arrange to have an
6 independent third party review in early December and,
7 hopefully, by the Council's meeting in mid-December come back
8 to you with an update of where we are in terms of the actual
9 project.

10 The Council has already approved up to 2.8 million for
11 the grant itself and so today we're not coming for that
12 authority. What we're coming for are the support costs
13 estimated for this initial phase of the project, which we
14 estimate to be no more than \$40,400. The support costs would
15 be allocated as follows: Up to \$20,000 for the independent
16 third party review of the repository business plan, we have
17 received estimates already, ranging from \$3,000 to 50,000. We
18 actually think a realistic cost is somewhere between 10 to
19 \$20,000 for the review.

20 Up to \$7,300 for one month of project management costs,
21 this would be Veronica Christman, who is housed here,
22 overseeing the project. Up to \$3,800 for half a month of
23 oversight by Judy Bittner, the State's Historic Preservation
24 Officer. And then \$9,300 for general administration costs.

25 OPERATOR: Excuse me, Marilyn Heiman is on line.

1 MS. McCAMMON: Thank you. Marilyn, we got
2 started here and I'm basically just going through the memo that
3 was sent out to everyone on September 8th.

4 We have a proposed motion here and I have one addition
5 to the proposed motion and that would be to include the
6 sentence, that these are to be considered capital project funds
7 since we are crossing fiscal years.

8 CHAIRMAN TILLERY: Okay. Are there questions
9 that Council members have for Molly? And I guess for the
10 record, Marilyn Heiman has now become the DOI representative at
11 this meeting.

12 MR. GIBBONS: Mr. Chairman, this is Dave
13 Gibbons. I've got one question. Is there a format for the
14 business plan that's kind of standard or -- how will that
15 process work?

16 MS. McCAMMON: Mr. Chairman, I'm going to have
17 Veronica Christman, whose been talking to Chugachmiut about
18 their plans for the business plan.

19 MS. CHRISTMAN: There is no standard format.
20 We did check into what was required of the SeaLife Center, et
21 cetera. The grant agreement, however, does specify the topics
22 that we want to have covered. And these are considered minimum
23 topics, and that is we want them to develop a realistic budget
24 for construction, based at a minimum on the concept design that
25 was submitted in the proposal. So if they address

1 alternatives, we also want them to address -- or to develop a
2 realistic capital budget, a realistic operating budget for a
3 20-year period and also to describe how they plan to fund these
4 ongoing operating and maintenance costs. And describe any
5 revenue sources in enough detail so that the independent third
6 party reviewer can assess whether they're realistic.

7 And then the final point was to then describe in
8 greater detail than we've received up to this point, the
9 financial guarantees that would be provided for the project.
10 And that's the heart of what we're looking for. I might add
11 that Chugachmiut right now is having discussions with the ISER,
12 the Institute of Social and Economic Research, to have them
13 develop a proposal for doing this work because what they're
14 proposing to do is a considerable expansion from the minimum
15 that we're requiring in the grant agreement. I might also say
16 that the -- at least one of the firms we contacted to do the
17 independent review indicated that their review would be most
18 constructive if they also had a chance to look at the scope of
19 work, and we thought that would be a good idea to pursue. And
20 that might result in some additions to the topics that are
21 addressed.

22 CHAIRMAN TILLERY: Mr. Gibbons, does that
23 answer your question?

24 MR. GIBBONS: Yes, it does, Mr. Chairman.

25 CHAIRMAN TILLERY: Okay. Are there other

1 questions for Molly or for Veronica?

2 MS. HEIMAN: This is Marilyn and I'm sorry, I
3 would have liked to have been there for the beginning of who
4 was on the line and not understanding the set up of this, I've
5 been sitting by my phone, I guess it wasn't ringing. I'm at
6 the AFN meeting here. And I just want to double check, Molly,
7 is this what has come out of the discussions that you had with
8 Chugachmiut and Sherri Buretta a couple of weeks ago?

9 MS. McCAMMON: Yes, it is. What we.....

10 MS. HEIMAN: Okay.

11 MS. McCAMMON:agreed to do is to go ahead
12 with development of the repository business plan, but to
13 expand, slightly, the scope of the business plan that may also
14 look at some other alternatives.

15 MS. HEIMAN: Okay.

16 CHAIRMAN TILLERY: Okay. Marilyn, for your
17 information, I'm the one representing the Department of Law,
18 Dave Gibbons with Forest Service, Geron Bruce for Fish and
19 Game, Marianne See for DEC, you now for DOI and Barry Roth is
20 also on the line, and Bruce Wright for NOAA. The meeting was
21 noticed, but there has not been any public members that have
22 shown up physically or have asked to be on line.

23 MS. HEIMAN: Okay. And who was this speaking;
24 was that Veronica before or who was it?

25 MS. CHRISTMAN: Yes, Veronica Christman.

1 MS. HEIMAN: Okay. All right. And so by
2 November 24th you'll have a revised business plan that we can
3 look at to see if we can go forward with that plan; is that
4 right?

5 MS. McCAMMON: That's correct and we've also
6 committed to having an independent third party review of the
7 business plan.

8 MS. HEIMAN: Okay. And Chugachmiut is
9 comfortable with this approach?

10 MS. McCAMMON: Yes.

11 MS. HEIMAN: Okay. Thank you.

12 CHAIRMAN TILLERY: Okay. Are there other
13 questions for Molly or Veronica?

14 (No audible responses)

15 CHAIRMAN TILLERY: Is there a motion?

16 MS. HEIMAN: I move that we.....

17 CHAIRMAN TILLERY: Ms. Heiman.

18 MS. HEIMAN: Well, I assume that we're moving
19 the recommendation at the bottom of the -- that we provide the
20 monies for DNR; is that what you want?

21 MS. McCAMMON: Yes.

22 CHAIRMAN TILLERY: Yeah, you may want to read
23 it for the record. And I believe that there was an additional
24 sentence that Ms. McCammon was recommending.

25 MS. McCAMMON: Yes. That these are to be

1 considered capital project funds with that.....

2 MS. HEIMAN: Okay. Well, I just misplaced the
3 second page, so I would move that what is in there, Molly, if
4 you want to read it.

5 MS. McCAMMON: The proposed motion is,
6 therefore, be it resolved that the Trustee Council provide to
7 the Alaska Department of Natural Resources funding in the
8 amount of \$40,400 for support costs for the initial phase of
9 the grant award to Chugachmiut, Incorporated, to develop an
10 archaeological repository, local display areas and traveling
11 exhibits. The initial phase of this project consists of
12 preparation of the repository business plan and development of
13 a solicitation process for local display facilities and is
14 expected to be undertaken between September of 1999 and
15 December 1999. These are to be considered capital project
16 funds.

17 MS. HEIMAN: I so move.

18 MR. WRIGHT: I second. This is Bruce Wright.

19 CHAIRMAN TILLERY: Okay. It has been moved and
20 seconded. Is there any discussion on the motion?

21 MR. WRIGHT: This is Bruce Wright. Molly, I'm
22 really please to see that we're making some progress here, and
23 I think this is an excellent idea to develop this repository
24 business plan and I look forward to reviewing it.

25 MS. McCAMMON: Well, it's slow progress, but

1 it's progress.

2 MR. WRIGHT: It's progress now, I mean, we were
3 not making progress there for a while.

4 MS. McCAMMON: Yeah.

5 CHAIRMAN TILLERY: Is there other discussion of
6 the motion?

7 (No audible responses)

8 CHAIRMAN TILLERY: Okay. Hearing none, all in
9 favor of the motion, signify by saying aye.

10 IN UNISON: Aye.

11 CHAIRMAN TILLERY: Opposed?

12 (No opposing responses)

13 CHAIRMAN TILLERY: It was unanimously approved
14 and I believe that brings us to the end of the items that we
15 have for this meeting. Actually, Marilyn, we talked earlier,
16 no one else had any additional items to the meeting, is there
17 anything that you are aware of that needs to come before the
18 Council?

19 MS. HEIMAN: No.

20 CHAIRMAN TILLERY: Okay. We would certainly
21 entertain a motion to adjourn.

22 MS. HEIMAN: I so move.

23 MR. BRUCE: I move the Council for the
24 September 9th teleconference adjourn.

25 CHAIRMAN TILLERY: Is there a second?

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MR. WRIGHT: Second. Bruce Wright.

CHAIRMAN TILLERY: It's been moved and
seconded, all in favor say aye.

IN UNISON: Aye.

CHAIRMAN TILLERY: Opposed?

(No opposing responses)

CHAIRMAN TILLERY: The meeting is adjourned.

MS. McCAMMON: Thank you very much.

(Off record - 10:15 a.m)

(END OF PROCEEDINGS)

