

EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL

Public Meeting
Monday, November 25, 2002
10:00 o'clock a.m.

441 West 5th Avenue, Suite 500
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT:

STATE OF ALASKA - DEPARTMENT OF FISH AND GAME:
(Chairman) MR. FRANK RUE
Commissioner

STATE OF ALASKA - DEPARTMENT OF LAW: MR. CRAIG TILLERY
Assistant Attorney General
State of Alaska

U.S. DEPARTMENT OF AGRICULTURE, MR. DAVE GIBBONS
U.S. FOREST SERVICE Forest Supervisor
(Telephonically) Forest Service AK Region

U.S. DEPARTMENT OF COMMERCE, MR. JAMES W. BALSIGER
National Marine Fisheries Svc: Administrator, AK Region

U.S. DEPARTMENT OF INTERIOR: MS. DRUE PEARCE
(Telephonically) Senior Advisor to the
Secretary for Alaskan
Affairs,
U.S. Department of Interior

STATE OF ALASKA - DEPARTMENT OF ENVIRONMENTAL CONSERVATION: MS. MICHELE BROWN
Commissioner
MR. RON KLEIN (Started)

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1	TRUSTEE COUNCIL STAFF PRESENT:	
2	MS. MOLLY McCAMMON	Executive Director
3	MS. SANDRA SCHUBERT	Program Director
4	DR. PHIL MUNDY	Science Director
5	MS. CHERRI WOMAC	Administrative Assistant
6	MS. DEDE BOHN	U.S. Geological Service
7	MR. KEN HOLBROOK	U.S. Forest Service
8	MR. BILL HAUSER	ADF&G
9	MS. CAROL FRIES	AKDNR
10	MR. ALEX SWIDERSKI	Department of Law

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TABLE OF CONTENTS

Call to Order	04
Approval of Agenda	06
Approval of Meeting Notes (October 29 & November 4, 2002)	06
Executive Director's Report	06
Investments	08
Habitat - Small Parcels	17
Project 030126	25
Science Review Process	29
Prior Work Plan Adjustments	40

PUBLIC COMMENT

Ms. Theresa Obermeyer	43
Habitat - Future Interests	52
Presentation to Departing Council Members	77
FY03 Work Plan Phase II	91
Research MOA	147
Adjournment	154

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
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1 Molly.

2 MS. McCAMMON: Mr. Chairman, the only thing
3 I would suggest -- I put these times here and these times
4 are totally artificial and it was to get some sense of how
5 long the meeting would take, but it could take less time or
6 more time. But also because we do need an executive
7 session to talk about my evaluation and habitat protection.
8 We could do that at either the end of the day or before
9 lunch or after lunch or something tied in a little bit more
10 to a break. So we may not want to do that one exactly
11 where we are in the schedule, because otherwise we have to
12 disconnect then reconnect. We could just be a little fluid
13 about that one.

14 CHAIRMAN RUE: How about if we did it over
15 lunch? Do people have an objection to using lunch as the
16 time to.....

17 MS. McCAMMON: Well we did have kind of a
18 special lunch menu that the public and everybody here is
19 invited to.....

20 CHAIRMAN RUE: Oh, okay. Well we'll pick a
21 time then.

22 MR. TILLERY: Maybe we can do it sort of in
23 conjunction with lunch like right before or right after.

24 MS. McCAMMON: Right after.

25 CHAIRMAN RUE: Right after. How about

1 right after lunch? Is that all right with folks? All
2 right. So the agenda is approved hearing no objection.

3 Next approval of the meeting notes. I'm
4 sure we've all read them carefully. Any additions or
5 deletions to the meeting notes?

6 (No audible response)

7 CHAIRMAN RUE: No. Any objections to
8 adopting the meeting notes?

9 (No audible response)

10 CHAIRMAN RUE: Hearing no objection.....

11 MS. McCAMMON: We usually use a motion.

12 CHAIRMAN RUE: Oh. Do I hear a motion to
13 adopt the meeting notes then. What's the difference?

14 MR. TILLERY: I so move.

15 CHAIRMAN RUE: And a second.

16 MR. BALSIGER: Second.

17 CHAIRMAN RUE: Seconded by Mr. Balsiger.
18 Any objections?

19 (No audible response)

20 CHAIRMAN RUE: Thank you. We are whipping
21 through the agenda. Molly, would you like to give us your
22 report?

23 MS. McCAMMON: Thank you, Mr. Chairman. I
24 only have a couple of things. Most of the items I report
25 on are already on the agenda. We do have -- the Public

1 Advisory Committee nominees have gone back to Washington,
2 D.C. and we're waiting for formal Secretary of the Interior
3 approval of those nominations. In the meantime we have
4 gone ahead and scheduled an orientation session for those
5 nominees for December 3rd and 4th and so we will be doing a
6 session at that time. It will either be a formal meeting
7 or a work session orientation session depending on if they
8 get their final approval at that time. It will also be
9 held in conjunction with the Habitat Subcommittee and then
10 also the local in-State members of the STAC will also be
11 present. So it will be a combination orientation session,
12 combination briefing on the development of the GEM Science
13 Plan and discussion of that. That's December 3rd and 4th.

14 We're still continuing with preparations
15 for the annual workshop which is January 13th through 17th
16 and I know we've heard some feedback because this is in
17 conflict with the Pacific Salmon Commission meeting and I
18 think the next week was in conflict with the Halibut
19 Commission meeting and it's becoming increasingly difficult
20 to schedule annual meetings that aren't in conflict with
21 something. If we are to have this session blocked out, we
22 are going to have to work with groups and figure out a
23 session that has the least conflicts and gets the most
24 people voting for that time period and really commit to
25 keeping that time period open.

1 The last thing I wanted to report on is
2 that we had hoped that the oceans report which was a
3 follow-up to the June symposium would be completed and
4 available by mid- to late November. We've had some delays
5 with the layout and design of that report so it's looking
6 closer to the second to third week of December before we
7 actually get that completed but I think you're going to be
8 very pleased when you see it. It will be both a hard copy
9 that will be available for distribution and then also a
10 .pdf file that can be posted on various websites. It has a
11 lot of really good information in it. I think you'll be
12 happy with that. That concludes my report.

13 CHAIRMAN RUE: Any questions of Molly?

14 MR. BALSIGER: Mr. Chairman.

15 CHAIRMAN RUE: Yeah, Mr. Balsiger.

16 MR. BALSIGER: This is not exactly on topic
17 but I have two notebooks. Are they likely to contain the
18 same stuff?

19 (Off record - comments re: notebooks)

20 CHAIRMAN RUE: Okay. Any other questions
21 of Molly? Investments. Molly, you want to talk about
22 investments.

23 MS. McCAMMON: If you'll look in your
24 packet under October Investment Reports, this is the first
25 report that has all of the funds divided out. This is what

1 you will be seeing in the future. We don't have all the
2 nice graphs and pie charts and things like that for you but
3 we'll have those more on a quarterly basis. I did want to
4 show you how after October 1st, 55 million was taken out of
5 the amount of funds available in the EVOS Investment Fund
6 and put into a Habitat Investment Fund. And then again on
7 October 15th, 29.55 million was taken out of the Habitat
8 Investment Fund and put into another account called the
9 Koniag Investment sub-account. So you now will see the
10 three accounts tracked separately. You'll see their
11 earnings by the various asset pools. Hopefully earnings
12 not losses. We will be reporting to you on this basis.

13 CHAIRMAN RUE: Okay.

14 MS. McCAMMON: What this doesn't include is
15 the additional cash that is kind of un-earmarked in the
16 GeFONSI fund which is the State cash fund and the NRDA-R
17 account which is the Federal cash account. Those are both
18 primarily for the research side. So there's probably what
19 you see here is 91.3 million and there is probably a couple
20 of million in addition to that that's sitting in those
21 accounts that's not part of this.

22 MR. TILLERY: Mr. Chairman.

23 CHAIRMAN RUE: Craig.

24 MR. TILLERY: My understanding would be
25 that under the Council's resolution of a number of years

1 ago all of that money that is in those accounts would be in
2 the Research Fund.

3 MS. McCAMMON: It would be with the
4 exception of you have already approved a couple of small
5 parcels and that money has been transferred to those
6 accounts waiting for payment. So with the exception of
7 those it is all research.

8 MR. TILLERY: And we're tracking that.

9 MS. McCAMMON: Yes.

10 CHAIRMAN RUE: Any other questions of Molly
11 on investments?

12 (No audible response)

13 MS. McCAMMON: If you'll look at your next
14 tab which is the payout schedule, we did have a meeting of
15 the Investment Working Group on late September and looked
16 at the payout schedule which you adopted in May of 2000 and
17 that is Attachment A to this memo. In looking at that
18 there were some questions that we had. First of all we
19 didn't want to go to using a percentage of the average
20 market value of the account until we had had three full
21 years where the fund was fully capitalized. And when the
22 amount available for expenditure would be known compared to
23 when we need to know that amount. We started working out
24 the dates and there was a little bit of a disconnect.

25 In addition, the fund has not done, as all

1 funds across the country, have not done exceedingly well in
2 the last two years and for that reason we thought we would
3 be a little more conservative with the fixed costs for the
4 next couple of years. For that reason the investment work
5 group put together a revised payout schedule and that's
6 Attachment B. What we're looking at there is fixed costs
7 for annual Work Plan and the administrative costs for 2003
8 to continue at \$6,000,000 not to exceed. For 2004 the
9 amount would go down to five million. For 2005 the amount
10 would be five million and then in fiscal year 2006 the Work
11 Plan and administrative costs shall not exceed 4.5 percent
12 of the average market value over FY02 to FY04 of the EVOS
13 Research Investment Sub-Fund. In fiscal year 2007 the
14 annual Work Plan and administrative costs shall not exceed
15 four and one half percent of the average market value over
16 FY02 to FY05, which is four years. In fiscal year 2008 it
17 will be for five years and then beginning in fiscal year
18 2009 and the years following it would be four and one half
19 percent over the prior five completed federal fiscal years.

20 Again, what we looked at was how do you
21 determine what the market value of the fund for each of
22 those fiscal years. How do you determine it? We
23 determined it would be the amount in the fund as of
24 September 30th. As of that date. We usually get the
25 reports from the funds in that date, 10 working days after

1 that so we would know at about October 15th, so we would
2 have that date to start our planning for the invitation for
3 proposals for the next fiscal year. So the Investment
4 Working Group looked at this and this is the recommendation
5 of the group and we're looking for your support today in
6 action.

7 CHAIRMAN RUE: Any questions of Molly
8 before I hear a motion?

9 MR. BALSIGER: If I could, Mr. Chairman.

10 CHAIRMAN RUE: Yeah.

11 MR. BALSIGER: So, Molly, I understand
12 these funds are sort of newly set up even though the
13 Trustee Council has been around a long time so there's not
14 a historic record of how much money is in the funds, but I
15 know we're losing money. These suggested six million, five
16 million and five million dollars, can we have an idea of
17 how that depreciates the balances as we go forward or does
18 the investment group assume that the stock market is coming
19 around so that the residual remains the same. That's an
20 awkward question but I can't tell quite how we're doing
21 compared -- how much money is there compared to last year,
22 I guess, by looking at these pages?

23 MS. McCAMMON: It's hard to tell because --
24 I would say it's hard to tell because we lost over the
25 entire fund -- the Habitat Investment Fund, the Koniag, all

1 of the funds lost and you can make up that loss in a month.
2 So it's really hard to tell. I think if you look at the
3 third page and you look at AY02 EVOS Investment Fund which
4 is the total of all of our funds combined, we're down about
5 5.71 percent inception to date. That's since the fund was
6 started a couple of years ago.

7 MR. BALSIGER: But in October it went up
8 four percent almost.

9 MS. McCAMMON: But in October it went up
10 four percent. November is doing well. We can lose 10
11 million in a month. We can gain 10 million in a month.
12 It's really volatile right now. But this was all on the
13 basis of assuming an eight -- over the long-term, an eight
14 and one half percent rate of return. Eight to eight and
15 one half percent rate of return and assuming three to three
16 and one half percent inflation rate. So it's a very
17 conservative payout rate. Most of the other foundations
18 and endowments throughout the country use a five percent
19 payout rate but their funds averaged over a three to five
20 year period. And some of them even go as high as five and
21 one half to six percent. We've been keeping track of that
22 amount. If we keep earning -- if we do earn this eight
23 percent or close to the eight percent, then the payout rate
24 in those years will be close to five million.

25 MR. BALSIGER: Thank you for helping frame

1 my question. So if we earn the eight percent then the
2 amount that we're expecting to spend will allow the
3 principle to grow or stay approximately the same. At least
4 we don't decrease it.

5 MS. McCAMMON: The idea -- because we did
6 take a conservative four and one half percent, the idea was
7 that the fund would be one, would be inflation-proofed over
8 time and then secondly, that there would be some small
9 amount of growth built in over time.

10 MR. BALSIGER: Thank you. And then one
11 final comment if I could.

12 CHAIRMAN RUE: Go ahead, Jim.

13 MR. BALSIGER: Has the committee that
14 oversees this -- what do we call that group.....

15 MS. McCAMMON: The Investment Working
16 Group.

17 MR. BALSIGER:are they still here?

18 MS. McCAMMON: Yes. We have Bob Storer.

19 CHAIRMAN RUE: Who is on that -- perhaps
20 you can tell.

21 MS. McCAMMON: Who is on it right now is
22 Bob Storer who is Chief Executive Officer of the Permanent
23 Fund -- the Alaska Permanent Fund. We have Lee Livermore
24 who is the Chief Financial Officer for the State of Alaska.
25 He replaced John Jenks who was person before him. So he is

1 a new employee that -- John took a job in San Francisco
2 last June. And then the third person is Peter Bushre who
3 used to be Chief Financial Officer for the permanent fund
4 and is now a private consultant. And then we have two
5 Trustees on in. We have Craig Tillery who is on it and
6 then we also have Dave Gibbons who is on it and since Dave
7 will be leaving, we'll need to replace him with another
8 Trustee.

9 MR. BALSIGER: Okay. That was the one
10 person I knew that I thought was going to be leaving.

11 MS. McCAMMON: Yeah. And as part of our
12 annual review of this we do have -- we will be meeting with
13 Callan Associates in late January, early February with the
14 Investment Working Group and talking about what their
15 projections are for the upcoming year and whether the asset
16 allocation mix should change for our investment fund.
17 We'll be looking at and talking to other foundations and
18 endowments on the West Coast and seeing what the current
19 thinking is among all the groups.

20 MR. BALSIGER: Thank you.

21 CHAIRMAN RUE: Any other questions? Craig.

22 MR. TILLERY: Mr. Chairman. When we
23 originally set this up I think with a six million in FY0
24 -- or six and one half million and then six million in
25 FY03, it was valued -- we thought we were working with

1 \$125,000,000 fund and then when we went to this rolling
2 average we would be getting five to five and a half
3 million. Now it looks like we'll be getting four and one
4 half million that first year. Just who knows, but that's a
5 pretty good guess and that's, I think, the reason I think
6 that we should drop it down from there to five. I'm not so
7 much worried about depleting the fund with that extra
8 million. We worked it out it really doesn't make too much
9 difference but it sort of makes a more gradual decline to
10 where we're going to start the fund and then with this
11 rolling average that allows the fund to gradually move in
12 whatever direction it does.

13 CHAIRMAN RUE: Thank you. Do I hear a
14 motion?

15 MR. TILLERY: Mr. Chairman, I move to adopt
16 Resolution 03-02 regarding disbursement of the EVOS
17 Investment Fund for Long-Term Research Monitoring and
18 General Restoration.

19 CHAIRMAN RUE: Is there a second?

20 MR. KLEIN: (Second by raise of hand)

21 CHAIRMAN RUE: Ron seconds it?

22 MR. KLEIN: Uh-huh. (Affirmative)

23 CHAIRMAN RUE: Okay. Any further
24 discussion?

25 (No audible response)

1 CHAIRMAN RUE: I know I would agree. I
2 think this is a good way to go. We set this up to be
3 conservative and also not let us whipsaw with the market,
4 whether it's up or down and have a steady program, so I
5 think this is a good approach myself. Molly, you want to
6 call the roll? Or how about this. Any objection?

7 (No audible response)

8 CHAIRMAN RUE: Hearing no objection,
9 Resolution 03-02 is adopted. Okay. That brings us -- I
10 believe, to the item on the agenda is public comment. It's
11 a little early -- 10 minutes early. Do any of the Trustees
12 have an objection with starting public comment a little
13 early or is there something we want to jump to and take a
14 few minutes. Molly, any suggestions here?

15 MS. McCAMMON: We could always go to small
16 parcels Kenai 295 and Kenai 310.

17 CHAIRMAN RUE: Okay, why don't we do small
18 parcels if that's not a problem and come back to public
19 comment.

20 MS. McCAMMON: You have two small parcels
21 before you that are ready to go. These are both parcels
22 that were in the works by The Conservation Fund. The first
23 one is KEN 295, the Crowther/Thorn parcel. It's located
24 along the lower Anchor River, which is flooding right now,
25 less than a mile upstream of the Sterling Highway. These

1 are very appropriate comments. The terrestrial habitats
2 provide structure to the river bank and cover for the river
3 protecting stream bed substrates and the hydrological
4 properties most important to high quality fish habitat.
5 River corridor in the area provides habitat essential to
6 the production of Pacific salmon, steelhead and Dolly
7 Varden. This section of the river is especially important
8 to rearing juvenile fish of all species throughout the year
9 and over wintering adult steelhead trout. This section is
10 considered to currently possess fish habitat of exceptional
11 quality that is important to the life cycle requirements of
12 all fish species indigenous to the Anchor River. The
13 acreage here is 46.142 acres in Angler's Haven Estates
14 consisting of 22 lots and the appraised value is \$200,000.

15 CHAIRMAN RUE: This would go to the State.

16 MS. McCAMMON: This would go to the State,
17 yes. And the State has agreed to accept it.

18 CHAIRMAN RUE: Okay. Do you want to talk
19 about both parcels and then have a motion about the other
20 one or do I hear a motion?

21 MS. McCAMMON: It's got to be Separate
22 motions.

23 MR. TILLERY: I think this one resolution
24 for both parcels.....

25 MS. McCAMMON: There's one resolution but

1 there's separate motions.

2 CHAIRMAN RUE: Okay. You want to talk
3 about 310 then.

4 MS. McCAMMON: Yeah. KEN 310 is the Swartz
5 parcel at the Ninilchik River. It is a 0.185 acres. The
6 value is \$6,000. It's downstream and immediately adjacent
7 to several parcels owned by the Alaska Department of Fish
8 and Game including the Icicle Seafoods property that was
9 acquired earlier this year. The lot borders the Ninilchik
10 River, one of Southcentral's most important sport fishing
11 rivers. The public has used this land actually for
12 decades, assuming that it was public access when, in fact,
13 it was private property. And they primarily accessed this
14 parcel on foot following traditional access trails along
15 the river bank. The parcel provides one of the most
16 important destinations that support the local areas tourism
17 economy. Should access to the parcel be blocked by a
18 private owner, the public could lose forever one of the
19 premier king salmon sport fishing locations. Having public
20 access to it would allow the State to ensure that access
21 was done in environmentally sensitive and controlled
22 respects. It would also mean that a sensitive riparian
23 section of the Ninilchik River would not be subject to
24 development pressures. And this is again, one that has
25 been purchased by The Conservation Fund and they -- after

1 earlier consultation with the Trustee Council, and they are
2 now ready to, upon your approval, transfer this property
3 over to the State.

4 CHAIRMAN RUE: Okay. Any questions of
5 Molly? Mr. Tillery.

6 MR. TILLERY: What's the status of the
7 appraisal on this? This is kind of a letter appraisal.

8 MS. McCAMMON: The appraisal has been
9 reviewed. No, I'm sorry. The appraisal is completed. So
10 these values are for the completed appraisal. The review
11 of the appraisal is not completed and so you will see that
12 there is a contingency in the resolution for a successful
13 review of the appraisal. It is not anticipated that there
14 will be any problems with the review of the appraisal
15 because they are done by the Derrys which have almost 100
16 percent success rate at doing successfully reviewed
17 appraisals. There are lots of comparable in this area so
18 there's really not anticipated to be any problems with
19 that. But so that this could move forward as soon as the
20 review is completed and successful there is that
21 contingency in there.

22 MR. TILLERY: Mr. Chairman, one of the
23 things that concerns me a little bit is the review. I
24 noticed that the review for the AJV was going to be quite
25 expensive. This one thing is a \$6,000 parcel. How much do

1 we anticipate it's going to cost us to have the review
2 appraisal? My question is because these are subdivisions.
3 There's lots of comparable. This is a standard appraisal.
4 We've used the Derrys for numerous parcels. We've never
5 had any problems with it and it would concern me if we end
6 up spending six or eight or \$10,000 to review an appraisal
7 on a \$6,000 piece of property.

8 MS. McCAMMON: Carol Fries isn't here and
9 I'm not sure if Alex knows how much the review appraisal
10 cost. This was one that actually the review -- or maybe
11 Brad Meiklejohn if he's on the phone right now -- this is
12 one that the review the State chose to have The
13 Conservation Fund contract for the review appraiser because
14 they were not able to do a contract in a timely fashion.
15 And so The Conservation Fund has done the contract
16 themselves for the reviewer. This was allowed under an
17 amendment to the terms of the contract that went -- that
18 was approved by the Trustee Council a month ago or so. So
19 I don't -- probably this one is probably just several
20 hundred dollars. I can't imagine it costs that much. But
21 I don't know if Brad is on the phone right now. He's
22 supposed to join us at least by 11. Are you on the phone
23 Brad?

24 (No audible response)

25 MS. McCAMMON: Not yet. But he will be on

1 the phone later this morning if you wanted to wait and see
2 what the cost of the review is.

3 MR. TILLERY: I don't know if we need to
4 wait and see in order to vote on this but I do think you
5 ought to make sure these review appraisals aren't becoming
6 too expensive.

7 MS. McCAMMON: Correct.

8 CHAIRMAN RUE: Molly, did we set up a
9 requirement for ourselves to have review appraisals at
10 every appraisal? I just don't remember our internal
11 procedures on that.

12 MS. McCAMMON: We have that requirement but
13 it can be waived.

14 CHAIRMAN RUE: Okay. So if someone wanted
15 to waive that on this case they could propose an amendment
16 to the motion to the resolution.

17 MS. McCAMMON: The State has -- for this
18 one wanted a review of it and they asked for a review and
19 the contractor is going ahead with one so one is already
20 underway.

21 CHAIRMAN RUE: Okay. Underway. All right.

22 MS. McCAMMON: Unfortunately also what
23 we're finding is that there seems to be a lot of appraisal
24 business right now and not many appraisers working and so
25 they are totally overloaded and behind schedule and it's

1 very difficult to get something in a timely fashion.

2 MR. TILLERY: So this one is not going to
3 require a Federal appraisal?

4 MS. McCAMMON: No. They have -- we offered
5 them to do that and they haven't said they wanted to review
6 this one.

7 CHAIRMAN RUE: Okay. Any other questions?

8 MR. TILLERY: No.

9 CHAIRMAN RUE: Drue or Dave any questions?

10 MS. PEARCE: Not from me.

11 CHAIRMAN RUE: Okay.

12 MR. GIBBONS: Not from me either.

13 CHAIRMAN RUE: Okay. Do I hear a motion?
14 I think it's the time for a motion. Everyone is shuffling
15 their papers.

16 MR. TILLERY: Mr. Chairman.

17 CHAIRMAN RUE: Yeah.

18 MR. TILLERY: I would move that we adopt
19 resolution 03-03 regarding small parcels KEN 295 and KEN
20 310.

21 CHAIRMAN RUE: Is there a second?

22 MR. BALSIGER: Second.

23 CHAIRMAN RUE: Seconded by Jim Balsiger.
24 Any further discussion?

25 (No audible response)

1 CHAIRMAN RUE: No? Any objection to the
2 motion?

3 (No audible response)

4 CHAIRMAN RUE: Hearing none, it passes.
5 Okay. Well, it's about 10:30. There were a couple of
6 other items under habitat but we can wait for those. Why
7 don't we go to public comment. Molly, do we have other --
8 do we have any remote locations on line?

9 MS. McCAMMON: Nobody has signed up unless
10 they just joined us.

11 CHAIRMAN RUE: Okay, do we have anyone on
12 line who would like to give us public testimony?

13 (No audible response)

14 CHAIRMAN RUE: No, okay. Is there anyone
15 here in Anchorage who would like to give us public
16 testimony?

17 (No audible response)

18 CHAIRMAN RUE: No. Okay, that was quick.
19 Thank you. Why don't we go on with under the habitat item
20 on item six, Future Interests. Does that make sense or is
21 Brad not on line?

22 MS. McCAMMON: Brad is not on line yet and
23 Randy Hagenstein is supposed to be here in person and he's
24 not here yet either so we'll have to come back to that.

25 CHAIRMAN RUE: Okay. Well what do we

1 suggest? Do you want to keep moving down the agenda, go
2 back to executive.....

3 MS. McCAMMON: We could do the.....

4 CHAIRMAN RUE: How about lunch. Jim
5 suggested lunch.

6 MS. McCAMMON: We could do the 126
7 additional request.

8 CHAIRMAN RUE: Okay. Why don't we do that.

9 MS. PEARCE: Which one?

10 MS. McCAMMON: 030126 Additional Request.
11 Project 030126.

12 MS. PEARCE: Okay.

13 MS. McCAMMON: And this was a request from
14 DNR for some additional expenditures primarily for
15 contractual work for the small parcels that are currently
16 underway by The Conservation Fund. It includes a small
17 amount of personnel time, about less than two months of
18 personnel time and then some travel to visit parcels
19 primarily on the Kenai Peninsula and then contractual work
20 for title review, appraisal review, title review services,
21 title insurance and escrow services of approximately
22 31,000. And this budget was based on the discussions with
23 Brad Meiklejohn and Randy Hagenstein in terms of what
24 parcels they're looking for possible acquisition in the
25 future. It just occurred to me you may want to actually

1 take action on this after you hear from Brad and Randy and
2 look at the memo that they put together and a list of
3 parcels that they're working on because this is contingent
4 on basically getting the approval for them to go forward
5 and start the discussion and work on several of these
6 parcels. But.....

7 CHAIRMAN RUE: Okay. Do.....

8 MS. McCAMMON:the one question it
9 does raise as part of this. Earlier in the year -- I think
10 it was -- I'm trying to think if it was in August or
11 September you authorized about \$30,000 to go forward with
12 the Northern Afognak package which included some appraisal
13 review work and some title work. That's on the State side.
14 And that is currently going forward. The Federal side has
15 said that they would like to see a Federal review of the
16 appraisal of the North Afognak package. The State review
17 of that package has cost us about \$14,000 total, \$12,000
18 for the timber review and about 25 hundred for the review
19 of the entire appraisal including the land portion of the
20 appraisal. Fish and Wildlife Service gave me an estimate
21 on Friday of last week estimating that their costs would be
22 somewhere between 35 to \$50,000 to do a review appraisal --
23 a review of the appraisal. This seems somewhat high to me
24 especially in light of the fact that the State side just
25 completed their review for about less than \$15,000. I've

1 asked them to review the costs, I've asked Forest Service
2 to go back and see if there is any review potential on that
3 side as opposed to Fish and Wildlife Service but just to
4 ensure that there is a Federal review of it, but one that's
5 more cost effective than 35 to \$50,000. And I haven't -- I
6 don't have an answer yet and the problem -- the only issue
7 is that we will need that money authorized fairly quickly
8 so that the review can go forward once it's decided is it
9 Fish and Wildlife Service or Forest Service and how they're
10 going to do it and what the cost is. And we don't have
11 than information totally in front of you today.

12 CHAIRMAN RUE: So you're telling us this
13 now because.....

14 MS. McCAMMON: Because we may not have a
15 full Trustee Council until February but we'll need this --
16 we may need this approval before then.

17 CHAIRMAN RUE: Okay. So the way you might
18 get at this would be to amend this project to add funds?

19 MS. McCAMMON: Would be to add -- to give
20 me authority to add funds to either Fish and Wildlife
21 Service or Forest Service after it's determined which one
22 is the most applicable.

23 CHAIRMAN RUE: And would you add a line
24 item to this project or would you set up a separate
25 project?

1 MS. McCAMMON: We have -- under this
2 project we have separate pages for Federal agencies so we
3 would just add funds to the Federal agency so it would be
4 in addition to what you see in your packet there.

5 CHAIRMAN RUE: Do you have an estimate. I
6 mean, if no one has put a motion.....

7 MS. McCAMMON: I don't know.

8 CHAIRMAN RUE:well, we could deal
9 with this either right now or when we do projects later
10 today.

11 MS. McCAMMON: Yeah.

12 CHAIRMAN RUE: Do you want to do it later
13 today? That would give you a chance to.....

14 MS. McCAMMON: We're not going to have the
15 information today. I mean, one way we could do it -- and I
16 don't know how comfortable you feel about it is just
17 authorizing the expenditure of up to \$25,000 not to exceed
18 25,000 for a Federal review appraisal from the appropriate
19 agency to be determined. I mean that would be one way of
20 doing it.

21 CHAIRMAN RUE: I'm easy on all this since
22 my last day will be in about three days. But I'll let
23 other Trustees think about that. We don't have -- when
24 would you suggest we take this up, Molly?

25 MS. McCAMMON: That one we need to take up

1 today so it's -- at some point today. We can wait and hear
2 from Brad and Randy about which effects the other portion
3 of the 0126 budget, but this Afognak issue is something
4 separate from what they'll be talking to you about.

5 CHAIRMAN RUE: Okay. If it's all right
6 with the other Council members, why don't we hold this and
7 you heard Molly's thoughts. You can digest them a little
8 bit either before lunch or after lunch and then we'll bring
9 it back up later in the agenda with the possibility of
10 adding some discretion to deal with those review appraisal
11 by the Federal agency. Okay? So we're now on notice.
12 Thank you, Molly. Any questions on this before we move on?

13 (No audible response)

14 CHAIRMAN RUE: Okay. What else can we do
15 on the agenda here?

16 MS. McCAMMON: We have the scientific.....

17 CHAIRMAN RUE: Okay.

18 MS. McCAMMON:the science review
19 process. It's under your tab labeled Science Review
20 Process.

21 CHAIRMAN RUE: I'd like to note we're an
22 hour ahead of schedule.

23 MS. McCAMMON: We may get this meeting done
24 by lunch.

25 CHAIRMAN RUE: Good. Then I won't be able

1 to chair anymore. You can't be this efficient.

2 MS. McCAMMON: Last February 25th the
3 Trustee Council adopted a process for providing scientific
4 and technical advice and peer review. Since that time the
5 NRC review of GEM was completed. A revised GEM Program
6 document was presented to the Trustee Council and adopted
7 in July. The Scientific and Technical Advisory Committee,
8 the STAC Committee, has been formed as well as three
9 subcommittees. In the process of all of this -- their
10 final actions there are a few minor revisions that need to
11 be taken care of to the process that you adopted almost a
12 year ago just to make your actions consistent with the
13 process. To change the process to be consistent with your
14 actions I guess is another way of saying it. And so in
15 your packet you will see it's done with tracked changes so
16 you can see the changes. These are all relatively minor
17 but they would ensure that our process is consistent. It
18 refers to final documents as opposed to draft documents.
19 It refers to the Public Advisory Committee as opposed to
20 the Program Advisory Committee which was a thought at one
21 point. It clarifies that -- refers to the GEM Science Plan
22 instead of the Strategic Plan but we've been calling it the
23 Science Plan so we might as well refer to it as the Science
24 Plan here. It talks about the subcommittees and that
25 initially three subcommittees shall be organized, one

1 representing the four primary habitat types the Habitat
2 Committee with additional subcommittees for lingering oil
3 effects and data management. However, the number of
4 subcommittees and their focus may change over time.

5 It also loosens up the number of
6 individuals who can serve on a subcommittee. I think the
7 language last February said no less than five, no more than
8 eight. Or at least five but not more than eight. It
9 clarifies that community members and community affiliations
10 are things to look at as for committee participation and
11 also for this purpose calls for two year renewable terms.
12 I think those are the primary changes in here.

13 Under the last section of peer review adds
14 a section that the goals of the review process are to
15 insure that studies sponsored by the Trustee Council --
16 these were ones already in -- adhere to -- and this is on
17 page seven -- adhere to a high standard of scientific
18 excellence as scientific objectives that are relevant
19 consistent with GEM Program conceptual foundation, central
20 questions and testable hypothesis, use valid methods. And
21 the four, incorporate community involvement, traditional
22 knowledge and the potential for resource management
23 application to the greatest extent possible.

24 CHAIRMAN RUE: Okay.

25 MS. McCAMMON: And so we would like to see

1 your adoption of these changes.

2 CHAIRMAN RUE: Okay. Any questions of
3 Molly before we hear resolution? Jim.

4 MR. BALSIGER: So, Molly, these recommended
5 edits in here came -- have we seen this before or is this
6 the first time that they were in this meeting?

7 MS. McCAMMON: You saw the -- this original
8 document without the edits you adopted last February. So
9 this is the first time you've seen these edits.

10 MR. BALSIGER: Okay.

11 MS. McCAMMON: And basically what the edits
12 do is make it consistent with all your past actions.

13 MR. BALSIGER: Okay. So, for example, on
14 Page 3, number 7 at the top, the STAC now selects the
15 subcommittee members as opposed to the Trustees and that's
16 the way that we've actually done that?

17 MS. McCAMMON: Well in the original version
18 it said the STAC shall select the subcommittee members
19 following a process approved by the Trustee Council. But
20 then later in it it talks about the Trustee Council doing
21 it so I think that was just an error.

22 MR. BALSIGER: Okay. I read that backwards
23 actually.

24 MS. McCAMMON: Now it's the STAC shall
25 recommend.

1 MR. BALSIGER: Good. That's what I wanted.
2 MS. McCAMMON: And it clarifies the
3 original intent and somehow we just.....
4 MR. BALSIGER: I read that backwards. I
5 wanted it to be a recommendation and I misread that.
6 MS. McCAMMON:put that word wrong.
7 CHAIRMAN RUE: Thank you. Any other
8 questions of Molly?
9 (No audible response)
10 CHAIRMAN RUE: No? Do I hear a motion? I
11 assume we have to adopt these changes by motion?
12 MS. McCAMMON: Yes.
13 CHAIRMAN RUE: Okay. Jim.
14 MR. BALSIGER: Mr. Chairman, I move the
15 Trustee Council adopt the changes to the Scientific --
16 actually adopt the Scientific Review Process including the
17 changes outlined that are contained in our notebook under
18 the Scientific Review Process tab which consists of 10
19 pages of the process.
20 CHAIRMAN RUE: Okay.
21 MS. McCAMMON: November 25th edited
22 version.
23 MR. BALSIGER: The November 25th edited
24 version.
25 CHAIRMAN RUE: Good job. Do I hear a

1 second?

2 MR. TILLERY: Second.

3 CHAIRMAN RUE: Seconded by Craig Tillery.

4 Any objection?

5 (No audible response)

6 CHAIRMAN RUE: Okay. Hearing none. Thank

7 you, Molly.

8 MS. McCAMMON: Okay, moving on.....

9 MS. PEARCE: Mr. Chairman.

10 CHAIRMAN RUE: Yeah, Drue.

11 MS. PEARCE: I need to change phone lines.

12 It'll take me about a minute.

13 CHAIRMAN RUE: Okay.

14 MS. PEARCE: I'm going to hang up and call

15 back on the other line. I'll be right back.

16 CHAIRMAN RUE: Okay. We'll hold for the

17 minute.

18 (At ease)

19 MS. PEARCE: Hi, I'm back.

20 CHAIRMAN RUE: Okay. Great. So Drue

21 Pearce has rejoined us. We will now -- I asked a question

22 Drue, of whether the subcommittees had had a chance to work

23 with the STAC in this latest review of projects that we

24 have before us today. And it did not. It wasn't formed

25 quick enough.

1 MS. PEARCE: Okay.

2 MS. McCAMMON: With the one exception was
3 that the Lingering Oil Effects Committee.....

4 CHAIRMAN RUE: Did meet.

5 MS. McCAMMON:did meet, have a review
6 session and they did review the lingering oil projects.

7 CHAIRMAN RUE: Okay. And that was
8 successful? Was it good process? It was the first test
9 drive.

10 MS. McCAMMON: It wasn't really a complete
11 process so it will be, I think, more complete because we
12 were also looking at past -- the results of past work and
13 so in that sense it was looking at what additional work
14 needed to be done this year and possibly next year.

15 CHAIRMAN RUE: But you're confident we've
16 set up a good structure?

17 MS. McCAMMON: Yes.

18 CHAIRMAN RUE: Good. Okay. Next on the
19 agenda then would be the STAC Committee member replacement.

20 MS. McCAMMON: In your packet, one of the
21 new STAC members, Warren Wooster, has submitted his
22 resignation effective December 1. We tried to talk him out
23 of it because he really has been -- made an outstanding
24 contribution to just even six months of early GEM
25 development but he finally said he just can't devote the

1 necessary time at this point in his life. At the time when
2 the nominating committee reviewed all of the STAC nominees
3 last spring there were two additional names that were
4 recommended as alternates. One of these, Dr. Ed Harrison,
5 is a physical oceanographer which would be consistent with
6 Dr. Wooster's expertise. He's with NOAA's Pacific Marine
7 Environmental Lab in Seattle and his resume is attached and
8 he would be an excellent alternate to Warren's expertise on
9 the committee. He has agreed to serve on the committee if
10 approved by the Trustee Council. I recommend that Dr.
11 Harrison be approved as a STAC member effective December 1,
12 2002 to serve the remainder of Dr. Wooster's two-year term
13 which would be I think until about a year from April.

14 CHAIRMAN RUE: Okay. Any questions of
15 Molly about this? Jim.

16 MR. BALSIGER: I guess the obvious question
17 is, there were two additional names nominated. This is one
18 of them. Who is the other? And I though I also remember
19 that when we selected the STAC Committee that there were
20 alternate STAC people included in that original group of
21 STAC members. Maybe that latter recollection is false.

22 MS. McCAMMON: The nominating committee
23 presented their recommendations to the STAC to you and they
24 also recommended two alternate names if you didn't like the
25 names they recommended. The two names -- the two alternate

1 names were Ed Harrison and Steve McNell. Steve is more of
2 a biological oceanographer and so this recommendation of
3 going with Ed is made by Phil Mundy and myself just based
4 on the alternate's expertise and what expertise we lost on
5 the STAC.

6 MR. BALSIGER: So when we adopted that
7 original suite, which included the two alternate members,
8 we didn't adopt the alternate members. Those were.....

9 MS. McCAMMON: That's correct.

10 MR. BALSIGER: Okay. That was my question.

11 MS. McCAMMON: That's correct. You looked
12 at them but took no action.

13 MR. BALSIGER: I see, I thought they were
14 official.

15 CHAIRMAN RUE: Okay. Any other questions?

16 (No audible response)

17 CHAIRMAN RUE: Do I hear a motion? I
18 assume we have to replace him by motion. Okay. Someone's
19 got to step forward here, or not. Jim.

20 MR. BALSIGER: Mr. Chairman, I move that we
21 replace Warren Wooster with Dr. Ed Harrison from Pacific
22 Marine Environmental Lab as the new member of the STAC
23 Committee to serve out the remainder of Dr. Wooster's two-
24 year term.

25 CHAIRMAN RUE: Do I hear a second?

1 MR. KLEIN: Second.

2 MS. BROWN: (Second by raise of hand)

3 CHAIRMAN RUE: Seconded by two people.

4 That's all right. Any objections?

5 (No audible response)

6 CHAIRMAN RUE: Okay. Hearing none. Let's

7 take a quick look at our agenda here. It's now a quarter of

8 11. Did Brad Meiklejohn do we want to.....

9 MR. MEIKLEJOHN: Actually I'm here, Frank.

10 CHAIRMAN RUE: Okay, Brad is with us. We

11 said we were going to go into executive session before

12 lunch or after lunch? I can't remember when.

13 MS. McCAMMON: We can do it either way.

14 Probably after.

15 CHAIRMAN RUE: Okay. Well if Brad was

16 available to do the future interest now, then it might be a

17 natural break point to go into executive session before

18 lunch. Does that make sense to folks?

19 MS. McCAMMON: That would probably make

20 lunch at about 11.

21 CHAIRMAN RUE: You think the executive

22 session is going to take two minutes?

23 MS. McCAMMON: Oh. No you would do

24 executive session before lunch.

25 CHAIRMAN RUE: Yeah, before lunch.

1 MS. McCAMMON: We could also start on the
2 Work Plan.

3 MR. BALSIGER: I got a lot of notes on the
4 executive session.

5 CHAIRMAN RUE: Do you? Okay. All right
6 why don't we do Brad, if Brad's willing.

7 MS. McCAMMON: Do we need to wait for Randy
8 Hagenstein, who isn't here?

9 CHAIRMAN RUE: Brad, do you need to wait
10 for Randy?

11 MR. MEIKLEJOHN: Well he said he was going
12 to be there. It sounds like he's not.

13 CHAIRMAN RUE: If we launch into the Work
14 Plan.....

15 MS. McCAMMON: We also had it on at 11:15.

16 MR. MEIKLEJOHN: I had called in a few
17 minutes ago and was told that habitat was going to come up
18 at 11:15, so.....

19 CHAIRMAN RUE: All right.

20 MR. MEIKLEJOHN:Randy may have the
21 same message.

22 CHAIRMAN RUE: Okay. Why don't we do the
23 prior Work Plan adjustments.

24 MS. McCAMMON: We can do that.

25 CHAIRMAN RUE: And then possibly move into

1 the Work Plan before 11:15. See how fast we get. This is
2 an embarrassing part for some of us. Molly, why don't you
3 go ahead.

4 MS. McCAMMON: The correction of the EVOS
5 Fish Pass shortfall.

6 CHAIRMAN RUE: Ah, this is my favorite one.

7 MS. McCAMMON: Last January we were
8 notified by Fish and Game of an \$8.05 shortfall in funds
9 available for the fish pass built at the Alaska SeaLife
10 Center.

11 CHAIRMAN RUE: And we passed the hat and
12 got no money.

13 MS. McCAMMON: There was.....

14 MR. GIBBONS: How much was that?

15 MS. McCAMMON: \$8.05. There was another
16 account at the SeaLife Center for equipment that had money,
17 unspent money, in it -- I don't know how much exactly,
18 \$20,000 or something -- some amount and so the intent was
19 to transfer funds from that one capital project to the fish
20 pass to cover that \$8.05 shortfall. Apparently legislative
21 finance has denied that request to do the transfer in that
22 way and they have asked that new money be approved to cover
23 that shortfall.

24 CHAIRMAN RUE: Known as streamlining.

25 MS. McCAMMON: Streamlining. I offered to

1 write a personal check to cover the \$8.05.....

2 MS. PEARCE: I was thinking that would have
3 been easier.

4 MS. McCAMMON:or we could pass the
5 hat here but that apparently will not work. And so I do
6 recommend that the Trustee Council adopt the following
7 motion to authorize an addition of \$8.05 to the
8 appropriation for the EVOS Fish Pass, Project Number
9 097197, Capital Project AR43655-01.

10 MR. GIBBONS: You sure you need all that,
11 Frank?

12 CHAIRMAN RUE: We at least need the \$8.
13 Did that arrive in the form of a motion?

14 MR. TILLERY: Mr. Chairman.

15 MR. GIBBONS: I so move.

16 MR. TILLERY: I so move, yeah.

17 CHAIRMAN RUE: Thank you. Second anyone?

18 MR. KLEIN: I'll second.

19 CHAIRMAN RUE: Okay. It's been moved and
20 seconded. Any objection?

21 (No audible response)

22 CHAIRMAN RUE: Thank you.

23 MS. McCAMMON: Okay. That's 7917. The
24 next one is Project 030600. Funds were included in this
25 project as a contract to Applied Marine Sciences, which is

1 Dr. Bob Spies company, for a final synthesis report of EVOS
2 scientific research. Part of that was to go to U.S.G.S.
3 for Dr. Jennifer Nielson's participation in the project.
4 Since that project was proposed and approved, the original
5 project which was more than a year ago, U.S.G.S. has
6 implemented new overhead policies and rates. The new rate
7 would apply an indirect rate of approximately 43 percent to
8 the \$20,000 slated for Dr. Nielson's participation if she
9 receives the funds directly through AMS. If the Council
10 approves -- issues the funds directly from EVOS to
11 U.S.G.S., the overhead rate will be nine percent which
12 allows more of the funds to actually go to the work being
13 proposed.

14 So the recommended motion is to approve the
15 administrative actions necessary to transfer \$21,800 which
16 is \$20,000 plus nine percent GA from the Applied Marine
17 Services contract through Alaska Department of Natural
18 Resources for Project 030600 directly to U.S.G.S. for Dr.
19 Nielson's portion of Project 030600.

20 CHAIRMAN RUE: Okay. Any questions?

21 (No audible response)

22 CHAIRMAN RUE: Do I hear a motion? Jim.

23 MR. BALSIGER: Mr. Chairman, I move that we
24 approve the administrative actions necessary to transfer
25 \$21,800 from the Applied Marine Services contract for

1 Project 030600 directly to U.S.G.S. for Dr. Nielson's
2 portion of Project 030600.

3 CHAIRMAN RUE: Is there a second?

4 MR. TILLERY: Second.

5 CHAIRMAN RUE: Seconded by Craig Tillery.

6 Any objection?

7 (No audible response)

8 CHAIRMAN RUE: Okay. Motion passes. All
9 right. That takes us now 10 minutes -- five minutes of 11.
10 Shall we launch into Work Plan?

11 MS. McCAMMON: We can do that.

12 CHAIRMAN RUE: Great. Why don't we do
13 that.

14 MS. McCAMMON: Okay. And then we'll come
15 back to the habitat additional request -- future interest
16 with Brad Meiklejohn at about 11:15.

17 MS. OBERMEYER: I wonder if I can be heard.
18 Theresa Obermeyer.

19 CHAIRMAN RUE: We had public comment.

20 MS. OBERMEYER: I have to be somewhere at
21 11:30 and I just wanted to be very nice. I happen to be an
22 American, Mr. Rue. I don't know what you people are.....

23 CHAIRMAN RUE: Just a second. Just a
24 second. We've already had public comment. Let me ask the
25 Trustees if we had public comment. It's now closed. We've

1 got a tight agenda. Is there any interest on the Council
2 to reopen public comment. I personally.....

3 MR. TILLERY: Mr. Chairman, I'd be willing
4 to reopen public comment for our usual three minute.

5 CHAIRMAN RUE: Three minutes.

6 MS. OBERMEYER: Oh sure.

7 CHAIRMAN RUE: Any objections?

8 MS. OBERMEYER: Whatever is convenient. I
9 don't even have to be heard.

10 CHAIRMAN RUE: Is there any.....

11 MS. OBERMEYER: It's all chit-chat.

12 CHAIRMAN RUE: Well, I'm not interested in
13 hearing chit-chat.

14 MS. OBERMEYER: Well that's all that goes
15 on. This is all so bureaucrat-ese. Mr. Rue, I the
16 reality check.

17 CHAIRMAN RUE: If you would -- if you would
18 -- if you would hold on. I just want to find out if there
19 are other.....

20 MS. OBERMEYER: No sir, I wouldn't.

21 CHAIRMAN RUE:if there are other
22 Trustee Council members who have any objections.

23 MR. BALSIGER: I do not object.

24 CHAIRMAN RUE: Okay. Ms. Obermeyer, three
25 minutes would be great and if you can keep it on the

1 subject.

2 MS. OBERMEYER: And I really -- I really
3 apologize for your prejudice, sir. I don't deserve your
4 insults. I'm nuts and so are you. You know whatever you
5 think, Mr. Rue, you're mistaken and so I can only tell you
6 what I know. And that's why I come. I'm the reality check
7 here, although I -- I don't know what to say anymore. You
8 see, of course, I -- I think you leave the room often when
9 I speak and I've noticed that over a period of time so the
10 last time I came and I'd like to ask that again -- if you
11 -- I understand you get about 120, 15 to 20,000 a week on
12 your website. I ask that you put my website on your
13 website. Then people can click onto it and find out what's
14 really going on in Alaska. But then it keeps changing. I
15 mean, what I know is a week from today, Frank will be sworn
16 is as Governor. And then on December 7th, the following
17 Saturday, he will appoint Lisa to the U.S. Senate. I mean,
18 does anyone have a brain anymore? I know that I'm trying
19 to -- I kind of turn many turning points and I've had it.
20 I cannot imagine any of this could have been possible. But
21 I really do like to come respectfully, but I don't think
22 you can imagine this, Mr. Rue, because I know you raise
23 children, as do I. You know when they targeted our four
24 children and I mean the guy you work for what he's pulled
25 on my life, Tony. I'd be glad to talk to you separately.

1 I've called you long distance several times. I know Sally
2 and I think you're really nice people.

3 I don't know whether you noticed -- and one
4 thing I clipped out here was resear -- and whenever I see
5 Exxon, I clip it out. I don't know whether you're this
6 way. I believe I'm correct and correct me, Mr. Tillery, if
7 I'm wrong, that Exxon is the largest publicly traded
8 company in the world. That's what I read and I -- I don't
9 know. I think I've worked on that. Maybe you'll never get
10 the information but this one was research partnership
11 questions. I don't know whether you saw that Stanford is
12 now going to be given \$100,000,000 by Exxon. And they
13 still haven't paid for the Exxon Valdez. So it's okay.

14 But I'm an American and I'm trying to help
15 our courts. You see, your work doesn't mean a lot although
16 I know you really want to do good work and you've learned a
17 lot and I've always said I'd rather be on your side of the
18 table, why am I on this side? You get to learn a lot about
19 our state. I don't feel like I'm even grounded very well
20 in what goes on in our state. I've never even been able to
21 afford to travel around our state. It's okay. I've become
22 rather provincial. Because I -- I'm not just going to fly
23 to certain locations. I'd like to and everybody else seems
24 to. But I haven't been able to learn all that so I commend
25 your knowledge base compared to mine and when I come and I

1 see all that's going on, I'm always fascinated.

2 Now I apologize. The last time I came I
3 waited -- you were paying off Charlie Cole. I've watched
4 this for too long now and I'm sick and tired of it. Can we
5 grow up now? I mean, why -- how could this have been
6 possible? And why is it still going on? That's the
7 question. So I did hand you -- and I wanted to put on the
8 record -- I handed you my -- you know it's always the term
9 -- and I know the Latin -- *rasipsologuator*, Mr. Tillery.
10 What does that mean? It's Latin. The thing speaks for
11 itself. You see, somebody wants to say somebody flunked an
12 essay test. That is ridiculous. I mean and it's all been
13 an effort to bankrupt us over a 19-year period but it only
14 also started when I sued the University. That's been 25
15 years. I think it's going to be over by noon. I really
16 do. I've always believed that. And I cannot imagine that
17 it's still going on. I'd like to motivate you into action.
18 Whatever you can do would be fine.

19 Now, is Ms. Brown around or is she not
20 involved anymore?

21 CHAIRMAN RUE: She's not here today. If you
22 could just maybe.....

23

24 MS. OBERMEYER: Oh, I don't see her name
25 anywhere. Is.....

1 CHAIRMAN RUE: She is still on the Council.
2 If you could maybe summarize your thoughts.

3 MS. OBERMEYER: No, there's nothing else.
4 It's all chit-chat. I said that to begin with.

5 CHAIRMAN RUE: Oh.

6 MS. OBERMEYER: You know, I -- I don't
7 think you're really listening. And so that's -- it's okay.
8 All of what -- my life is a brick wall. It has been for at
9 least 12 years. But it's okay, Mr. Rue, because I know who
10 I am. I've always known who I am. And so you see, you are
11 not going to change my self-concept by insulting me.
12 Please jail me. Please, you know, knock me out cold waking
13 up in a pool of blood and having to have seven stitches in
14 the back of my head. Do whatever you please. I'm going to
15 try. That's all I can do. I'd like you to understand.
16 I'd like you not to be prejudiced, but you are so there's
17 not a lot I can do. I know in your case it's falling on
18 deaf ears. So that's okay. I watch your body language and
19 that's all I need to see. But if anyone had a question,
20 I'd be glad to field them. Otherwise, I really appreciate
21 being heard. I just believe with your understanding at
22 least we cannot miscommunicate as grievously as all of us
23 have as these people keep rising higher and higher and
24 taking over everything in our great nation.

25 And do you know that Ted became third

1 ranking in the United States on November 12th. He is right
2 behind -- he's the president pro-tem of the U.S. Senate now
3 behind the President of the United States and the Speaker
4 of the House. I assume you saw that in Juneau. But a lot
5 of people don't focus on this stuff. I don't prefer
6 focusing on it. Don't ever think I'd have fun or I'm even
7 enjoying myself today. But I feel that I must.

8 CHAIRMAN RUE: Well if you could -- I
9 appreciate your thoughts.

10 MS. OBERMEYER: I said that you didn't even
11 have to hear me to begin with. It's all chit-chat.

12 CHAIRMAN RUE: Okay. Thank you.

13 MS. OBERMEYER: I've known that for many
14 many years, but maybe something better will happen.

15 CHAIRMAN RUE: Yeah. Well, thank you.

16 MS. OBERMEYER: I think so.

17 CHAIRMAN RUE: All right. Thank you.

18 MS. OBERMEYER: Otherwise, I'm on top.

19 CHAIRMAN RUE: All right. Thank you.

20 Okay, that closes public comment again and it is now 11:00
21 o'clock. Shall we start with the Work Plan?

22 MS. McCAMMON: We can do that.

23 CHAIRMAN RUE: For 15 minutes.

24 MS. McCAMMON: I can just give you a little
25 bit.....

1 CHAIRMAN RUE: Does anyone need a
2 break.....

3 MS. McCAMMON:of a summary here.

4 CHAIRMAN RUE:or are we okay? We've
5 been going pretty steady.

6 MS. McCAMMON: We do have Randy here.

7 CHAIRMAN RUE: Oh, Randy just arrived. Do
8 you want to -- are folks okay without a break if we drag
9 Randy quickly up here and Brad. Would they be ready to
10 move ahead? Once we go onto the Work Plan it may be hard
11 to back out of it. So, Randy, are you comfortable just
12 running right up to the table? Brad is on line and talk a
13 little bit about future needs?

14 MR. HAGENSTEIN: Sure, absolutely.

15 CHAIRMAN RUE: Okay. Randy, why don't you
16 join us and, Brad, you're still on line?

17 (No audible response)

18 CHAIRMAN RUE: Brad, are you on line?

19 (No audible response)

20 MS. McCAMMON: Now we've lost Brad.

21 CHAIRMAN RUE: Now we've lost Brad.

22 MS. McCAMMON: Maybe we were on mute.

23 CHAIRMAN RUE: Is there anything.....

24 MS. McCAMMON: Brad, are you there?

25 (No audible response)

1 MS. McCAMMON: Do you want to call.....

2 CHAIRMAN RUE: Tell you what, folks, why
3 don't we take a five- minute break and let's get Brad on
4 the line. Then we'll have Randy and Brad here. How about
5 that? Is that okay? Thank you. Five minutes.

6 MS. McCAMMON: And there's also a report
7 from Randy and Brad with their logo's on their letterhead.

8 CHAIRMAN RUE: Okay. Great. Thank you.
9 All right.

10 MS. PEARCE: I'm going to hang up and call
11 back in.

12 (Off record 11:03)

13 (On record 11:18)

14 CHAIRMAN RUE: Do we have Dave Gibbons and
15 Drue Pearce? Are both of you on?

16 MS. PEARCE: I'm on.

17 CHAIRMAN RUE: Great. Dave, are you there?

18 (No audible response)

19 CHAIRMAN RUE: Dave said he was not going
20 to leave either. Well, let's go ahead. We said we'd be
21 back from the break. It's a briefing anyway. Did we get
22 Brad Meiklejohn on the line?

23 MR. MEIKLEJOHN: I'm on.

24 CHAIRMAN RUE: Oh, hi, Brad.

25 MR. MEIKLEJOHN: Hello, Frank.

1 CHAIRMAN RUE: And Randy Hagenstein is
2 going to join us at the table. Randy. Which of you two
3 would like to lead off?

4 MR. MEIKLEJOHN: I'll start off. Can you
5 tell me where we are on the two small parcels we were
6 seeking a resolution on? Have you already taken that up?

7 MS. McCAMMON: Yes, and they were both
8 approved.

9 MR. MEIKLEJOHN: Okay great. Thank you for
10 that. You should have some information in your packets. A
11 letter from The Conservation Fund and The Nature
12 Conservancy with a table of -- what we consider the full
13 universe of property that we're working on. You all have
14 that?

15 CHAIRMAN RUE: Yes, we do. Does everyone
16 have that? Dated November 23.

17 MS. PEARCE: Which tab is it under?

18 MS. McCAMMON: It's not under a tab. We
19 received it late Friday. I'm not sure. Did these get
20 faxed to Ms. Pearce -- the additional items?

21 MS. PEARCE: I'm sure I don't have it.

22 MR. GIBBONS: I don't have it.

23 MS. McCAMMON: Okay, and Dave. They came
24 in after the packet went out. So four out of the six have
25 it and two don't.

1 MR. MEIKLEJOHN: Okay. I'll just talk you
2 through it then. Randy Hagenstein of The Nature
3 Conservancy and I of The Conservation Fund provided you an
4 update on the various properties that we're working on
5 under the funding source for habitat protection in a small
6 parcel grant. Since our last update in July of this year,
7 we completed the purchase of one property with EVOS funds.
8 That was the Chokwak property in Kiliuda Bay on the north
9 shore of Kiliuda Bay and that property is now owned and
10 managed by the State. I believe DNR Is the manager. We
11 have also completed but not yet conveyed one property.
12 That was the Knol property that The Nature Conservancy has
13 purchased on the Anchor River. We've got three properties
14 under contract for purchase with EVOS funds. That would be
15 the Thorn/Crowther, Swartz and Thompson properties, the
16 first two of which you just did resolutions on. And we've
17 purchased three additional properties that we intend to
18 donate to the State of Alaska. That would be the Nakada
19 property on the Anchor River, the Cusack property on the
20 Sturgeon and the Garig property on the Kenai River. And
21 again for those of you who don't have it, there's a table
22 that some are looking at that has further details on all of
23 these properties. It has the acreage, the fair market
24 value, the cost to the Trustee Council, restoration value,
25 agency that the property will be going to, the current

1 status of the transaction and which of us, either The
2 Nature Conservancy or The Conservation Fund are in the lead
3 on that project.

4 I want to point out that The Nature
5 Conservancy and The Conservation Fund have secured 3.6
6 million dollars in matching funds for this EVOS grant of
7 about \$1,000,000. That was one of our charges was to go
8 out and find additional monies to match your monies and we
9 think we've done pretty well in that. Those monies have
10 come from various private sources and various foundation
11 grants and State and Federal grants.

12 Let's see. Randy, any comments on that?

13 MR. HAGENSTEIN: Yeah. I'll just comment
14 that the matching grant is -- or the matching component
15 shouldn't be viewed as a technical legal match. It's more
16 like additional funds that have been from public and
17 private sources that have been applied within the Exxon
18 Valdez Trustee Council area. Some of which require their
19 own non-Federal match and what not. But I think we're --
20 Brad and I are both quite pleased. We've been able to
21 bring that amount of additional money to meeting
22 restoration goals.

23 MR. MEIKLEJOHN: Well I guess what we would
24 like to do is just run down through this list. This is the
25 list of what we consider the entire universe of properties

1 that we are currently working on and some are -- some of
2 these projects are in a more advanced stage than others.
3 Some of these have only recently come in. Some came in as
4 recently as Thursday and Friday of last week. Others are
5 much further along in negotiation or appraisal or under
6 contract. They're arrayed more or less geographically
7 starting down at the Anchor River on the Kenai Peninsula.

8 Randy, do you want to just talk about your
9 projects and I'll talk about mine?

10 MR. HAGENSTEIN: Sure. Why don't we start
11 with the top three on the Anchor River, Nakada, Knol, and
12 Thompson. These are three properties adjacent to each
13 other on the main stem of the Anchor River, sort of near
14 the Blackwater Bend area, not too far from there.
15 Collectively with the existing State owned properties and a
16 piece owned by the Kachemak Heritage Land Trust, these
17 properties will protect about 500 acres and two river
18 miles. We closed on Knol last year about this time.
19 Nakada we should close on by December 10th of this year and
20 Thompson early in the new year. We'll want to bring these
21 all forward as a package to the Trustee Council presumably
22 at the next meeting.

23 Brad, let me skip past Crowther/Thorn since
24 that was acted on today and talk about the three properties
25 McGee, Mutch and Jacobs, all at the mouth of the Anchor

1 River. Again, these are in matrix of existing public
2 lands. Most of them owned and managed by DNR, managed by
3 State Parks. The McGee property is one that we hope to
4 bring EVOS money to. This is a roughly eight-acre piece
5 about seven acres of which are in the wetland complex at
6 the mouth of the Anchor River. It has a lot of public
7 access value for fisheries and this is where a planned
8 trail by DNR would also transit from Anchor Point itself
9 the community down all the way to the mouth of the River.
10 Mutch and Jacobs are the two large parcels at the mouth
11 that comprise most -- actually the entirety of the
12 privately owned portion of the mouth of the Anchor River.
13 A very rich, productive estuary heavily used for sport
14 fishing and this is -- these two properties are both funded
15 with private match and Coastal Wetlands Conservation Act
16 Grant that the State secured last year. So those are the
17 pieces on the Anchor.

18 Brad, anything on the Crowther/Thorn piece?

19 MR. MEIKLEJOHN: Well, the Trustee Council
20 did pass the resolution earlier today on Crowther/Thorn and
21 so we should be closing on that shortly. Why don't we go
22 on down to Kachemak Bay then.

23 MR. HAGENSTEIN: Negotiating on a 4,000-
24 acre parcel adjacent to Kachemak Bay State Park that's
25 owned by the Alaska Mental Health Trust Authority. This is

1 a piece that occupies a peninsula between Jakalof Bay and
2 Tutka Bay, so south side of Kachemak Bay and includes a
3 large extensive tract of forest land, low to mid-elevation
4 forest land, several miles of diverse rocky inner tidal
5 shoreline, some eel grass beds at the head of Little Tutka
6 Bay, the mouth of an anadromous stream, Jakalof Creek at
7 the head of Jakalof Bay and then a large parcel that goes
8 up onto a roughly 3,000 foot mountain above Jakalof Bay.
9 I'd say we're in the middle of negotiations on this and
10 quite hopeful that something will come to pass on this
11 piece. We've got in hand funding and pledges from a
12 private donor for \$1,000,000 and a million and one half
13 dollar proposal submitted to a private foundation that we
14 hope to bring to the table. What we're looking for is some
15 additional help from the Trustee Council if and as funds
16 are available down the road.

17 Turning to the next page, Chisik Island.

18 There is a 29-acre piece owned by Ward Cove Packing Company
19 from a place called Snug Harbor on the south end of Chisik
20 Island. It's adjacent to one of the largest seabird
21 colonies in Kachemak Bay -- I'm sorry, in southern Cook
22 Inlet, and the property is also an in-holding in Federally
23 designated wilderness as part of the Alaska Maritime
24 National Wildlife Refuge. This is a somewhat complicated
25 piece, as it's an old cannery site that's been in disuse

1 for a number of years and so it has its own suite of
2 issues. At this point the Fish and Wildlife Service has
3 been trying to get over there this summer, find some time
4 to go and take a look at it and get a more full assessment
5 of what those kinds of hazmat and other issues might be.
6 So that's really in their court under evaluation and we
7 continue to maintain a relationship with the landowner in
8 case this is something that we want to work on in the
9 future.

10 Let me just say very briefly about Mental
11 Health Trust properties at the mouth of the Kasilof River.
12 These are two pieces that are high priority for the
13 Department of Natural Resources and they've been
14 encouraging both The Conservation Fund and The Nature
15 Conservancy to look into them and see what can be done
16 there. I know the Mental Health Trust Authority has been
17 concerned about public access and public use issues on
18 these properties. What I would say right now is it's under
19 evaluation. Brad and I talked the other day and I'm going
20 to take the lead on seeing if we can tease something up
21 with Mental Health Trust Authority on these pieces.

22 MR. MEIKLEJOHN: Next one the Swartz
23 Enterprises property on the Ninilchik. The Trustee Council
24 has just passed a resolution on. Thank you for that.
25 Moving on to Stariski Creek, one of the drainages on the

1 lower Kenai Peninsula. A property that just came to us
2 last week is located at the Stariski Meadows. About 260
3 acres that consists of, -- I think there are 16 or 17 lots
4 all arrayed across Stariski Creek through a wetlands
5 complex. It's part of a subdivision. Looks like the
6 developer is having a hard time selling the wetland lots.
7 The other more developable lots have been sold and it looks
8 like the developer has an interest in selling these wetland
9 lots for conservation and Fish and Game has expressed some
10 interest in seeing those lots protected. So that's one we
11 are starting to work on.

12 The Miller property at the mouth of
13 Stariski Creek is a gorgeous spot of great interest to
14 State Parks. We have been working on it off and on for
15 three or four years. It has been before the Trustee
16 Council previously as a parcel meriting special
17 consideration. It's sort of a stop and start negotiations.
18 The landowner is cautious and moving in her own pace and I
19 really can't forecast if or when that might come together
20 but it is a very spectacular property. It does provide
21 nice beach access which is quite uncommon on that stretch
22 of the Kenai Peninsula. And also some very good
23 restoration values for some of the various fish species
24 impacted in the spill.

25 Moving down to the Kenai River, the Garig

1 property is just to the north of the Kenai boat launch road
2 access. There is a nice wetlands complex in there that's
3 often quite heavily used by shorebirds and migrating
4 waterfowl and The Conservation Fund acquired that property
5 recently with funding from the North American Wetlands
6 Conservation Council, an NAWCA grant. We had about
7 \$840,000 for a grant for wetlands protection on the Kenai
8 and that's one of the priority properties identified by
9 Fish and Game and we currently own that property.

10 Property that just came to us last week, a
11 very exciting prospect is at river mile 18. That's about
12 170 acres and it includes nearly a mile of river frontage
13 and the owner has just come to us and shown an interest in
14 doing some conservation work. It's possible that we will
15 be -- well, we're looking at a couple of different
16 scenarios with that landowner. They haven't quite decided
17 what they'd like to do. They might like to retain a life
18 estate on the uplands and protect the river corridor, the
19 lowlands and the wetlands. And so we're just starting work
20 on it. It's a very nice piece of property on the Lower
21 Kenai at mile -- river mile 18 below the Soldotna bridge.
22 We're very hopeful on that one.

23 We've had stop and start negotiations with
24 the City of Kenai on lands below the Warren Aimes Bridge,
25 essentially the Kenai Flats near the mouth of the Kenai.

1 We'd like to keep that option open. I don't really know
2 whether that's ever going to come together but they are
3 some very nice wetlands there on the Lower Kenai. I'm
4 optimistic that eventually we'll be able to strike a good
5 transaction for the City of Kenai. I guess that takes us
6 to Nuka Island, Randy, and those are yours.

7 MR. HAGENSTEIN: Yeah I'm working with the
8 University of Alaska on two properties they own on Nuka
9 Island. The only private pieces on Nuka. This is an outer
10 Kenai coast island that's within Kachemak Bay State Park
11 and we've got a willing seller in this case and the
12 properties are not currently on the market through any of
13 the University's typical disposal programs, so I've been
14 putting these on hold in part because I'm trying to get
15 some better quotes on appraisals than I've been able to get
16 in the past. But I intend to move forward on these and try
17 to get some appraisals in through the spring so we can have
18 something come summer.

19 Brad, you want to talk about Poe Bay
20 Logging Camp?

21 MR. MEIKLEJOHN: Let's see. The University
22 of Alaska has two properties on the north shore of Passage
23 Canal just east of Whittier in Prince William Sound. One
24 at Poe Bay that's apparently of interest to DNR, Alaska
25 Department of Natural Resources, and another at Logging

1 Camp Bay apparently of interest to Chugach National Forest.
2 The first is 234 acres and the second is 322 acres and
3 we've just contacted the University to talk about what
4 might work for them and so we're in the very early stages
5 of working on those properties.

6 Randy, the next one is yours.

7 MR. HAGENSTEIN: Well, no one here is a
8 stranger to the two properties that the University owns at
9 the Valdez Duck Flats and Jack Bay and I want to thank the
10 Trustee Council for your patience on this and willingness
11 to extend these deadlines. The deadline for having the two
12 properties under contract is now December 31st and I feel
13 pretty confident we'll be able to get that. The two
14 properties obviously are quite high priority. The one in
15 Valdez is part of this large wetland complex at the head of
16 Valdez Arm and has an awful lot of support from the City of
17 Valdez and other partners there for both its migratory bird
18 value, anadromous fish value and human use and
19 interpretation values. Jack Bay, a nice large parcel south
20 of -- about one bay south of Valdez Narrows. Both these
21 two properties, as you're well aware, are not funded under
22 the Fish and Wildlife Service grant that's been passed
23 through to The Conservancy and The Conservation Fund, but
24 are being funded with money previously allocated by the
25 Trustee Council. Just working through issues. I don't

1 think there are any substantive at this point. The deed
2 and title are all satisfactory. Need to do one site visit
3 and need to get the paperwork lined up both for the
4 transfer in from the University and transfer out to the
5 Forest Service.

6 MR. MEIKLEJOHN: Next one is mine on
7 Middleton Island. Middleton Island sits out in the Gulf of
8 Alaska. Scott Hatch of the U.S.G.S. Biological Survey has
9 had a long-term research and monitoring site out there
10 looking at feeding habits of various seabirds. It's one of
11 the more interesting long-term databases in the Gulf. I
12 think there's a nice complement to the GEM Project.
13 Scott's work has been taking place on a private property
14 owned by a collection of Anchorage investors that refer to
15 themselves as MIDCO. It's 182-acre property. The owners
16 would like to sell the property to some other buyer.
17 There are some hazardous materials issues that we need to
18 sort out and currently we're working with the Army Corps of
19 Engineers and the FAA to resolve those issues. This site
20 is an old military base from the '40s and '50s and there
21 are some fairly considerable hazardous materials issues
22 that we're trying to get resolved first. So that one is a
23 long-term prospect that we're going to continue to pursue.
24 Stan Senner has taken a very keen interest in that and I
25 continue to work closely with Stan to pursue that.

1 Particularly just because of the long-term database for
2 seabird monitoring in the Gulf.

3 The last page has four properties on Kodiak
4 Island that The Conservation Fund has been involved with.
5 The first, Chokwak, has been completed. Alex Swiderski did
6 the yeoman's share of the work on that. The Conservation
7 Fund provided the funds and then was reimbursed by the
8 Trustee Council and that transaction has been completed.
9 Properties on the north shore of Kiliuda Bay and there are
10 several others on the north shore of Kiliuda Bay that, you
11 know, have shown interest in, too. And to complement the
12 exchange, I think it's close to be consummated between DNR
13 and the Old Harbor Native Corporation for lands at Old
14 Harbor. One is on Sitkalidak Island and lands in Kiliuda
15 Bay that was an exchange that's either close to being
16 consummated or has been finished. So there are a couple of
17 more Native allotments there, very important for public
18 access and restoration values for pink salmon.

19 And, lastly, the property that The
20 Conservation Fund purchased with private funds out on the
21 Sturgeon River near the mouth of the Sturgeon Lagoon, it's
22 outside of the Kodiak National Wildlife Refuge. Fish and
23 Game would like to receive the property and The
24 Conservation Fund intends to donate that property to Fish
25 and Game.

1 So that's the entire universe of properties
2 that The Conservation Fund and The Nature Conservancy are
3 working on. We're not seeking any resolution on these,
4 we're looking for your approval to continue to move forward
5 on these. And at the appropriate time we would bring these
6 -- if these come to fruition we would bring these various
7 projects to the Trustee Council for the appropriate
8 resolutions.

9 CHAIRMAN RUE: Okay. Thank you very much,
10 Brad and Randy. Before I open it up to other Trustee
11 Council members, I have maybe a couple of questions.
12 Molly, can you remind me of how we're interacting on the
13 screening of parcels. What are our opportunities to say
14 these all look good, except, you know, a particular one.
15 Is there a group? Do we have an agency team working with
16 Brad and Randy?

17 MS. McCAMMON: Well, The Conservation Fund
18 and Nature Conservancy only work on parcels that have a
19 State or Federal.....

20 CHAIRMAN RUE: Agency sponsor.

21 MS. McCAMMON:agency
22 sponsor/recipient. So that is one of the requirements.

23 CHAIRMAN RUE: Okay. They've all been
24 vetted through our.....

25 MS. McCAMMON: Theoretically, yes.

1 CHAIRMAN RUE: Good.

2 MS. McCAMMON: Now, this is the Trustee
3 Council's opportunity -- for the most part, none of these
4 parcels are before you for a final consideration action,
5 expenditure of funds.

6 CHAIRMAN RUE: Right.

7 MS. McCAMMON: However, in starting
8 negotiations they will have to start spending some money on
9 these and so this is really the chance for the Council to
10 say in general these look okay, these are kind of within
11 the ballpark of the kinds of parcels we're looking at,
12 we'll want to see a final package, of course, and a final
13 price and dah, dah, dah. Or there may be some specific
14 ones that you just say take off the table, we're not
15 interested in them at all. That would very good for them
16 to hear that right now.

17 MR. MEIKLEJOHN: Exactly.

18 CHAIRMAN RUE: Okay. Thank you very much,
19 that clarifies that for me.

20 Any questions from Trustee Council members?
21 Or any comments or any -- yeah, Jim Balsiger.

22 MR. BALSIGER: Let's see, Molly, you said
23 none of these are before us for final funding, but actually
24 those two resolutions.....

25 MS. McCAMMON: The two, we just did those

1 two.

2 MR. BALSIGER: The single resolution with
3 two of them.

4 MS. McCAMMON: Right.

5 MR. BALSIGER: So that's what we did. Some
6 of these -- other than those two, some of them we already
7 approved final funds for, have we not?

8 MS. McCAMMON: Well, Duck Flats and Jack
9 Bay have been approved contingent on final negotiated
10 agreements, so those wouldn't come back to you unless
11 something happened.

12 MR. BALSIGER: Right. So that amount of
13 money, basically, is earmarked to spend if they meet the
14 contingent requirements.

15 MS. McCAMMON: If they actually happen,
16 yes.

17 MR. BALSIGER: Right. But of these, I
18 think, are things -- have we expressed an interest in these
19 before or has The Nature Conservancy and The Conservation
20 Fund discovered them and this is the first time we've seen
21 these or have these.....

22 MS. McCAMMON: I think about half of these
23 are ones that have been on a list that you've seen in the
24 past. For example, the Kiliuda Bay one, the in-holdings
25 you've seen before. I believe some of the Anchor River

1 ones you've seen. Some of them are new. The Nuka Bay
2 ones, the Nuka Island ones, I believe, are new. The Poe
3 Bay, Logging Camp Bay in Prince William Sound are new.
4 MIDCO is Middleton Island, it's been on the list before. I
5 think all the Kodiak Island ones have been on the list.
6 Stariski Creek, the Stariski Meadows one is new. The
7 Miller one, I can't remember what we called it before,
8 maybe called it Stariski Creek or something.

9 MR. MEIKLEJOHN: I think so, yeah, it's
10 been.....

11 MS. McCAMMON: That one, I think an offer
12 was made, but the landowner rejected it, she was holding
13 out, she wanted more money or higher appraisal or
14 something. This City of Kenai, Kenai Flats, that one has
15 been on the list before. There are new parcels on the
16 Kenai that have just appeared. So it's a mix.

17 MR. BALSIGER: But the original grant that
18 set this up, does it expire? Does it give The Nature
19 Conservancy and The Conservation Fund open -- I'm in favor
20 of this, so I don't want to make this sound negative.

21 MS. McCAMMON: Right.

22 MR. BALSIGER: But are they entitled to go
23 out and shop as broadly and as widely as they can for the
24 indefinite future or were there parameters that were on
25 that grant that said you have to bring all of this stuff to

1 us in 2003 or something like that?

2 MS. McCAMMON: The grant was extended
3 until, I think, it's October.

4 MR. TILLERY: I think a year.

5 MR. HAGENSTEIN: I think October, yeah.

6 MS. McCAMMON: I think next October, so it
7 was given that time. It was a pilot grant to see how it's
8 working, it started rather slow and has picked up in the
9 last couple of months, so really -- and it's for not to
10 exceed \$1,000,000, so anything beyond \$1,000,000 would have
11 to come back to you, anything beyond next October would
12 have to come back to you for actions.

13 CHAIRMAN RUE: All these parcels would have
14 to come back, any of them.

15 MS. McCAMMON: And all these parcels come
16 back to you for action. But the way these kinds of parcels
17 go as I think Randy and Brad indicated, there's some that
18 have been in the works for three or four years and probably
19 will be in the works for another three or four years before
20 they actually happen. There are others that come on the
21 market right away and you can probably close within a
22 month, you know, the time of these is very unique.

23 MR. BALSIGER: Except they can't because
24 each one has to come back to the Council.

25 CHAIRMAN RUE: Correct.

1 MS. McCAMMON: Exactly, exactly.

2 MR. BALSIGER: Okay. Thank you, that was
3 my recollection.

4 MS. McCAMMON: Yep.

5 CHAIRMAN RUE: Any other questions from
6 Council Members?

7 MR. GIBBONS: Just a comment from me. I
8 think there's a good range from -- you know, all the way
9 from Kodiak to Kenai and Prince William Sound, so I think
10 they're doing a good job.

11 CHAIRMAN RUE: I have a quick question.
12 Both Brad and Randy, one, I like the fact that you've been
13 able to attract other investments, that was one of the
14 things we had hoped for, plus your creativity with
15 landowners in reserving developable pieces of a parcel and
16 subdividing out wetlands and that kind of thing. From your
17 perspective, how has it helped you go find other funds to
18 invest in these sort of things having the commitment from
19 the Council there? Has that been a useful tool for you?

20 MR. MEIKLEJOHN: I think it definitely has,
21 you know, typically money attracts other money, people like
22 to have partners in these things. Frankly, the funding
23 community has taken a downturn here recently and it's
24 harder for us to go out and find all the money that we'd
25 like to for these projects on our own and a little bit of

1 seed money from the Trustee Council is a great leg-up.

2 MR. HAGENSTEIN: Yeah, I would reiterate
3 that, that being able to tell people that they're part of
4 something bigger, that their investment might accomplish a
5 portion of a property is somehow part of a five-parcel
6 complex that it has a lot more support and a lot more
7 funding coming into it. It makes people feel like their
8 dollars are going much farther, so I think it is an
9 important motivator.

10 CHAIRMAN RUE: Okay.

11 MR. BALSIGER: I did have one more. The
12 costal wetlands grant, is that -- can you tell me a little
13 bit what those funds are?

14 MR. HAGENSTEIN: Sure. That is a Federal
15 grant program through Fish and Wildlife Service that is a
16 grant to designated State agencies. In Alaska all the
17 grants, thus far, have been to the Alaska Department of
18 Fish and Game. The modus operandi in Alaska has been that
19 conservation organizations, like The Conservation Fund and
20 The Nature Conservancy, work closely with the Department of
21 Fish and Game to put together a proposal that the State
22 winds up submitting to the Fish and Wildlife Service under
23 this grant program. The program requires a minimum of a
24 25% non-Federal match. Given the paucity of State level
25 funding for land protection and habitat protection, again

1 the model had been that The Conservation Partners have been
2 the ones committing to bring the non-Federal match,
3 typically through private programs, although some duck
4 stamp money, for example, State level money, has been used.

5 MR. BALSIGER: Okay, thank you.

6 CHAIRMAN RUE: Other questions?

7 (Commissioner Brown arrives - 11:46 a.m.)

8 CHAIRMAN RUE: Commissioner Brown has
9 joined us, Ron is still with us, so they have two votes.
10 So if we move quickly they can.....

11 (Laughter)

12 MS. BROWN: Can we switch the agenda
13 around?

14 CHAIRMAN RUE: Yeah, right.

15 (Laughter)

16 CHAIRMAN RUE: Okay. Any other questions?

17 MR. BALSIGER: Well, with voting procedure
18 then, do they both have to agree to have consensus now?

19 CHAIRMAN RUE: Yeah.

20 MR. BALSIGER: Okay.

21 CHAIRMAN RUE: They have to work out their
22 differences.

23 Okay, any other questions from the Trustee
24 Council?

25 (No audible response)

1 CHAIRMAN RUE: Okay. Brad and Randy, thank
2 you very much, appreciate the briefing.

3 MR. MEIKLEJOHN: Thank you. So we can take
4 it that you'd like us to continue to move forward on this
5 slate of properties?

6 CHAIRMAN RUE: I assume so, unless you get
7 a phone call from someone.

8 MR. MEIKLEJOHN: Well, again, you know, we
9 try to work on someone else's priorities, we don't want to
10 be working on properties that don't have a home, so let us
11 know if these are not of interest to you.

12 CHAIRMAN RUE: Okay. Certainly from Fish
13 and Game they look good, but we'll let each Trustee Council
14 member.....

15 MR. BALSIGER: We don't need anything on
16 the record to that effect?

17 CHAIRMAN RUE: No, I don't think we
18 need.....

19 MS. McCAMMON: No, we don't need, this is
20 sufficient.

21 CHAIRMAN RUE: Great, thank you very much.

22 MR. MEIKLEJOHN: Thank you.

23 CHAIRMAN RUE: Okay. It's now quarter of
24 12, that takes us through our agenda. We either have lunch
25 early or start with the Work Plan.

1 MR. BALSIGER: Executive session.
2 CHAIRMAN RUE: Or executive session.
3 Should we start the executive session?
4 MR. GIBBONS: Do we have Project 126
5 additional request to do?
6 CHAIRMAN RUE: That's what we just did, I
7 think.
8 MS. McCAMMON: No, this is the.....
9 CHAIRMAN RUE: Oh, we did that, I thought.
10 MS. McCAMMON:030126..
11 CHAIRMAN RUE: Oh, no, everyone was going
12 to think about that one.
13 MS. McCAMMON: Thinking about how to deal
14 with the Federal side of.....
15 CHAIRMAN RUE: Right. We're going to do
16 that after lunch, Dave.
17 MR. GIBBONS: Okay.
18 CHAIRMAN RUE: Remember we're going to --
19 there's a possibility of needing Federal funds for
20 appraisal review or whatever.
21 MS. McCAMMON: Right.
22 CHAIRMAN RUE: Okay. So we're going to go
23 into executive session to talk about, I think, two things
24 as I recall. One is the evaluation of the Executive
25 Director, and I'm scrambling to the front of my.....

1 MS. McCAMMON: And we also have habitat
2 protection, I have one habitat item to bring to your
3 attention.

4 CHAIRMAN RUE: Oh, habitat protection
5 issues. Okay, great. So if everyone would leave the room.
6 Thank you very much. We'll be back in about.....

7 MS. McCAMMON: You need a motion.

8 MR. TILLERY: Mr. Chairman.

9 CHAIRMAN RUE: Yeah.

10 MR. TILLERY: I move we go into executive
11 session for those purposes.

12 CHAIRMAN RUE: Thank you. Do we have a
13 second?

14 MR. BALSIGER: Second.

15 MS. BROWN: Second.

16 CHAIRMAN RUE: I'm running roughshod over
17 the rules here. What time do we expect to be out? About
18 an hour?

19 MS. McCAMMON: Oh, it shouldn't be, this
20 should be fairly short and I don't know how long.

21 CHAIRMAN RUE: Fifteen minutes?

22 MS. McCAMMON: And then we have lunch.

23 CHAIRMAN RUE: Okay. Around noon. Okay,
24 we'll be out around noon.

25 (Off record - 11:50 a.m.)

1 (On record - 1:04 p.m.)

2 CHAIRMAN RUE: So we have both Dave and
3 Drue back on. So we are back in public session after a
4 work session. Shall I describe what we did in executive
5 session?

6 MR. TILLERY: Yeah, you need to basically
7 just describe what we.....

8 CHAIRMAN RUE: Give a summary, right. We
9 discussed habitat negotiations and the Executive Director's
10 evaluation and those were the two items we discussed in
11 executive session.

12 So next on our agenda is the Work Plan.

13 MS. McCAMMON: Mr. Chairman, we have -- a
14 lot of people are leaving, I mean, you feed them and then
15 they leave.

16 CHAIRMAN RUE: Uh-huh. They go to sleep,
17 first, right?

18 MS. McCAMMON: First they go to sleep and
19 then they leave, one or the other. So we actually have a
20 little -- decided we'd do another little add-on to the
21 agenda here. And so maybe Craig Tillery could take over as
22 acting chair for a few moments.

23 MR. TILLERY: Think of this as coup,
24 Mr. Chair.

25 (Laughter)

1 CHAIRMAN RUE: I'm easy.

2 MR. TILLERY: Do we have Mr. Gibbons on?

3 MR. GIBBONS: Yes, I'm here.

4 MR. TILLERY: Yeah, but you're gone, I
5 mean, you're already in Mexico. So this is the -- as
6 Mr. Rue had reminded us on countless occasions so far
7 today, this is his final meeting with us, it's also the
8 same for Michele Brown and for Dave Gibbons, I think,
9 right, Dave?

10 MR. GIBBONS: Yeah, I'll be gone mid- to
11 late January.

12 MR. TILLERY: Unless we sneak another
13 meeting in between now and then. So it is appropriate in
14 any instance when someone leaves, but particularly
15 appropriate given the long service of these -- I mean,
16 Michele and Frank have been basically serving in this
17 capacity for seven years and eight years for Frank. And
18 Dave has been serving since time immemorial. So it would
19 be appropriate for us to both give you something, a little
20 thank-you gift from the Council, and in addition I suspect
21 a few people might have some things to say. So, Molly,
22 what do you have?

23 MS. McCAMMON: Well, what we have here are
24 two plaques, one for Frank and one for Michele. And legacy
25 of an oil spill in recognition of their significant

1 contribution to the joint Federal/State Trustee Council to
2 restore the resources and services affected by the oil
3 spill.

4 CHAIRMAN RUE: Thank you, Molly.

5 MS. McCAMMON: I should point out. I did a
6 little research project last week and I looked back to the
7 date, to the first meeting that each of these people --
8 and, Dave, we have one for you, but you're not here, but we
9 do have it here waiting for you.

10 CHAIRMAN RUE: She misspelled your name.

11 (Laughter)

12 MS. McCAMMON: Yeah.

13 MR. BALSIGER: First name.

14 MS. McCAMMON: Dave "Sunburned" Gibbons. I
15 went back and looked for the first meeting. Frank's first
16 meeting was on February 17th, 1995. Appropriately enough
17 the entire meeting was an executive session to discuss Eyak
18 land acquisition negotiations.

19 CHAIRMAN RUE: All right.

20 MS. McCAMMON: His first meeting of the
21 Trustee Council as Commissioner of Fish and Game.

22 CHAIRMAN RUE: I don't remember a thing
23 about it.

24 MS. McCAMMON: Michele's first official
25 meeting was on February 23rd, 1996, so you were a year

1 later. We had a couple of other little items, but
2 basically there was another long executive session for
3 habitat negotiations on Eyak in your first meeting.

4 (Laughter)

5 CHAIRMAN RUE: A year later. Hey, that's
6 why I didn't remember it.

7 MS. McCAMMON: Dave's first meeting as
8 Trustee was on January 22nd, 1999, so as a Trustee you
9 actually have the shortest tenure there. And you, at that
10 meeting, were part of the Council that authorized the
11 Chugachmiut proposal for an archeological repository plus
12 local display facilities in the oil spill area. So no
13 executive session on Eyak at that time. I thought that was
14 interesting, looking back when you think of history and the
15 legacy of the Trustee Council over this period of time
16 between the habitat protection program, between working on
17 oil spill affects, between the 10th anniversary event, the
18 decision on the Restoration Reserve, that whole process
19 trying to decide how to spend the Restoration Reserve and
20 setting up that decision. It's been an incredible tenure
21 for all three of you. And certainly it's made my job a lot
22 easier and more enjoyable working with the three of you, so
23 thank you.

24 CHAIRMAN RUE: Thank you. So we get to say
25 something?

1 MS. McCAMMON: I don't think yet. People
2 get to talk about you first.

3 MR. TILLERY: Not yet. Yeah, it's a little
4 early in the program, Frank.

5 CHAIRMAN RUE: Okay. This will shoot our
6 agenda to hell.

7 MR. TILLERY: It is sort of fitting that
8 when you two, Michele and Frank, came on and basically --
9 and, again, Dave was kind of here for the long haul. But
10 we had just finished kicking off something, which is we had
11 just made the decision to go forward with the SeaLife
12 Center and go forward with a large number of habitat
13 acquisitions. And so you were here for the implementation
14 phase of that, sort of doing the hard work and carrying the
15 ball and getting it done. But now you're sort of leaving
16 having just made the decisions on going forward with GEM
17 and kicking that off, and you won't be here for the
18 implementation, but it is sort of nice that you've sort of
19 been through those two ends of two processes, both of which
20 are incredibly significant, not only in just the
21 restoration, but also in the -- just to the state of
22 Alaska. I mean, those habitat acquisitions are very
23 amazing and the GEM is going to be a program that stands
24 forever. And I think for the work that the three of you
25 have done on those is incredible.

1 I've worked with Dave since the early days,
2 he was sort of the original Executive Director of the
3 Trustee Council, way back when. He was the lead of the
4 restoration team, right, Dave?

5 MR. GIBBONS: Yeah, that's correct, that's
6 a long time ago.

7 MR. TILLERY: That is a long time ago, some
8 of us remember, because, you know, we were pretty excited
9 about the restoration team back then, I remember several
10 Trustees getting in a very excitable mode every now and
11 then. But we go through all that and throughout the whole
12 process, as people come and go, Dave has stayed with the
13 program, he's made things work on the Federal side, on the
14 Forest Service side. You know, we've gone from bits and
15 starts to a pretty smooth working operation and you've been
16 pretty important in all of that. I think it was very
17 fitting that you ended your tenure here as the Forest
18 Service Trustee and you've done an admirable job with that.

19 Frank has been here for quite a while, he
20 certainly has mastered parliamentary procedure as we've
21 seen today.

22 (Laughter)

23 CHAIRMAN RUE: Do we need Robert's Rules?

24 MR. TILLERY: The tremendous thing about
25 having Frank on the Council and the same thing holds true

1 with Jim and with Steve Pennoyer, was that some of us who
2 are not well versed in the sciences are able to look to the
3 resource agencies and rely on the decisions and your views
4 on things. And it has been -- you know, your tenure here
5 has been pretty remarkable and we really appreciate that.
6 The annual Work Plan stand is a tremendous monument to you
7 and I think the Habitat Program, the Small Parcel Program,
8 your strong support for that and your ability, like some of
9 the rest of us, to turn on a dime, throw it out the window
10 and let's go get Northern Afognak, you know, is kind of
11 what this Council -- this Council has been about adaptive
12 management for a long time and I think that is an example
13 of the flexibility and the practicable spirit that you and
14 the others have brought to it.

15 And Michele had been here for.....

16 MS. BROWN: Ever.

17 MR. TILLERY: Yeah, she says forever. For
18 seven years and has had a lot of contributions to the
19 Council, but probably none more significant than the
20 direction that GEM will take and in making sure that, as
21 part of the GEM Program, there is a component that tracks
22 contaminants that come into this system, into our
23 ecosystems and what role they play, whether they're
24 growing, whether they're becoming a threat and so forth.
25 Actually it's amazed me because it has become a centerpiece

1 of the GEM Program and it started out as an afterthought,
2 almost a non-thought, and it's been primarily through your
3 interest and your pushing it a lot, a whole lot, day after
4 day sometimes, that has kept that going and has made that a
5 part of GEM.

6 So, again, I think the three have been a
7 huge part of this Council and it's also been a lot of fun
8 to serve on the Council with you.

9 MS. BROWN: Thank you.

10 CHAIRMAN RUE: Thank you.

11 MR. TILLERY: Thank you.

12 CHAIRMAN RUE: Thanks, Craig.

13 MS. McCAMMON: Check if there's public
14 comment.

15 CHAIRMAN RUE: Do I get to talk? When do I
16 get to talk?

17 MR. TILLERY: Is there -- Mr. Balsiger, do
18 you have anything?

19 MR. BALSIGER: I didn't practice anything,
20 so I guess I'll just ad hoc. It's been a privilege to work
21 with the three Trustees that are leaving. I often come in
22 here a little bit befuddled by the facts and knowing where
23 we are in the process and I've never seen that happened
24 ever in any of these three. So I don't know if you studied
25 a lot before these meetings or just able to keep everything

1 straight, but I've appreciated that because it helped a lot
2 trying to figure where to go on things, to see what Michele
3 and Frank and Dave had in mind, stable and a good
4 influence. Alaska is a big state and it's got a big
5 history and so everything that makes Alaska what it is, is
6 larger than anybody here, but the three of you really are
7 part of steering a small part of Alaska into what it is and
8 what it will continue to be, so you should be proud of
9 that. And I'm glad to have been able to work with you a
10 little bit.

11 CHAIRMAN RUE: Thank you.

12 MR. TILLERY: Ms. Pearce.

13 MS. PEARCE: I just want to thank all three
14 of you for the work you've done. One thing I've learned
15 about Alaskans we tend to work together and go our separate
16 ways and come back to work together again, so I'm sure I'll
17 be working with each of you yet again and I look forward to
18 it.

19 MS. BROWN: Thank you, Drue.

20 MR. TILLERY: Is there any members of the
21 public that would like.....

22 MS. McCAMMON: Maybe Dave wants to say
23 something about.....

24 MR. TILLERY: Mr. Gibbons.

25 MR. GIBBONS: Yeah, I was waiting for

1 Mr. Rue, I think he was anxious, but I will go ahead and
2 just say that I've been in Alaska for 25 years and it was a
3 hard decision to look otherwise, but I enjoyed my time with
4 the Trustee Council and the damage assessment early on and
5 then, as you mentioned, the restoration team and the other
6 work, so it's a tough decision, but I'm sure I'll keep in
7 touch with everybody and if you're in California look me
8 up, I'll be down there in the regional office for the
9 Forest Service and the Director of Ecosystem Conservation
10 for California's 18 National Forests, Hawaii and Guam.

11 CHAIRMAN RUE: Tough job, geez.

12 MR. TILLERY: Yeah.

13 CHAIRMAN RUE: I was feeling sorry.....

14 MR. GIBBONS: So it's going into a frying
15 pan.

16 CHAIRMAN RUE: I was feeling sorry for you,
17 Dave.

18 MS. BROWN: Frank and I have some time on
19 our hands.

20 MR. TILLERY: Yeah, we can work with the
21 forest in Guam.

22 MR. GIBBONS: Oh, not Hawaii?

23 MS. BROWN: I'll take Hawaii.

24 MR. TILLERY: Okay. Frank.

25 CHAIRMAN RUE: Actually I appreciate all

1 that's been said. I started out, I remember the first
2 thing I saw on the spill was a piece of paper off a fax
3 machine, it had about three lines on it that said Exxon
4 Valdez has hit a reef in Prince William Sound. And I
5 remember thinking that sort of the physical presence of
6 that paper couldn't possibly convey the magnitude of what
7 had happened and it was just sort of a stark thing for me.
8 And I was at the Habitat Division as the Director and
9 theoretically the lead for Fish and Game's response during
10 the clean up.

11 But, similarly, I think some of the things
12 that we've done as a group, and several groups really, as
13 Drue said, we've had an awfully collegial effort over a
14 number of years here, folks of different personalities and
15 persuasions have come together and under a consensus
16 process created a lot of good things. And I probably can't
17 really imagine how good it's been or how important it is
18 until the history plays out, sort of like that piece of
19 paper announcing the spill happened, but I think there will
20 be a lot of good that comes out of the effort that a lot of
21 people have put into this, really a lot. And I've
22 appreciated every one of them, every person that I've
23 worked with on this Council over the years has been good.
24 They've had integrity, they've cared and have tried to do
25 the best they could and I think a lot of things have come

1 of it.

2 The other thing I thought of though,
3 despite all that great things that I think will happen with
4 the land purchases and the research is the other day I
5 thought to myself, would I give it all back if we could
6 take the tanker off the rocks? And I said, yeah, I'd put
7 it all back if I could. But we can't, so I guess we have
8 to move on and do the best we can with what we've been
9 given and I guess I have great faith that as Alaskans we
10 will do that and people will be thoughtful and caring and
11 bring their best nature to this process and try to do the
12 best they can for the resources that were injured and the
13 people that were injured. And I've been impressed with
14 that over the last 15 years, whatever it's been. When did
15 the spill happen? It's been a long time.

16 MS. McCAMMON: '89, almost 14 years.

17 CHAIRMAN RUE: Yeah, 14 years. I've been
18 impressed with the people who have been involved with that
19 and the caring and I just -- I have great faith that people
20 will carry on and do even better after I'm gone.

21 So thank you all very much, I've enjoyed
22 working with you.

23 MS. BROWN: Okay. Well, my turn?

24 MR. TILLERY: Yes, ma'am.

25 MS. BROWN: Yeah, you take the walk down

1 memory lane and it is pretty amazing. I remember getting
2 to Valdez the day after the spill and one of the first
3 things they did was negotiate with Exxon an agreement to
4 pay costs. And I think now over -- it's a little bit more
5 money that I thought in the long haul and we've moved a
6 long way from fighting over paying for pizza bills to the
7 kind of issues that we're dealing with now. You know, we
8 have tackled extraordinary issues. You know, as Molly
9 said, when I started from the habitat protection, beginning
10 with a lot of the large parcels, moving then to small
11 parcels and then innovative ways to now deal with small
12 parcels and we're constantly evolving.

13 And then to the long-term research, the
14 GEM, which I think is truly going to be an incredible model
15 for us to learn about what's happening, but also for others
16 to model their efforts on and now that's starting to get
17 underway and we're already looking for innovations, like
18 working together with the other organizations that are
19 doing this kind of research. And I think this symposium
20 this summer was a wonderful step and an item we'll be
21 dealing with shortly again, so what I think is the most
22 amazing is how we have taken a tragedy and put the money to
23 good use and we're constantly evolving in doing that.

24 And I'd just like to express my
25 appreciation to Molly and her staff, you people do an

1 absolutely unbelievably good job. I've worked with a lot
2 of boards and organizations like this and this is truly
3 unequaled in terms of the skill, the fellow Council
4 members, as Frank said, consistently high integrity, hard
5 workers and a remarkable consistency of spirit and purpose.
6 And I think, as Drue said, this is a small state, we come
7 together, I'm particularly enjoying call Drue now and
8 saying "fix it", you know, instead of the other way around.

9 (Laughter)

10 MS. BROWN: Years of her doing that to me.
11 And I'd also like to thank the public, the Advisory members
12 and the people who have taken the time to comment, all of
13 our decisions have been better for it. So it's been a
14 great run and keep on trucking.

15 MR. TILLERY: Is there anyone in the
16 audience here who would like to say anything at this time?
17 Mr. Ebell.

18 MR. EBELL: Mr. Tillery. Speaking as a
19 representative of a number of the landowners that we worked
20 through these transactions and I would also add the
21 comments of Mr. Jones and Mr. Landry as well, in that we
22 enjoyed working with these three members of the Trustee
23 Council and that they were always met with courtesy and
24 openness and a willingness to sit down and discuss over
25 times a very contentious issue. And we were always met

1 with respect and we really always appreciated that and the
2 willingness of these folks to do that and enjoyed the
3 process very much. I think you did a wonderful job.

4 MR. TILLERY: Anyone else?

5 (No audible response)

6 MS. McCAMMON: Cherri, don't we have
7 something else here?

8 MR. TILLERY: While she's getting that, I
9 would note we've come a long way from squabbling about
10 pizza, we're now at the \$8.05.

11 (Laughter)

12 CHAIRMAN RUE: I never had a pizza that was
13 that cheap.

14 MS. McCAMMON: Okay. And this is from your
15 fellow Trustee members.....

16 CHAIRMAN RUE: Oh, thank you.

17 MS. McCAMMON:and from the staff.

18 And it's "Alaska On My Mind, The Best of Alaska in Words
19 and Photographs." And we actually did some field research
20 and went out and looked at every Alaska book out there and
21 read through them and we liked this one the best so think
22 about us when you're looking through it.

23 CHAIRMAN RUE: Good. Thank you. Thank
24 you, thank you. Great. That was way too nice, way too
25 nice.

1 MS. McCAMMON: And we have one for you
2 here, Dave, too.

3 MR. GIBBONS: Okay.

4 MS. McCAMMON: But you have to come home,
5 we don't ship.

6 CHAIRMAN RUE: You're all way too nice.

7 MS. McCAMMON: Especially to Mexico.

8 CHAIRMAN RUE: All right, so we're back on
9 the agenda.

10 MS. McCAMMON: We're back.

11 (Applause)

12 CHAIRMAN RUE: Okay, we're back on the
13 agenda. Thank you very much, Molly and others.

14 MS. McCAMMON: Thank you.

15 CHAIRMAN RUE: We are into the Work Plan.

16 MS. McCAMMON: Yes.

17 CHAIRMAN RUE: You want to take us through
18 it?

19 MS. McCAMMON: Yes. And Phil Mundy is
20 going to be going through this, too, but basically if you
21 recall we did two phases of the Work Plan this year. We
22 did Phase I, which was primarily lingering oil projects and
23 continuing projects. Those that had kind of been in the
24 works for a number of years. Phase II -- we didn't do a
25 complete proposal solicitation at that time because we

1 still hadn't received the National Research Council Review
2 of the GEM Program and there hadn't been final adoption by
3 the Trustee Council of GEM. So we divided it into two
4 phases. You took action on Phase I and that was
5 \$3,725,200, which left about two and a quarter million
6 available for Phase II and anything deferred or left over
7 from Phase I.

8 A total of 44 projects were reviewed, some
9 of those deferred from Phase I, totalling a lot more money
10 than was available. And in your packet you have a number
11 of background materials, you have the spreadsheet A, which
12 is the number spreadsheet, we have spreadsheet B, which is
13 the text spreadsheet, you have a table that breaks down the
14 projects between lingering oil and GEM and it also shows
15 the difference between continuing projects and new
16 projects. And you'll notice that there's a much larger
17 majority of new projects in this section.

18 There's also a section on public comment,
19 and we received very little public comment at this time.
20 Typically we have our Public Advisory Committee review
21 these proposal also, the Public Advisory Committee was kind
22 of in transition between the old group and the new group,
23 however, the old group did receive copies of these
24 recommendations and were encouraged to provide comment
25 individually on them, but we haven't received any public

1 comments from them.

2 We received one letter and one e-mail. A
3 letter from Ken Adams, Ross Mullins, supporting the herring
4 disease project and that's in your packet. And an e-mail
5 from Wesley Hamilton in Pennsylvania supporting habitat
6 acquisitions, and that's in your packet also. In front of
7 you on your table, and I apologize, Dave and Drue, you
8 didn't receive this, but there is a letter from James Brady
9 who is the Regional Supervisor of the Anchorage area,
10 Southcentral area for Fish and Game Commercial Fisheries
11 Division, supporting Project 030684, which is the Kenai
12 River watershed project and I believe the Commissioner was
13 going to speak to that.

14 And so the process that we went through
15 this year was -- this particular review session was
16 different than we have in the past. We did the
17 solicitation as typical, we received proposals and budgets
18 in response to that. During this time we had appointed a
19 new STAC Committee, the Scientific and Technical Advisory
20 Committee, and so they did the peer review process in
21 conjunction with Dr. Mundy and the science staff here in
22 the office. In the past this has been coordinated by
23 Dr. Spies out of California and conducted primarily by
24 Dr. Spies and our core reviewer group with the assistance
25 of a number of other technical reviewers as needed.

1 And they did a great job putting together a
2 review in a very short amount of time. In the packet there
3 is a memo from Dr. Mundy talking about the review process
4 and some of the results of that process, lessons learned,
5 some suggestions that we'll be looking at in the next
6 couple of months in how to improve it. But I think the key
7 to realize is that there is -- the process is being changed
8 from what it has been in the past, the goal is to provide,
9 of course, higher quality and more thorough peer review,
10 and certainly Dr. Mundy can speak to that and you can ask
11 him any questions.

12 As I mentioned in my point number two in
13 the accompanying memo to the report, everyone wants peer
14 review. I don't know of program now that doesn't want
15 their projects peer reviewed. I think people are really
16 big believers in it, but it's going to be a huge process
17 with a lot of research money out there, with a lot of
18 proposals all wanting peer review. So to get good peer
19 review and not wear out all of our peer reviewers is going
20 to be a challenge, especially in the near future. I think
21 over the longer term we'll probably be okay as the program
22 gets more built up and ongoing, but certainly in the near
23 term.

24 And then the third part is we've always
25 spent a lot of time on public process and we didn't have

1 the benefit of a Public Advisory Committee during this
2 particular review session, but we will in future sessions
3 and we'll continue to work on how to involve the public.
4 As you can see even by today, public involvement at
5 meetings and public comment has really diminished over
6 time. And so that's one of the reasons for having a really
7 active Public Advisory Committee, is to get that kind of
8 public input at that committee level and at workshop levels
9 and things like that.

10 And with that, I'd like to turn it over to
11 Dr. Mundy, and if you want to speak to that, Phil, and if
12 not, then go ahead and begin. I think we were going to go
13 through the clusters and do a little overview and then go
14 through the clusters briefly and see if you had any
15 questions, comments, concerns on the recommendations.

16 CHAIRMAN RUE: Okay.

17 DR. MUNDY: Mr. Chairman.

18 CHAIRMAN RUE: Yeah, go for it.

19 DR. MUNDY: Thank you, Mr. Chairman. For
20 the record, my name is Phil Mundy, I'm staff to the
21 Trustee Council. I just want briefly to say Molly's
22 covered the change that we've made in the peer review
23 system, given the fact that we have Council members
24 outgoing, I just wanted to point out that the Trustee
25 Council was ahead of its time in terms of establishing a

1 peer review process and that it has a well-deserved, good
2 reputation nationally and internationally for high quality
3 peer review. And we are, as a staff, doing our best to
4 continue that tradition. And I thank the outgoing Council
5 members for their support of the peer review program in the
6 past.

7 So that's all I have on the peer review
8 process. The report covers the details and if you have any
9 questions after you've had a chance to look at this, I'd be
10 happy to field those for you in the future.

11 Mr. Chairman, would you like me to go
12 through the.....

13 CHAIRMAN RUE: Yes, please do.

14 DR. MUNDY:Work Plan now at this
15 time?

16 CHAIRMAN RUE: That would be great, unless
17 Council members have questions.

18 (No audible response)

19 CHAIRMAN RUE: It doesn't sound like it, so
20 go ahead, thank you.

21 DR. MUNDY: Thank you, Mr. Chairman. My
22 approach to this, in deference to our Council members on
23 the telephone who can't take advantage of visual aids, is
24 to have no visual aids. I'm going to work from spreadsheet
25 A. I've also been challenged by Mr. Tillery to show how

1 each of these recommended fits seamlessly into the web of
2 science, I think was the term that he used. So I will
3 endeavor, even though he did tell me that projects don't
4 necessarily have to fit into that web, but we'll do our
5 best.

6 I'm going to walk through the clusters
7 here, you'll see in spreadsheet A your first one is called
8 Oil Spill Lingerling Injury, and just briefly mention the
9 purpose of the project and then move on to the next
10 cluster. And that is the purpose of the projects that have
11 been funded. In the case of projects that haven't been
12 funded, I'll rely on questions from the Council and I'll
13 stop and wait for questions from the Council on the
14 projects that have not been funded and I'll be happy to
15 field any questions that you have on those projects.

16 So, Mr. Chairman, I'll be proceeding from
17 starting with Project 620 on spreadsheet A, and that's
18 Lingerling Oil Exposure Pathways and Population Status. And
19 this has had extensive design and has been through review
20 by the Lingerling Oil Subcommittee and Dr. Spies, and has
21 been recommended for funding. There are still some issues
22 to work out, but we have still some evidence of exposure of
23 sea otters in certain areas of Prince William Sound that
24 are consistent with exposure to oil and we are still
25 conducting research to track those populations and to

1 determine, if we can, where that exposure is coming from.

2 Oil Spill Recovery and Monitoring. We have
3 a fund contingent recommendation on the Herring Disease
4 proposal. The Herring Disease proposal is to evaluate the
5 results from the 2001 work on herring in the fall. We have
6 evidence from the spring of 2001 that ichthyophonus was
7 still occurring, being found at relatively high rates in
8 herring populations in Prince William Sound. We had some
9 reservations in the scientific peer review process about
10 the relatedness of this to oil spill injury and to oiling
11 injury and it appears that the -- but it appears that this
12 work can be matched by funding from other sources. This
13 has been the object in the past of a great deal of study
14 and a lot of support from other sources, so that's being
15 proposed for a reduced funding fund contingent.

16 I'll stop now, are there any questions on
17 this?

18 CHAIRMAN RUE: Yes, I do. Are there
19 others?

20 (No audible response)

21 CHAIRMAN RUE: I guess this is one of two
22 that I wanted to say something about. I agree that it
23 would be good to bring in other funding sources and there
24 has been interest. I think herring is a major issue in
25 Prince William Sound. This is Frank for those on the

1 phone. So I think it would be good to get this project
2 done, one way or another. I think the principal
3 investigator has applied for National Research, NRC?

4 MS. McCAMMON: National Science Foundation.

5 CHAIRMAN RUE: NSF funding. So I guess
6 what I'd like to propose, and I don't know if I'll do it at
7 the end as a motion, but still fund contingent, but perhaps
8 add a sentence which says when we find out whether the
9 other funding is approved or not, which I think he'll find
10 out in mid-December, if it's not funded to bring it back
11 for reconsideration by the Council. Because I don't think
12 it'll be done for \$25,000, so you'll probably have to
13 reconsider what to do with the 25,000 anyway, but a fund
14 contingent with a reconsideration piece if the other
15 funding source doesn't come through is what I'd just add to
16 this. If no one objects to it.

17 I can't remember how we did this, do we do
18 a motion -- we do one big motion at the end.

19 MS. McCAMMON: We do a motion, right.

20 CHAIRMAN RUE: But I would propose that
21 sort of an amendment.

22 MR. TILLERY: Typically with amendments as
23 noted.

24 MS. McCAMMON: Right.

25 CHAIRMAN RUE: Right.

1 MS. PEARCE: Can I ask a question?

2 CHAIRMAN RUE: Yes, please.

3 MS. PEARCE: Frank, are you saying if they
4 don't receive their other funding then we should bring it
5 back and you would recommend we fully fund it?

6 CHAIRMAN RUE: That would be my
7 recommendation but, as I said, I won't be here for that, so
8 I can only say reconsider full funding of this project.

9 MS. PEARCE: Okay. When you said
10 reconsider, I wasn't sure -- you said reconsider what we do
11 with the money, that's what I wasn't clear about.

12 CHAIRMAN RUE: No, I meant reconsider full
13 funding. We'll probably have to reconsider what to do with
14 the 25,000 at some point anyway, but -- well, no, it'll get
15 eaten up, you won't bother with that. That was my point,
16 reconsider whether or not the Council should fund the
17 entire cost of the project.

18 MS. PEARCE: Well, I would certainly agree
19 after the visit to Tatitlek that herring appear to be
20 certainly probably the foremost of their concerns, and so I
21 would agree with that.

22 CHAIRMAN RUE: That was my only comment on
23 that. So do we actually need to propose an amendment and
24 then act on it?

25 MS. McCAMMON: No. What you can suggest,

1 and I was just writing it, something like if -- another
2 sentence in the text part of it that says if matching funds
3 and not secured by.....

4 CHAIRMAN RUE: End of December.

5 MS. McCAMMON:late January.....

6 CHAIRMAN RUE: Late January, okay.

7 MS. McCAMMON:bring back to Trustee
8 Council for further consideration at next meeting.

9 CHAIRMAN RUE: That works. Is that all
10 right?

11 MS. PEARCE: Sounds fine.

12 MS. McCAMMON: And then it would come
13 forward in conjunction with those other deferred projects.

14 CHAIRMAN RUE: Good.

15 MS. PEARCE: I think we might go ahead and
16 say, if everybody is comfortable with it, that with the
17 recommendation from the present membership that we look at
18 fully funding it. Make that clear in the text, can we do
19 that, Molly?

20 MS. McCAMMON: Sure.

21 CHAIRMAN RUE: That would certainly be my
22 recommendation. I don't know how other Trustee Council
23 members feel.

24 MR. TILLERY: Does that have any bearing on
25 whether they would get the grant or not?

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CHAIRMAN RUE: No.

MS. McCAMMON: I don't think so.

CHAIRMAN RUE: It's the will of the body.

MR. TILLERY: I would support that.

CHAIRMAN RUE: Okay. No other comments
then on that? I think Molly's got that noted.

MS. McCAMMON: Got it.

CHAIRMAN RUE: Okay. Thank you. Phil, go
ahead.

DR. MUNDY: Thank you, Mr. Chairman. I'll
pick up again at the cluster Oil Spill Ecosystem Recovery
and function. We don't have anything recommended for
funding in this cluster. Are there any questions?

(No audible response)

DR. MUNDY: Hearing none, I'll move on to
GEM Cross-Habitat Linkage Community Involvement and
recommending funding for the Tribal Natural Resource
Stewardship Program, which is to help develop
infrastructure at the tribal level and also to deal with
the Tribal Natural Resource Management Plans.

If there are no questions I'll move on to
the GEM Watershed Habitat Area.

(No audible response)

DR. MUNDY: In the GEM Watershed Habitat
Area we have not recommended any projects in this category

1 for funding. I'll stop and see if there are questions or
2 comments from the Council.

3 CHAIRMAN RUE: I have a question and a
4 comment. On Project 684, which is the Sustainable
5 Management of the Kenai River Watershed linking human and
6 resource development with nutrient energy pathways, which
7 is actually the one that James Brady, the regional
8 supervisor of Commercial Fisheries, wrote supporting. I
9 would support -- I think this is a good project, I think we
10 asked folks to put together a watershed research plan, I
11 think they did their first cut at that. I believe that
12 wasn't done for the STAC to look at, so they couldn't
13 really review this project, which is the next step of
14 bringing that plan down to more detail, possibly even
15 having some project proposals figured out for a watershed.
16 I think that the plan is done now and what I would suggest,
17 because I do like this project, it's only \$60,000. I would
18 suggest that we make the recommendation fund contingent on
19 -- no, I would say put it on defer pending review of the
20 completed plan for 612. Either fund contingent or defer
21 funding.

22 I guess, tell you what, I'm going to make
23 it clear. I would say fund contingent on acceptable
24 completion of that first draft plan. That's my proposal.
25 I think it's a good project, I think we should move ahead

1 with this and come up with some more detailed projects of
2 the kinds that we would want to fund for the Kenai
3 watershed.

4 (Pause)

5 CHAIRMAN RUE: Resounding silence.

6 MS. McCAMMON: Contingent on acceptable
7 peer review and revision of first draft.

8 CHAIRMAN RUE: 612, yeah.

9 MR. TILLERY: Mr. Chairman.

10 CHAIRMAN RUE: Yeah.

11 MR. TILLERY: You're saying that you would
12 fund it contingent on the final report coming in from 612.

13 MS. McCAMMON: It's already come in, it
14 just hasn't been reviewed yet.

15 MR. TILLERY: Oh. It being peer reviewed
16 and then.....

17 CHAIRMAN RUE: Found not wanting or found
18 acceptable, yeah.

19 MR. TILLERY: Okay. And this thing is,
20 otherwise then, ready to go. This particular project
21 doesn't need any further evaluation by Dr. Mundy or
22 Ms. McCammon; is that correct?

23 CHAIRMAN RUE: I don't know. Dr. Mundy.

24 DR. MUNDY: Mr. Chairman, if I may?

25 CHAIRMAN RUE: Sure.

1 DR. MUNDY: Thank you. The STAC wanted to
2 be able to compare the results of the final report of the
3 Project 612 to the proposed objectives of the proposal
4 because there was some question about whether or not some
5 of those objectives that were proposed to be done in the
6 684 project had actually been committed to be done in the
7 612 project. So that was one of the issues, it wasn't
8 really possible to tell whether they were proposing to do
9 work in the second leg of the project that should already
10 have been accomplished in the first leg of the project. So
11 that was really the question. Overall, I think the thrust
12 of the comments were that people generally, as it says in
13 your booklet here, generally like the way they were going
14 and the objectives, but it wasn't clear, we just couldn't
15 evaluate the budgets or anything else without knowing
16 exactly what they had accomplished in the first leg of the
17 project.

18 CHAIRMAN RUE: So now we have that.

19 MS. McCAMMON: So a review and revision, if
20 necessary, would accomplish that, a contingency. Would
21 accomplish that.

22 DR. MUNDY: Mr. Chairman, I agree with the
23 Executive Director's comments.

24 CHAIRMAN RUE: Okay. I guess the only
25 other thing I'd say, it's the only watershed project we've

1 got and I think it will be a prototype for research plans
2 and then subsequent thinking on watersheds, so I'd like to
3 keep moving ahead on that concept.

4 Yeah, Michele.

5 MS. BROWN: I have a process questions, and
6 maybe I'm just confused, but while I agree it's a very
7 important topic, I'm a little concerned about the
8 competitive process in the sense of here's a project where
9 the STAC said it wasn't responsive to the invitation and so
10 while we may want this work researched, do we want to say
11 to this particular group, you get a special bite of the
12 apple because you get to come back and redo your proposal,
13 as opposed to what happens when anybody can come in and say
14 here's an important topic and here's how we're going to
15 take the next step. It just strikes me as a little bit out
16 of sync with the way we normally would competitively do
17 these. When we did contingency on prior projects it's
18 always been very specific and we want something very
19 specific prior from them in order to make the project more
20 acceptable in our framework. This one is basically saying
21 you get another bite of the apple because we like the
22 general topic and that seems a little bit of a stretch to
23 me. But maybe I just don't know enough about the prior
24 project to compare.

25 MS. McCAMMON: Well, we have allowed other

1 proposers to come back and do a slight revision and still
2 get funded. It's totally within the Council's purview.
3 The one difference here, I think, is that in past
4 invitations they were especially just focusing on oil spill
5 injury, other than listing the resources that were still
6 showing some aspect of injury, a lot of it is fairly opened
7 in terms of what proposals to submit. I think with GEM
8 what we will find a little bit in this last one and even
9 more so is that the invitations will be much more targeted.
10 And I think the difference here is that there was some
11 language specifically that said the focus of this is on
12 synthesis proposals and on working on the nearshore and not
13 on watershed. So in that sense, you know, kind of the
14 competitiveness, if you will, it wasn't as open. I'm sure
15 there were people who may have -- of course, there were
16 still eight proposals submitted on watersheds, and most of
17 them were do not fund for that same reason or similar
18 reasons, so there's that aspect of it.

19 CHAIRMAN RUE: Yeah. I sort of read past
20 the first sentence in the STAC recommendation fairly
21 quickly. Partly because we had already funded -- we had
22 funded the idea of a watershed plan ourselves and it seemed
23 to me this failed more on the fact that that plan, the
24 first sweep of the plan, wasn't done yet and so, as
25 Dr. Mundy said, to evaluate whether this project was

1 responsive to the plan we had funded before. Well, they
2 come in with a general plan, now they're ready to go work
3 on the more detailed pieces of it and come up with some
4 ideas. So while it technically might not have been
5 responsive to the invitation, which is, I think Molly said,
6 focused more on synthesis and nearshore rather than
7 watersheds, I felt the fact that we already funded this
8 one, thought it was a good idea, kind of got me over that
9 hurdle since we had actually given this birth some time
10 before, so I didn't worry too much about the non-
11 responsive. There may have been more to the non-responsive
12 than I saw in my read. So, Dr. Mundy, if there were other
13 things that we missed.

14 DR. MUNDY: Mr. Chair, if I may? What the
15 Executive Director said is correct, I'd just like to add
16 that there is also a subcommittee process and a STAC
17 process in developing the watershed areas. And the timing
18 of the proposals was such that the subcommittee process and
19 the STAC would have had a chance to develop those watershed
20 strategies, develop those ideas for how we're going to work
21 in the watersheds so it would be easier for groups, like
22 the Kenai River Watershed Group, to understand how to
23 submit a successful proposals and to work in that. So I
24 think there was some concern on the STAC that the Kenai
25 River Watershed Group, although this one is different from,

1 I believe, all the other proposals here in that we did not
2 have technical problems, per se, with the proposal, but
3 rather it was a timing issue, more of a timing issue here
4 and the fact that we hadn't had a chance to review the work
5 from the past. And as the Chairman pointed out, this group
6 was going, they were up and running ahead of -- you know,
7 they were a GEM transition project, okay? None of the
8 other proposals in this category were in the GEM transition
9 category, so it was, in essence, a matter of timing on it.

10 CHAIRMAN RUE: Uh-huh. Okay. Any other
11 comments on this?

12 (No audible response)

13 CHAIRMAN RUE: Do I need to put a motion,
14 then, on the table to fund this contingent?

15 MS. McCAMMON: Unless it's obvious there's
16 consensus and we put it in and wrap it into the whole
17 motion.

18 CHAIRMAN RUE: Does anyone object if we add
19 to the fund contingent on review of the plan?

20 (No audible response)

21 CHAIRMAN RUE: How do we actually write it
22 in?

23 MS. McCAMMON: Let's see, I had fund
24 contingent on acceptable peer review and revision, if
25 necessary, of the plan in Project 02612.

1 CHAIRMAN RUE: 612.

2 MR. BALSIGER: Excuse me, Mr. Chairman.

3 Could you remind us of the amount of money? This isn't a
4 big additional income, but if we add a bunch of these
5 things, we're worried about having enough money to fund all
6 of these. Do we have a number that we're trying to stay
7 under?

8 MS. McCAMMON: We don't have -- of all the
9 ones that are recommended for funding there's sufficient
10 funds. We don't have enough money to do all of those plus
11 full funding of all of the deferred projects, actually
12 potentially five with additional funding for the herring
13 one, there's not enough funding there. Although several of
14 those proposals will come back substantially smaller than
15 what they are now. For example, one of those is about
16 \$350,000, which should come in a lot less, more like 70,
17 80, 100,000, so there's -- you know, there may not be full
18 funding for all of the deferred, but we're not sure whether
19 those will all be successful and whether -- and they will
20 come in smaller.

21 MR. BALSIGER: This is sort of a question
22 of process. If I intend to propose that we include a
23 different project here that's, like, \$200,000, do I have to
24 be able to identify 200,000 to come off the table?

25 MS. McCAMMON: No, it just means that when

1 we get to the deferred there's going to be a smaller pot of
2 money for those deferred proposals later.

3 MR. BALSIGER: Thank you.

4 MR. TILLERY: Mr. Chairman.

5 CHAIRMAN RUE: Yeah, Craig.

6 MR. TILLERY: As I understood your
7 amendment it would basically say it's contingent on getting
8 the final report in 612 and approving it, but I guess I had
9 thought that one of the problems here was that you could
10 get that, you could approve the 612 report, but the 612
11 report might reveal that this project shouldn't go forward
12 because it's duplicative or for some other reason?

13 MS. McCAMMON: Successful.....

14 MR. TILLERY: There's got to be some.....

15 MS. McCAMMON:and revision of the
16 project proposal to respond to that. I mean, because if
17 the concern was that there were some objectives in this
18 proposal that should have been done, then there's a
19 question there, why weren't those objectives achieved? Are
20 they just articulated well enough and, in fact, they're
21 different objectives and that would be worked out in a peer
22 review.

23 MR. TILLERY: And it would be, then,
24 acceptable to the Executive Director or Dr. Mundy or.....

25 MS. McCAMMON: As long as we had the

1 authority to -- your support and authority to have a
2 revision to respond to that peer review, yes.

3 MR. TILLERY: I'm just kind of wondering
4 the form this amendment is taking.

5 MS. McCAMMON: You would do a fund
6 contingent on acceptable peer review of Project 02612 and
7 revision of 03064 to respond to that.

8 CHAIRMAN RUE: 684.

9 MS. McCAMMON: 684.

10 CHAIRMAN RUE: To respond to the.....

11 MS. McCAMMON: To respond to the.....

12 CHAIRMAN RUE:peer review.

13 MS. McCAMMON: In response to the peer
14 review. Not a very artful way of saying it, but that's the
15 concept. I can work on that.

16 MR. BALSIGER: Mr. Chairman, do we know
17 when we can expect the final report on 02612?

18 MS. McCAMMON: The report has been
19 submitted, it's just a question of having somebody read it
20 and look at the project proposal and comparing those two
21 and having an independent peer review of it.

22 MR. BALSIGER: Okay.

23 MS. McCAMMON: That could be done, I'm
24 sure, within a month or so, six weeks.

25 MR. TILLERY: And will that peer review

1 look at 684 also, or it is just going to look at 612?

2 MS. McCAMMON: We could have it look at

3 that, both.

4 CHAIRMAN RUE: My assumption is it would

5 look at both and make sure that they comport.

6 DR. MUNDY: Mr. Chairman, if I may?

7 CHAIRMAN RUE: Yes.

8 DR. MUNDY: I just want to point out that

9 684 has been peer reviewed and it would be the revision of

10 684 that would be peer reviewed.

11 CHAIRMAN RUE: Okay.

12 MR. TILLERY: I guess I would be more

13 comfortable if the 612, the peer review of that report then

14 also looks at this to make sure they fit together.....

15 MS. McCAMMON: Right.

16 MR. TILLERY:and that that peer

17 review is favorable for going forward with this project.

18 CHAIRMAN RUE: Yeah, that was the intent.

19 Dr. Mundy, does that sound reasonable and doable?

20 DR. MUNDY: Yes, Mr. Chairman, it is

21 doable.

22 MR. BALSIGER: The STAC Committee wouldn't

23 be involved in this process?

24 CHAIRMAN RUE: I don't know.

25 MS. McCAMMON: They would be, yes. At

1 least a subset of them.

2 MR. BALSIGER: That's part of the peer
3 review.

4 MS. McCAMMON: Yeah.

5 CHAIRMAN RUE: Okay. Any other comments on
6 that? Are folks comfortable?

7 (No audible response)

8 CHAIRMAN RUE: There's sort of general
9 comfort here. Okay. I won't speak for anyone. Any other
10 comments on that section? Jim.

11 MR. BALSIGER: Mr. Chairman, there are two
12 proposals here from the Kenai Keepers or something like
13 that, none of which are recommended to be funded. And I
14 know that they also have an ongoing program and I -- the
15 STAC Committee notes that this new proposal shouldn't go
16 forward until you get the results of the last one. So in
17 the context of this last discussion, what's the timing on
18 our receipt of the proposal from the Kenai Keepers that
19 might allow us to fund the next proposal? I said that kind
20 of awkwardly. I can look up the numbers if it helps, if
21 you don't know what I'm talking about.

22 DR. MUNDY: Mr. Chairman, I am able to
23 respond to that.

24 CHAIRMAN RUE: Go ahead, Dr. Mundy.

25 DR. MUNDY: Yes, I believe the project that

1 you're talking about that we said that we needed the report
2 on is Project 688, the Citizen Volunteer Monitoring, which
3 is at the bottom of that cluster. I was not able to check
4 and see whether or not we have received that report yet. I
5 do know, for example, that we have received the Kenai River
6 Watershed report and I was able to confirm that. I am not
7 certain as to whether we have received the draft final
8 report on the Citizen Volunteer Monitoring Project that we
9 were looking for, I.....

10 MS. McCAMMON: I don't believe we have.

11 DR. MUNDY: The fact that I couldn't locate
12 it does tend to indicate that we haven't received it yet.

13 MR. BALSIGER: So in this case then,
14 Mr. Chairman, I gather that our advice to this group would
15 be that they resubmit this next year, which would be the
16 best opportunity since the.....

17 CHAIRMAN RUE: I assume that's what we'll
18 tell them, yeah. I assume we'll also, for our next
19 solicitation, it sounds like we're going to be more
20 specific about what we want out of some of these areas,
21 which the STAC and the subcommittees may be able to give
22 people more direction on what we're looking for in the next
23 solicitation.

24 MS. McCAMMON: That's correct. And it
25 brings up another issue, and Phil and I have talked about

1 this, is that in the past the Trustee Council themselves
2 have not -- well, part of this -- at one point you did,
3 years ago, review and approve the language in the
4 invitation for proposals, but over time because it's gotten
5 more generic, went through a period of time that way, it
6 was reviewed by Trustee agency staff, but it was not an
7 action item for the Trustee Council. But as this becomes
8 -- we kind of develop this process and the GEM invitation
9 becomes more specific it would probably -- it's something
10 we need to bring up with the Trustee Council and look into,
11 it probably would be a good idea for us to bring it to you
12 and have you look at it to make sure you feel comfortable
13 with what is being more specifically asked, so that we
14 don't get into a situation down the road where you have a
15 major disagreement with something that was asked in the
16 invitation. So that we can have some consistency there.

17 CHAIRMAN RUE: Uh-huh.

18 MR. BALSIGER: This may be way out of
19 context of where we are, but I'm concerned that because --
20 perhaps because of the way the invitation was worded that
21 those groups that were involved in community citizens
22 research and collection may not have fared as well because
23 they may not have -- maybe they didn't respond as directly
24 to the invitation, but that's my concern about these three
25 Kenai Keepers that I believe are community based, none of

1 which succeeded. I'm happy to see that we'll have an
2 opportunity once they present the final report to apply
3 next year.

4 MS. McCAMMON: I think there were also
5 technical problems with at least two out of the three if
6 not that third one. The other two do have technical
7 problems in the proposals themselves.

8 MR. BALSIGER: Okay.

9 CHAIRMAN RUE: Okay. Any other quest.....

10 MS. PEARCE: Mr.....

11 CHAIRMAN RUE: Go ahead, Drue.

12 MS. PEARCE: Yes, I have a couple of
13 questions just about coordination from one entity to the
14 next. On the 556, Mapping for Intertidal in Kachemak Bay
15 and then the following one, Environmental Monitoring by
16 RCAC. For the first one, the Intertidal Kachemak Bay, I
17 just saw a few weeks back, back in D.C., a five-year
18 proposal by the Cook Inlet RCAC, they've gone to Senator
19 Stevens and asked for a funding source that would be an
20 ongoing funding source in the millions of dollars per year
21 and one of the things that they said they needed to -- or
22 they planned to do as part of funding, if they indeed
23 receive it, is mapping of the intertidal and nearshore
24 areas. And I was wondering if we -- how do we coordinate
25 with those groups in terms of what they're doing, vis-a-

1 vis, what we're doing to make sure that we're not all doing
2 the same thing?

3 MS. McCAMMON: Mr. Chairman.

4 CHAIRMAN RUE: Go ahead.

5 MS. McCAMMON: It's done in a number of
6 ways. That particular concept of mapping of the
7 intertidal, the Trustee Council, last spring, provided some
8 additional funds that went to Cook Inlet RCAC to do some
9 additional mapping of the intertidal shoreline of Cook
10 Inlet. We also provided some funds for Prince William
11 Sound and were told they weren't needed because Alyeska
12 SERVS was doing all the mapping up there and that was
13 sufficient for the purpose. Unfortunately we haven't been
14 able to access any of those maps and you're absolutely
15 right, the concept of coordination with all of this mapping
16 is really important. And that's why the STAC has
17 recommended that one of the workshops that be held this
18 spring be on, particularly, shoreline and intertidal
19 mapping because there are all of these different kind of --
20 there's a lot of interest in it, there's different
21 methodologies, different protocols in trying to get that
22 together so we have kind of one coordinated effort. So we
23 try, to the extent we can, be aware of what others are
24 doing, it's not always perfect. I think we have a better
25 concept now, probably, of what other people are doing than

1 a lot of maybe other organizations do. And that's also one
2 of the reasons we added the regional monitoring seat to the
3 Public Advisory Committee was to get some of that input,
4 too.

5 MS. PEARCE: Right, that may help. Okay.

6 MS. McCAMMON: And I don't know, Phil, if
7 you wanted to add anything to that.

8 DR. MUNDY: Mr. Chairman.

9 CHAIRMAN RUE: Yeah.

10 DR. MUNDY: Just one thing. The workshop
11 process, per se, is exactly how we achieve our coordination
12 on these issues. In addition to the workshop that the
13 Executive Director mentioned that we will be sponsoring in
14 2003, last May we had a workshop on similar topics in Homer
15 and Cook Inlet RCAC was represented there. And the quick
16 answer about the difference between the 556 and the Cook
17 Inlet effort is that this is a follow-on effort to the
18 mapping that was paid for by Cook Inlet RCAC, this is a
19 high resolution version of that and it takes advantage of
20 and works from the low resolution mapping that the Cook
21 Inlet RCAC has already funded.

22 MS. PEARCE: Okay, great. And if I could
23 go on, Mr. Chairman?

24 CHAIRMAN RUE: Yes, go ahead.

25 MS. PEARCE: The next one, 623, where does

1 RCAC's monitoring program stop and ours begin? I was under
2 the impression that both the RCACs had long-term monitoring
3 programs and I'm just curious. There were from the RCAC.

4 DR. MUNDY: Mr. Chairman, if I may?

5 CHAIRMAN RUE: Please.

6 DR. MUNDY: Yes. It's true that the Prince
7 William Sound RCAC has a system of monitoring that contains
8 the sites that we're talking about here, however, their
9 program has much narrower purposes than the Gulf Ecosystem
10 Monitoring Program and we are looking at the sites as
11 possible components of a long-term human impact monitoring
12 program. I haven't actually gotten to this cluster, I
13 wanted to explain why -- you know, we have some rationale
14 about why we've chosen this particular selection of
15 nearshore project. And the Prince William Sound RCAC is
16 here because we are looking at hydrocarbons in the
17 environment and how to handle hydrocarbons in the
18 environment in terms of inclusion in the GEM Program long
19 term. And they have an existing protocol and they have
20 previously asked us to participate in their program, help
21 them make their program larger than they can. And also to
22 use the data in different ways.

23 For example, they take data on mussels,
24 they really don't have the funding or the time to look at
25 the growth patterns of those mussels, for example. There

1 are data that can be extracted from them. There are other
2 types of data that the RCAC is collecting that really can't
3 be analyzed or used. So we are taking this on a one-year
4 basis and we will be, again, going through another workshop
5 process and working with the subcommittees to figure out
6 exactly what part of these programs, the data coming out of
7 these programs, we can use for the GEM Program. So the
8 summary answer on that is that we expect to be using data
9 from these projects in different ways than the RCAC can use
10 because their interests are narrower than our interests.
11 And we expect to be funding sites that the RCAC would not
12 otherwise be funding.

13 MS. PEARCE: Thank you. And I apologize
14 for jumping ahead, Mr. Chairman.

15 CHAIRMAN RUE: That's all right.
16 Dr. Mundy, is that the lead-in you wanted to give to the
17 Intertidal/Subtidal Habitat? Because I think we're
18 probably there.

19 DR. MUNDY: Mr. Chairman, if I may?

20 CHAIRMAN RUE: Go ahead.

21 DR. MUNDY: Okay. The GEM
22 Intertidal/Subtidal area cluster is -- this is where we
23 were farthest along in our planning for the GEM Program.
24 We have two reports on the intertidal and the subtidal and
25 have conducted two workshops where we've been able to get a

1 broad cross section of the public involved in the planning
2 here. So that's why we emphasize the intertidal and
3 subtidal in the invitation. We were looking for projects
4 that would help us scope the locations for intertidal
5 monitoring stations. The advice that we have from the
6 workshop process and the expert consultation we've
7 conducted and that has been endorsed by the STAC is a
8 geographically distributed network of intertidal/subtidal
9 monitoring locations. Our problem is that where will we
10 put these? How will we locate these? So projects such as
11 the High Resolution Mapping in Kachemak Bay, number 556,
12 and number 641 on the following page, ShoreZone Mapping
13 these are examples of the types of scoping and workshop
14 activities that we are conducting in order to help us with
15 the where issue.

16 And additional project that will help us
17 with that where issue is the Project 687, the Nearshore
18 Monitoring Decision Process Study where we have two very
19 highly qualified experts who have worked in Prince William
20 Sound for quite some time working on that issue.

21 In the other kinds of categories we need
22 methods, we need to understand how to deal with human
23 impacts. And in the Human Impact area we have identified a
24 couple of projects here that will help us move ahead.
25 Number 1 I've already talked about, the Prince William

1 Sound RCAC, and this proposes to use hydrocarbons, using
2 known methodologies, tested methodologies and so forth that
3 we can build on if they are found to be acceptable. We
4 expect growth of hydrocarbons in the marine environment,
5 particularly in Prince William Sound, with the completion
6 of the road to Whittier to be a signature of growing human
7 impacts in that area.

8 In the other instance we are looking at
9 harvest and that is subsistence harvest of an intertidal
10 resource, the black gumboot, that's number 647. The roles
11 of natural and shoreline harvest. We are looking, again,
12 at this as a methodology study, as methods for going
13 forward with looking at human impacts. So these are two
14 human impact studies.

15 And then I'd like to mention Project Number
16 666, which is a slightly different kind of methodology. A
17 project that has community involvement aspects and that is
18 through the Census of Marine Life we have the opportunity
19 to get a very broad cross section of all of the different
20 plants and animals at selected localities that will give us
21 good baseline information for designing long-term
22 monitoring. The Census Marine Life is making taxonomists
23 available through their program that will help us deal with
24 organisms, particularly on the smaller end of the scale,
25 things like nematodes that we normally don't deal with or

1 sample at all. And the community involvement aspects of
2 the 666 project are to work with communities and with local
3 science groups to come up with particular sites, to work up
4 particular sites.

5 So these are the projects that we've
6 recommended for funding, with the exception of the 642, the
7 ARCTOS Database, which is an intertidal/nearshore kind of
8 project. Nonetheless, it has data management information
9 transfer aspects are the most important in this project and
10 this is to make information collected by the Restoration
11 Program available through the ARCTOS Database.

12 So, Mr. Chairman, that's my summary and
13 I'll stop for questions on the Intertidal/Subtidal Habitat.

14 CHAIRMAN RUE: Any other questions on this
15 cluster? Dr. Balsiger.

16 MR. BALSIGER: Mr. Chairman, 666, the
17 Census for Marine Life thing, that's fairly expensive, so
18 is that vessel time, do you know what the.....

19 DR. MUNDY: I don't think that it's vessel
20 time, I think it's staff time and there are a lot of people
21 involved in this because it not only involves setting up
22 sites and going out and working with the communities to get
23 people involved and those sorts of things, which are very
24 labor intensive, but it also involves working with science
25 organizations, such as Kachemak Bay Research Reserve and

1 others to get their involvement and to get their buy-in to
2 those process. But I can't be, without actually taking the
3 budget, that was my recollection from having read it two
4 months ago.

5 MR. BALSIGER: Okay. And on the next
6 project, which is a fund contingent, from FITC, I believe.

7 DR. MUNDY: Which one?

8 MR. BALSIGER: 682.

9 CHAIRMAN RUE: 682.

10 DR. MUNDY: Mr. Chairman, that's a defer.

11 CHAIRMAN RUE: Defer.

12 MS. McCAMMON: Defer.

13 MR. BALSIGER: Oh, I thought it said fund
14 contingent.

15 CHAIRMAN RUE: Defer. Should be defer.

16 MR. BALSIGER: Okay, never mind. I thought
17 with that much money if you were going to fund it
18 contingent, I didn't see it added into the numbers, it was
19 quite a big thing to be holding in abeyance, but now I do
20 see it, it says don't fund.

21 MS. McCAMMON: It says defer and that's one
22 that did come in very expensive, but the recommend -- I
23 think there are six bays included in the proposal and the
24 recommendation is to go down to one or two bays, so it
25 should be substantially cheaper.

1 CHAIRMAN RUE: Okay. Any other questions
2 on this cluster?

3 (No audible response)

4 CHAIRMAN RUE: Okay. Go ahead, Dr. Mundy.

5 DR. MUNDY: Thank you, Mr. Chairman. I'll
6 now move on to the GEM Alaska Coastal Current Habitat. And
7 we are not recommending anything in here for funding at
8 this time.

9 I'll stop for questions.

10 CHAIRMAN RUE: Are there any questions on
11 the Coast Current Habitat cluster?

12 (No audible response)

13 CHAIRMAN RUE: No. Okay, go ahead.

14 DR. MUNDY: Mr. Chairman, on the
15 Intertidal/Subtidal and Alaska Coastal Current this is
16 where we start getting into some cross habitat connection.
17 There was only one proposal in this area and we did not
18 recommend funding it.

19 CHAIRMAN RUE: Okay. Any questions on
20 that?

21 (No audible response)

22 CHAIRMAN RUE: No. Go ahead.

23 DR. MUNDY: Okay. The GEM Offshore Habitat
24 area we've recommended three for funding here. One
25 project, 614, is quite a small amount of money and this is

1 a GEM transition project, which puts monitoring equipment
2 on board vessels of opportunity. In this case a tanker
3 vessel. And, basically, they ran into some unforeseen
4 difficulties, when you're down doing plumbing in the bowels
5 of a big ship that this is to be expected and they've asked
6 for some additional funding.

7 Project 654, Surface Nutrients Over the
8 Shelf and Basin. This is a one-time opportunity to work
9 with the GLOBEC Program and the National Marine Fisheries
10 Service offshore carrying capacity program to get some
11 nitrate information that would not otherwise be available.
12 And we're piggy-backing on cruises, so there's no vessel
13 time in this. And a survey of this nitrate information
14 could be very useful to us in designing projects in the
15 Alaska Coastal Current in FY04.

16 Project 685, Visible Remote Sensing. This,
17 again, is a one-year opportunity to get some data
18 processing and information from satellites on surface data,
19 sea surface temperature and other aspects that will be very
20 useful, expect to be very useful in designing research in
21 the Alaska Coastal Current and offshore area in FY04.

22 So I'll stop there, Mr, Chairman, and see
23 if there are any questions.

24 CHAIRMAN RUE: Are there any questions of
25 Dr. Mundy on this cluster?

1 (No audible response)

2 CHAIRMAN RUE: No. Okay, keep rolling.

3 DR. MUNDY: Thank you, Mr. Chairman. In
4 the Offshore and Alaska Coastal Current habitat we are
5 recommending only one project for funding. Again this is a
6 GEM transition project where we're learning to use vessels
7 of opportunity for collecting a number of different kinds
8 of data. In this case, this is the CPRs, continuous
9 plankton recorder. We get primarily zooplankton data, but
10 also some phytoplankton data and temperature data. And
11 this project is done in conjunction with the project that I
12 mentioned earlier, Project 614, the Temperature Salinity of
13 Fluorescence. This is on the same vessel so these projects
14 are synergistic.

15 I'll stop here and see if there are any
16 questions for this cluster.

17 CHAIRMAN RUE: It looks like we have one.
18 Yeah, Jim.

19 MR. BALSIGER: A couple, if I could. It
20 looks like the investigators for 624 are S. Batten of
21 SAHFOS, can you tell me what that is?

22 DR. MUNDY: That's Sir Alister Hardy
23 Foundation for Ocean Science and that's located in
24 Plymouth, England. But the continuous plankton record was
25 -- but she's actually not physically located in Plymouth,

1 England. Good for us. She's located in -- in Nanaimo is
2 where she's based now. The Sir Alister Hardy Foundation
3 has been working with vessel owners and ferry operators
4 since the 1930s and they have an extensive staff of people
5 who know how to deal with vessel owners and vessel agents
6 and how to get on board vessels that allow them to work
7 with the plumbing so that's the reason that people who know
8 how to do this vessel of opportunity work are associated
9 with SAHFOS.

10 MR. BALSIGER: And if I could?

11 CHAIRMAN RUE: Go ahead, Jim.

12 MR. BALSIGER: Then the cost, which is
13 almost \$200,000, is that equipment and time from these
14 experts? These are ships of opportunity, there's no ship
15 time involved in this?

16 DR. MUNDY: Right. Mr. Chairman.

17 CHAIRMAN RUE: Yes.

18 DR. MUNDY: This is for the gear, mainly
19 for placing the gear on to the vessel and for processing
20 samples. We pay for processing samples only, you know, in
21 our areas and waters, in the Gulf of Alaska, however, it
22 doesn't cost any more money for them to leave the
23 continuous plankton record out in the water and keep
24 collecting data, so it does collect data also outside of
25 the Gulf of Alaska and that's not covered -- processing

1 that data is not covered.

2 MR. BALSIGER: Thank you.

3 CHAIRMAN RUE: Okay. Any other questions
4 on this cluster?

5 (No audible response)

6 CHAIRMAN RUE: Okay. Thank you.

7 Dr. Mundy, go ahead. Getting close, you going to do the
8 last one?

9 DR. MUNDY: I have one Data Management and
10 Information Transfer. Mr. Chairman, we did not recommend
11 funding any proposals in this area at this time, we only
12 received one proposal.

13 CHAIRMAN RUE: Okay.

14 DR. MUNDY: Any questions?

15 CHAIRMAN RUE: Any questions on that
16 cluster?

17 (No audible response)

18 CHAIRMAN RUE: I guess one proposal is a
19 cluster. Science Management.

20 DR. MUNDY: Thank you, Mr. Chairman. This
21 is our project, I am the PI, along with the Executive
22 Director and Dr. Spies and I have no comments on this.
23 Thank you.

24 CHAIRMAN RUE: Any questions on the Science
25 Management?

1 MS. McCAMMON: The budget and proposal is
2 in there because it was a substantial increase from already
3 a pretty hefty proposal that you adopted in August, so I
4 thought that it did warrant you seeing the full proposal
5 and budget. And I think the things to note, in particular,
6 in this revision is they're -- since this time we did have
7 a recommendation to pay compensation to the STAC members,
8 so that is included in here. A compensation of \$600 a day
9 for their time that they put in on that process. We also
10 only had travel for two meetings, so this includes a better
11 estimate of what their workload is for the remainder of the
12 year. It includes travel for the subcommittee members, it
13 includes funding for four workshops to be held this year in
14 conjunction with the STAC and subcommittees. It also
15 includes funding that would be RSA-ed to the university as
16 part of a contribution to a planning effort for a coastal
17 Alaska observation system, which is part of the national
18 and international ocean observing system, but establishing
19 an Alaska-wide ocean observing system so that Alaska will
20 be prepared to take advantage of national legislation that
21 is currently pending. So there's some funds in here for
22 planning for World Fisheries Congress.

23 Those were the main changes, I believe, in
24 the November budget.

25 CHAIRMAN RUE: Okay. Any questions of

1 Molly on that budget? Yeah, Craig.

2 MR. TILLERY: Mr. Chairman, is there some
3 hope or expectation that some of these costs, like travel
4 costs, can be reduced by future coordination with NPRB? Or
5 will there be any sort of overlap so that one group can
6 look at different projects when it comes up here, didn't
7 they have similar groups?

8 MS. McCAMMON: We've talked about having
9 some joint workshops and, in fact, these workshops that
10 were -- a couple of things. NPRB will likely be planning
11 or helping to fund, hopefully, the Phase II of the CAOS
12 planning effort, so they will definitely be looked to to
13 contribute to that effort. We've talked to them about --
14 we have the four workshops and we've talked to them about
15 doing some of that jointly with NPRB and there's some
16 possibilities this spring of doing some of those workshops
17 jointly. We've talked about doing some in conjunction with
18 the annual workshop in January to take advantage of people
19 already flying in for another meeting.

20 I know, when you look at this, it's a
21 pretty overwhelming amount of up front planning,
22 participation, travel, et cetera, et cetera. It's heavy.
23 And all I can tell you is that I think it's heavier up
24 front than it will be over time and that, hopefully, all of
25 this planning and coordination up front will pay off over

1 the longer term, too. But I would see all of these costs
2 being reduced substantially over the next two to three
3 years. This budget will be smaller next year.

4 CHAIRMAN RUE: Any other questions on this?
5 (No audible response)

6 CHAIRMAN RUE: It does make sense to me
7 that you would be spending more as you develop your science
8 plan and initiating your STAC and the committees and
9 getting rolling, as opposed to once it's up and
10 running.....

11 MS. McCAMMON: Routine and up and running,
12 right.

13 CHAIRMAN RUE:it'll be a lot simpler
14 process. Jim.

15 MR. BALSIGER: Just contractual costs
16 things. The tags.....

17 CHAIRMAN RUE: If you could -- you're
18 looking at Project.....

19 MR. BALSIGER: Well, I'm looking at Page 4
20 of 9.....

21 CHAIRMAN RUE:630?

22 MR. BALSIGER:under that separate tab
23 on Project 630. These are easy questions. The annual
24 workshop, January 2003; is that the meeting of the several
25 funding agencies all that one week?

1 MS. McCAMMON: That's correct.

2 MR. BALSIGER: And then the State of the
3 North Pacific Report for PICES, Gulf of Alaska Component,
4 that's nothing to do with that meeting, that's just a
5 report that's being completed on contract or something like
6 that?

7 MS. McCAMMON: Well, PICES is establishing
8 a North Pacific Report and they're looking -- they will
9 have a section on the Gulf of Alaska and they will be
10 looking to us to help prepare that portion of the report,
11 so it's a contribution to getting that report. And I think
12 you saw a draft of it at the last NPRB meeting, there was a
13 draft of it.

14 MR. BALSIGER: But Phil is writing that,
15 he's on salary, so why does it cost \$10,000?

16 MS. McCAMMON: The report? It's a
17 contribution, they have a full-time staff person putting
18 together the report, PICES does.

19 MR. BALSIGER: Okay, thank you. Got it.

20 MS. McCAMMON: So it's a contribution to
21 that staff person.

22 MR. BALSIGER: Okay. And then what's CAOS
23 Planning, RSA with the university?

24 MS. McCAMMON: CAOS is the Coastal Alaska
25 Observation System and this is Jim Shumacher, Two Crow and

1 basically this funding is for three workshops for the
2 steering committee, so it's primarily travel and meeting
3 costs.

4 MR. BALSIGER: So are those costs -- are
5 those meetings being shared with the North Pacific Research
6 Board?

7 MS. McCAMMON: They didn't get their
8 request into NPRB in time, but the next phase of planning
9 meetings will be going before NPRB.

10 MR. BALSIGER: Okay. And one.....

11 MS. McCAMMON: There's an assumption of
12 future cost sharing.

13 MR. BALSIGER: Then one meeting that's not
14 on here in, isn't the annual meeting of the AFS going to be
15 in Anchorage, like, next year?

16 MS. McCAMMON: That's the World Fisheries
17 Congress planning, I believe.

18 CHAIRMAN RUE: Two.

19 MR. BALSIGER: Oh, there's two years to the
20 AFS meeting?

21 DR. MUNDY: Two or three, I'm not -- I'm on
22 the planning committee, I wish I knew.

23 MS. McCAMMON: Is this the World's
24 Fisheries Congress or that different?

25 MR. BALSIGER: No, that's different.

1 DR. MUNDY: He said AFS.

2 MR. BALSIGER: AFS.

3 MS. McCAMMON: AFS.

4 MR. BALSIGER: So I was wondering.....

5 MS. McCAMMON: We did get a request, I
6 remember getting one about a year ago and heard nothing,
7 but they may be coming to us for a request for money for
8 the AFS meeting.

9 DR. MUNDY: Mr. Chairman, if I may?

10 CHAIRMAN RUE: Yes, please, Dr. Mundy.

11 DR. MUNDY: In response to the Executive
12 Director's comment. Yes, I believe that the American
13 Fisheries Society will be asking for a contribution for the
14 Anchorage meeting, but I think we have at least two years
15 to worry about that.

16 CHAIRMAN RUE: Okay.

17 MR. BALSIGER: That's all, thanks.

18 CHAIRMAN RUE: Thank you. Dr. Mundy, does
19 that conclude your remarks on the Work Plan?

20 MS. McCAMMON: Mr. Chairman.

21 CHAIRMAN RUE: Yeah.

22 MS. McCAMMON: I did look up a couple of
23 the budgets here for Dr. Balsiger. In Project 0666, the
24 Census of Marine Life Project, out of that project 90,000
25 is for personnel, a lot of it for student assistance, six

1 each for four months, actually and then another two student
2 assistants. So most of this is being done with grad
3 students, most of the work. It's also pretty heavy, almost
4 \$70,000 and a lot of that is the cost of analyzing the
5 collection of macroalgal and invertebrates. And then for
6 also for transportation to the sites in Kodiak, Prince
7 William Sound and Kachemak Bay and for camps and things
8 like that. And then, like all projects going through the
9 university, there's a substantial 25 percent of overhead,
10 too.

11 CHAIRMAN RUE: Go ahead, Jim.

12 MR. BALSIGER: Can you tolerate one more
13 question?

14 CHAIRMAN RUE: One more.

15 MR. BALSIGER: This is a little picky, but
16 just to help set my mind at ease. We have one project in
17 Lingering Oil Spill, which is going to be recommended to be
18 funded at \$243,000 and part of the science oversight --
19 science project is a contract for expert help of \$95,000 to
20 help study that, so just on the surface it would seem to
21 have to hire someone for 95,000 to plan, then 243,000 seems
22 a little excessive and I wonder if you could talk to that
23 just a bit.

24 DR. MUNDY: Mr. Chair.

25 CHAIRMAN RUE: Go ahead.

1 DR. MUNDY: With the Executive Director's
2 permission, I think I've got this one.

3 MS. McCAMMON: This is 687, the Nearshore
4 Monitoring Decision Process; is that the one you're
5 referring to?

6 MR. BALSIGER: Well, actually I'm looking
7 at.....

8 DR. MUNDY: I believe he's referring to the
9 \$95,000 is the contract for Dr. Spies.

10 MS. McCAMMON: For Dr. Spies' contract.

11 MR. BALSIGER: Yes.

12 MS. McCAMMON: Oh, I could answer that.

13 MR. BALSIGER: Which says it's for
14 scientific oversight of lingering oil effects.

15 MS. McCAMMON: That's correct.

16 MR. BALSIGER: And we only have one project
17 funded there.

18 MS. McCAMMON: No, that's only one project
19 in Phase II, there's a whole slew of projects that were
20 funded earlier in August. In addition, Dr. Spies is
21 continuing with all of the peer review of all of the
22 reports that are still coming in since 1992. And so what
23 we did this year was basically divided the program to kind
24 of pre-GEM lingering oil and GEM and Dr. Spies -- it didn't
25 make sense to have all of that transition to someone else

1 who didn't have the historical knowledge of the Oil Spill
2 Program and so Dr. Spies is still responsible for the
3 Lingering Oil Effects Subcommittee and also for peer review
4 of the proposals and the final and annual reports from all
5 of the prior -- a lot of the prior projects that were
6 funded by the Trustee Council, so there's a lot of backlog
7 of reports. Every time you get one of those reports that
8 says how many reports are late from the various agencies
9 and a lot of those have been submitted by Fish and Game
10 lately, so they're much better than they were. But he's in
11 charge of doing the peer review of all of those, so that's
12 the process that -- and that amount will also be
13 significantly smaller over time and probably next year.

14 MR. BALSIGER: Okay, thank you very much.

15 CHAIRMAN RUE: Good question. Any other
16 questions?

17 (No audible response)

18 CHAIRMAN RUE: Okay. Thank you, Dr. Mundy.
19 Very good.

20 DR. MUNDY: You're welcome, Mr. Chair.

21 CHAIRMAN RUE: Okay. So here we are at the
22 end of the discussion of the Work Plan. We had one other
23 budget item from earlier in the day. Do we want to take
24 that up now or do we want to deal with the Work Plan and
25 then deal with the other budget item, which I'm already

1 forgetting. Otherwise I'd entertain a motion on the Work
2 Plan, I believe it's that time. Everyone's looking a
3 little stunned here. Is it time?

4 MS. PEARCE: Mr. Chairman, what's the
5 proper form, just to approve the Work Plan?

6 MS. McCAMMON: There's a.....

7 CHAIRMAN RUE: As amended. Yeah, I think
8 Molly.....

9 MS. McCAMMON:motion here.

10 CHAIRMAN RUE:has got a draft motion
11 for us. Probably easier for someone from this place to
12 read it.

13 MS. McCAMMON: Yeah. Do we accept the two
14 amendments?

15 MR. TILLERY: I think that would be the
16 motion you would move.

17 CHAIRMAN RUE: Right, as amended.

18 MR. TILLERY: As amended.

19 MS. McCAMMON: Okay. Well, I do want to,
20 just for the record, put -- I did do some text, let me see
21 now if I can find it, for the one, which was 030684.....

22 CHAIRMAN RUE: The Kenai Watershed.

23 MS. McCAMMON:Kenai Watershed, fund
24 contingent on acceptable review of final report from
25 Project 02612 and additional review and revision of Project

1 030684 in response to the review of that report.

2 CHAIRMAN RUE: Okay, so that's one proposed
3 amendment.

4 MS. McCAMMON: And then the other one was
5 the herring, and that one was just add an additional
6 sentence that says if matching funds are not secured by
7 late January 2003, the staff should bring it back to the
8 Trustee Council for further consideration at its next
9 meeting with a recommendation from the current, or at least
10 the November Trustee Council, that it should be fully
11 funded.

12 MR. TILLERY: Mr. Chairman, I think we did
13 that differently.

14 CHAIRMAN RUE: Okay.

15 MS. McCAMMON: That's what I took note of.

16 MR. TILLERY: I thought we basically had
17 said that we would vote to fund this in the full amount of
18 \$87,000, less whatever amount of money was forthcoming from
19 NSF by January or February.

20 MS. McCAMMON: Not what I have.

21 CHAIRMAN RUE: Well, why doesn't someone
22 make a motion then? Why don't you make a motion to amend
23 it, if you like that language better?

24 MR. TILLERY: I think Ms. Pearce suggested
25 that originally, that concept. We would go ahead and agree

1 to fund it now, but it would be reduced by whatever they
2 came up in terms of a match.

3 CHAIRMAN RUE: I would be very amenable to
4 that myself, but I don't recall that that was the actual
5 language.

6 MR. TILLERY: Huh.

7 CHAIRMAN RUE: I don't think we actually
8 did the language. That's why it's probably good to do
9 these things in a motion. So perhaps Mr. Tillery would
10 make a motion to amend. We don't have a motion before us.
11 How about if we get a motion before us on the Work Plan and
12 then someone suggest an amendment; is that all right?

13 MS. McCAMMON: Yes.

14 CHAIRMAN RUE: Thank you.

15 MR. TILLERY: Mr. Chairman, I move that the
16 Trustee Council adopt the recommendations for the FY02
17 Phase II projects as outlined in spreadsheets A and B as
18 amended, in a manner to be discussed in a second, with the
19 following sort of standard conditions, that if a PI has an
20 overdue report or manuscript from a previous year, no funds
21 may be expended on a project involving the PI unless report
22 is submitted or a schedule for submission is approved by
23 the Executive Director.

24 Two, a project's lead agency must
25 demonstrate to the Executive Director that requirements of

1 NEPA are met before any project funds may be expended, with
2 the exception of funds being spent to prepare the NEPA
3 documentation.

4 And, three, the principal investigator for
5 each project must submit a signed form to the Executive
6 Director indicating his or her agreement to abide by the
7 Trustee Council's data and report requirements.

8 And then subject to the amendments to
9 the.....

10 CHAIRMAN RUE: 684, which we've already
11 discussed.

12 MS. McCAMMON: 462 and 684.

13 MR. TILLERY: Yeah, the 684 as previously
14 discussed and then for 462 that we would fund for the full
15 amount of \$87,000 with the understanding that that amount
16 would be reduced by whatever matching funds -- or whatever
17 funds are received from the National Science Foundation.

18 MS. McCAMMON: Or some other entity.

19 MR. TILLERY: Or other entity for this
20 project.

21 CHAIRMAN RUE: Second. I guess I can't
22 second, can I.

23 MS. BROWN: Second.

24 MR. BALSIGER: Michele seconded.

25 CHAIRMAN RUE: Michele seconded. Okay, I

1 can't second. Okay. So we have a motion and amendment on
2 the table. Is there any discussion?

3 (No audible response)

4 CHAIRMAN RUE: Okay. Any objection?

5 (No audible response)

6 CHAIRMAN RUE: Okay, hearing none, it
7 passes. Great. Thank you. So we're through with the Work
8 Plan. Good job.

9 MS. McCAMMON: Except for 030126, the
10 Habitat Budget.

11 CHAIRMAN RUE: Okay. Why don't we go back.
12 126, there it is. This was the request from the Department
13 of Natural Resources for increased funding and we tabled
14 this morning, we put it aside this morning, to discuss
15 whether money is needed for a Federal review appraisal,
16 right?

17 MS. McCAMMON: That's correct. And funds
18 are needed, but I honestly could not recommend to you the
19 amount. So unless you wanted to just authorize an amount
20 not to exceed to a to be determined Federal agency, I would
21 suggest we just bring it back and deal with it when we get
22 some more information, better information.

23 MR. TILLERY: Mr. Chair.

24 CHAIRMAN RUE: Yeah.

25 MR. TILLERY: I would support the latter

1 course of action.

2 CHAIRMAN RUE: I think we got, at least in
3 this room, it looks like a mounting consensus that we deal
4 with it as.....

5 MS. McCAMMON: Later.

6 CHAIRMAN RUE: Yeah, deal with it later.
7 So unless someone on the phone.....

8 MS. PEARCE: No, I don't think we need a
9 motion that's quite that open-ended.

10 CHAIRMAN RUE: No blank checks.

11 MS. PEARCE: Not as your last act, guys.

12 CHAIRMAN RUE: No blank checks on the last
13 day, okay.

14 MS. McCAMMON: Then we do need a motion for
15 the 48.4 thousand to DNR for habitat protection.

16 CHAIRMAN RUE: Okay. Does anyone want to
17 make such a motion? It was under your Tab 126.

18 MS. McCAMMON: To approve the additional
19 funds to Project 030126 for the purposes laid out in the
20 attached memo.

21 CHAIRMAN RUE: And budget.

22 MS. McCAMMON: For a total cost of \$48,400.

23 MS. BROWN: So moved.

24 CHAIRMAN RUE: Okay, that's been moved by
25 Michele. Do I hear a second?

1 MS. PEARCE: Second.

2 CHAIRMAN RUE: And a second by Drue. Okay.

3 Any discussion? Questions?

4 MR. BALSIGER: Well, yes. We had to have a

5 whole motion on \$8.50 [sic] this morning, I've noticed that

6 this is pretty rounded off, we're a couple of hundred off

7 the 48.4, but with that on the record, I'll go.....

8 CHAIRMAN RUE: It's later in the day. And

9 I think we said and the budget attached, right?

10 MS. McCAMMON: As described in the budget,

11 yeah.

12 CHAIRMAN RUE: Right, so the budget is

13 quite precise.

14 MS. McCAMMON: And attached memo.

15 MR. BALSIGER: Okay.

16 CHAIRMAN RUE: The budget is quite precise.

17 Okay. Any other questions or discussion?

18 (No audible response)

19 CHAIRMAN RUE: Any objections?

20 (No audible response)

21 CHAIRMAN RUE: Hearing none, it passes.

22 Okay. Should we take a short break, do

23 folks have -- all we have left is the MOA.

24 MS. PEARCE: No, no, no, no.

25 CHAIRMAN RUE: Okay.

1 MR. BALSIGER: Is that no to the break?

2 CHAIRMAN RUE: That was no break.

3 MS. PEARCE: No break.

4 CHAIRMAN RUE: Keep rolling.

5 MS. McCAMMON: Oh, that was a no break.

6 CHAIRMAN RUE: Some of us may just take a
7 break, but that's all right. I think the last thing on our
8 agenda.....

9 MS. PEARCE: It's getting late here, guys.

10 CHAIRMAN RUE: Okay, we'll go. Drue, we're
11 moving, we're moving. Research MOA. Molly.

12 MS. McCAMMON: You do have before you -- I
13 think everyone is familiar with the Memorandum of Agreement
14 proposed between the Trustee Council, North Pacific
15 Research Board and the University of Alaska. In your
16 packet you have a November 25th draft. We do have a
17 November 25th draft.

18 CHAIRMAN RUE: November 25th? We have
19 November 15th in our packet.

20 MS. McCAMMON: I'm sorry, November 15th
21 draft in your packet.

22 MS. PEARCE: Right.

23 MS. McCAMMON: And, I don't know, did you
24 send this to -- no, we can't send it to you, Drue. But
25 there is a November 25th draft, which is identical except

1 for one small change. And in Section IV under Information
2 and Data, this was a recommendation from the University of
3 Alaska, to add a new section there.

4 CHAIRMAN RUE: Hold on. Section V is
5 Information and.....

6 MR. GIBBONS: Section V.

7 MS. McCAMMON: I'm sorry, Section V,
8 Information and Data. To add a number 4, which would say
9 cooperate in jointly synthesizing the results of ongoing
10 monitoring and research efforts undertaken by the parties
11 and other research entities. And, basically, this just
12 addresses the concept that synthesis often tends to be an
13 important activity, but it's often not within an individual
14 agency's mission and it's something that would be important
15 for all three of these entities, in particular, to commit
16 to doing.

17 CHAIRMAN RUE: Okay.

18 MS. McCAMMON: So after our last meeting on
19 October 29th we went back and did some substantial
20 revisions of the draft. This has been circulated to the
21 university and to NPRB, they have signed off on it. The
22 university's lawyers have looked at it and have signed off
23 on it. Well, at least some of the NPRB have looked at it,
24 some of the staff. And it is coming to you first, so if
25 you sign off on this and agree to it you will be the first

1 party to do so. And then it will be sent around to the
2 other parties for their following, but in my discussions
3 with Clarence Pautzke at NPRB, he's indicated that this
4 meets all of their issues. He was supposed to have sent it
5 to all the members late last week and get any input and as
6 of today he hadn't received any.

7 CHAIRMAN RUE: Okay. I had one question
8 before we -- well, I'll tell you what, I'll let other folks
9 ask questions. Anyone else have questions?

10 (No audible response)

11 CHAIRMAN RUE: Would anyone like to make a
12 motion?

13 MR. TILLERY: Mr. Chairman.

14 CHAIRMAN RUE: Yeah, Jim.

15 MR. BALSIGER: If I could, perhaps, ask one
16 question. In very early versions of this there was
17 reference to management -- I think all of those things have
18 been taken out, am I.....

19 MS. McCAMMON: Correct.

20 MR. BALSIGER: Thank you.

21 CHAIRMAN RUE: Okay. I had a question
22 then. The first section, Parties. It's sort of curious
23 that we would throw in and any other marine research who
24 may become signatories. It's just sort of an odd
25 construction when we can add people. I think at the end we

1 have a section that says we can add folks. I don't know,
2 I'm not going to make a big deal about it. Why did we do
3 that? Why did we put that up front as opposed to having
4 it.....

5 MS. McCAMMON: Just between the three
6 groups?

7 CHAIRMAN RUE: Yeah. And then in Section
8 VIII is all about other entities.

9 MR. TILLERY: Mr. Chairman, for one thing
10 you end up putting those additional entities into the
11 definitional terms of the parties, which makes them subject
12 to everything.

13 CHAIRMAN RUE: They wouldn't have to sign
14 on separately?

15 MR. TILLERY: They do have to sign on to
16 you, but then once you affix an addendum.....

17 CHAIRMAN RUE: I see.

18 MR. TILLERY:with their signatures on
19 it.....

20 CHAIRMAN RUE: Then they are parties.

21 MR. TILLERY:then they become
22 parties, they're subject to all of this.

23 CHAIRMAN RUE: Thank you, that helps. I'm
24 done. That's all the questions I had.

25 MR. BALSIGER: Well.....

1 CHAIRMAN RUE: Yeah, Jim.

2 MR. BALSIGER: I know we don't want to
3 wordsmith this, and so I'm not going to, I'm just going to
4 ask -- right under the Purpose it says Alaska oceans and
5 related watersheds are among the most protected ecosystems
6 and one of the nation's greatest natural resources. So
7 when you have a plural thing, can it be one of the greatest
8 natural resources. If they can, then I'll just shut up.

9 CHAIRMAN RUE: Sure, because buttes and
10 deserts are the others.

11 MR. BALSIGER: Would buttes and deserts be
12 one of the natural resources?

13 CHAIRMAN RUE: I don't know, it's a term of
14 art. I don't know. If that's the only thing that bothers
15 you, I don't think this is too serious.

16 Any other questions?

17 MS. McCAMMON: I will check that for sure
18 and I would assume that since this isn't final, it has to
19 be put in final, I can do one last little wordsmithing
20 tweak there.

21 CHAIRMAN RUE: You could say and are among
22 the nation's greatest.

23 MR. BALSIGER: It may be completely
24 appropriate the way it is.

25 CHAIRMAN RUE: How about are among?

1 MR. TILLERY: Mr. Chair.

2 CHAIRMAN RUE: Yes.

3 MS. McCAMMON: I think under grammar check
4 it passed.

5 MR. TILLERY: I would move that we
6 authorize the Executive Director to sign the Memorandum of
7 Agreement as it is currently put before us and with the
8 authority to make any grammatical changes as may be
9 necessary to deal with this concern in Section II.

10 MS. BROWN: Second.

11 CHAIRMAN RUE: Okay. Moved by Mr. Tillery
12 and seconded by Michele Brown. Does that take care of
13 your concern, Jim?

14 MR. BALSIGER: Absolutely.

15 CHAIRMAN RUE: Okay. We got a motion on --
16 yeah, Michele.

17 MS. BROWN: I just wanted to commend the
18 Executive Director for moving ahead on this and this is a
19 great first step. I think it visionary to start uniting
20 these groups and God's speed.

21 CHAIRMAN RUE: Yeah.

22 MS. McCAMMON: Thank you.

23 CHAIRMAN RUE: I would certainly second
24 that, I think collaboration, cooperation, all those great C
25 words are really going to make this bigger, stronger,

1 better, as well as NPRB better. So I appreciate your work
2 on this and persistence. That's good, good persistence.

3 Any other comments from Trustee Council
4 members, otherwise we can call the question. Or no, we'll
5 just -- any objections to the motion?

6 (No audible response)

7 CHAIRMAN RUE: Hearing no objections, okay,
8 thank you.

9 MS. McCAMMON: We did it.

10 CHAIRMAN RUE: I think that brings us to
11 the end of our agenda for today.

12 MS. BROWN: I think Drue had a number of
13 other issues she wanted to discuss.

14 CHAIRMAN RUE: Drue.....

15 (Laughter)

16 CHAIRMAN RUE:anything else you'd
17 like to bring or do you want to.....

18 MS. PEARCE: Happy Thanksgiving, Merry
19 Christmas.

20 CHAIRMAN RUE: Great. Did I hear Drue move
21 to adjourn the meeting?

22 MS. PEARCE: You did.

23 CHAIRMAN RUE: Good. Did I hear a second?

24 MR. GIBBONS: Second.

25 MS. BROWN: I'll second, my final act.

1 CHAIRMAN RUE: Thank you all very much, we
2 are now adjourned.

3 (Off record - 2:44 p.m.)

4 (END OF PROCEEDINGS)

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I, Joseph P. Kolasinski, Notary Public in and for the state of Alaska and reporter for Computer Matrix Court Reporters, LLC, do hereby certify:

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

