

09.20.02

1 EXXON VALDEZ OIL SPILL
2 TRUSTEE COUNCIL
3 Teleconference Public Meeting
4 Wednesday, March 29, 2006
5 10:05 o'clock a.m.
6 441 West 5th Avenue, Suite 500
Anchorage, Alaska

7 TRUSTEE COUNCIL MEMBERS PRESENT:

8 STATE OF ALASKA - MR. DAVID W. MARQUEZ
9 DEPARTMENT OF LAW: Attorney General
(CHAIR)
10 U.S. DEPARTMENT OF INTERIOR: MS. DRUE PEARCE
11 U.S. Department of Interior

12 (TELEPHONICALLY)

13 STATE OF ALASKA - DEPARTMENT MR. KURT FREDRIKSSON
14 OF ENVIRONMENTAL CONSERVATION: Commissioner
15 U.S. DEPARTMENT OF COMMERCE, MR. CRAIG O'CONNOR for
16 National Marine Fisheries Svc: MR. JAMES W. BALSIGER
17 Administrator, AK Region

18 STATE OF ALASKA - DEPARTMENT MS. HEATHER BRANDON for
19 OF FISH AND GAME: MR. McKIE CAMPBELL
20 Commissioner

21 U.S. DEPARTMENT OF AGRICULTURE, MR. JOE MEADE
22 U.S. FOREST SERVICE Forest Supervisor

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1 TRUSTEE COUNCIL STAFF PRESENT:

2

3 MICHAEL BAFFERY Acting Executive Director

4

5 CHERRI WOMAC Administrative Officer

6

7 ROD BOCHENCK Data Systems Manager

8

9 STEVE ZEMKE U.S. Forest Service

10

11 PETE HAGAN NOAA

12

13 DOUG MUTTER U.S. Department of Interior

14

15 KIM TRUST Interim Science Director

16

17

18 TELEPHONICALLY

19

20 CARRIE HOLBA ARLIS Librarian

21

22 CRAIG TILLERY Alaska Department of Law

23

24 RITA HOFFMAN Alaska Department of Law

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1 P R O C E E D I N G S
2 (Anchorage, Alaska - 5/3/05)
3 (On record - 10:05 a.m.)
4 CHAIRMAN MARQUEZ: This David Marquez,
5 Attorney General to the State of Alaska and one of the
6 Trustees to the Council. It s about 10:05, a little after
7 10:05, and we ll call the meeting to order. Michael, did
8 you get a roll call, please?
9 MR. BAFFREY: Heather?
10 MS. BRANDON: Yes.
11 MR. BAFFREY: Kurt?
12 MR. FREDRIKSSON: Here.
13 MR. BAFFREY: Craig?
14 MR. O CONNOR: Here.
15 MR. BAFFREY: Joe?
16 MR. MEADE: Joe Meade here.
17 MR. BAFFREY: And David and Drue are here.
18 CHAIRMAN MARQUEZ: Good. Next on the
19 agenda is the consent agenda and approval of agenda. Do I
20 have a motion for the approval of the agenda?
21 MR. O CONNOR: So moved.
22 MR. FREDRIKSSON: I ll second.
23 CHAIRMAN MARQUEZ: Roll call or is that
24 a.....
25 MR. BAFFREY: Yes. Heather?

1 MS. BRANDON: Yes.
2 MR. BAFFREY: Kurt.
3 MR. FREDRIKSSON: Yes.
4 MR. BAFFREY: Craig?
5 MR. O CONNOR: Yes.

1 MR. BAFFREY: Joe?

2 MR. MEADE: Joe Meade in concurrence.

3 MR. BAFFREY: Drue?

4 MS. PEARCE: Yes.

5 MR. BAFFREY: David?

6 CHAIRMAN MARQUEZ: Yes. Thank you. Next

7 we ll have the approval of the Trustee Council meeting

8 notes. Do I have a motion for that approval?

9 MR. O CONNOR: So moved.

10 CHAIRMAN MARQUEZ: Do I have a second?

11 MS. PEARCE: I ll second. I m trying to

12 find the.....

13 CHAIRMAN MARQUEZ: Drue, thank you.

14 MR. BAFFREY: All right. Heather?

15 MS. BRANDON: Yes.

16 MR. BAFFREY: Kurt?

17 MR. FREDRIKSSON: Yes.

18 MR. BAFFREY: Craig?

19 MR. O CONNOR: Yes.

20 MR. BAFFREY: Joe?

21 MR. MEADE: Joe Meade concurs.

22 MR. BAFFREY: Drue?

23 MS. PEARCE: Yes.

24 MR. BAFFREY: David?

25 CHAIRMAN MARQUEZ: Yes. Now is the time

1 for Public Advisory Committee comments.

2 MS. KA AIHUE: Well, good morning. My name
3 is Lisa Ka aihue and I represent the regional monitoring
4 interests on the Public Advisory Committee. And I was the
5 lucky person chosen to give the report today, so.....

6 CHAIRMAN MARQUEZ: Congratulations.

7 MS. KA AIHUE: The Public Advisory
8 Committee met earlier this month on March 6th and I ll just
9 give you some highlights of that meetings. We had a nice
10 overview from Michael on that herring synthesis project and
11 also some mention of the draft Jacobs synthesis report
12 that s on your website. We re looking forward to
13 discussing the Jacobs report, probably at the end of May
14 when we meet again and we ve all been tasked with looking
15 at that report.

16 Michael gave us a nice overview of the EVOS
17 investment fund and the status of the habitat acquisition
18 and the PAC expressed an interest at out last meeting to
19 have the opportunity to comment on parcels as they came up,
20 and that seemed to be received well by Michael. So we look
21 forward to doing that.

22 We also discussed the lingering oil
23 committee and we look forward to the opportunity to
24 participate on that committee. That looks like some very
25 interesting work that they re working on.

1 The PAC was encouraged to learn that the
2 science director position was close to being filled and I m
3 anxious to hear what Michael has to say about that today.
4 I think the PAC is really looking forward to having a
5 science director onboard.

6 We approved the resolution 2006-01, a
7 resolution urging the Trustee Council agencies to pursue
8 all available means to identify and restore injured species
9 and habitats. And this resolution has been forwarded to
10 you in your meeting packet, so I know you ve already had
11 the opportunity to look at that. I ll just go ahead and
12 read to you the last line of that resolution: Now therefore
13 be it resolved that the Exxon Valdez Oil Spill Trustee
14 Council Public Advisory Committee hereby request that the
15 Trustee Council and its member agencies insure that all
16 available means are pursued to restore publicly owned
17 wildlife lands and ecosystem services that have suffered
18 significant and unanticipated injury as the result of the
19 Exxon Valdez oil spill. And we urge you to take a look at
20 that.

21 And lastly I just want to mention that we
22 also passed a resolution urging you to keep Michael on as
23 interim Executive Director through the end of the federal
24 fiscal year. We ve really enjoyed working with Michael and
25 I know he hates to hear this but he s been very open and

1 honest in his dialogue and we see the next few months as
2 critical and we really, really would appreciate it if you
3 could keep Michael on. Thank you.

4 CHAIRMAN MARQUEZ: Thank you for your
5 report, I appreciate it. With that, Michael, do you want
6 to give your Executive Director s report?

7 MR. BAFFREY: Do you want to do that now or
8 -- we have public comment first now.

9 CHAIRMAN MARQUEZ: I m sorry, I missed
10 that. Open it up for public comment.

11 (No responses)

12 CHAIRMAN MARQUEZ: Hearing none, Michael,
13 the Executive Director s report.

14 MR. BAFFREY: All right. Well, the two
15 vacancies that we have had in this office have been filled.
16 And on an IPA through the end of the fiscal year, Kim
17 Trust, sitting over there, one of the few new faces in the
18 crowd, will be detailed to this office. She is our new
19 science director. She comes to us from Fish and Wildlife
20 Service where her background is environmental toxicology
21 and applied marine contaminants research. Her focus is
22 going to be the 07 invitation and the 06 update to the
23 injured resources and services list. So thank you.

24 MS. PEARCE: How long is the -- Mr.
25 Chairman.

1 CHAIRMAN MARQUEZ: Sure.

2 MS. PEARCE: How long is the detail?

3 MR. BAFFREY: To the end of the fiscal

4 year.

5 MS. PEARCE: Obviously not this year.

6 Whose fiscal year, the state s or the federal?

7 MR. BAFFREY: Yeah, to the end of

8 September.

9 MS. PEARCE: It s federal.

10 DR. NORCROSS: This is Brenda online. I

11 couldn t hear who he said it was.

12 MR. BAFFREY: Kim Trust.

13 DR. NORCROSS: Thank you.

14 MR. BAFFREY: Can you hear me now?

15 DR. NORCROSS: Yes, thank you.

16 MR. BAFFREY: On April 3rd, Barbara Hannah

17 will begin as our permanent Admin Manager III. And she

18 brings a strong background and the much needed skills in

19 the state accounting, fiscal accounting system. So we re

20 looking forward to having her. Also -- so those two

21 positions have bodies in them and it should be a great,

22 great contribution to this office.

23 We re also looking, in the recruitment

24 process, for an admin clerk currently. We continue our

25 weekly joint liaison Trustee Council staff meetings. And

1 since the last Trustee Council meeting, we ve hammered out
2 a project management tracking system, a final deliverable
3 peer review process, and we have a time line for the 07
4 invitation and that time line now for the update to the
5 injured resources and services list.

6 Last week we held our first meeting of what
7 we re calling the project file clean up working group.
8 This group has collected the court request and notices and
9 corresponding Trustee Council resolutions and the work
10 plans. They have prepared a checklist of the items that
11 physically belong in each project file, and starting with
12 FY06 and working backwards, they re going to be looking in
13 each of these files for content and accuracy of
14 information. We ll cross reference this effort with the
15 data management system to insure that the information that
16 we have that is available to the public is accurate.

17 Last week we also held the -- hosted
18 actually -- the first of two lingering oil committee
19 meetings and we just received, I think it was yesterday,
20 their draft report. And hopefully that will help us focus
21 our 07 invitation.

22 Building on the sense of the Trustees at
23 your December 5th, 2005 meeting, we are planning a
24 collective look at the overlapping data management needs of
25 regional marine research organizations. Organizations like

1 AOOS, NPRB, the North Slope Science Initiative, Prince
2 William Sound, RCAC, and other organizations. Our goal
3 there is to bring the decision makers and the data managers
4 together and see where we have overlap and the capacity for
5 sharing that might save us all effort and money.

6 The one last thing I d like to say is that
7 corresponding with the anniversary of the spill, this
8 office in the past has normally issued an annual report.
9 That did not make sense to me because it s our mid year.
10 So I ve deferred that until the end of our fiscal year,
11 until the end of September to do our annual report this
12 year.

13 That s what we ve been doing since the last
14 Trustee Council meeting.

15 CHAIRMAN MARQUEZ: Any questions of any of
16 the Council Trustees?

17 MR. MEADE: The only comment that I ll
18 offer, Michael, is again an expression of my appreciation
19 for your weekly updates. It really helps me as a Trustee
20 be updated, aware, and in the cue of the essential things
21 that you re tracking and I appreciate it.

22 MR. BAFFREY: You re welcome.

23 CHAIRMAN MARQUEZ: Any other Trustee
24 comments or questions?

25 MR. O CONNOR: I just have to echo Joe s

1 commendation. Michael, you re doing a great job. I m glad
2 you re going to be staying on after the end of the month.

3 MR. BAFFREY: Thanks.

4 CHAIRMAN MARQUEZ: We ll move to Item 6 on
5 the agenda, projects amendments, which is an action item.
6 Michael, are you going to lead the discussion on that?

7 MR. BAFFREY: I think what I d like to do
8 is bring Pete and Jeff up to the table and let -- they are
9 more familiar with these projects, if that s okay. I know
10 that Jeff has some prepared comments and Pete lead the
11 discussion last time, so with your permission.

12 CHAIRMAN MARQUEZ: Okay. Grab another
13 chair.

14 MR. HAGEN: Yeah, this is Pete Hagen,
15 sometimes serving as an alternate, interim Trustee but
16 right now I m just speaking as Michael asked me to address
17 the monitoring projects that are up for consideration
18 again. I think the record that we ve had on previous
19 discussions kind of pretty well laid out some of the
20 rationale, why they re under consideration right now.

21 We have been in discussion with the project
22 PI s and there are concerns on their part, which are quite
23 legitimate, regarding a decision whether to continue these
24 or not begin delayed until either late August or a
25 September time frame. And because they re ongoing

1 projects, there s operational needs in which they have to
2 know in advance, I guess, if the funding is there or not.
3 So that s why they re on the table now.

4 With regards to the projects themselves, I
5 guess I d probably like to ask Jeff Short to speak to it in
6 terms of where they may fit in, in terms of restoration.
7 So if -- or in terms of the needs of the Trustee Council at
8 this point in time.

9 So if that s okay, if we could turn the mic
10 over to Jeff.

11 CHAIRMAN MARQUEZ: Welcome, Jeff.

12 DR. SHORT: Well, my name is Jeff Short and
13 I m a research chemist at the Auke Bay Laboratory with the
14 National Marine Fisheries Service and I've worked within
15 this project for quite a long time - since its inception,
16 in fact. During that time, I have participated in the
17 development of what is now a considerable body of research
18 on the -- elucidating the toxicity of oil pollution and the
19 fate of the oil from the spill.

20 It has been a real privilege to be able to
21 work on these projects, along with such a capable group of
22 colleagues Auke Bay and at other agencies and institutions,
23 and I especially want to thank the Council for your
24 steadfast support, especially during those periods of
25 controversy that sometimes ensued.

1 Although we always got the support we
2 needed, there were times when funding for projects that
3 turned out to be crucial, hung by a thread. Our most
4 important findings resulted from studies that were the
5 riskiest, a good example being our 2001 field survey that
6 showed that there was much more oil was in the Sound than
7 we thought. You might think that funding for a study like
8 that would lie at the very heart of the Council's mission,
9 but actually, it took years to persuade the Council to even
10 consider funding it. Why? Because we thought we already
11 knew everything we needed to know about how toxic oil was.

12

13 We thought we knew that what little oil
14 remained was on the surface of the upper intertidal where
15 it couldn't hurt anything. We thought that if we ever did
16 take another look at oil persistence, it would be real
17 important to stick with the same flawed methods that led to
18 these erroneous conclusions. Because of this, at the time,
19 it seemed more important to understand how the ecosystem
20 works so we can accelerate the restoration of injured
21 species. In the end, it was by repeatedly pointing out the
22 untested assumptions, and the anecdotal evidence from the
23 communities suggesting otherwise, that the Council finally
24 agreed to a scientifically rigorous assessment.

25 Now I mention all this because I'm very

1 concerned that we're in a similar situation today, but in
2 precisely the opposite context. Just as I did not agree
3 that studies on lingering oil were irrelevant, neither do I
4 think that ecosystem studies are. To illustrate why, let's
5 consider the case of herring. Although there are suspicious
6 circumstances that might lead reasonable people to conclude
7 that the oil spill contributed to the massive disease
8 outbreak in 1992, the
9 linkage is far from absolute. I doubt we'll ever be sure
10 of the connection, but in any case we don't have a
11 satisfactory scientific account for herring population
12 dynamics since 1989, and the population remains depressed.

13

14 The fact that disease seems to be what's
15 now keeping the population from recovering means that the
16 herring are stressed. Disease outbreaks don't just occur in
17 random, they're much more likely when many individuals are
18 already weakened, for example by starvation. Being cold
19 blooded, fish tolerate higher temperatures when there's
20 lots of food around, and that's when they grow quickest.
21 When there's little food around, they seek cold water to
22 slow their metabolism and stretch out their reserves. So
23 if we're going to make progress here, we not only need to
24 study the diseases directly, we also have to have some idea
25 of the temperatures and food supplies in their habitat.

1 This is precisely the information that would be provided by
2 the four ecosystem studies before you today.

3 The Batten study will give us our only look
4 at food supplies for herring across a wide swath of their
5 habitat in the Gulf of Alaska, where they spend much of
6 their time feeding.

7 The other three studies interact to give us
8 our only look at how the temperatures are changing, and in
9 addition, allow us to track currents, which are crucial to
10 figuring out whether young of the year herring may be
11 carried to places where food is abundant, or not.

12 Because of the interactions between food,
13 temperature, stress and disease, we need to track all of
14 them if we're to have a prayer of figuring out the
15 interactions. Focusing only on disease while discounting
16 the environmental factors is like competing in a race by
17 hopping on one foot. The reason these studies have
18 received such strong support from the scientists, including
19 myself and the lingering oil committee, is because no
20 matter what studies are eventually funded to figure out why
21 herring aren't recovering, these ecosystem studies will be
22 crucial to their success. Basically, we think that if
23 you're going to address herring at all, you're going to
24 need these particular four studies, and this no matter what
25 specific studies are funded later.

1 So it seems to me the issue at hand here
2 today is whether herring restoration is going to be
3 addressed or not. If we're going to do a serious job of
4 attempting to accelerate restoration, we're going to need
5 both the ecosystem studies before you today, as well as
6 more directed studies on the disease and on the early life
7 history of the fish. The object shouldn't be which foot
8 we're going to hop on, it should be to win the race.

9 These four studies before you have been
10 carefully and thoroughly vetted by the Council's scientific
11 process. They are run by some of the most capable and
12 respected scientists in their fields in the world.

13 These PI's have gone to heroic lengths to
14 insure they are efficient in terms of the volume of useful
15 data produced per dollar expended, and are carefully
16 coordinated so the whole is much greater than the sum of
17 the parts. And the data produced by them are essential for
18 interpreting a wide array of more focused studies on
19 individual resources.

20 Because they are so broadly useful, their
21 costs really should be amortized across all these more
22 focused studies, and it's true that other scientists and
23 agencies will undoubtedly benefit from the data produced by
24 them, so it makes sense to seek collaborative funding for
25 them. But that is something that needs to be worked on

1 over the coming months. Meanwhile, the physical and human
2 infrastructure for these projects is in jeopardy right now,
3 and all that is sought today is a commitment for one more
4 year while these other issues are sorted out.

5 I applaud the renewed commitment to the
6 core responsibilities of the Council that has been lately
7 expressed by the various Council members, and I appreciate
8 the difficult questions that have been raised, questions
9 that I believe deserve sensible, cogent replies. The
10 herring situation is an
11 especially difficult one and there are no silver bullets.
12 It will take a very thoughtful and carefully integrated
13 science plan to have any hope of making progress, and even
14 then, success isn't assured. But what is assured is the
15 failure of an ill conceived plan. By supporting these four
16 ecosystem projects, you will be enlarging the foundation of
17 a program that has a reasonable chance of success, while
18 foreclosing on an alternative that is almost sure to fail,
19 and for those reasons, I would strongly urge you to approve
20 these projects without delay. Thanks.

21 CHAIRMAN MARQUEZ: Any further comments,
22 Peter?

23 MR. HAGEN: No, not on my end.

24 MS. PEARCE: Mr. Chair. First of all, can
25 we have a copy of your remarks? I mean, I know we've got

1 it on tape but it would sure be great.

2 DR. SHORT: Sure.

3 MS. PEARCE: Okay.

4 MR. MEADE: This is Joe Meade. Is it time
5 to call for discussion?

6 CHAIRMAN MARQUEZ: Yes. Drue just asked
7 for a copy of Jeff's remarks. So I'll open it up now to
8 questions or discussions by the Council. Hold on a second.
9 Drue?

10 MS. PEARCE: Yeah, and it's part of the
11 questions or -- so if I could -- okay. I just wanted,
12 since he walks on water, I wanted Michael to give us his
13 recommendation.

14 MR. BAFFREY: I recommend funding these
15 proposals. I've exposed these PI's, through a decision
16 that I made earlier in the year, not to do a phased, a two-
17 phased approach in the FY07 invitation. Normally we issue
18 the invitation in February. We did not have the
19 information this year to do that and we talked about doing
20 a two-phased approach. I felt that we had -- at that point
21 we were going to go out with an earlier phased invitation
22 for approximately 16 monitoring projects which were
23 currently funded. Instead of doing that, I made the
24 decision that we would go to the PI's, go to the scientific
25 community and say which ones of these are in jeopardy if we

1 wait? They identified these four. I felt at that point we
2 could address them through our regular project extension
3 process and just go ahead and issue one FY07 invitation in
4 May -- although it was late. But it would be much more
5 pattern and routine to what the PI's were used to. So that
6 decision, assuming that we would get these projects
7 extended one more year, was the reason that I did not do
8 the first Phase I of that approach. That has proved not to
9 be a good decision on my part and I apologize to the
10 Trustees for that.

11 I would like to say that I -- my
12 recommendation is based on trying to level the playing
13 field. The other 12 monitoring projects were going to be
14 able to submit proposals through the FY07 invitation issued
15 in May. These four would be given one year extensions.
16 They would go through that process next year. So at that
17 point, everybody would be equal. And that was -- the short
18 answer, yes, I recommend these and that's some of the
19 background and why I do.

20 MS. PEARCE: Okay. Thank you.

21 CHAIRMAN MARQUEZ: Joe, did you have
22 comments or questions?

23 MR. MEADE: Yes, discussion that I'd like
24 lend. Again, Joe Meade. As you asked for us to make
25 comments as we get ready to talk. I'd like to recommend

1 and sustain my support to Michael's recommendations and my
2 reasoning is as follows. We have over the past couple of
3 years purposely managed our finances to align ourselves to
4 focus on the questions needed as we are needing to address
5 lingering oil and injured species. And I applaud those
6 efforts and that refocus.

7 At the same time, we've been balancing the
8 important sustaining basic ecosystem data, some very
9 important baseline data. I think Jeff outlined very well
10 why these four projects are very complimentary to that
11 need, to that goal, and also addresses some of our data
12 gaps and data needs right now, especially here noting the
13 herring discussion. So I would really encourage the
14 Trustees to recognize as we balance both the science and
15 the need and our finances and the need that these four
16 projects -- and for the reasons Michael outlined -- are
17 important for us to move forward with. And I lend my
18 discussion to a motion that will be in favor of moving
19 forward with support towards these four projects.

20 CHAIRMAN MARQUEZ: Thank you, Joe. Any
21 other Trustees have comments or questions?

22 MR. O'CONNOR: Michael, this is Craig.
23 Could you please tell me what the lingering oil committee
24 said about these projects? Did you allude to their report
25 addressing this?

1 MR. BAFFREY: The lingering oil committee
2 is in support of these projects.

3 MR. O'CONNOR: They're in support of
4 immediate funding of the projects and what was their
5 rationale?

6 MR. BAFFREY: Jeff is on, Jeff Short is on
7 the lingering oil committee. You know, their arguments are
8 the same as he presented in his presentation.

9 MR. O'CONNOR: Okay. And that's their
10 recommendation to you, as I recall. Is that what.....

11 MR. BAFFREY: Yes.

12 MR. O'CONNOR: Their function is to make
13 recommendations to you.

14 MR. BAFFREY: Right. Also the STAC and the
15 PAC have supported these.

16 MR. O'CONNOR: All right. And by the way,
17 since I was the one that requested further information on
18 these projects, thank you very much for a job well done in
19 that regard.

20 MR. BAFFREY: You're welcome.

21 MR. FREDRIKSSON: David, this is Kurt. If
22 I might.

23 CHAIRMAN MARQUEZ: Go ahead, Kurt.

24 MR. FREDRIKSSON: Yeah, I guess -- and Joe,
25 I'm going to express concerns, not with these particular

1 studies, because I don't disagree with what Jeff has
2 testified to in terms of the value of the studies, but my
3 biggest concern at this point is that we're looking at a
4 select group of studies for -- that I guess winnowed out of
5 a group of as many as 16. And we're doing this out of
6 order I think. I think we're -- we had in our interim
7 guidance document made it clear that the Trustee Council
8 was going to dedicate itself to addressing the lingering
9 oil issue, to updating the status of injured resources and
10 service I might add, and then we were also going to look at
11 the habitat acquisition, just as another element. I think
12 this synthesis work is critical to how we decide to move --
13 how we decide on moving forward to address the restoration
14 issues which the PAC just earlier this morning testified
15 to. The importance of dedicating our efforts. In other
16 words -- I guess the resolution, if I got the words right,
17 all means pursued to restore the resources and services.

18 One of my greatest concerns as I sit here
19 today is with the services side of things. We've all
20 received correspondence from folks like RJ Kopchak who's
21 saying we need to address the damaged services and he's
22 suggested buying back herring permits. We've heard from
23 the City of Cordova that feels they're -- they have
24 services, their economy was damaged. And they are turning
25 to the Trustee Council as the group that can help restore

1 those services.

2 So I ve been hoping that through the
3 efforts that we initiated well over a year ago -- actually,
4 I went back to the transcripts that go back to November
5 10th meeting, 2003, when these four monitoring projects
6 were approved for funding up through the year FY 2006. We
7 were looking at that point, the Trustee Council at that
8 point was saying we ve got to address the restoration
9 issues for the damages resources and services.

10 So I guess I m really torn with respect to
11 extending these projects because we are looking at them in
12 isolation. We are not looking at them in the context that
13 we had hoped to after we had the completion of the
14 synthesis reports, after we had work completed from the
15 lingering oil, after we in fact we -- I understand we re
16 going to be talking about it a little bit later, but we ve
17 all seen the herring workshop announcement. There is a lot
18 of work that we have initiated that is soon going to come
19 to fruition and help guide us in making this next FY07
20 decision and I feel that it s just out of order to put
21 these four projects ahead of that.

22 And I appreciate Pete who said according to
23 our current schedule that if we don t modify the schedule
24 perhaps, the decision on these projects in context of the
25 broader FY07 proposal might be too late. That we might

1 lose projects. There s a potential that these projects
2 might not move forward because of the timing, if we would
3 wait until, I guess it s around September of this year
4 before we would make a decision on these. But I m also
5 torn by the need to put these in the light of what other
6 projects we have to consider.

7 And so what I would hope and what I would
8 suggest as a way forward, because I want to look at these
9 projects in light of the other projects that might come
10 forward after we have the synthesis completed. But I d
11 like to see if we could have a Trustee Council meeting
12 perhaps sometime before the end of May where we could take
13 advantage of the synthesis report findings, the
14 recommendations of the lingering oil committee, the results
15 of the herring workshop, and actually get -- as we re going
16 to talk as well -- I know the state, we re planning on
17 having some reopener public meetings where there will also
18 be ideas presented to us from the public. I d like to
19 collect all those ideas and then look at these four
20 monitoring projects in light of what other monitoring
21 projects might be proposed and what other projects might be
22 proposed for restoration of the damaged services.

23 So, Joe, I don t disagree with perhaps the
24 value of these projects, but what I do disagree with is
25 that these projects are the only projects we have on the

1 table today. And we re not looking at them in light of
2 what other needs there might be, synthesis work that we re
3 just -- I can almost taste it -- and having those reports
4 come forward. We already have draft reports. I know the
5 Integral report I just checked on the web page this morning
6 and clearly that s been out since February, end of
7 February, the update of the injured resources list. And
8 there are a number of recommendations in that. So I would
9 expect by the end of May, we re going to have quite a
10 laundry list of recommendations funding an FY07 and
11 perhaps, you know, I just think that (indiscernible -
12 telephonic cut out) project.....

13 MR. MEADE: Are you still there?

14 MR. FREDRIKSSON: I am, Joe.

15 MR. MEADE: Okay, there was a -- the phone
16 paused. I might offer just a -- I m in concurrence with
17 your concept and your principle. The interest I have
18 really falls back on the Trustee Council and our decision
19 to delay the invitation. And the question we ask of
20 ourselves is, does this put any important ecosystem
21 baseline monitoring projects or other projects at risk,
22 especially projects that have been delivering multi-year
23 data and information.

24 Because we made the right choice to delay
25 the invitation for the reasons that in part you ve

1 discussed, I think that our purpose to discern any projects
2 that could be put at risk that do have long term merits,
3 weighs in value in my mind. So that s where I come to
4 recognizing in that we made a strategic decision to delay
5 the invitation, we now have identified four projects that
6 are critical in nature and I ll be just as supportive of
7 these projects in May as I will be in September. So I m
8 ready to insure these projects and their associated PI s
9 and partner vessels are not put at risk.

10 And so that s why I m ready, based on our
11 past discussions, to recommend we move forward with these
12 four. I m not opposed to the notion in May of further
13 considering, you know, the full set of knowledge we have.
14 The only thing I guess I could offer that would remove me
15 from really encouraging we move forward on these now is to
16 hear from Michael if a May decision would still be timely
17 to not put these projects at risk.

18 MR. BAFFREY: I ll defer that to Pete and
19 Jeff.

20 MR. HAGEN: Yeah, this is Pete Hagan. I
21 don t know. I suspect the PI s could, you know, could --
22 would certainly, if the Trustees make a decision in May to
23 fund them for another year, they would probably -- won t
24 have -- I think that would probably work for them but I
25 really can t say since that really hasn t been on the table

1 directly. But I suspect it might work, that s all.

2 CHAIRMAN MARQUEZ: Jeff.

3 DR. SHORT: I would recommend that you
4 decide whether you want to go forward with herring
5 restoration and other sorts of scientifically based
6 restoration projects sooner rather than later, and in this
7 particular case, to give needed stability to the four
8 projects that have been -- are on the table right now.

9 There are two kinds of jeopardy at play.
10 One is physical and one is human. The human one is the one
11 that s at most risk because these things are going forward
12 on a shoestring and they consist of teams that are
13 supported from multiple funding sources. If one of them
14 falls out, they either lose the person, lose the team, or
15 find another funding source and all too often it s the
16 former.

17 These things are like capital in a very
18 real sense, they take time to assemble and there s a
19 learning curve to assembling them. Once it s lost, it s
20 gone, that capital is vanished and you have to recreate it
21 again if you want to do it down the road. That s what is
22 at risk right now, is that something other -- some other
23 event will come between now and May that will impinge on
24 these teams that tips the balance to the decision that
25 they re going to walk away from this, and then it s going

1 to cost a lot more to bring it back if we decide to later.

2 MR. HAGEN: Yeah, this is Pete. I'd just
3 like to reiterate that. I guess it's a question of risk
4 and right now certainly there would be risk in delaying. I
5 couldn't gauge myself without talking with the PI's and
6 they may not know as well at this time what that risk would
7 be in delaying, so.....

8 MR. MEADE: And if I may, this is Joe
9 again. And if that risk factor that we've invited
10 ourselves through the delay of the invitation that as a
11 Trustee I would challenge ourselves to redeem our
12 responsibility. I feel these projects are too acutely
13 important to put securing them at risk. And I believe I'll
14 be as strongly supportive of them in May as I will be in
15 September and sustaining the data they gather for us with a
16 host of issues that we have in front of us from climate
17 change to other factors and being able to draw distinctions
18 between those changing factors and effects of lingering oil
19 I think is just too important.

20 So I don't know what more I'd know in May
21 that would change me on these four basic baseline data
22 sets. We've negotiated and compromised some of GEM and
23 ecosystem data collection to focus on lingering oil and
24 injured species and, as I noted earlier, appropriately so.
25 But there is accord here that I think is a set that we must

1 continue and not chance the risk. So I would urge Kurt,
2 based on that risk and based on our decision to delay the
3 invitation, to as a consequence of that delay recognize
4 these four components are systemically important to
5 baseline data collection.

6 MR. FREDRIKSSON: Joe -- let me respond to
7 that. I guess, just things I'd just note. One, in terms
8 of whether or not these are the very highest priorities for
9 Trustee Council, which I think you're suggesting. I can't
10 make that decision today because I don't know what is on
11 the table.

12 MR. MEADE: They're the four at risk, not
13 maybe the highest, but the four that can't delay until
14 September, I guess for my clarification.

15 MR. FREDRIKSSON: Well, I don't want to --
16 I would hope we wouldn't delay until September. I would
17 hope we could get prepared to deal with this and that these
18 projects, in the context of other Trustee Council
19 priorities, by the end of May. Now we may very well decide
20 that these are still the highest priority and need to go
21 forward, but right now I'm not prepared to do that because
22 I don't -- I have a lot of other interests that have come
23 forward saying that they feel the Trustee Council needs to
24 do more to address some of these damaged resources and
25 services. I don't know how those match up against this. I

1 don t know how the herring fishermen might feel about these
2 four programs, these monitoring programs basically
3 outweighing in priority say a herring permit buy-back. We
4 haven t had that discussion. We haven t shared that with
5 the public. But we are setting these aside if we move to
6 extend.

7 I think the other thing -- and I want to
8 address the risk question. Because I went back, and I
9 think a copy was sent around to folks, but I went back to
10 the November 2003 minutes, the transcripts from the
11 Council s discussion at the time in approving these
12 projects. And it was a very long meeting, it ran till past
13 6:00 o clock in the evening. And within that there were a
14 number of very interesting discussions. And one, Joe, I
15 know that you brought up at the time. There was a concern
16 that the state was laying out its priorities to focus on
17 lingering oil and focus on updating the status of injured
18 resources.

19 And as a result of that, the state had come
20 forward with some proposals for the priorities it felt
21 needed to be addressed in terms of what was then the 04 --
22 I guess it was the 03 invitation. And you had commented
23 that there was a concern that we were, if you will, kind of
24 changing horses, that it might be unfair to the PI s.
25 These very same PI s at the time that had been led to be --

1 to expect that they were going to receive funding from the
2 Trustee Council.

3 And the argument was made and the point was
4 well made that we should go ahead and fund these monitoring
5 projects at that time for three years, going through FY
6 2006, because of that expectation. But that it was
7 important that the Council clearly articulate its research
8 objectives and provide these PI s the opportunity to pursue
9 funding from other sources, that they be put on notice, if
10 you will, that this was not a forever thing necessarily.
11 That it would be dependent upon the synthesis of
12 information that we were trying to accomplish over the last
13 few years.

14 So I think the risk in some ways was
15 mitigated back when the Council decided to move ahead on
16 funding for a three year period these particular monitoring
17 projects. And in the transcripts at that time, the Council
18 made it clear that this was just for a three year time
19 frame. And I think before we just kind of basically set
20 these aside as -- and provide them for one more year of
21 extension, make it a four year funding program, we stand
22 back, we look at the synthesis information, and we look at
23 it in the context of what our priorities will be in 07.

24 It could be that these move forward. I m
25 not opposed to the projects per se, I just don t feel

1 comfortable with the fact that we re basically providing
2 them with, if you will, some kind of preferential
3 treatment.

4 CHAIRMAN MARQUEZ: I ll recognize Trustee
5 Pearce.

6 MS. PEARCE: Thank you very much, Mr.
7 Chairman. I want to associate myself with Joe Meade s
8 comments and I do plan to vote in the affirmative on these
9 four projects. We re talking about what are the highest
10 priority for fiscal year, for the 07 invitation, but these
11 four projects make up approximately 20 percent of the
12 funding we re going to have for 07. Not every project can
13 be the highest priority. Some of the projects have to be
14 the middle priorities and the lowest priorities or you
15 don t have a highest priority.

16 So I have no problem spending 20 percent of
17 our funding on four projects that we know the information
18 is feeding into the science about herring -- Dr. Short has
19 told us that. We obviously are learning from this
20 information already in terms of the research and I defer to
21 the researchers and the scientists over what information if
22 feeding into our knowledge and our eventual ability to help
23 restore that resource, which is clearly on the injured
24 resources list, it is clearly not recovering. It s one of
25 the few, frankly, that isn t recovering and it s something

1 that our synthesis is going to tell us, and our look at the
2 injured species list is going to tell us is something that
3 we need to do more focusing on. We know it s there.

4 We asked staff to come to us at the
5 December meeting with projects we needed to look at and
6 entertain going ahead and moving on when we made the
7 decision not to move ahead with the 07 invitation until we
8 had the synthesis and all of the information to feed into
9 it. So we actually asked for these to be brought to us,
10 they didn t drop out of the sky. We re spending more time
11 on these four than I think we ve ever spent on any
12 individual invitation coming forward. But I don t have to
13 have the public meetings. I m glad they re going to happen
14 but I ve listened to the public testimony that we ve had
15 over the past two years.

16 I ve listened when I ve been in Tatitlek,
17 when I ve talked to the people from Chenega, and
18 particularly the subsistence users, the Eyak. We re going
19 to hear herring, herring, herring, lingering oil, herring,
20 whales, herring -- I mean, herring is going to be 60
21 percent of what you re going to hear at those public
22 meetings because the herring fisheries crashed, the herring
23 have crashed, we don t know why. It s obviously something
24 that provides an economic -- did provide an economic basis
25 for a whole host of people and a subsistence basis that s

1 very important.

2 Talk about restoration, in my personal
3 opinion, buy-backs are not restoration. You don't help the
4 herring fishery by doing buy-backs of permits, you help the
5 economics of individual permittees, but not -- you don't
6 really help the overall economy and you certainly don't
7 restore the injured species in any way, shape, or form.
8 The ongoing injuries to herring are apparently not from
9 over-fishing, there's something else going on. And Dr.
10 Short says we think it's interactions between food,
11 temperature, stress, and disease. We need to understand
12 what those are before we're going to be able to have any
13 sort of a restoration plan.

14 Buy-backs in the short term are great for
15 the individuals to get the money. They don't do anything
16 for the long term economy for the future generations nor
17 frankly anything for the economy other than perhaps I
18 suppose that there is some sort of a multiplier effect on
19 the money going into the community, I won't dispute that.
20 But it certainly doesn't restore the species, nor do
21 building public buildings restore any species.

22 So knowing that what we're going to hear is
23 herring and herring and herring, I see no reason not to
24 move forward on these. As I said, I have absolutely no
25 problem with going ahead and spending 20 percent of our

1 money, even if they don't turn out to be the highest
2 priority. If there's a person here who doesn't think
3 herring is going to be on our list when we're back here to
4 figure out what our next step should be, I'd like to hear
5 why they think that. But the STAC, the PAC, the lingering
6 oil committee, our Executive Director who walks on water,
7 and everybody else thinks that we should do these projects
8 and I'm in support of them.

9 CHAIRMAN MARQUEZ: Thank you. Any other
10 comments from any other Trustees that haven't had a chance
11 to speak yet.

12 MR. O'CONNOR: Yes, this is O'Connor. I'd
13 like to weigh in at this point. I'm one of the reasons
14 that we're still talking about this. Kurt, my reaction to
15 the debate on these projects is that we are focusing on the
16 wrong issue. I don't believe that we are providing
17 preferential treatment to any PIs. What we are providing
18 is preferential treatment to our very acute lack of
19 knowledge. And I think it's of critical importance that we
20 continue to gather what knowledge we can, and that is the
21 knowledge that the ecosystem that we are trying to function
22 within and these projects are doing that. I don't think
23 that there is going to be any significant debate as to the
24 validity and the value of these projects as critical to
25 providing a predicate for purposes of our decisions in the

1 future with regards to restoration.

2 What I m very concerned with is a
3 continuing answer that s coming out of the scientific
4 community that goes like this: I don t know. I don t
5 know. I don t know why the oil is still there. I don t
6 know why the herring has not recovered. I don t know. And
7 then you say what do you need to know and very often it is
8 a continuum, a time sequence of information that may be
9 quite subtle in terms of its obviousness but it is critical
10 information to the scientists upon who we rely to make our
11 decisions and seek guidance from them as to what is going
12 on in the ecosystem. And if those scientists are telling
13 me they need this information and they need it in a time
14 sequenced way and it s of critical importance to them, then
15 I m going to say yes, you get it.

16 And I don t see that we are looking at 20
17 percent of our budget. The last I checked we have several
18 tens of millions of dollars. This is in many ways a very
19 small investment in what I at least am being told is a very
20 large return on information. I think that we re going to
21 have to revisit the whole philosophy that the Trustee
22 Council has with regard to how much money they are going to
23 be spending at what time because we have some very serious
24 problems, lingering oil being one of them, and we have to
25 get those problems solved. That s our responsibility.

1 And if my scientists say you need this
2 information to address those responsibilities and I have
3 the money to give to them, then I m going to give it to
4 them so that I get those answers as quickly and as
5 professionally as possible. So I will be supporting moving
6 forward with the approval of these projects at this point
7 in time.

8 CHAIRMAN MARQUEZ: Thank you. Any other
9 Trustee comments?

10 MR. FREDRIKSSON: Dave, if I might, this is
11 Kurt again. Let me just kind of respond to Craig because I
12 appreciate your comments, Craig. I guess when it comes to
13 preferential treatment to lack of knowledge, that resonates
14 with me. I guess I just have doubts about whether we re
15 looking at the right knowledge. Drue said herring --
16 there s no debate about herring being, if you will, the
17 cornerstone, a critical species I believe that has been
18 harmed from the spill which has not recovered.

19 I think we need to do herring work, whether
20 this is it though is very much a question in my mind.
21 These were not studies developed initially to do herring
22 studies. In fact, one of these monitoring programs has
23 operated for 36 years. I question the value of that data
24 because we don t seem, after 36 years of collecting this
25 data, it doesn t seem to have -- it s not helping us answer

1 the herring question. Maybe we're approaching the question
2 wrong. I don't know. I've heard where people have talked
3 about direct restoration of herring as a possibility as we
4 did with pink salmon, where you actually do hatcheries.

5 And people say, well we don't have any
6 herring hatcheries in Alaska. Well, but then I've also
7 heard people say, well, but Japan has done some things in
8 herring hatcheries or direct herring restoration. Well,
9 when do we have the obligation to try and pursue those
10 kinds of question? I guess instead of just anecdotal
11 information, I'd like to see a research program actually
12 come forward where we try to restore herring populations
13 through a proactive and active effort, if it's possible,
14 instead of just monitoring.

15 So I don't feel at this point like I've had
16 the debate -- I don't discount the scientists but I think
17 we haven't had the debate of these particular studies. I
18 sure didn't see it in the previous -- when the decision was
19 made back in 2003 to fund for three years they didn't dig
20 into the studies and I don't know -- I guess I -- well, I
21 might ask Jeff, help me understand why 36 years of
22 Weingartner's monitoring hasn't -- what has it contributed
23 to the questions that we're trying to answer today about
24 the herring crash in Prince William Sound?

25 DR. SHORT: Well, as I mentioned in my

1 prepared remarks, herring are a cold-blooded animal. It
2 makes them have a very unique -- a particular relationship
3 to temperature and food. The three studies that are among
4 the four that relate to temperature, two of them give us
5 very broad area coverage, and those are the studies, the
6 two that are -- ones hooked up to oil tankers that go to
7 Washington state from Port Valdez and the other one is
8 hooked up to the ferries that goes out to Kodiak. What
9 calibrates those and gives us the context and clues for
10 interpreting the changes that we see out of those data are
11 the long term data set at the GAK-1 line, the 36 years
12 worth of data. It provides the context that is crucial for
13 making sense of the data that we re collecting from the
14 other two over a much wider swath of the Gulf of Alaska.
15 It was those ideas, is what I had in mind when I said that
16 these studies are efficient and they interact.

17 And I would also add that they are -- the
18 PI s have gone to heroic lengths to insure that. If we
19 were to be paying for these studies out of just standard
20 research vessels and blue water oceanography, they d cost
21 10 times as much. Most of the cost of these things comes
22 from the vessel time, which the PI s have taken the
23 initiative of getting essentially for free. In fact,
24 that s part of the risk we face, is that the people who are
25 providing these vessels for free will lose patience with

1 this process.

2 CHAIRMAN MARQUEZ: Any further comments by
3 any Trustees?

4 MS. BRANDON: David, this is Heather. Can
5 I ask a question of Jeff?

6 CHAIRMAN MARQUEZ: Yes.

7 MS. BRANDON: So Jeff, based on what you
8 just said, when do you envision the monitoring project --
9 what would be a logical end point for them? Because one
10 more of funding, the herring might still not be back -- the
11 numbers might not be back up. So when do you envision the
12 temperature monitoring would end?

13 DR. SHORT: That s a very fair question and
14 I think at the absolute minimum it would end when we figure
15 out what the factors are that are suppressing the
16 restoration of herring in Prince William Sound. Once the
17 restored resources are either restored or abandoned or
18 resolved in some other way, it is certainly a legitimate
19 question to ask then should we be monitoring beyond that.
20 But until we get there, we are going to need, as I said, a
21 very carefully thought out and integrated research plan
22 that not only targets the specific factors affecting the
23 species that we re concerned with but also provides the
24 environmental context within which they live if we re going
25 to have a prayer of teasing this stuff apart. It s very

1 complex science. It has been remarked in fact that
2 ecosystem research isn't rocket science, it's much harder.

3 MS. BRANDON: And Mr. Chair, if I may
4 follow up with another question.

5 CHAIRMAN MARQUEZ: Go ahead.

6 MS. BRANDON: So in your prepared comments
7 you said you -- you asked for one more year to sort out,
8 and I wasn't really able to understand, one more year to
9 sort out what? And so I'm wondering, is that one more year
10 to develop a comprehensive research plan or is that one
11 more year to allow the PI's to find alternate funding for
12 this long term monitoring?

13 DR. SHORT: I would say both. What I
14 initially had in mind was one more year to see if we could
15 not amortize the cost of these studies even further over
16 other funding sources. I think it's legitimate to consider
17 and explore those possibilities and there may be
18 opportunities along those lines that the PI's themselves
19 have not successfully been able to pursue. And perhaps if
20 the Trustee Council were to interact with other potential
21 funding sources, recognizing that they're going to be
22 beneficiaries of this data as well, that would be something
23 I would certainly commend.

24 MS. BRANDON: Thank you.

25 MR. O'CONNOR: Could I comment, please?

1 This is Craig.

2 CHAIRMAN MARQUEZ: Go ahead, Craig.

3 MR. O CONNOR: I think we re missing the
4 point. To begin with, I don t perceive this to be a
5 monitoring project or projects in the sense that we are
6 monitoring the implementation of a particular restoration
7 project that we may have put into place. What we are
8 monitoring, if you will, or what we are in fact assessing
9 and determining is the dynamics that are going on within
10 the ecosystem itself so that we can utilize that
11 information to determine, hopefully, what has caused the
12 problem for herring, almost in a differential diagnosis
13 sense.

14 At this point we have a number of theories.
15 We have the disease theory. We had the oil theory. We
16 have the who the hell knows theory. And what we need to
17 put those theories up to the test and determine what in
18 fact is at work here is a suite of information, not the
19 least of which is temperature, currents, food supply,
20 salinity, oxygenation. A whole suite of ecological factors
21 that will bear upon our ability to determine what s going
22 on with herring.

23 It s not a simple monitoring project per
24 se. We may be monitoring the current status of the
25 ecosystem in which the herring live but that information is

1 going to be potentially critical to our making a
2 determination or at least eliminating factors that may be
3 influencing the current status of the herring. And I don't
4 think we should be looking at this as, well we'll send them
5 off, we'll give them a buck, a buck and a half to get it
6 done this year but go find another source for funding
7 because the information may be important to us but it's not
8 important enough to us to spend money on it. I don't think
9 that's the issue right now.

10 I think it's of critical importance that we
11 get as much information as we possibly can that can bear
12 upon the issue of why are the herring in such a depressed
13 state. And if it takes a determination of the ecological
14 factors that are influencing them and their ability to
15 sustain themselves, then I think we need to figure that out
16 because there may something that we are required to do
17 because part of the perturbation that has put them in the
18 condition they are in is the oil. And that we are
19 responsible for. So sort of in the differential diagnosis
20 approach to life, if nothing else, we need to eliminate all
21 other factors and what's left thus would be our conclusion
22 as to what the problem is. And hopefully it's something
23 that we can solve.

24 And that's kind of where I'm coming from.
25 At this point I don't see it so much as the biggest bang

1 for the buck, the cheapest way to do it, I see it as
2 necessary information to go forward with the fulfillment of
3 our responsibilities.

4 MR. FREDRIKSSON: Craig, this is Kurt. If
5 I might. I think we are engaged in the very debate that
6 the Trustee Council found itself back in November of 2003.
7 And it said, the immediate need to address our settlement
8 obligations to restore resources damaged by oil -- not
9 damaged by climate change or damaged by other anthropogenic
10 or natural drivers, but by the oil. And what we have
11 characterized as the Gulf Ecosystem Monitoring program,
12 GEM, which is a broader ecosystem evaluation, which may
13 conclude, if you will, I think along the lines that Jeff
14 was saying, we might conclude after long enough
15 observations that in fact the herring population decline or
16 problems are due to natural systems quite independent of
17 the oil. And maybe that would have then some value to
18 resource managers like Fish and Game and how they manage
19 that resource. But the Trustee Council, back in November
20 of 2003, was right where I feel I am today, and that is
21 what our -- we have this immediate obligation to get into
22 restoration versus a longer term Gulf Ecosystem Monitoring
23 proposal and the way in which the bridge that they laid I
24 think has been characterized in the interim guidance
25 document. And that was, before we do anything more on

1 restoration projects or GEM projects, we were going to do
2 an in-depth synthesis of all the information, in large part
3 because that synthesis hadn't been done, contrary to wishes
4 of the Council in previous years.

5 So I think that we have put GEM on hold
6 long enough to get this synthesis work done and that's
7 where I am today, until that synthesis work is done and
8 completed and brought forward, even if it comes at the
9 expense of a project that may have difficulty going beyond
10 2006, I guess I'm inclined to take that risk.

11 MR. MEADE: This is Joe, Kurt. And in the
12 art of compromise and the art of consensus building that
13 work within, I come back to your observations in 2003 and
14 then I was quite new to the Council and to the issues, I'm
15 a bit more seasoned now, I think your comments summarize
16 well what I think we agreed to in '03, was scaling back the
17 GEM program to a basic core.

18 And what I'm asking today again through the
19 art of compromise, is to respect and reflect that basic
20 core and carry it forward while we complete the synthesis
21 that's yet not done. We had hoped we'd have our synthesis
22 data done earlier than today. We've got deadlines looming
23 in front of us but we've also got the agreed upon core, the
24 scaled back components of GEM in '03 that also are vitally
25 important. I too am empathetic and interested to address

1 the injured services and I ll be a partner with you and the
2 Trustees as we move into those discussions here in time.
3 I m soliciting that partnership for the core component to
4 GEM as we move forward through the next months.

5 MR. O CONNOR: I would call for the
6 question.

7 CHAIRMAN MARQUEZ: Well, first we need a
8 motion since we don t have a question before us. Do I have
9 a motion?

10 MR. O CONNOR: I move the projects be
11 approved.

12 MS. PEARCE: Second.

13 CHAIRMAN MARQUEZ: Further discussion or
14 are we ready to now have a call of the question? Ready?

15 MR. BAFFREY: Craig?

16 MR. O CONNOR: Oh, in favor.

17 MR. BAFFREY: Joe?

18 MR. MEADE: Joe Meade in favor.

19 MR. BAFFREY: Heather?

20 MS. BRANDON: No.

21 MR. BAFFREY: Kurt?

22 MR. FREDRIKSSON: No.

23 MR. BAFFREY: Drue?

24 MS. PEARCE: Yes.

25 MR. BAFFREY: David?

1 CHAIRMAN MARQUEZ: Yes.

2 MR. BAFFREY: Four for and two against.

3 CHAIRMAN MARQUEZ: So it passes?

4 MR. BAFFREY: No, it s consensus body.

5 MS. PEARCE: It has to be all six.

6 CHAIRMAN MARQUEZ: Okay. So the motion

7 failed. Are there any other motion in connection with this

8 issue?

9 MR. O CONNOR: I move that these matters be

10 put on the agenda, the highest priority for a meeting of

11 the Trustee Council as Kurt has suggested, that be as soon

12 as possible but no later than the end of May.

13 MR. FREDRIKSSON: I would second that.

14 CHAIRMAN MARQUEZ: Any discussion?

15 (No audible responses)

16 CHAIRMAN MARQUEZ: Hearing none, we ll have

17 a roll call.

18 MR. BAFFREY: Joe?

19 MR. MEADE: In support.

20 MR. BAFFREY: Drue?

21 MS. PEARCE: Sure.

22 MR. BAFFREY: David?

23 CHAIRMAN MARQUEZ: Yes.

24 MR. BAFFREY: Craig?

25 MR. O CONNOR: Yes.

1 MR. BAFFREY: Heather?

2 MS. BRANDON: Yes.

3 MR. BAFFREY: Kurt?

4 MR. FREDRIKSSON: Yes.

5 MR. BAFFREY: It passed.

6 CHAIRMAN MARQUEZ: So that motion passes,
7 so we ll take action to put that on the agenda for May and
8 schedule a meeting.

9 MR. BAFFREY: The next scheduled -- I guess
10 we ll talk about that later, but the next scheduled Trustee
11 Council meeting is tentatively scheduled for May 23rd and
12 24th. One of the.....

13 MS. PEARCE: Already scheduled?

14 MR. BAFFREY: Well, I ve got it on the --
15 I ve got it tentatively on the schedule but you have to
16 approve it.

17 CHAIRMAN MARQUEZ: Next item is the herring
18 workshop in Cordova. This is also an action item.

19 MR. BAFFREY: Mr. Chair, may I address
20 that?

21 CHAIRMAN MARQUEZ: Yes, please.

22 MR. BAFFREY: Okay. Initially this came
23 from a discussion between the herring scientists and some
24 of the fishermen that I ve talked with in Cordova. And we
25 were going to have it in Cordova following the release of

1 Jeep Rice s herring synthesis project. That synthesis is
2 not going to be available. Well, the timing was going to
3 be so that we could have the meeting when the fishermen are
4 actually in Cordova but not fishing. And that's a rare
5 time window. And that looked like the last two weeks in
6 April. Well, Jeep's report was supposed to come out April
7 15th, now it's not going to come out until probably closer
8 to June.

9 So I've decided instead of holding a
10 meeting, which I still want to have, in Cordova, I'll bring
11 a smaller group of fishermen and the scientists here to
12 Anchorage to discuss -- my proposal is, bring them here to
13 Anchorage to discuss these issues in a round table
14 discussion here in our office. So I am requesting that the
15 Trustee Council concur with that intent. It will still be
16 -- the targeted date right now is the 23rd and 24th of --
17 24th and 25th, the Monday and Tuesday at April.

18 CHAIRMAN MARQUEZ: Any discussion?

19 MR. BAFFREY: Is the 24th and 25th a Monday
20 and Tuesday?

21 MS. PEARCE: The 24th is a Monday.

22 MR. BAFFREY: Yes. So it is the 24th,
23 25th. Thank you.

24 MR. O'CONNOR: Could you tell me what you
25 anticipate the agenda to be, Michael? And the

1 participants, what their -- what they are, who they are.

2 Not by name but what representation.

3 MR. BAFFREY: The scientific community
4 would be both sides of the -- all sides of the issue.
5 We've got Dick Thorne and -- I'll just give you a couple of
6 the names -- who looked at the acoustic modeling of herring
7 population. We've got Jeep's work and Jeff's work, those
8 are a couple of them. Brenda, I don't know if you're still
9 online, but Brenda.....

10 DR. NORCROSS: I'm here.

11 MR. BAFFREY:Norcross would be
12 involved in that from the university. That's the
13 scientific community, plus a couple of more scientists.
14 And then I'm allowing the community to pick, to submit
15 names of fishermen. I wanted to get -- the purpose of
16 that, Craig, was to get the anecdotal information, those
17 who actually had the hands-on experience to meld that into,
18 you know, the scientific findings. And the goal is to help
19 drive the whole synthesis, where we're at, where we know
20 we're not at, and where we would like to go in the '07
21 invitation.

22 CHAIRMAN MARQUEZ: Any further questions or
23 comments?

24 MR. O'CONNOR: I'd move approval of that
25 proposal by the Executive Director, if we have to approve

1 it.

2 CHAIRMAN MARQUEZ: Is there a second?

3 MS. PEARCE: Second.

4 MR. FREDRIKSSON: I'd second it.

5 CHAIRMAN MARQUEZ: Any further discussion?

6 (No audible responses)

7 CHAIRMAN MARQUEZ: Call the roll, Michael.

8 MR. BAFFREY: Gladly. Heather?

9 MS. BRANDON: Yes.

10 MR. BAFFREY: Kurt?

11 MR. FREDRIKSSON: Yes.

12 MR. BAFFREY: Craig?

13 MR. O'CONNOR: Yes.

14 MR. BAFFREY: Joe?

15 MR. MEADE: In support.

16 MR. BAFFREY: Drue?

17 MS. PEARCE: Yes.

18 MR. BAFFREY: David.

19 CHAIRMAN MARQUEZ: Yes.

20 MR. BAFFREY: It passed unanimously.

21 CHAIRMAN MARQUEZ: It passes. Is there any
22 need for an executive session?

23 MS. PEARCE: Mr. Chairman, I would move
24 that we go into executive session for the purposes of
25 discussing personnel issues, specifically the Executive

1 Director position.

2 CHAIRMAN MARQUEZ: Is there a second?

3 MR. O'CONNOR: Second.

4 CHAIRMAN MARQUEZ: Did I hear a second?

5 MR. O'CONNOR: Yes. Craig.

6 CHAIRMAN MARQUEZ: Is there any objection?

7 MS. PEARCE: Mr. Chairman, let me just say
8 that there will -- we will not need to take action formally
9 when we come out of executive session, so you might check
10 and see if there is any other business before we go in
11 because we'll probably just come out to adjourn.

12 But I would also want to publicly say that
13 I think our discussion may lead to at least a
14 teleconference meeting of the Trustees before that May date
15 because we are not going to wait that long before we have
16 an Executive Director if I have anything to do with it.
17 Michael is turning into a pumpkin.

18 CHAIRMAN MARQUEZ: Following up on Trustee
19 Pearce's suggestion, is there any other business because
20 when we come out of executive session, we will only come
21 out to adjourn? So is there any other business that we
22 need to take care of now? Michael, do you have any.....

23 MR. BAFFREY: No, sir. No, I do not.

24 CHAIRMAN MARQUEZ: Do we have to approve
25 the May 23rd, 24th date for the Trustee Council?

1 MR. BAFFREY: I will just query the Council
2 members to make sure that works.

3 CHAIRMAN MARQUEZ: Do any of the Trustees
4 have any further business?

5 MR. O'CONNOR: No.

6 MR. MEADE: I have none.

7 MR. FREDRIKSSON: No.

8 CHAIRMAN MARQUEZ: Again hearing no
9 objection to the executive session motion, we will go into
10 executive session. Thank you.

11 (Off record - 11:20 a.m.)

12 NOTE: The Trustee Council came out of
13 executive session at 11:50 a.m. without going back on
14 record, no action was taken. Mr. Fredriksson moved to
15 adjourn and it was seconded by Mr. Meade.

16 END OF PROCEEDINGS

1 C E R T I F I C A T E

2 UNITED STATES OF AMERICA)

3) ss.

4 STATE OF ALASKA)

5 I, Joseph P. Kolasinski, Notary Public in and for
6 the state of Alaska and reporter for Computer Matrix Court
7 Reporters, LLC, do hereby certify:

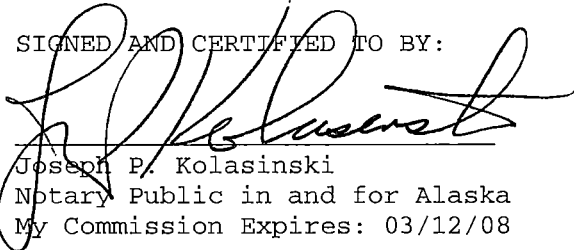
8 THAT the foregoing pages numbered 4 through 217
9 contain a full, true and correct transcript of the Exxon
10 Valdez Oil Spill Trustee Council's Teleconference Meeting
11 recorded electronically by me on the 29th day of March
12 2006, commencing at the hour of 10:05 a.m. and thereafter
13 transcribed under my direction and reduced to print:

14 THAT the Transcript has been prepared at the
15 request of:

16 EXXON VALDEZ TRUSTEE COUNCIL, 451 W. 5th
17 Avenue, Suite 500, Anchorage, Alaska 99501;

18 DATED at Anchorage, Alaska this 10th day of April
19 2006.

20 SIGNED AND CERTIFIED TO BY:

21 
22 Joseph P. Kolasinski
23 Notary Public in and for Alaska
24 My Commission Expires: 03/12/08

