

09.25.03

1 EXXON VALDEZ OIL SPILL

2 TRUSTEE COUNCIL

3 Public Meeting

4 Thursday, September 15, 2011

5 12:30 p.m.

6 441 West Fifth Avenue, Suite 500

7 Anchorage, Alaska

8 TRUSTEE COUNCIL MEMBERS PRESENT:

9 U.S. FOREST SERVICE: Mr. Steve Zemke

10 AK DEPARTMENT OF FISH & GAME: Mr. Tom Brookover

11 AK DEPARTMENT OF LAW: Ms. Jennifer Schorr

12 AK DEPART OF ENVIRON CONSERVATION: Mr. Larry Hartig

13 U.S. DEPARTMENT OF THE INTERIOR: Mr. Doug Mutter

14 (Until 1:10 p.m.)

15 U.S. DEPARTMENT OF THE INTERIOR: Mr. Kim Elton

16 (After 1:10 p.m.)

17 U.S. DEPARTMENT OF COMMERCE, NOAA: Dr. James Balsiger

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1 ALSO PRESENT:

- 2 Elise Hsieh EVOSTC Executive Director
3 Carrie Holba Librarian, Alaska Resources Library and
4 Linda Kilbourne EVOSTC Staff
5 Cherri Womac EVOSTC Staff
6 Catherine BoernerEVOSTC Science Coordinator
7 Dede Bohn U.S. Geological Survey
8 Pete Hagen NOAA
9 Kurt Eilo PAC Chairman
10 Marit Carlson-Van DortAk Depart of Environmental
11 Conservation
12 Erika Ammann NOAA
13 Samantha CarrollAlaska Department of Natural Resources
14 Barat LaPorte Patton Boggs
15 Molly McCammon Alaska Ocean Observing System
16 Scott Pegau Prince William Sound Science Center
17 ATTENDEES BY TELECONFERENCE:
18 Nancy Bird Prince William Sound Science Center
19 Bob Mitchell Alaska Department of Revenue
20 Norm Regis City of Seward
21 Diane Scoboria Marine Conservation Alliance Foundation
22 Dave Gias Marine Conservation Alliance Foundation
23 Laurel Jennings NOAA
24 Chris Pallister Gulf of Alaska Keeper
25 Dawn CollinsworthDepartment of Agriculture

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P R O C E E D I N G S

2

(Anchorage, Alaska - 9/15/2011)

3

(On record)

4

CHAIRMAN ZEMKE: My name is Steve Zemke.

5

I'm a U.S. Department of Agriculture, Chugach National

6

Forest alternate trustee, and I'm chairing the meeting

7

today as being the federal chair. And we'll start I guess

8

at 12:30.

9

And before we move on to the agenda, I'd

10

like to call roll to verify attendance of our trustees,

11

starting with Jen.

12

MS. SCHORR: Jen Schorr, alternate trustee

13

for the Alaska Department of Law.

14

MR. MUTTER: Doug Mutter. I'm temporarily

15

filling in for Kim Elton who will be here shortly.

16

MR. BALSIGER: I'm Jim Balsiger with NOAA,

17

National Marine Fisheries Service.

18

MR. BROOKOVER: I'm Tom Brookover with

19

Alaska Department of Fish and Game.

20

MR. HARTIG: Larry Hartig, DEC.

21

CHAIRMAN ZEMKE: Okay. And again I'm Steve

22

Zemke with Department of Agriculture.

23

And I guess before again we move on to the

24

agenda, I want to thank all the publics, the principal

25

investigators and the staff that are here to help us make

1 our deliberations today. And again before we move on, I'd
2 like to go out to the phone lines and ask who is on line
3 currently.

4 MS. COLLINSWORTH: Dawn Collinsworth, U.S.
5 Department of Agriculture, General Counsel's Office.

6 MR. MITCHELL: Bob Mitchell, Department of
7 Revenue.

8 MR. REGIS: Norman Regis, City of Seward
9 for Kari Anderson.

10 MS. BIRD: Nancy Bird from the Prince
11 William Sound Science Center in Cordova.

12 MS. SCOBORIA: Diane Scoboria and Dave Gias
13 (ph) from the Marine Conservation Alliance Foundation.

14 CHAIRMAN ZEMKE: All right. Anybody else
15 on the line?

16 (No comments)

17 CHAIRMAN ZEMKE: Hearing none, I guess
18 we'll move on to the agenda. The first item that's in
19 order is item number 2, the consent agenda. We've got two
20 portions of that. Approval of our current agenda and then
21 also approve all the meeting notes. I'll entertain a
22 motion on either one of those topics.

23 MS. SCHORR: I move to approve the agenda
24 for today's meeting.

25 CHAIRMAN ZEMKE: Do I hear any second?

1 MR. BROOKOVER: I'll second.

2 CHAIRMAN ZEMKE: Okay. All those in favor

3 say aye.

4 IN UNISON: Aye.

5 (No opposing votes)

6 CHAIRMAN ZEMKE: Hearing none opposed, the

7 agenda is approved as presented in the 9/8/2011 draft

8 agenda.

9 The next item is approval of meeting notes

10 for April 19th, 2011. I'll entertain a motion.

11 MR. MUTTER: I move approval.

12 MR. BROOKOVER: I'll second.

13 REPORTER: I'm sorry, who seconded?

14 MR. BROOKOVER: I did.

15 REPORTER: Thank you.

16 CHAIRMAN ZEMKE: All those in favor say

17 aye.

18 IN UNISON: Aye.

19 (No opposing votes)

20 CHAIRMAN ZEMKE: Hearing none opposed, the

21 meeting notes of April 19th, 2011 are approved as

22 presented.

23 The next topic of in -- on the agenda is

24 public comment. And we'll start first on the phone, and

25 please try to limit to at least under three minutes per

1 person. Do we have public comment on the phone? Going --
2 second time, public on the phone, comment on the phone
3 line? Hearing none, I'll close out the public comment from
4 the phone line.

5 Is there public comment from the room here?
6 Go ahead, Molly. Please state your name and foundation.

7 MS. MOLLY McCAMMON: Uh-huh. Thanks.
8 Thank you, Mr. Chairman. My name is Molly McCammon. I'm
9 executive director of the Alaska Ocean Observing System,
10 and I'm the PI on the long-term monitoring proposal.

11 On behalf of the LTM team, I wanted to
12 thank you for the opportunity to work with all of you on
13 this proposal in the last few months. We've worked really
14 hard we think to answer all of your questions, to respond
15 to requests for additional information, and we think we've
16 given you a very complete package.

17 We do have members, other members of our
18 team here in the room if there are any questions that you
19 have that I am not able to answer. We have Nancy Bird on
20 the phone, Penny Olswald with the Science Centers. We have
21 Kris Holderied, the science team lead, and then Scott Pegau
22 with the herring program who we plan to work with very
23 closely.

24 We believe we've given you a very well
25 developed proposal given the constraints of the RFP that

1 you issued a year ago and the budget limits within it. We
2 had a tough time putting it together, because, you know,
3 everyone wants to do more. But we think that the package
4 that we put together really responded to the RFP. The
5 budgets are kind of lean and mean. We were able to include
6 a synthesis and modeling component that we as the team
7 members really thought was critical to the program. We
8 were happy to be able to do that, although it was smaller
9 than we had hoped to have.

10 We think the program's going to be very
11 well integrated with a lot of other projects and programs
12 currently going on: North Pacific Research Board's
13 integrated Gulf of Alaska monitoring project; the
14 monitoring efforts of the Park Service and the Forest
15 Service; the new DOI landscape conservation coops; and
16 others. So we're really looking forward to enhancing what
17 you fund here with the efforts of other organizations, and
18 we think that will be to your benefit and to the benefit of
19 the legacy of the Trustee Council, and then also to science
20 and knowledge of the Gulf of Alaska.

21 The data management component we proposed
22 in the original proposal met the requirements of the RFP
23 for providing basic data management services for that
24 program. I'm 100 percent confident in the team that AOOS
25 has put together, including Axiom, that we can provide

1 those services as we described in the proposal. And if you
2 look carefully at all of the reviews that have happened
3 over the last four or five months, all of the reviews I
4 think support that conclusion, that we can provide those
5 services.

6 That being said, we're very pleased to see
7 that the Trustee Council is considering an even larger data
8 management component and a larger synthesis effort that
9 extends well beyond the scope that we had originally
10 responded to. These are efforts that we think could be of
11 great value to us, to the Trustee Council, to the greater
12 scientific knowledge and understanding of the ecosystems of
13 the Gulf of Alaska. And if the Council chooses to fund
14 these, we commit to working very -- to supporting those and
15 working very closely with them. And we do hope you do so.

16 So, in summary, we hope the Council moves
17 forward today with the long-term monitoring proposal. We
18 commit to you that reports and deliverables will be on
19 time, or we'll have a good reason they're not. And we
20 support your commitment to creating a legacy from the Exxon
21 Valdez oil spill.

22 And I'd be happy to answer any questions.

23 CHAIRMAN ZEMKE: Thank you, Molly. Any
24 questions for her? I guess I have one question. You are
25 going to be here for participatory discussions.....

1 MS. McCAMMON: Yes.

2 CHAIRMAN ZEMKE:later on on the
3 monitoring program?

4 MS. McCAMMON: Yes, we'll be here. Yep.

5 CHAIRMAN ZEMKE: Thank you.

6 MS. McCAMMON: Uh-huh. Thanks.

7 CHAIRMAN ZEMKE: Any other?

8 DR. PEGAU: Yes.

9 CHAIRMAN ZEMKE: Scott Pegau.

10 DR. PEGAU: Yes. I'm Scott Pegau with
11 Prince William Sound Science Center, also the Oil Spill
12 Recovery Institute, but here as the lead PI on the herring
13 research and monitoring program proposal. We're here to
14 answer questions later on if you have any.

15 This has been a really interesting team
16 building exercise given the RFP, although I think that
17 we've done a really good job of pulling a wide set of
18 expertise to come in together, to put together a proposal
19 that addresses both what's in the RFP and also the
20 integrated herring restoration plan, at least that
21 component that looked at monitoring. You know, the herring
22 is a very important component for Prince William Sound both
23 economically and ecologically. And I think this will be a
24 very good program for the Exxon Valdez Oil Spill Trustee
25 Council.

1 Now, this -- we have the long-term goal to
2 improve our predictive models on herring stocks through
3 observations and research. We have four different
4 objectives that we've listed to try to address over the
5 next five years. We've put in an approach that uses
6 external oversight to make sure that we meet both our own
7 goals and be looking at what we should be looking at in the
8 future so that we have a program that can continuously
9 build upon rather than repeat previous research. And so
10 we're trying to make sure that we maintain a relevancy
11 throughout the time period that the herring program is in
12 place.

13 The herring research program and the long-
14 term monitoring program were conceived together, you know,
15 and I think that to a large degree you should be able to
16 find the bits and pieces as they were actually interwoven
17 from the very beginning. The herring program is extremely
18 dependent on the long-term monitoring program to provide us
19 those environmental conditions that we have passed up on
20 trying to measure both oceanographically and predator-
21 based, so looking both up and down the trophic.

22 At the same time, we are able to provide a
23 much more detailed picture of at least one component,
24 including being able to put more effort into process-based
25 studies than the monitoring program was able to do, so

1 hopefully be able to help guide their work in the long run.

2 I just wanted to again introduce myself and
3 let you know that if you have questions dealing with the
4 herring program, I'm more than happy to try to answer them.

5 CHAIRMAN ZEMKE: Thank you, Scott. Any
6 questions for Scott at the moment.

7 MR. BALSIGER: Not at the moment.

8 CHAIRMAN ZEMKE: And I guess my question is
9 you are going to be here for the discussions?

10 DR. PEGAU: I'm sticking around.

11 CHAIRMAN ZEMKE: Are there any other
12 comments from the public here in the room? Seeing.....

13 MS. HSIEH: You may want to revisit the
14 phone now.

15 CHAIRMAN ZEMKE: Okay.

16 MS. HSIEH: It's the time on the agenda
17 that allows for public comment.

18 CHAIRMAN ZEMKE: I guess we'll go back to
19 the phone to see if there's anyone that's on the phone line
20 currently that would like to make public comment.

21 MS. BIRD: Hi, this is Nancy Bird.

22 CHAIRMAN ZEMKE: Nancy.

23 MS. BIRD: Yeah. I just would want to
24 follow up with a -- to those comments that have been made
25 by Molly and Scott. I'm very sorry to not be able to be

1 there in person today, but I will, of course, be listening
2 to the discussion and will be happy to any questions that
3 might come up.

4 CHAIRMAN ZEMKE: Okay Thank you, Nancy,
5 for those comments.

6 Anyone else on the phone line that would
7 like to make comment. Hearing none, I guess we'll move on
8 to our agenda.

9 The next item is the Public Advisory
10 Committee chairperson report.

11 MR. EILO: Hello, everyone. Am I on? Do I
12 have to push anything? Good to go.

13 MS. HSIEH: Good to go.

14 MR. EILO: All right. Thank you. My name
15 is Kurt Eilo, and I'm the -- I've been elected as the chair
16 for the Public Advisory Committee. On that committee I
17 represent sport fishing and hunting, although based on my
18 freezer, I don't represent that very well.

19 (Laughter)

20 MR. EILO: And although I joke, the -- I
21 would say the members of the PAC take their role very
22 seriously. And in our meetings, everybody is quite focused
23 on what's going on, and we hope that you'll take our
24 recommendations as seriously as we intend them, although
25 again I'll likely put them in the frame of a joke just the

1 same.

2 Let me go through a few of the things.
3 Most of these -- most of the issues here are summarized in
4 our meeting summary as a -- which is listed as draft
5 probably in your packet. But primarily, just the
6 highlights, is that we are fully supported of the 2011 EVOS
7 budget as it's proposed. Likewise with the 2012 work plan.
8

9 We did want to highlight notes that the
10 harbor clean-up project is something I think everybody was
11 supportive of. And there was some concern about the amount
12 of money being allocated to that without a lot of
13 specifications. And I believe if I can represent it
14 fairly, that the PAC was advising the Trustees Council to
15 move forward with that project, but make sure things were
16 -- funds were managed conditionally, and with better
17 understanding of what's on into the future, because I
18 believe a lot of those outcomes were longer-ranged and were
19 not clearly developed yet. Does that summarize it fairly?

20 MS. HSIEH: I think it was that they were
21 supportive of the focus area, but had concerns about the
22 project.

23 MR. EILO: Yeah.

24 MS. HSIEH: And if it were to be funded, it
25 should be managed with.....

1 MR. EILO: And there weren't a lot of
2 details about how that kind of project would be.....

3 MS. HSIEH: That's correct.

4 MR. EILO:pursued at this point, but
5 there weren't particular concerns about the money; it's
6 just that it's a lot of money without a lot of details yes.
7 So I think I'm conveying that correctly.

8 You know, as I get older, I have more
9 trouble reading my notes, and now I'm having more trouble
10 remembering what I did, so it's going to -- this is only
11 going to get worse, I'm sure.

12 So, again, going through the last couple
13 things that -- where we had highlights, we were fully I
14 believe supportive, after a lot of discussion, about the
15 in-season Axiom collaboration. I think our PAC members
16 have a lot of faith in Molly and Scott and Nancy without
17 conditions. So I think that the board -- or the committee
18 was certainly supportive of the whole collaboration
19 approach.

20 And towards the end of the meeting there
21 was a quick discussion about the Poore parcel. I was the
22 most excited about that, because in my years working with
23 the committee, it's the first time I've had a chance to
24 have influence on sport fishing and hunting which I
25 represent. And we talked about that briefly and we did

1 have approval from the PAC. We do support that Poore
2 parcel.

3 One member traditionally has voiced concern
4 about parcel purchases that lock up resources. And
5 following the meeting I spoke with that person and he would
6 -- was quite supportive of this project as well, So I
7 think you have the full endorsement of the PAC on the Poore
8 parcel.

9 And following my talk here even I'm going
10 to do some extra duty and I'm going to go down and inspect
11 the Poore parcel this weekend.

12 (Laughter)

13 MR. EILO: And I'll be down there about
14 5:00 o'clock and I'll do a detailed review of the silver
15 salmon fishing on the Poore parcel area.

16 I think that's all the PAC comments I think
17 I promised I would share with all of you, and again I don't
18 remember a lot of what happened at the meeting in details,
19 although I do know we had consensus across the board on
20 most of those four issues.

21 CHAIRMAN ZEMKE: Thank you, Kurt. Are
22 there any questions for Kurt at this time.

23 (No comments)

24 CHAIRMAN ZEMKE: Thank you very much.

25 (Siren on teleconference)

1 CHAIRMAN ZEMKE: Uh-oh, that's even worse
2 than a jackhammer outside. People that are on the phone,
3 could you mute your phone when you're not speaking at that
4 time. I think that would -- might cut down of the
5 interference that we have occasionally. Thank you.

6 I guess we'll -- we need to move on to the
7 next agenda item. That's the executive director's report.
8 I believe Elise will start us out, then we'll move on from
9 there.

10 MS. HSIEH: Hello. The first item we have
11 is we did reconvene our investment working group this last
12 spring. We met with Department of Revenue representatives
13 to review our asset allocations. And Bob Mitchell was very
14 helpful and gave us an investment presentation which he's
15 updated and will briefly walk through today. The group,
16 and my recommendation was based on group discussion, was to
17 maintain our current asset allocation for this October
18 through next October.

19 Bob, would you like to briefly walk through
20 your investment presentation?

21 MR. MITCHELL: You bet. I will attempt to
22 do it, you know, walk to -- walk through this presentation
23 fairly quickly, but if there are any questions, recognizing
24 that I might not hear you on the call. Certainly if you
25 have any during the presentation, fell free to ask, but if

1 I don't hear you, you know, I'll be happy to address them
2 when I'm finished speaking.

3 As I understand the investment policy for
4 the three funds that -- longer-termed funds that are
5 managed on your behalf, the Trustee Council has a
6 requirement to affirm or change the asset allocation on an
7 annual basis. And I believe that is the primary reason for
8 this presentation.

9 As Elise referred to earlier, I made a
10 presenta -- this presen -- very much -- a presentation very
11 similar to this presentation in May to the Investment
12 Working Group. The -- this presentation will cover a brief
13 review of fund performance, a review of the capital market
14 assumptions that had been provided by our consultant,
15 Callan Associates, and review the results of portfolio
16 optimization for various consider -- for various
17 constraints at the end of the presentation.

18 Moving to Page 2, this shows performance
19 ended June 30th for various periods of time. I'll focus on
20 the performance over the year ending June 30th, which was
21 very strong. The -- each of the three portfolios had
22 returns that were greater than 23 percent. This was
23 largely due to strong performance in the equity markets,
24 with the domestic equity market returning 32 percent and
25 the international equity market returning 30 percent. This

1 is materially higher than the expected return, which is a
2 long-term measure, of 7.75 percent that was the basis of
3 the asset allocation that was put in place.

4 There are slight differences in returns for
5 the three funds, and those are due largely to the effects
6 of cash flows.

7 Asset class returns are very index-like
8 over a five-year period. The absolute returns are --
9 remain below what we would expect the funds to earn over a
10 long period of time, primarily because the equity markets
11 have had very challenging performance over the past 10
12 years.

13 Moving to Page 3, this is the first of two
14 slides that lay out the Callan Associates' approach to
15 developing capital market assumptions. As I mentioned,
16 Callan is the Department of Revenue's and the Alaska
17 Retirement Management Board's general consultants. And one
18 of the primary things they do is provide us with the --
19 these assumptions that we use as a basis for making
20 portfolio asset allocation decisions. Each year they
21 provide this forecast, which includes expected return,
22 return volatilities and correlations in the performance
23 between the various asset classes.

24 The Department of Revenue staff used these
25 forecasts as inputs in an optimization model to provide the

1 Trustee Council with asset allocations designed to achieve
2 the given expected return with a minimum amount of
3 uncertainty regarding that return over time. Callan
4 incorporates economic environment -- the economic
5 environment and provides an outlook for the economy, and
6 they also review historical asset class returns.

7 Moving to Page 4, they use a time horizon
8 that's about 10 years. And they start with assessing what
9 they believe inflation will be like over that 10-year
10 period. Then they build a premium over the inflation
11 assumption and they make -- they assume that that will be
12 the bond return. And then they build an additional premium
13 again based in part on historical return patterns, and they
14 use judgment to devise that they believe equity returns
15 will look like.

16 One of the curious thing about this year's
17 assumptions is that they have assumed that interest rates
18 will rise in the near future, and then that higher rate of
19 return will result in higher bond performance over the 10-
20 year period of time. And just to, you know, highlight how
21 difficult it is it is to make short-term predictions, since
22 they made that prediction, the bond market as represented
23 by the aggregate index, a broad domestic investment grade
24 benchmark, yields on that have -- so far they've declined
25 from about 3 percent to 2.3 percent. Certainly they may go

1 up here in the near future, but it just highlights that
2 focusing on the long term performance of asset classes
3 provides more stability in -- or increases the odds of
4 actually achieving those asset returns.

5 The bond market so far this year has
6 returned -- by this year I mean calendar year, has returned
7 about six and half percent and the equity markets -- the
8 domestic equity market's down about four percent. And the
9 developed international equity markets are down about 15
10 percent so far this year. And the majority of the equity
11 under-performance has occurred subsequent to the June 30th
12 returns that I referred to earlier, leading up primarily to
13 the downgrade of the U.S. bond market and the treasuries in
14 early August.

15 Moving to Page 5, the tables that you see
16 here summarize the assumptions that Callan has provided,
17 and include the returns, standard deviations and the
18 correlations.

19 Looking at Page 6, the returns have changed
20 from what they were last year. The primary changes have
21 been that the inflation assumption over the next 10 years
22 is dropped by about 25 basis points. The equity return
23 assumptions have declined more than that, by roughly, well,
24 50 and 45 basis points. And the bond market returns have
25 dropped by 75 basis points. The cash assumption has been

1 unchanged at three percent. Just keep in mind it's a 10-
2 year projection, because cash is currently earning about
3 zero.

4 And using that information, turning to
5 slide 7, we've produced a series of portfolios that meet
6 various objectives. And what we have here are six
7 different asset allocations. The one on the far left is
8 the asset -- the optimal asset allocation that would
9 maximize the expected return for the amount of risk that
10 was accepted in last year's -- well, the current asset
11 allocation using last year's assumptions. The one next to
12 that shows the existing asset allocation with the new
13 capital market assumptions and shows what the return and
14 risk characteristics look like for that now. And then
15 sliding over to the third blue column, it shows what the
16 asset allocation would need to be to achieve a return
17 that's five percent over the assumed inflation rate over
18 the next 10 years.

19 Slide 8 is a new slide this year. One of
20 the observations I made when I ran the optimization was
21 that the amount of equities that is required to achieve a
22 return that's five percent over the inflation rate is
23 materially higher this year than it was last year. And so
24 I went back and looked at this historical asset
25 allocations. Now, the objective has changed a bit over

1 time, but this -- if you look at the more recent asset
2 allocations, they should have had the same objective. And
3 what I would note is that the proportion of equities to
4 fixed income would be materially higher than it has been
5 before. The amount of risk or uncertainty over the
6 ultimate distribution of expected return, would increase
7 and be higher than it has before. And as a result, in my
8 view, the asset allocation necessary to achieve that target
9 would be riskier than it has been before for those reasons.
10

11 This was a topic of discussion in the
12 Investment Working Group Committee, and the ultimate
13 conclusion I believe was on the recommendation to the
14 executive director, and certainly she and I talked about
15 that before the working group committee, was to stay the
16 course and make -- essentially keep the existing asset
17 allocation.

18 Page 9 is kind of an overview of the
19 decision process. As I mentioned before, the target
20 recently have been to achieve an expected return that's
21 five percent over the expected inflation rate over time.
22 And that's -- you know, in my experience, that is a target
23 that's consistent with a very long-term fund.

24 One of the conversations that -- one of the
25 subsequent conversations I've had with Elise recently has

1 been, you know, looking at various scenarios for winding
2 down at least one of the funds, the research fund. Then we
3 have the Koniag fund which has the potential to be
4 liquidated in about 10 years I believe. So with that in
5 mind also, it -- you know, I would just raise the question
6 that perhaps a five percent real may not -- no longer be
7 appropriate for the research fund, and for the Koniag fund,
8 as examples.

9 But after the discussion that we had in the
10 Investment Working Group Committee, I believe there was
11 consensus that it would be more prudent to stay the course
12 of the existing asset allocation, even though using this
13 year's Callan capital market assumptions, it would result
14 in an expected return that is below the five percent real
15 target that we have historically sought.

16 MS. HSIEH: Bob, do you mind, if I
17 interject?

18 MR. MITCHELL: Not at all.

19 MS. HSIEH: I believe our discussion was
20 winding down the fund in a 20-year time period versus a 10-
21 year time period. The Koniag runs off of a different time
22 period.

23 MR. MITCHELL: Okay. Okay.

24 MS. HSIEH: So we discussed altering --
25 with both the Koniag and this fund, altering the asset

1 allocation in the last approximately seven years of the
2 fund, for example.

3 MR. HARTIG: Is it okay to ask a question
4 now, or do you want to wait?

5 CHAIRMAN ZEMKE: Bob, are you done with
6 your presentation?

7 MS. HSIEH: He has more of his
8 presentation, but he had just.....

9 MR. MITCHELL: Yes, I am.

10 MS. HSIEH:represented a 10-year wind
11 down. I just wanted to correct that.

12 MR. HARTIG: Yeah, may I just ask a
13 question? Bob, this is Larry Hartig. I want to make sure
14 I'm getting this point. I think it's a very important one
15 that I don't know I've got it. And that is, if we keep at
16 the five percent real return, whether it's for just the two
17 funds or all our investment, are you saying that the
18 standard deviation's going up with risk of inflation or
19 whatever, more volatility in the equities, so that a five
20 percent real return, to achieve that, we're going to have
21 to take on more risk, or are you.....

22 MR. MITCHELL: That's right. And you can
23 see that if you look at Page 8. If you look at the column
24 on the bottom table, the far right column, it shows
25 standard deviation. And it shows what the expected return

1 -- well, it shows the expected return and standard
2 deviation of each of these approved allocations over time.
3 And you can see the pattern has been -- generally speaking
4 the required standard deviation or risk has been increasing
5 a bit over time. But it really jumps if you use this
6 year's capital market assumptions and try to achieve that
7 five percent real. It goes from about 12 percent to 14
8 percent, which is a fairly material increase, and it's --
9 it would be the largest standard deviation of all of the
10 asset -- all the asset allocations that have been approved
11 historically.

12 MR. HARTIG: Did you run it with looking at
13 if we went to a four percent return, what that would do
14 with the standard deviation?

15 MR. MITCHELL: You know, I didn't. Excuse
16 me. If you go to Page 7, you know, the assumed inflation
17 rate is two and a half percent, so to get a four percent
18 real, that would require targeting a six and a half percent
19 return, which is below the lowest return that I have here,
20 which is seven percent.

21 MR. HARTIG: Uh-huh.

22 MR. MITCHELL: But you can see with a seven
23 percent -- this is actually -- it coincides with the return
24 -- the risk that we had last year, so if you wanted to
25 maintain the same risk, the impact would be -- you would

1 expect to receive a four -- or, excuse me, a seven percent
2 return, which would be about a four and a half percent
3 real.....

4 MR. HARTIG: Yeah. And I haven't
5 thought.....

6 MR. MITCHELL:or after inflation.

7 MR. HARTIG:this through yet, but it
8 seems to me that, you know, you would start by saying, you
9 know, are we more like a pension fund where we're going to
10 have a certain amount that we have to have at a certain
11 time, and maybe we do, like for Koniag or something, or
12 maybe we don't, and those things where we can adjust. You
13 know, if we don't achieve a five percent real return, fine,
14 you know, if we haven't lost our principal, all the better,
15 and we just fund.....

16 MR. MITCHELL: Right.

17 MR. HARTIG:less monitoring or
18 something that, you know, we can adjust. And, I don't
19 know, I guess -- I assume that's what we'd have to sort
20 out, you know, what -- where we need to have.....

21 MR. MITCHELL: Yeah.

22 MR. HARTIG:a certain amount of money
23 on a certain date and where we don't.

24 MS. HSIEH: Our.....

25 MR. MITCHELL: Right.

1 MS. HSIEH: Maybe we can.....

2 MR. MITCHELL: I would.....

3 MS. HSIEH:let Bob finish his

4 presentation. That was one of the discussions out of the

5 Investment Working Group is to revisit our investment

6 policies, which are very, very old, and discuss them with

7 those aspects, but.....

8 MR. HARTIG: Yeah. I just wanted to make

9 sure I got that point. I didn't mean to take him off on a

10 different course there.

11 CHAIRMAN ZEMKE: Thank you, Larry. Bob,

12 can you continue with your presentation then?

13 MR. MITCHELL: Well, essentially I'm -- I

14 have completed my presentation, but to just respond, or

15 perhaps add to that comment, there -- as understand the

16 budgetary requirements, there are some that are longer term

17 in nature and some that are -- have a -- kind of a cycle

18 that's, you know, three to five years. And certainly it

19 would be in my view very reasonable to just kind of see how

20 things are going in terms of actual performance over time

21 when -- kind of adjusting what your amount of expenditures

22 are. You know, to kind of be consistent with what your

23 objectives are and to, you know -- you know, so, for

24 example, if you had -- if we experienced a period of poor

25 performance, it would probably -- you know, I would

1 anticipate that there would be less spending, you know, as
2 some of these projects come open and are -- you know, those
3 or other projects are run out. And if performance does
4 well, then, you know, you certainly may have more room to
5 increase the amount of spending.

6 MS. HSIEH: So, Bob has discussed with our
7 Investment Working Group an adaptive management to go
8 alongside the Trustee Council's that's set, and their
9 priorities, and also with regard to the long-term
10 monitoring and herring programs which you're reviewing
11 today, those five-year contracts which are reviewed
12 annually by the Council. A dip in performance over a two-
13 year period during that five-year, the Council may not --
14 it may stay the course of that five-year, but it may affect
15 the second five-year contract that the Council would be
16 looking at, for example, as an adaptive measure with regard
17 to the amount of funds available.

18 MR. MITCHELL: Yeah. And certainly there's
19 no right answer in terms of, you know, what is the right
20 level of risk. I guess my -- from my perspective, what I'm
21 perceiving is a change in approach that is shortening the
22 time frame for at least one of the funds, if not two. The
23 expenditures that are contemplated are in excess of I think
24 what they would be if the fund were operating like it was
25 going to be, you know, in existence forever. And for those

1 reasons I think the impact on performance in the short term
2 will have -- will be greater, and there's not time to
3 recover from poor performance. And, you know, if -- you
4 know, if a lot of risk is taken and the result is that the
5 equity market does poorly, that could have -- that could
6 certainly noticeably alter the trajectory of spending over
7 the next, you know, period of time.

8 But having said that, there's certainly --
9 you know, I guess I'd point out two things. One, there
10 isn't a right or wrong answer; and, two, the investment
11 policy as currently written is targeting a five percent
12 after inflation return, which would be seven and a half
13 percent if you use the capital market assumptions.

14 CHAIRMAN ZEMKE: Larry, you've got a
15 comment?

16 MR. HARTIG: Yeah, just a couple quick
17 questions, Bob. I wondering, too, on -- with -- if we stay
18 at five percent or whatever, and we have this increased
19 volatility whether -- are they going to get a shorter time
20 -- shorter term investment horizon, that you just need
21 wouldn't even be able to rebound to meet your asset
22 allocation, and you'd be kind of fooling yourself by
23 assuming that you really are just bearing that risk. And
24 it's a calculated risk, but it wouldn't be real, because
25 it's not really your asset allocation, it's moving too

1 quick?

2 MR. MITCHELL: Yeah, you know, it's -- you
3 know, it's a situation where you start with \$100, you spend
4 10, you lose another 30; now you're down to 60. You know,
5 in order to get back to 90 even, you have to experience
6 very high returns, which may or may not happen, probably
7 won't. I think it's important to consider that the
8 anticipated expenditures are a high proportion of the
9 existing balance, and that will serve to lower the -- well,
10 to lower the market value expectation over time,
11 particularly as volatility increases, as the standard
12 deviation increased.

13 MR. HARTIG: Right. So, Elise, are we then
14 approving this as maintaining the investment policy for a
15 year? Are we saying that -- or approving it for a year,
16 but they're going to meet again with Bob and.....

17 MS. HSIEH: Every year this.....

18 MR. HARTIG:revisit it?

19 MS. HSIEH:Investment Working Group
20 should meet, because.....

21 MR. HARTIG: I just wonder if we should
22 wait, you know. I'm a little bit leery just approving it
23 for the next year when I think we would need to look at it
24 in the interim and think about some of these things we just
25 discussed.

1 MS. HSIEH: You can shift the asset
2 allocation at a future meeting if you had meetings in the
3 next six months, for example, and came up with a different
4 scenario. So the recommendation is to keep the asset
5 allocation the same, which I think is what, at about four
6 and a half percent is what it ends up being, to reduce some
7 of the risk, to not try and go for that five percent which
8 would increase risk. We did a similar sort of stay the
9 course around 2009 when I first came on.....

10 MR. HARTIG: Right. Yeah. I recall that.

11 MS. HSIEH:because the market was
12 having fluctuations. And if we had rigidly followed some
13 of the.....

14 MR. HARTIG: No, I'm real familiar with
15 that.

16 MS. HSIEH:formulas, so now it's
17 in.....

18 MR. HARTIG: But I'm saying.....

19 MS. HSIEH:the inverse.

20 MR. HARTIG:I'm just saying -- I'm
21 trying to see what we're doing today. We're being asked to
22 stay with the existing formula, and when would we revisit
23 it? Or when would the -- they'd wait until next year
24 and.....

25 MS. HSIEH: We'd have a spring meeting of

1 the Investment Working Group again after the next Callan
2 Associates performance report comes out in January, and
3 then you'd revisit it again in a year.

4 MR. HARTIG: So the question is are we
5 comfortable with revisiting it in a year or do we want to
6 revisit it further. I mean, I'm -- I don't have anything
7 to suggest in terms of a change right now over what we've
8 got. I'd be leery of doing that, but it worries me to hold
9 onto that five percent real return, particularly for
10 accounts where we may be locked in more tightly with some
11 kind of firm amount that we're going to need at a
12 particular time.

13 MS. HSIEH: We don't actually have -- with
14 regard to Koniag, we don't have a stipulation in.....

15 MR. HARTIG: Right. We don't know.....

16 MS. HSIEH:that sense.

17 MR. HARTIG:we don't even know what's
18 going to happen.

19 MS. HSIEH: Right. We met with Koniag last
20 fall and discussed our current way of managing the funds,
21 and they were pleased with that, and also our expectation
22 to make a more conservative, less risk asset allocation
23 towards the last five to seven years of that fund's life.
24 With regard to the research fund, when we're saying we
25 aren't trying to maintain the current target -- the current

1 asset allocation is not to maintain a five percent target.

2 MR. HARTIG: So as part of the asset
3 allocation, is that -- do we set the five percent real
4 return or would that be.....

5 MS. HSIEH: No. Actually what we're doing
6 is we're disregarding the five percent rule that has sort
7 of come about in the last few years. As, if we were to
8 follow that five percent currently, you would see a much
9 high risk.

10 MR. HARTIG: Right. So where do we set the
11 five percent real return or the -- where do we make it.....

12 MS. HSIEH: That was in a prior resolution
13 several years ago.

14 MR. HARTIG: And we're not following it now
15 with.....

16 MS. HSIEH: No.

17 MR. HARTIG:our asset allocation
18 so.....

19 MS. HSIEH: Correct. Here you would be
20 maintaining the same asset allocation that you see, the 47
21 domestic equity, the 23 international, the 30 percent
22 domestic bonds versus readjusting those to hit some sort of
23 five percent target that in the past had been used.

24 CHAIRMAN ZEMKE: I would suggest that we
25 entertain a motion to approve that asset allocation. If we

1 want to make a change, then we should make an amendment to
2 that motion to.....

3 MR. HARTIG: I just want.....

4 CHAIRMAN ZEMKE:reflect any.....

5 MR. HARTIG:to make sure we know what
6 we're doing here. And I think what I'm hearing is that
7 we're effectively at least temporarily revising the five
8 percent real return by saying we're going to stick with the
9 asset allocation we set when we really had a different kind
10 of market outlook and thoughts, that's what we needed back
11 then to achieve a five percent return. That's the way I
12 understand it.

13 MS. HSIEH: That's correct. Also the
14 Trustee Council around 2008, 2009 engaged in a lot of
15 discussions.....

16 MR. HARTIG: Yeah, and I was part of that.

17 MS. HSIEH:about the fund and the
18 spending down of the fund over a 20-year period, and that
19 was in conjunction with legal counsel, as well as it not
20 being an endowment which would last in perpetuity, for
21 example, which the five percent sort of fed more into that
22 thinking I believe historically. And under a different
23 market scenario.

24 CHAIRMAN ZEMKE: Any other questions for
25 Bob or discussion of current asset allocation.

1 (No comments)

2 CHAIRMAN ZEMKE: Hearing none, I guess I
3 would entertain a motion to set the asset allocation for
4 this coming year.

5 MR. ELTON: Let's see. I.....

6 MR. BROOKOVER: Well, I'll move that we --
7 I'll move that we approve the following asset allocation
8 for October 2011 through October 2012. And that would be
9 domestic equities at 47 percent, plus or minus 7 percent;
10 international equities 23 percent, plus or minus 7 percent;
11 and domestic bonds 30 percent, plus or minus 5 percent.
12 And my understanding is that that is the current asset
13 allocation.

14 MR. BALSIGER: Second.

15 CHAIRMAN ZEMKE: Seconded by Mr. Balsiger.
16 Any discussion on the motion?

17 MR. BALSIGER: Well, Mr. Chairman, this may
18 be slightly late, but the current allocation, of course, is
19 47 percent; it's not 47 plus or minus 7.

20 MS. HSIEH: Right.

21 MR. BALSIGER: And so just so we have the
22 understanding that we're talking about the current
23 allocation, which is 47, 23 and 30. And I think that's --
24 what is the motion.

25 CHAIRMAN ZEMKE: Okay. That's a good

1 comment. It's kind of a friendly amendment to the motion.

2 MR. BALSIGER: A clarification.

3 CHAIRMAN ZEMKE: A clarification.

4 MR. BROOKOVER: That's correct.

5 CHAIRMAN ZEMKE: I see. Okay. So that's
6 -- as Mr. Balsiger has stated the actual asset allocation,
7 including the range. Any other discussion.

8 (No comments)

9 CHAIRMAN ZEMKE: I guess I have one
10 discussion item is that as Elise had mentioned, the
11 investment policy which is included in our work package, it
12 appears that it's actually from the year 2000, so indeed
13 it's rather.....

14 MS. HSIEH: Ancient.

15 CHAIRMAN ZEMKE:it has some legs to
16 it. And it probably needs to be revisited, and that -- you
17 know, rather than dealing with it individual motions as we
18 have done somewhat informally through out process, and that
19 may be a good topic to take up in the next Investment
20 Working Group, and they can bring back suggested changes to
21 the investment policy, for at least the next Trustee
22 Council meeting, if not before.

23 MS. HSIEH: Yes, the investment policy
24 needs revision. I'm not sure that will mean that you don't
25 have an annual asset allocation where you review it, but at

1 least we would have a policy that's up to date.

2 CHAIRMAN ZEMKE: I think it may help meet
3 some of Larry's concerns about there are various categories
4 of investments and we may or may not want to undertake a
5 significant amount of risk and -- by having a formal policy
6 of what we could at least allow the publics and -- or
7 institutional memories remember what we're actually trying
8 to accomplish with our investment strategies for the
9 various funds.

10 MR. HARTIG: Yeah, I think what we have --
11 and with this motion, which I support, you know, I think
12 we're -- have incrementally changed that policy, and I
13 think we need to go back and formally do that and say why
14 we're doing it, and I think it's timely -- would be timely
15 to do that.

16 CHAIRMAN ZEMKE: So as I understand it, the
17 motion's just about this current coming year -- fiscal
18 year's asset allocation. My suggestion is to -- for the
19 executive director to work with the Investment Working
20 Group to look at revising the investment policy and that's
21 not actually part of the formal motion, so.....

22 Any other discussion.

23 (No comments)

24 CHAIRMAN ZEMKE: I guess hearing none, I
25 would call for the question. I guess I'm not supposed to

1 do it as chair, but I'll call the question.

2 (Laughter)

3 CHAIRMAN ZEMKE: All those in favor of the
4 motion as presented say aye.

5 IN UNISON: Aye.

6 CHAIRMAN ZEMKE: Opposed.

7 (No opposing votes)

8 CHAIRMAN ZEMKE: Hearing none, the motion
9 is approved.

10 Okay. I guess, Elise, are there other
11 portions? We've done the Investment Working Group. That
12 looks like at least a couple other tabs underneath -- or at
13 least one more tab under that agenda item?

14 MS. HSIEH: There is. There was a -- we
15 need a correction of resolution 11-01 regarding the Jacobs-
16 Mutch/Anchor River small parcel. This is a parcel which
17 has already been purchased and this has been finalized;
18 however, to maintain the proper paperwork, one of the old
19 resolutions, 11-01 had the incorrect purchase agreement
20 execution by date. It's dated June 30th, 2009 which should
21 be December 31st of 2009. So we're presenting to you a
22 resolution -- the same -- the old resolution with the
23 corrections marked on it for your initialling after this
24 meeting.

25 CHAIRMAN ZEMKE: Will the resolution just

1 have those pen and ink changes or will it be formally.....

2 MS. HSIEH: That's correct. We discussed
3 it with Department of Law and Department of Justice and
4 this was the manner which they preferred versus a new
5 resolution, to go back to the old one and make corrections
6 and have the initial block on the bottom, and we also
7 recounted the history of where the incorrect date was
8 inserted in prior resolutions. So this is a matter of
9 housekeeping. All of this has actually been completed.

10 CHAIRMAN ZEMKE: Thank you for that
11 clarification. Any discussion on that? Call -- is there a
12 motion.

13 MR. BALSIGER: Mr. Chairman. I move that
14 we approve correction to the erroneous date on resolution
15 11-01, changing it from June 30, 2009 to December 31, 2009.

16 MR. ELTON: Second.

17 CHAIRMAN ZEMKE: Second by Mr. Elton.
18 Okay. Any discussion on that motion.

19 (No comments)

20 CHAIRMAN ZEMKE: Hearing none, I'll call
21 the question. All those in favor say aye.

22 IN UNISON: Aye.

23 CHAIRMAN ZEMKE: Opposed.

24 (No opposing votes)

25 CHAIRMAN ZEMKE: Hearing none, the motion

1 is approved as presented.

2 Are there any other items?

3 MS. HSIEH: No.

4 CHAIRMAN ZEMKE: Seeing none, I guess we'll
5 move on on the agenda. We're on to item number 6,
6 amendment to the Gail Irvine project, 11100112-A. Dede
7 Bohn will be presenting that.

8 MS. BOHN: This is Dede Bohn with USGS.
9 We're requesting an amendment to project 11100112 which you
10 approved last year and which we had planned as a one-year
11 field project, looking at lingering oil on boulder-armored
12 beaches in the Gulf of Alaska 20 years -- 22 years after
13 the spill. This project is a continuation of long-term
14 monitoring of lingering oil that we've done at six sites.

15 What's notable here is that these are
16 outside of Prince William Sound in the Gulf of Alaska. The
17 last survey, six years ago, revealed relatively unweathered
18 oil still persisted at these sites.

19 Five of the monitoring sites are on the
20 Katmai National Park coast, and the sixth side is in the
21 Kenai Fjords.

22 Our field research this last summer, 2011,
23 was hindered due to severe bad weather. We had a crew and
24 a boat in Cook Inlet, Shelikof Strait for seven days, but
25 we were only able to get to shore and sample on two low

1 tides because of rough winds and rough water.

2 In this amendment we're requesting to
3 postpone the field work to FY 12 when we would try again to
4 complete it, and to delay all of our due dates
5 correspondingly for one year.

6 In this amendment we're requesting
7 replacement costs that we expended for the boat charters,
8 contract, personnel time and travel so we could try it
9 again in FY 12. We will evaluate the status of the
10 lingering oil and determine if oil is leaking from its
11 subsurface locations into the environment. In this
12 amendment we're requesting \$61,700, which includes the G&A
13 costs.

14 Are there any questions. Stay out of
15 Shelikof Strait?

16 (Laughter)

17 MS. BOHN: That's the best advice.

18 CHAIRMAN ZEMKE: During that period of
19 time? I guess that's any time of the year probably.

20 MS. BOHN: Right. Rough going.

21 CHAIRMAN ZEMKE: Any questions, other
22 questions for Dede.

23 MR. BROOKOVER: Dede, I just had a
24 question. I understand the work last year was impacted by
25 weather, and, you know, that's not uncommon. It's

1 understandable. And I've looked at the period of time, you
2 know, you're planning on being on this next year. Do you
3 expect to -- I mean, is it reasonable to expect the project
4 to be completed given weather conditions as we normally see
5 them in Prince William Sound.....

6 MS. BOHN: In all of our.....

7 MR. BROOKOVER:and how they
8 fluctuate?

9 MS. BOHN:years of going out there,
10 this is the first time we've been skunked. So what she
11 usually does is schedule seven days in the boat and she's
12 completed in five days previously, and so she allows a
13 window. We -- you know, we've done it before; we're hoping
14 it will work again.

15 MR. BROOKOVER: Okay.

16 MS. BOHN: They.....

17 MR. BROOKOVER: So there's some buffer
18 built into the.....

19 MS. BOHN: Yes.

20 MR. BROOKOVER:project then?

21 MS. BOHN: Yes.

22 MR. BROOKOVER: Good. Thanks.

23 CHAIRMAN ZEMKE: Any other questions.

24 (No comments)

25 CHAIRMAN ZEMKE: I guess, Dede, the cost

1 for the report writing and that will be.....

2 MS. BOHN: Delayed a.....

3 CHAIRMAN ZEMKE:moved into an.....

4 MS. BOHN:year, and that's.....

5 CHAIRMAN ZEMKE:adjacent year?

6 MS. BOHN:written in the amendment.

7 We spelled out moving the costs forward a year.

8 CHAIRMAN ZEMKE: Okay.

9 MS. BOHN: There is to be a manuscript,

10 that's the projected report, at the end of this.

11 They did visually observe persistent oil

12 this year, and they haven't usually see it at the surface.

13 But it was such rough conditions that they really want to

14 get out there and see, did we disturb these boulders? You

15 know, what's going on? They were able to deploy some of

16 the collecting strips, and those are being analyzed in a

17 written OL (ph), so they'll -- there is some data from this

18 year.

19 CHAIRMAN ZEMKE: Okay. So the passive

20 monitoring strips have been collected then and.....

21 MS. BOHN: Just, yeah, in the two locations

22 they were able to do.

23 CHAIRMAN ZEMKE: Okay. Any other

24 questions.

25 (No comments)

1 CHAIRMAN ZEMKE: I guess I'd entertain a
2 motion on this project.

3 MR. BROOKOVER: Well, I would move to
4 approve an amendment to the Irvine project to fund
5 additionally lingering oil on boulder-armored beaches for
6 \$61,700, which includes 9 percent G&A, and for any
7 applicable project management costs.

8 MR. ELTON: Second.

9 CHAIRMAN ZEMKE: Second. Any discussion on
10 the motion.

11 (No comments)

12 CHAIRMAN ZEMKE: Hearing none, I'll call
13 for the question. All those in favor of the motion as
14 presented say aye.

15 IN UNISON: Aye.

16 CHAIRMAN ZEMKE: Opposed.

17 (No opposing votes)

18 CHAIRMAN ZEMKE: Hearing none, the motion
19 is approved as presented.

20 Okay. So I guess we still have time. We
21 could move on to the tab item number 7, habitat, the Poore
22 parcel.. That would be Samantha. Or Catherine? Oops.
23 Samantha Carroll, Alaska Department of Natural Resources
24 presenting.

25 MS. CARROLL: Hello. I'm Samantha Carroll.

1 I'm from the Department of Natural Resources. And I'm here
2 to discuss the habitat protection program and the
3 nomination of the Poore parcel; how the Poore Parcel
4 benefits restoration of injured resources and services.
5 And I'm also here to provide a general overview of the
6 Kenai River parcels that have been purchased by the Kenai
7 -- or by the Trustee Council.

8 You should have a handout of the Poore
9 parcel evaluation in your packets, along with maps and
10 photos hopefully. And what I've don is I've evaluated the
11 Poore parcel using the habitat program's threshold criteria
12 and the small parcel program evaluation criteria. And
13 those questions are laid out in that handout and answered
14 specifically.

15 Today I am seeking the Trustee Council
16 approval to purchase the Poore parcel for habitat
17 protection. I'll present the parcel and its habitat links
18 to restoration, the development, the threat -- the
19 potential threat, and the potential future management.

20 I will start with a description of the
21 Poore parcel. The Poore parcel is located at Mile 11 of
22 the Kenai River, and it is located across the river from
23 the Eagle Rock unit of the state park system. It is a 52-
24 acre parcel and is comprised of 30 acres of wetland, 18
25 acres of upland, and the remaining four acres there is a

1 boat launch and supporting facilities. There is 1250 feet
2 of the Kenai River frontage, half of which is protected by
3 a slough, and the other half is exposed to the main channel
4 of the Kenai River.

5 The parcel contains key habitat and
6 restoration linkages that support injured resources and
7 services such as the anadromous fish stream that is
8 catalogued by the Department of Fish and Game. This is
9 approximately 780 feet. That is a measurement that is not
10 in your materials there. I've done that since providing
11 that information to the Council.

12 The stream provides rearing habitat for
13 both sockeye and coho.

14 There are 30 acres of wetlands, of which
15 there are four different types. We have lakebed, riparian,
16 fresh water emergent, forested and shrubbed wetlands
17 located on the 30 acres. We know that these types of
18 wetlands are used by the Barrow's goldeneye and the bald
19 eagle. Nesting has been documented for both species on the
20 Kenai Wildlife Refuge and along the river corridor; however,
21 there are no known sites, nesting sites on the parcel.

22 The riparian habitat on the parcel is
23 comprised of that 1250 feet of the river frontage, and the
24 780 feet of anadromous stream. This riparian habitat
25 supports all five species of salmon and Dolly Varden.

1 Specifically, sockeye salmon migrate and rear along the
2 banks of the Kenai River. And again the anadromous stream
3 supports those coho and sockeye.

4 Protecting riparian habitat is essential to
5 these fish species, because in turn they support those
6 services that were injured, such as recreation and tourism,
7 commercial fishing and subsistence.

8 Injured species such as the Barrow's
9 goldeneye, bald eagles, and the harlequin duck use the
10 riparian habitat along the Kenai River. They use this
11 riparian habitat as a spring and fall migration route as
12 well as for feeding staging, nesting, and rearing broods
13 along the river and its tributaries. This mostly takes
14 place upstream. There's also been documentation that
15 common loons and cormorants use the Kenai River as a
16 migration corridor.

17 And, in addition, continuous and intact
18 riparian habitat are more effective at protecting habitat
19 diversity.

20 The parcel has 18 acres of uplands that are
21 comprised of aspen, spruce, birch, alder, and low-lying
22 brush. We know that the Barrow's goldeneye uses this type
23 of habitat for nesting in cavities of mature trees. And
24 according to the folks that I've been able to speak to at
25 the Kenai Wildlife Refuge, there are some birds that over-

1 winter just below Skilak Lake in the open water. And again
2 there are no known documented nests on the site.

3 Bald eagles, as stated before, use the
4 river corridor for every stage of life, and nest locations
5 are mapped annually by the Service in the Kenai area.

6 This parcel is also within the tidal reach
7 of the Kenai River, which extends to Mile 12, and this
8 parcel is at Mile 11. That supports intertidal and some
9 tidal communities. Tidal marshes and associated wetlands
10 adjacent to the river, like those found on the Poore
11 parcel, are extensive and biologically productive, and
12 provides a major migration and resting area for injured
13 fish species that use the Kenai River.

14 The Poore parcel also provides for injured
15 services, such as recreation and tourism. The recreation
16 and sport fishery along the Kenai River is concentrated in
17 the lower 20 miles of the river.

18 The parcel can be considered a strategic
19 recreational site as it provides access to and a safe
20 launch, boat launch, into the Kenai River. The parcel has
21 an existing boat launch and supporting facilities which are
22 a parking lot, there's restrooms and there is water.

23 We know that the Kenai River is a popular
24 recreational fishery for most species of salmon, as well as
25 there is a popular shore fishery from the banks of this

1 parcel for coho and pink salmon.

2 For subsistence, users would benefit from
3 the public access to the river and the supporting
4 facilities. And as we know, the habitat benefits of the
5 parcel support injured species that in turn support those
6 injured services.

7 The habitat benefits of the parcel also
8 contribute to restoration of commercial fisheries. Again,
9 the parcel supports those species that were in -- that
10 injured services are dependent.

11 And, of course, there's the passive use,
12 which is intrinsic value of undisturbed areas and the value
13 derived from simply knowing that those resources exist.

14 In addition, the last time we discussed the
15 parcel, there were several questions remaining from
16 Trustees regarding development potential. I'll touch on
17 this and the potential threats. The development potential
18 of the parcel is good and it's zoned as residential. The
19 appraisal has established that the developer would have
20 very little trouble obtaining any permits for development.
21 In addition, the parcel offers unique opportunity to
22 purchase a large parcel along the Kenai River with water
23 frontage. And the appraisal report has indicated that the
24 demand for such large parcels along the Kenai is greater
25 than the supply.

1 The adjacent lands have already been
2 subdivided, adding to the potential threats of habitat loss
3 if the parcel is not protected. The highest and best use
4 for the parcel, as determined by the appraisal, is
5 residential subdivision.

6 Future management of the parcel, if
7 purchased, will be assigned to the Division of Parks and
8 Outdoor Recreation. The division can very easily
9 incorporate this parcel into their existing management
10 portfolio.

11 That concludes my presentation on Poore.
12 If the Council is interested in purchasing the parcel for
13 habitat protection, the fair market value of the property
14 has been established at \$1.1 million, and that is also the
15 funding request in front of you today.

16 I can move on to the Kenai River summary
17 unless the Council wants to stop here for questions.

18 CHAIRMAN ZEMKE: Let's stop for
19 questions.....

20 MS. CARROLL: Okay.

21 CHAIRMAN ZEMKE:on that specific
22 parcel. Are there any questions for Samantha on the
23 parcel?

24 MR. HARTIG: Yes.

25 CHAIRMAN ZEMKE: Larry.

1 MR. HARTIG: Yes, this is Larry. I didn't
2 just read it real carefully, but was there an erosion issue
3 on this parcel? I mean, is it subject to significant
4 erosion or will it be there for a while?

5 MS. CARROLL: Not that was identified in
6 any of the reports that we contracted for, the appraisal
7 and the haz mat.

8 MR. HARTIG: Uh-huh.

9 MS. CARROLL: But I imagine with any river,
10 there is a cut bank.....

11 MR. HARTIG: Yeah. And.....

12 MS. CARROLL:and I think it may be
13 cutting towards the southern -- I guess it's the northern
14 end, the downriver end of the parcel, but I don't have
15 anything to confirm that. That would just be a guess of
16 looking at the river.

17 MR. HARTIG: Okay.

18 CHAIRMAN ZEMKE: Is the current access all
19 private, in that is there informal use on the parcel by
20 publics that don't actually pay to enter the property
21 through the current owners?

22 MS. CARROLL: I can't say for sure. The
23 only use that I am aware of is that that has gone through
24 the commercial activities that -- of the boat launch
25 currently.

1 CHAIRMAN ZEMKE: I know many of the parcels
2 that are in public ownership on the lower river have access
3 restrictions on them during the season based on -- unless
4 they have improvements to provide for access without
5 causing significant erosion. Did you -- I assume if it
6 went to DNR that those types of provisions would be
7 provided for protection of the bank habitats on the river?

8 MS. CARROLL: I would imagine so, yes, that
9 the division would be very interested in keeping those
10 intact as much as possible.

11 CHAIRMAN ZEMKE: Okay. Any other questions
12 for -- Larry.

13 MR. ELTON: Kim.

14 CHAIRMAN ZEMKE: Pardon? Kim I mean, yeah.

15 (Laughter)

16 CHAIRMAN ZEMKE: Excuse me. We're getting
17 to be kind of all.....

18 MR. ELTON: He has.....

19 CHAIRMAN ZEMKE:grey beards here.

20 MR. ELTON: He has more hair than I do.

21 What is the commercial charge for -- what
22 does a person pay now to access the boat ramp?

23 MS. CARROLL: Just access?

24 MR. ELTON: Yeah.

25 MS. CARROLL: I think it's \$15. Let me

1 just doublecheck for you. And it's also my understanding
2 that it fluctuates a bit dependent on the current use and
3 the capacity of other areas.....

4 MR. ELTON: Okay. But it -- the.....

5 MS. CARROLL:sort of informally.

6 MR. ELTON: The follow-up question,
7 Samantha.....

8 MS. CARROLL: Yeah.

9 MR. ELTON:would be, I mean, would we
10 expect the cost to the public to go up.....

11 MS. CARROLL: No.

12 MR. ELTON:under management of.....

13 MS. CARROLL: It would go down.

14 MR. ELTON: Okay.

15 MS. CARROLL: The launch -- current fees
16 for the launch are published at \$15. Parking would be an
17 additional 10.

18 MR. ELTON: Okay.

19 CHAIRMAN ZEMKE: Are you ready to ask for
20 something?

21 MS. HSIEH: No. It's a private entity.
22 It's okay.

23 MS. CARROLL: Currently it is. It's a
24 private commercial business that is run on the property
25 now.

1 MR. BALSIGER: So, Mr. Chairman.
2 CHAIRMAN ZEMKE: Yes, sir.
3 MR. BALSIGER: So each time then a person
4 launches a boat, it costs them 25 bucks? Or \$15?
5 MS. CARROLL: Yes. Currently.
6 MR. BALSIGER: Thank you.
7 MS. CARROLL: Uh-huh.
8 CHAIRMAN ZEMKE: Well, Kurt's not here; we
9 could ask him, but I think he's already out seeing.....
10 MS. CARROLL: He may be there already.
11 CHAIRMAN ZEMKE:going to do a.....
12 UNIDENTIFIED VOICE: He just floats by it,
13 he doesn't stop.
14 CHAIRMAN ZEMKE: Oh, okay. Thank you for
15 that information.
16 Any other questions for Samantha.
17 (No comments)
18 CHAIRMAN ZEMKE: I guess we're done with
19 the questions for that. I guess we can move on to the
20 presentation on the remaining Kenai.
21 MS. CARROLL: Okay. The Kenai River
22 summary. Stemming from our last conversation, there was
23 questions -- I guess that conversation was in the February
24 meeting. I prepared an overview of all of the Kenai
25 parcels that the Trustee Council has purchased. And you

1 should have received a copy of that summary. I don't know
2 if it's currently in the packet or not, but.....

3 CHAIRMAN ZEMKE: It's in the packet.

4 MS. CARROLL: It is. Okay. Great. So in
5 looking at that, there were approximately about nine
6 parcels along the river. And the reoccurring habitat
7 benefits that are found on those parcels that support
8 injured species can be summarized as having riparian
9 habitat, wetland, some are within the tidal reach, and they
10 contain river frontage. Most of the parcels contain river
11 frontage, which are all similar to those that we can find
12 on the Poore parcel. And that's looking at the summary.

13 CHAIRMAN ZEMKE: Is there any other
14 questions on the Kenai River summary that Samantha has
15 presented.

16 (No comments)

17 CHAIRMAN ZEMKE: Thank you very much.

18 MS. CARROLL: And, Steve, if I may, I can
19 provide just.....

20 CHAIRMAN ZEMKE: Sure. Certainly.

21 MS. CARROLL:a very quick update on
22 existing projects and the status.

23 CHAIRMAN ZEMKE: Sure.

24 MS. CARROLL: It will just be.....

25 CHAIRMAN ZEMKE: Quick.

1 MS. CARROLL:a second. Okay. As
2 Elise said, we did purchase the Mutch-Jacobs parcel on the
3 Anchor River back in July, and we are very close to
4 finishing up and closing on the Coal Creek II parcel as
5 well as the Chokwak II parcel. Chokwak's out in Kodiak,
6 however.

7 Thank you.

8 CHAIRMAN ZEMKE: Thank you, Samantha.

9 I guess we're -- any discussions on -- back
10 on the actual purchase agreement on the Poore parcel. Is
11 there a motion to.....

12 MR. ELTON: Mr. Chair. I move we approve
13 \$1.1 million for the state of Alaska for the purchase of
14 small parcel Kenai 3010.

15 CHAIRMAN ZEMKE: Thank you, Kim.

16 MR. ELTON: You got it right.

17 (Laughter)

18 CHAIRMAN ZEMKE: Do I hear a second.

19 MS. SCHORR: I'll second.

20 CHAIRMAN ZEMKE: I hear a second. Any
21 discussion on the motion as presented. Larry.

22 MR. HARTIG: Yeah, just one question. How
23 does this leave us on our budget for other small parcels?
24 You know, as we spend more, I wonder what's left and
25 whether, you know, this fits in with kind of the priorities

1 that we have, and among the other parcels we might get down
2 the line. I mean, are we getting close to the -- where we
3 need to be concerned about spending a million dollars, or
4 does this one look good, we just go with it and not worry
5 about that right now?

6 MS. CARROLL: I don't think you have to
7 worry about the funds. I think we're at \$35 million.

8 MR. HARTIG: Okay. That's all I need to
9 know.

10 (Laughter)

11 CHAIRMAN ZEMKE: There's several in the
12 pipeline, but.....

13 MS. CARROLL: Yes.

14 MR. HARTIG: Yes.

15 CHAIRMAN ZEMKE:apparently we have
16 more than enough money to cover this portion of it.

17 Any other discussion items or questions on
18 the motion.

19 MR. BALSIGER: Mr. Chairman. Since it came
20 up, the three parcels you mentioned, what are the
21 approximate values of those, which I presume will come out
22 of the \$35 million?

23 MS. CARROLL: Those have already been taken
24 out of.....

25 MR. BALSIGER: They already have been.

1 MS. CARROLL:the 35 million I
2 believe. Yeah. And they were all under \$200,000.
3 MR. BALSIGER: Thank you.
4 MS. CARROLL: Yes.
5 MR. BALSIGER: Thank you, Samantha.
6 CHAIRMAN ZEMKE: Any other discussion or
7 questions.
8 (No comments)
9 CHAIRMAN ZEMKE: Hearing none, we could
10 hear a motion -- oh, we did hear a motion. I call for the
11 question on the motion as presented. All those in favor
12 say aye.
13 IN UNISON: Aye.
14 CHAIRMAN ZEMKE: Opposed.
15 (No opposing votes)
16 CHAIRMAN ZEMKE: Hearing none, the motion
17 is approved as presented.
18 MS. CARROLL: Thank you.
19 CHAIRMAN ZEMKE: Thank you, Samantha.
20 Okay. Let's see. We're at 1:40. We've
21 got an hour and 20 or 10 minutes. I'm not sure if we need
22 a break right now. We're moving into the.....
23 MS. HSIEH: You could -- yeah, you could do
24 the continuing proposals if you.....
25 CHAIRMAN ZEMKE: Okay.

1 MS. HSIEH:wanted, and then see if
2 you want a break.

3 CHAIRMAN ZEMKE: So let's do the continuing
4 projects and then depending on how long that takes,
5 consider taking a break at that time. So we'd be moving on
6 to the tab item number 8, fiscal year 12 proposals, and the
7 first item is the continuing projects. And Catherine
8 Boerner's here to present this.

9 MS. BOERNER: Thank you. Okay. As part of
10 your work plan you'll see a list of continuing projects.
11 There are 18 projects continuing into fiscal year 12 that
12 will need to be renewed for funding this year. I'm happy
13 to say that 17 of the projects are well under way. They're
14 meeting their schedules and their budgets, and I do not
15 believe that there would be any reason to not continue the
16 funding for those 17 projects going into fiscal year 12.

17 I just need to bring your attention to the
18 David Irons' proposal, which is the pigeon guillemot, and
19 that is project number 11100853, pigeon guillemot
20 restoration in Prince William Sound. The Trustee Council
21 as a requirement of funding this project, there's a NEPA
22 analysis being conducted. They are still in that process
23 and have not yet completed that, which was a requirement
24 for continuing funding in the out years of the program.

25 So what we would like to do is ask the

1 Trustees to not vote on that on that -- on funding for that
2 project today. We will be coming to you probably later in
3 the year at another meeting with a completed NEPA analysis
4 that you can review and then decide if you'd like to
5 provide future funding for that project.

6 But the other 17 projects on the list,
7 there are no issues at this time. Any questions.

8 CHAIRMAN ZEMKE: Questions for Cathy. Jim.

9 MR. BALSIGER: Mr. Chairman. Catherine.
10 Many of these projects will get -- have the potential to be
11 picked up in the long-term monitoring, like -- right?

12 MS. BOERNER: Uh-huh. (Affirmative)

13 MR. BALSIGER: But I -- are there some of
14 these 17 projects that expect to terminate or we know
15 they're going to run forever or what is -- when do they
16 come of this list?

17 MS. BOERNER: The -- these were funded as
18 multi-year projects. They will be completed, all -- almost
19 all of the projects will complete fiscal year 13. And
20 while a lot of these PIs are represented on both the
21 herring and long-term monitoring programs, they have
22 acknowledged that in their budgets for those programs.
23 They're going to be using the funding that's currently in
24 place for the first two years. And then the pick-up
25 funding is part of the long-term monitoring and herring

1 programs in the out years.

2 MR. BALSIGER: Thank you very much.

3 MS. BOERNER: So there will be no double
4 dip.

5 MR. BALSIGER: Mr. Chairman.

6 CHAIRMAN ZEMKE: So other -- maybe the
7 Irons I don't think is in the long-term.....

8 MS. BOERNER: No.

9 CHAIRMAN ZEMKE:monitoring. Are --
10 other.....

11 MS. BOERNER: Not this project.

12 CHAIRMAN ZEMKE:than that, are
13 there.....

14 MS. BOERNER: Right. This proj.....

15 CHAIRMAN ZEMKE:other projects that
16 are not included in the long-term monitoring that would
17 have additional fiscal years worth of funding in FY 13 and
18 14 on this list?

19 MS. BOERNER: The only project would be the
20 Irons project, which has funding through fiscal year 16.

21 CHAIRMAN ZEMKE: All right. Thank you.

22 Any other questions for Catherine.

23 (No comments)

24 CHAIRMAN ZEMKE: Do I hear a motion for
25 approval of these projects.

1 MS. SCHORR: I move we approve funding for
2 the continuing projects identified in the federal fiscal
3 year 2012 draft work plan, which includes 9 percent general
4 administration, and for any applicable project management
5 costs; with the exception of funding for Irons Project
6 11100853, which may be reviewed by the Council at a future
7 meeting after completion of the NEPA review of the project.

8 CHAIRMAN ZEMKE: Thank you. Do I hear a
9 second to the motion.

10 MR. ELTON: Second.

11 CHAIRMAN ZEMKE: Kim seconded the motion.
12 Any discussion on the motion.

13 (No comments)

14 CHAIRMAN ZEMKE: Hearing none.....

15 MS. SCHORR: Question.

16 CHAIRMAN ZEMKE: Question for the motion.

17 All those in favor of the motion as presented say aye.

18 IN UNISON: Aye.

19 CHAIRMAN ZEMKE: Opposed.

20 (No opposing votes)

21 CHAIRMAN ZEMKE: Hearing none, the motion
22 is approved as presented.

23 So I guess we're on to -- let's see, I
24 think the next item may be rather long, so let's take a
25 short break. Come back at five till two, and we'll move

1 onto the long-term monitoring program.

2 Thank you.

3 (Off record)

4 (On record)

5 CHAIRMAN ZEMKE: All right. This is Steve
6 Zemke, Chair of the session. Let's -- we're back in
7 session at approximately 2:00 p.m., a little bit behind
8 schedule, but ready to move on.

9 We're currently on the tab 8, the fiscal
10 year 2012 proposals, and moving into the long-term
11 monitoring program discussion. And Catherine's going to
12 lead that for us right now. Thank you.

13 MS. BOERNER: All right. Okay. At your
14 last Trustee Council meeting you selected preferred
15 providers -- or preferred proposers for the -- sorry about
16 that for a moment. My brain -- my tongue just twisted
17 around it. You selected preferred proposers for each of
18 the topics that were in the FY 12 invitation.

19 The first of those that we're going to
20 speak to was the long-term monitoring program which was
21 proposed by AOOS and the Prince William Sound Science
22 Center.

23 I'm going to take a slight break from our
24 normal protocol and I'm going to actually ask if a member
25 from -- or a representative from the team would actually

1 like to join me here, because I do think there's going to
2 be a lot of questions. I'd like to be able for both of us
3 to answer them at the same time if that's acceptable to the
4 Council.

5 CHAIRMAN ZEMKE: Are there any objections.

6 (No comments)

7 CHAIRMAN ZEMKE: Hearing none, it's fine
8 with me. Thank you.

9 MS. BOERNER: Nobody gets off that easy.
10 Okay. I'll provide.....

11 MS. McCAMMON: But I may need my back-up,
12 too, so.....

13 MS. BOERNER: But I figured I'd at least
14 give you a quick summary of the work that's happened since
15 last time. They -- the program is a suite of projects.
16 They're hope -- aiming to gather biological, ecological,
17 and oceanographic data. The science panel, myself, the
18 executive director, and the PAC seemed quite satisfied with
19 the projects that were listed as part of the program. We
20 have reviewed them. As we've noted in the work plan, the
21 data management is still a source of some concern for many
22 members of the science panel, myself, the PAC, and the
23 executive director, and that is something I know we'll be
24 talking about in the next line item.

25 As part of their original program, they did

1 also submit two potential lingering oil proposals for us to
2 look at that were outside of the scope of -- or outside of
3 the budget that they had originally proposed, and that
4 would be the Ballachey project and the Carls project, both
5 of which are lingering oil focused. I'll summarize those
6 proposals just very quickly for you.

7 The Carls proposal, they're looking to
8 revisit 12 of the worst-case oiling sites to continue the
9 long-term data tracking of oil weathering and oil exposure.
10 And the Ballachey project was working with Dan Esler, and
11 they're going to be looking at harlequin duck and sea otter
12 oil exposure, and that will be to resample samples that
13 were gathered in 2012, to review the biomarker levels.

14 I think what I'd probably like to do is
15 open the discussion at this point, because I do know
16 there's a number of questions and issues, or if there's any
17 further details you would like from me or Molly, we're
18 happy to provide it at this time.

19 CHAIRMAN ZEMKE: Okay. Thank you,
20 Catherine.

21 MS. BOERNER: Uh-huh.

22 CHAIRMAN ZEMKE: Are there any questions to
23 either Catherine or Molly at this time.

24 MS. BOERNER: Probably to Molly.

25 MS. HSIEH: I don't know if it would be

1 helpful for me to also provide a dovetailing of the -- the
2 Council at the last meeting also asked the executive
3 director and the staff here with regard to the data
4 management concerns that are relevant to both the long-term
5 monitoring and herring program to communicate with those
6 programs and seek out some options to help bolster that
7 area in those proposals. You also asked for some
8 bolstering in some other proposals, too, that will be
9 discussed later on, but this is our first example.

10 And in response, AOOS and the NCEAS have
11 submitted a joint proposal. And it will be part of the
12 long-term monitoring program that provides data management
13 that I believe cross-cuts both long-term.....

14 MS. BOERNER: Uh-huh.

15 MS. HSIEH:monitoring and the.....

16 MS. BOERNER: And herring.

17 MS. HSIEH:herring, and actually it
18 is a joint proposal under the long-term monitoring program
19 umbrella, which addresses many of those concerns that were
20 raised at the last Trustee Council meeting, and which have
21 been echoed by the science panel, and full PAC, the science
22 coordinator, and myself. That joint proposal has been
23 reviewed and met with great accolades by the select -- the
24 science panel members which have continued to work with us
25 on this subject.

1 And also the PAC at their last meeting
2 talked about the collaboration. They didn't have the
3 proposal in hand at that time, because of timing, but they
4 were very, very supportive and encouraged the Trustee
5 Council to invest in data, both historical -- they
6 mentioned historical, these future programs and the
7 synthesis effort. And they understood it was an additional
8 expense, but believed it would add and bolster to both
9 programs as well as addressing some of the data issues that
10 we've had with this entity over the last 20 years as well.

11 CHAIRMAN ZEMKE: Thank you for that
12 additional information, Elise.

13 Again, are there any questions specifically
14 about the presentation so far.

15 (No comments)

16 CHAIRMAN ZEMKE: I guess I would entertain
17 a motion for the project.

18 MR. BALSIGER: Mr. Chairman. Just before
19 the motion, I think everyone understands that this is a
20 long-term funding idea, but we'll have annual -- perform
21 annual amounts. So even though those projects go for
22 several years, we're talking about money for the first year
23 right now. And I think everybody knows that, but I just
24 thought I'd say it. And because of that, in a year we as
25 Trustees get an op -- have an -- we'll have an opportunity

1 to make sure everything's going as it should be, as it's
2 expected, as Ms. McCammon promised us earlier.

3 (Laughter)

4 MS. McCAMMON: Reports.

5 MR. BALSIGER: So we'll be -- have that
6 opportunity to have those mid-course check points.

7 CHAIRMAN ZEMKE: Thank you for that
8 clarification.

9 MR. BALSIGER: Yeah. And with that, if I
10 might.....

11 CHAIRMAN ZEMKE: I noticed a nod to
12 the.....

13 MS. McCAMMON: Absolutely.

14 CHAIRMAN ZEMKE:principal
15 investigator.

16 MR. BALSIGER: And with that, if I could
17 then, I would move we approve funding the project 12120114,
18 the long-term monitoring of marine conditions and injured
19 resources and services, including a general administration
20 fee not to exceed nine percent and any applicable project
21 management costs; the first year of this multi-year funding
22 is authorized for October 1 2011 to January 31, 2013 --
23 that doesn't seem like a year to me.

24 MS. HSIEH: It's a year and four months.

25 MR. BALSIGER: Okay. And it is to be

1 reviewed annually thereafter by the Council and is to lapse
2 on January 31st, 2016.

3 CHAIRMAN ZEMKE: Thank you, Mr. Balsiger.

4 MR. ELTON: Second.

5 CHAIRMAN ZEMKE: Second. And are there --
6 is there discussion on the motion.

7 MS. HSIEH: Just as a matter of
8 information, we're looking at administrating these
9 contracts through NOAA currently through a five-year grant,
10 cooperative management agreement. We're looking at
11 different options.

12 Again, you would be looking at this funding
13 annually. This first year, however, we'll be asking for
14 you to review a year and four months of funding, because
15 we'd be starting these on a February 1st time line, so
16 there won't be -- in the past there was an annual gap of
17 funding of up to four months. So this would remedy those
18 issues as well as improve some other things
19 administratively.

20 MS. SCHORR: And so the lapse date of
21 January 31st, 2016 is any funding that hasn't been
22 expended.....

23 MS. HSIEH: That's correct.

24 MS. SCHORR:at -- by that date.....

25 MS. HSIEH: That's correct.

1 MS. SCHORR: Okay.

2 MS. HSIEH: This is similar to what we've
3 done with our herring program, with our three-year
4 contracts and other multi-year contracts we have. Here
5 we're looking at a five-year contract starting February
6 1st, although the funding is put in place October 1st.

7 MS. SCHORR: Right.

8 MS. HSIEH: And then it lapses at the end
9 of the five-year period, although annually you'll come in
10 to look at the annual funding.

11 MS. SCHORR: Thanks.

12 CHAIRMAN ZEMKE: Normally we're looking at
13 a.....

14 MS. HSIEH: 12 months.

15 CHAIRMAN ZEMKE:May meeting and late
16 August, early September. How does that relate to the
17 January 31st implementation time?

18 MS. HSIEH: Right. We still will be
19 looking at a -- probably since it's hard to get people
20 together in August we've been discovering, so this -- we'll
21 still be working to get together in September, but this
22 longer time period will allow these contracts to be in
23 place. There used to be this gap where no one had funding
24 for three or four months. And with these sort of
25 administrative programs, that would be very difficult. In

1 the past people had field work, so they'd kind of limp
2 along. This way they'll have funding year around that's
3 planned, and they won't have to be creative about funding
4 codes, et cetera. It will be in place February 1st. it
5 will also be helpful for our Trustee Council staff, because
6 we can let the Department of Revenue know about the release
7 of funds and they can time it. It just gives a window of
8 time to get things in place between the Council approving
9 the funding actually the contract starting. So you'll
10 still have a Trustee Council meeting in the autumn, in
11 September.

12 CHAIRMAN ZEMKE: Do you anticipate any
13 problem, because this isn't really either a state fiscal
14 year or a federal fiscal ending time? Is there -- what
15 kind of complications are potential.....

16 MS. HSIEH: We've been discussing.....

17 CHAIRMAN ZEMKE:with that date?

18 MS. HSIEH:it with the programs, and
19 with Dede Bohn and Pete Hagen who have worked extensively
20 on contracts as well as Catherine with the Trustee Council,
21 and -- as well as our state folks and the federal
22 contracting folks, and we think it will actually be okay,
23 and actually in the end be beneficial, because we'll have
24 time to contracts in place instead of them theoretically
25 being in place October 1st when really they were never in

1 place that quickly.

2 MS. McCAMMON: Mr. Chairman.

3 CHAIRMAN ZEMKE: Yes.

4 MS. McCAMMON: What it does mean is that
5 next fall you'll only get a report based on about seven
6 months of work, so you won't -- that first year, you won't
7 have a full 12 months of work to look at, so just to be
8 aware of that.

9 CHAIRMAN ZEMKE: I think we're looking at
10 kind of more just core data.....

11 MS. McCAMMON: Yeah.

12 MS. BOERNER: Yeah. Right.

13 CHAIRMAN ZEMKE:anyway, no really
14 synthesis or.....

15 MS. McCAMMON: But when you're voting on
16 next year's funding, you'll only have to be able to review
17 the seven months of work, not a full year for that.

18 CHAIRMAN ZEMKE: Okay. Thank you for that
19 clarification. Any other questions. Any other discussion
20 on this.

21 (No comments)

22 CHAIRMAN ZEMKE: Just hearing -- I've got
23 -- looking at this, it is a very well thought out program,
24 and I'm glad we're putting together or trying to look at
25 comprehensive ways of looking at things rather than

1 individual investigator approach that we may have gone in
2 the past which provided very good information, but at the
3 same time it was not a good - not a really good way to, you
4 know, put it together in a comprehensive manner, and this I
5 think is a good way forward. And with that I would intend
6 to vote for the motion.

7 I guess -- any other comments or questions.

8 (No comments)

9 CHAIRMAN ZEMKE: Hearing none, I would call
10 for the question. Just -- did we get a motion? I forgot.

11 MR. BALSIGER: I read the motion.

12 CHAIRMAN ZEMKE: Okay. On Mr. Balsiger's
13 motion as presented, I call for the question. All those in
14 favor say aye.

15 IN UNISON: Aye.

16 CHAIRMAN ZEMKE: Opposed.

17 (No opposing votes)

18 CHAIRMAN ZEMKE: Hearing none, the motion
19 is approved as presented.

20 Thank you. Thank you very much, Molly.

21 MS. McCAMMON: Great.

22 CHAIRMAN ZEMKE: I guess we'll move on to
23 the next.....

24 MS. BOERNER: The second one.

25 CHAIRMAN ZEMKE:portion, tab on the

1 agenda item, the data.....

2 MS. BOERNER: And you're sucked back in.

3 You have to.

4 CHAIRMAN ZEMKE:management for long-

5 term.....

6 MS. McCAMMON: Yeah.

7 CHAIRMAN ZEMKE:monitoring in the

8 herring programs. I guess we -- there has been some

9 discussion on that.....

10 MS. BOERNER: Yeah.

11 CHAIRMAN ZEMKE:already, but.....

12 MS. BOERNER: And actually the -- we'll

13 just go around to make the clarification that that work

14 will also include both the clarification that that work

15 will also include both the Carls and the Ballachey

16 lingering oil proposals, which were -- which are part of

17 Molly's original proposal and are included in the the costs

18 that you have there, but I wanted it to be clear that those

19 proposals are included since they were outside of the

20 original proposal.

21 MS. HSIEH: We have separate motions

22 prepared.....

23 MS. BOERNER: Yes.

24 MS. HSIEH:if the Council feels.....

25 MS. BOERNER: We're just trying.....

1 MS. HSIEH:they are necessary.

2 MS. BOERNER:to do our housekeeping
3 and make sure everybody gets what they need.

4 CHAIRMAN ZEMKE: Okay.

5 MS. BOERNER: Yeah, the Carls and the
6 Ballachey as to the program.

7 CHAIRMAN ZEMKE: I guess I'd look towards
8 the executive director. Would it be better to do those as
9 separate motions or would it be adequate to accept those in
10 the motion with the amend -- looking towards Mr. Balsiger
11 and the second that they had that understanding that those
12 were included in the original motion?

13 MS. HSIEH: I think as long as it's clear
14 on the record that you all understand that your prior
15 motion with regard to the long-term monitoring program and
16 the McCammon project, 12120114, also includes funding for
17 the Carls project, 12120121, and the Ballachey 12100808,
18 both, including general administration fee not to exceed
19 nine percent and any applicable project management costs
20 authorized similarly for October 1st, 2011 through January
21 31st, 2013. If you all are in agreement with that as being
22 part of your prior motion, then I think that would be fine.

23 CHAIRMAN ZEMKE: I'd look towards Mr.
24 Balsiger to-- would you prefer to have -- include that as
25 in the original or would you like.....

1 MR. BALSIGER: Well, Mister.....

2 CHAIRMAN ZEMKE:prefer a second

3 motion.

4 MR. BALSIGER: Mr. Chairman. I'm.....

5 CHAIRMAN ZEMKE: A separate.....

6 MR. BALSIGER:not much of a.....

7 CHAIRMAN ZEMKE: All right.

8 MR. BALSIGER:parliamentarian, but I

9 clearly did not read those, and perhaps if we had done it

10 before we voted we could have amended it, but since we

11 didn't, I would be prepared to make the motion, the second

12 objec -- just read, and say I move we approve 12120121 and

13 12100808 as they have just been described to us, and with

14 the understanding that even though they're separate, they

15 fit into the long-term monitoring program.

16 CHAIRMAN ZEMKE: I would accept that

17 motion. I think it would probably be cleaner to have a

18 separate motion as presented by Mr. Balsiger. I guess I

19 would ask for a second.

20 MR. ELTON: Well, I'll second it, because I

21 agree with that this is probably the clearest way to do it,

22 because when I made the second on the original motion, I

23 wasn't thinking in terms of this item.

24 CHAIRMAN ZEMKE: In the spirit of that,

25 would you give us a very short synopsis of the two

1 projects?

2 MS. BOERNER: Absolutely. Uh-huh. This is
3 the Carls project that's in front of you, that's a revisit
4 again to the 12 of the worst oiling sites. They want to
5 continue that long-term data set that they gathered in the
6 past that will track oil levels and oil weathering in those
7 12 areas. And that is a NOAA project.

8 And the Ballachey/Esler project is to
9 monitor biomarker indicators of harlequin ducks and sea
10 otters, which is a resample of samples that were gathered
11 in fiscal year 12.

12 CHAIRMAN ZEMKE: Any questions on either
13 one of those two projects from Council members.

14 MR. HARTIG: My understanding is the motion
15 includes the G&A of.....

16 MS. McCAMMON: Uh-huh. (Affirmative)

17 MR. HARTIG:nine percent?

18 MS. McCAMMON: Yes.

19 MS. BOERNER: And these were recommended
20 for funding by all parties.

21 CHAIRMAN ZEMKE: That's correct. I guess
22 the other question is that those would be nested back into
23 the long-term monitoring.....

24 MS. BOERNER: Uh-huh.

25 CHAIRMAN ZEMKE:program, and.....

1 MS. BOERNER: Yes.

2 CHAIRMAN ZEMKE:kind of.....

3 MS. BOERNER: Yeah. The only reason

4 they've.....

5 CHAIRMAN ZEMKE:be part of that

6 project?

7 MS. BOERNER:been brought out

8 separately is because we just -- they included it as

9 something that may be of interest to the Council, but they

10 didn't want to overwhelm their budget trying to fit into

11 the FY 12 limitation constraints.

12 CHAIRMAN ZEMKE: And after reviewing both,

13 it looked like -- were the projects -- are there any other

14 comments or questions about the motion. Any other

15 discussion.

16 (No comments)

17 CHAIRMAN ZEMKE: Hearing none, I'd call for

18 the questions. All those in favor of the motion as

19 presented say aye.

20 IN UNISON: Aye.

21 CHAIRMAN ZEMKE: Opposed.

22 (No opposing votes)

23 CHAIRMAN ZEMKE: Hearing none, the motion

24 is approved as presented. Thank you.

25 MR. BALSIGER: Mr. Chairman.

1 CHAIRMAN ZEMKE: Yes, Mr. Balsiger.

2 MR. BALSIGER: This is slightly out of

3 order, but just for the executive director, I'm not sure

4 what you call these tables, the one that looks like that,

5 and the Bochenek.....

6 MS. HSIEH: Uh-huh.

7 MR. BALSIGER:proposal that fits into

8 the herring part.....

9 MS. HSIEH: Uh-huh.

10 MR. BALSIGER:the numbers are

11 slightly different in the table than on the page, and.....

12 MS. HSIEH: Right.

13 MR. BALSIGER:it's not significantly

14 different, but just for the record.

15 MS. HSIEH: Catherine can address.

16 MS. BOERNER: Uh-huh.

17 MR. BALSIGER: Okay.

18 MS. BOERNER: Yeah. There's been a lot of

19 updates since the package you received as the numbers have

20 continued to evolve and change. The Bochen -- there's two

21 Bochenek proposals. Or I should say AOOS proposals, one as

22 part of the herring group, one that is part of long-term

23 monitoring group, and then we have the NCEAS that's in

24 front of us. But I certainly will doublecheck those

25 numbers and we'll issue an updated draft work plan to.....

1 MR. BALSIGER: Okay.

2 MS. BOERNER:ensure those numbers are

3 correct.

4 MS. HSIEH: We're assuming there are

5 several errors in that.....

6 MS. BOERNER: Yes. Uh-huh.

7 MS. HSIEH:work plan. Things have

8 been.....

9 MR. BALSIGER: It's the only one I've

10 found.

11 MS. BOERNER: Right.

12 MS. HSIEH:going fast and furious.

13 MS. BOERNER: I know. And I think we've

14 had at least six revisions probably since you received this

15 one. And just because this is a unique situation, and

16 we're making sure the numbers are correct.

17 CHAIRMAN ZEMKE: I would ask that we also

18 crosscheck the motions and then the resolutions that come

19 out of motions to make sure the numbers are correct before

20 we're.....

21 MS. BOERNER: Yes.

22 CHAIRMAN ZEMKE:ready to sign.

23 MS. HSIEH: Yes. Uh-huh.

24 CHAIRMAN ZEMKE: Okay.

25 MS. BOERNER: Sorry. Sorry, I detract --

1 or.....

2 CHAIRMAN ZEMKE: Okay.

3 MS. BOERNER:detoured us there for a
4 moment.

5 CHAIRMAN ZEMKE: That's all right.
6 Getting.....

7 MS. BOERNER: Okay. The next.....

8 CHAIRMAN ZEMKE:on track.....

9 MS. BOERNER:proposal was the data
10 management for long-term monitoring of herring, and that's
11 the proposal in front of you as listed as the Jones
12 proposal. After the science panel, myself, and the
13 executive director gave our comments and our concerns about
14 data management in both the long-term monitoring and
15 herring programs, the -- both programs have stepped forward
16 and have -- and come forward with this joint proposal which
17 utilizes NCEAS, which is an entity in Santa Barbara,
18 California, to create a collaborative data management
19 program and a synthesis of impacts and recovery status with
20 the Exxon Valdez oil spill.

21 What this would do is take our local data
22 management firm, Axiom, and would team them with a
23 nationally known informatics group who would be able to
24 help not only develop the system so it could be as rigorous
25 as possible, but would also help us provide a data

1 synthesis in the out years of the program that would help
2 us to get a clearer picture of exactly what has happening
3 in Prince William Sound.

4 This -- the numbers or the budget that's
5 requested here is in addition to the Bochenek -- the two
6 Bochenek proposals as you've al -- as you funded the long-
7 term monitoring proposal, and these are the funds requested
8 just for NCEAS.

9 I can certainly again answer questions.
10 And certainly Molly can certainly talk about.....

11 MS. McCAMMON: Uh-huh.

12 MS. BOERNER:the potential
13 collaboration with this group.

14 CHAIRMAN ZEMKE: Are there any questions
15 currently to either Catherine or Molly.

16 (No comments)

17 CHAIRMAN ZEMKE: Hearing none, I would
18 entertain a motion moving the project forward.

19 MR. ELTON: Steve, it's this one, just
20 the.....

21 CHAIRMAN ZEMKE: Yeah.

22 MR. ELTON: Mr. Chair.

23 CHAIRMAN ZEMKE: Yes.

24 MR. ELTON: I move we approve funding as
25 part of the long-term monitoring herring programs, NCEAS-

1 back slash-AOOS project 12120120, collaborative data
2 management and holistic synthesis of impacts and recovery
3 status associated with the Exxon Valdez oil spill,
4 including general administration fee not to exceed nine
5 percent and any applicable project management costs; the
6 first year of this multi-year funding is authorized for
7 October 1st, 2011 through January 31st, 2013, is to be
8 reviewed annually thereafter by the Council and is to lapse
9 on January 31st of 2016.

10 CHAIRMAN ZEMKE: Thank you, Mr. Elton. Do
11 I hear a second.

12 MS. SCHORR: Second.

13 CHAIRMAN ZEMKE: Second. Discussion on the
14 motion.

15 MR. ELTON: Mr. Chair. I'd just repeat
16 what Jim said, and I thought it was very valuable to have
17 on the record that this isn't a five-year authorization.
18 This is an authorization for one year with annual review by
19 the Trustee Council.

20 CHAIRMAN ZEMKE: Okay. You know, the --
21 there was concern about the idea between the -- kind of the
22 data mining and data management and then the synthesis
23 portion of it and how it related to some of the other
24 projects that moved down the line, and I think by taking
25 this incremental approach, we'd be able to have a better

1 feel for where we need to be particularly three years down
2 the line when we have our first synthesis conferences both
3 for this project specifically and then for the AOOS project
4 also. So it appears like it's a good approach. I think we
5 all recognize the importance of data and being able to get
6 that data in a format that is usable for both the Trustee
7 Council, but also other entities that are out there that
8 are -- would benefit greatly by having enhanced data
9 retrievability, if that's word, and being able to make
10 utilization of all that good research that has been done
11 both by this body, funded through this body, and other
12 researches that are funded through other sources such as
13 AOOS and National Fish Research Board and others. And so I
14 think this is a good approach, and with that I'm intending
15 to vote positive on the motion..

16 Any other discussion.

17 (No comments)

18 CHAIRMAN ZEMKE: Hearing none, I guess I'd
19 call for the question. All those in favor of the motion as
20 presented say aye.

21 IN UNISON: Aye.

22 CHAIRMAN ZEMKE: Opposed.

23 (No opposing votes)

24 CHAIRMAN ZEMKE: Hearing none, the motion
25 is approved as presented. Thank you very much.

1 MS. McCAMMON: Thank you very much.

2 MS. BOERNER: That was a very quick 40
3 minutes; thank you, gentlemen and lady.

4 CHAIRMAN ZEMKE: Well, the briefing
5 packages that we have are very definitive and really helped
6 us be able to move through the myriad of questions and
7 concerns that we've all had. And we've had some
8 discussions, certainly nobody talked about where they were
9 as far as decision, but I think we got a lot of our answers
10 -- our questions answered in other forums and.....

11 MS. BOERNER: Good.

12 CHAIRMAN ZEMKE:that was very helpful
13 to bring us to being able to come to a consensus in a
14 relatively short period of time.

15 MS. BOERNER: We're glad to hear that.

16 CHAIRMAN ZEMKE: We appreciate the packages
17 that have been presented by the -- our Trustee Council
18 executive director and her staff.

19 MS. BOERNER: Yes.

20 CHAIRMAN ZEMKE: Thank you.

21 MR. ELTON: And I would also add that I
22 appreciate the work that AOOS and NCEAS.....

23 MS. BOERNER: Uh-huh. Absolutely.

24 MR. ELTON:put into coming to a
25 resolution on some of the issues that had been raised. I

1 think that was very important work and I appreciate it.

2 MS. BOERNER: Uh-huh.

3 CHAIRMAN ZEMKE: Thank you for that
4 comment, Mr. Elton.

5 MS. BOERNER: I'm glad they thought of
6 that, yes.

7 CHAIRMAN ZEMKE: Okay. I guess we're on to
8 being able to -- on the Prince William Sound herring
9 research and monitoring program. Catherine, you're.....

10 MS. BOERNER: I'm back.

11 CHAIRMAN ZEMKE: You've got another 15
12 minutes of fame.

13 MS. BOERNER: Yes, I've got -- and this
14 time I'll bring Scott Pegau with me. He's the team lead on
15 the herring program. Okay.

16 So this -- the herring program, we actually
17 have a PWS herring survey project in the field right now,
18 and this program would continue to build on that work, and
19 so it wouldn't duplicate it, but it would build on what's
20 existing. They presented a very comprehensive, well-
21 developed set of projects that the science panel and myself
22 were very happy with. They're well-rounded with qualified
23 researchers.

24 The main addition, based on your last
25 meeting where you asked -- where they were identified as

1 the preferred proposer, we did open discussions with the
2 Alaska Department of Fish and Game to develop, you know,
3 what may be of greatest use to them as a management agency
4 moving forward. And the one topic that did come up is
5 herring modeling would very much be critical to them being
6 able to well-manage the stock.

7 So the herring team and Scott went out and
8 there's a proposal in your package from Trevor Branch,
9 who's at the University of Washington, for a comprehensive
10 herring model. That model has been reviewed by the
11 managing agency and comments have been included in your
12 package. The updated work plan, which will be published
13 tomorrow morning will also include those comment. It was
14 my error that they are not in the public com -- public
15 package at this time. And for the most part the comments
16 are something that we -- some items we would need to
17 address before the program began. I don't believe they're
18 going to have cost implications, but, you know, there would
19 definitely be some open discussion between the team, ADF&G,
20 and Trevor -- you know, and Trevor Branch to ensure that
21 the model is as rigorous as possible.

22 Again, these projects do have very strong
23 support from myself, from the PAC, from the science panel
24 and from the executive director, and with that I'll open
25 the floor to questions for either myself or Scott.

1 CHAIRMAN ZEMKE: Thank you, Catherine.
2 Are there questions for either -- Jim.
3 MR. BALSIGER: Thank you, Mr. Chairman. So
4 I don't believe I've met Dr. Pegau before, but it says
5 William here, but you call him Scott. So it's the same
6 person, right?
7 DR. PEGAU: Yeah. I go by my middle name.
8 You know.....
9 MR. BALSIGER: Okay.
10 DR. PEGAU:I did that to one of my
11 children, too.
12 (Laughter)
13 MR. BALSIGER: Okay. Then the -- on the
14 total funding, big list, it shows that this is -- and I
15 understand that they're not exactly -- I'm not hung up on
16 this. I just wanted to know what the.....
17 DR. PEGAU: Yeah.
18 MR. BALSIGER:number is, so F-12, it
19 says \$990,000 there, but when you look at the sum of all
20 the individual columns, it's one and a quarter million,
21 so.....
22 MS. BOERNER: With the addition of the
23 Branch project.
24 MR. BALSIGER: But the Branch project.....
25 MS. BOERNER: If you add the Branch project

1 into the 990,000 it will give us the roll-up number that
2 you see there.

3 MR. BALSIGER: Well, I doubt it, but.....

4 MS. BOERNER: Okay.

5 MR. BALSIGER: But you're probably right.
6 So that's the difference. Thank you very much.

7 MS. BOERNER: Uh-huh.

8 MR. BALSIGER: That's my only question.

9 CHAIRMAN ZEMKE: Are there other questions.

10 MR. ELTON: Yeah.

11 MR. BROOKOVER: I'm.....

12 CHAIRMAN ZEMKE: Hold on. Tom, would you
13 go first there.

14 MR. BROOKOVER: I don't necessarily have a
15 question, Scott. I just wanted to say that, you know, I
16 appreciate your efforts. This herring project has gone
17 through iterations just like the long-term monitoring
18 program. And it's one I think the Council has, you know,
19 recognized the importance. Obviously herring's role in
20 Prince William Sound is a prominent one. And that's I
21 think the basis for why the herring project came as -- or
22 program became as prominent as it is in the call for
23 proposals. Like I said, we've gone through a number of
24 iterations, and I appreciate your willingness to work along
25 the lines of capturing the modeling component.....

1 DR. PEGAU: Uh-huh.

2 MR. BROOKOVER:which was in the
3 initial round, you know, much less of a component, and I
4 think that's a good thing.

5 And I appreciate your willingness to
6 working the herring review team as well, because I think
7 that's going to be important. And we discussed that in the
8 last round of funding proposals for herring that are
9 currently on-going proposals, and it hasn't really been
10 developed, but I think we've got the mechanism put in place
11 to make that work. So I appreciate it. And I think it's
12 going to -- I think it's shaped up very well.

13 DR. PEGAU: Thank you.

14 MS. HSIEH: Yes. I guess I should also --
15 besides the large woodpecker back here (jackhammer noise).
16 In our APDI annual budget, which is later on in the agenda,
17 we have included in there a Department of Fish and Game, a
18 partial funding for a position to support and coordinate
19 with the herring program as well as some funding for a
20 herring small group with oversees and works with the
21 program, so we can talk about that as well either now or
22 when we take up the APDI. Now might be even more relevant.

23 CHAIRMAN ZEMKE: I think now would be
24 probably more appropriate.

25 MS. HSIEH: Uh-huh. Okay. We have --

1 there is a -- in our budget under our Trust agency support
2 and project management, we have included a Department of
3 Fish and Game herring program coordinator. At the last
4 meeting the Trustee Council, in reviewing these initial
5 proposals with regard to herring, you asked Department of
6 Fish and Game to work with the program to see how we could
7 make the collaboration between the managing agency and the
8 program as tight and as relevant as possible. The Trustee
9 Council repeatedly has mentioned its interest in having the
10 long-term programs be relevant and helpful to the
11 management agencies of the injured resources at issue.

12 The Department of Fish and Game and the
13 programs support, as well as the science panel members and
14 the PAC, funding for 70 percent of a Department of Fish and
15 Game position such as a biometrician II or fisheries
16 specialist I to coordinate with the Council's herring
17 program. This position will provide review and feedback to
18 the Council and work with the program to ensure coordination
19 and relevancy with Department of Fish and Game resource
20 management and the Council goals.

21 I think Tom may be able to speak with more
22 detail, but Department of Fish and Game hasn't had a lot of
23 staff with regard to herring. It's been an issue; our PAC
24 and science panel has brought it up repeatedly over the
25 last, well, at least five years.....

1 MS. BOERNER: Uh-huh.

2 MS. HSIEH:and has asked the
3 Department of Fish and Game to step forward and put more
4 staff to work with our herring programs, which has not
5 happened. It has not been funded. And so this funding
6 will be above and beyond any sort of agency action that's
7 been taken for many, many years with regard to herring. So
8 it would be 70 percent EVOS-related work and 30 percent
9 statewide herring work, which also would be paid for by
10 some other funds.

11 There's also a -- in our science program
12 there's funding similar to our science panel, a herring
13 small group.

14 CHAIRMAN ZEMKE: Could you tell us what
15 page you're referring to in that?

16 MS. HSIEH: Oh, yes. In our APDI, the
17 herring position is discussed on Page 15 of 17 under Trust
18 agency support, project management. And the herring small
19 group is under science program, which is on Page 9.

20 The herring small group was a concept which
21 was raised by Department of Fish and Game with regard to
22 the herring program, which was funded in earlier years and
23 somehow never got started up, to oversee and work with the
24 herring program. This would be a small group to ensure the
25 program meets its goals, assist setting future research

1 priorities, and to provide feedback to the Council through
2 the executive director. The members approved -- would be
3 approved by the executive director in consultation with the
4 program, Department of Fish and Game, and NOAA, and would
5 include a Department of Fish and Game representative, a
6 NOAA representative, and academic and Scott -- William
7 Pegau.

8 DR. PEGAU: Yeah.

9 MS. HSIEH: This small group again is also
10 -- the PAC and science panel's been very supportive about
11 having oversight and small group input, feedback,
12 communications, and the agency has also engaged in
13 discussions with the program which have actually gone very
14 smoothly and everyone -- when we got together to talk about
15 this, everyone came to the table with the same ideas, which
16 was the partial funding for the partial new position with
17 an emphasis in modeling, and then also the small group,
18 which had been discussed prior with the prior herring
19 program. So it's been an easy collaboration so far.

20 CHAIRMAN ZEMKE: Okay. Thank you for the
21 additional information. Tom, do you have anything else to
22 add to that?

23 MR. BROOKOVER: Well, as far as the ADF&G
24 position, we have lacked a statewide scientific position
25 such as a biometrician with modeling experience for quite

1 some time. Back in, you know, 10 years, 20 years ago, we
2 -- when herring fisheries were -- there were more of them,
3 and the value was higher, we did have a statewide scientist
4 whose job was to provide scientific expertise to the
5 regions on a statewide basis for things like forecasting
6 herring returns and modeling for management purposes.
7 We've been without that position for quite some time.

8 And so in the duration that we've
9 entertained the last package of herring proposals several
10 years ago, we've been stretched somewhat to provide review
11 of those proposals, and also obviously to provide any
12 active engagement in the projects themselves, which we
13 would like to provide insofar as that it would benefit both
14 EVOSTC and the department.

15 But clearly there's a line of distinction
16 that needs to be maintained between EVOS-related activities
17 and normal management functions. And so what we envisioned
18 was 70 percent funding for a new position that would be
19 dedicated to EVOSTC projects both in the context of Council
20 support and reviewing projects annually, reviewing
21 programs, but also an active engagement with the projects
22 and project leaders themselves insofar as to take that --
23 that modeling expertise from within the fish and wildlife
24 agency will help EVOSTC and help support the EVOSTC herring
25 program.

1 The other 30 percent would be used for
2 normal management functions that we haven't been
3 conducting, and we haven't been conducting them, because we
4 haven't had the need in terms of a full position to support
5 that level. So we think the funding balance is
6 appropriate, but it's something that we will have to watch,
7 and like I said, we will be very cognizant of the line
8 between EVOS-related activities versus normal agency
9 functions. We'll be looking at -- on it at an annual basis
10 in terms of, you know, what -- how this plays out the first
11 year, and go from there.

12 The three-person working group, you know,
13 we obviously supported early on when we started the current
14 package of herring proposals. That didn't really get off
15 the ground, like Elise mentioned, but at the same time we
16 weren't in a position where we had the support that we
17 could actually, you know, help initiate that group. This
18 will provide that support. It may or may not be the same
19 person, but, for example, it may free up people that we now
20 have reviewing herring proposals that can serve in that
21 herring small group role by taking some of the review load
22 off them. So there's some efficiencies to be gained both
23 within the department, and we hope some efficiencies to be
24 gained within EVOSTC and jointly between the two.

25 CHAIRMAN ZEMKE: Thank you for the

1 additional information.

2 So is there any other discussion on the
3 projects at this time.

4 (No comments)

5 CHAIRMAN ZEMKE: I guess, looking at this,
6 I would prefer that we separate the two project proposals
7 out as separate motions.

8 MS. HSIEH: The two projects?

9 MS. SCHORR: Branch.

10 MS. HSIEH: Oh, Branch and.....

11 CHAIRMAN ZEMKE: Yeah, we have.....

12 MS. HSIEH: Yes.

13 DR. PEGAU: Versus.....

14 CHAIRMAN ZEMKE: Yeah, the Prince William
15 Sound herring research monitoring program, and then we also
16 have the population, modeling population dynamics. So.....

17 MS. HSIEH: You have.....

18 CHAIRMAN ZEMKE:those would probably
19 be.....

20 MS. HSIEH:two motions, correct.

21 CHAIRMAN ZEMKE:better to bid under
22 two separate motions rather than a combined motion.

23 MS. HSIEH: Yes.

24 CHAIRMAN ZEMKE: So do I hear a motion on
25 the first, the Prince William Sound herring research.

1 MS. SCHORR: I move we approve funding for
2 the Pegau project 12120111, Prince William Sound herring
3 research and monitoring, including general administration
4 fee not to exceed nine percent and any applicable project
5 management costs; the first year of this multi-year funding
6 is authorized for October 1st, 2011 through January 31st,
7 2013, is to be reviewed annually thereafter by the Council,
8 and is to lapse on January 31st, 2016.

9 CHAIRMAN ZEMKE: Thank you. Do I hear a
10 second.

11 MR. BALSIGER: Second.

12 CHAIRMAN ZEMKE: The motion's been
13 seconded. Any discussion on the motion.

14 (No comments)

15 CHAIRMAN ZEMKE: Well, I intend to vote
16 affirmative on the motion. I think the information again
17 that had been presented in our briefing packages and then
18 the information on some briefing calls we had briefly with
19 Dr. Pegau was very good, and he answered many I think --
20 many of my questions already, and so I'm ready vote again
21 in that affirmative.

22 With that, are there any other discussion
23 items. Questions.

24 (No comments)

25 CHAIRMAN ZEMKE: Hearing none, I'll call

1 for the question All those in favor of the motion as
2 presented say aye.

3 IN UNISON: Aye.

4 CHAIRMAN ZEMKE: Opposed.

5 (No opposing votes)

6 CHAIRMAN ZEMKE: Hearing none, the motion
7 is approved as presented.

8 I guess the second portion of our tab, we
9 had the modeling population dynamics. Entertain a motion
10 on that project.

11 MR. BROOKOVER: I will so move.

12 CHAIRMAN ZEMKE: So the motion is?

13 MR. BROOKOVER: To approve funding as part
14 of the herring program the Branch project 12120120, Prince
15 William Sound herring research and monitoring program,
16 modeling the population dynamics of Prince William Sound
17 herring, including general administration fee not to exceed
18 nine percent and any applicable project management costs;
19 the first year of the multi-year funding is authorized for
20 October 1, 2011 through January 31, 2013, and to be
21 reviewed annually thereafter by the Council, and is to
22 lapse on January 31st, 2016.

23 As mentioned, ADF&G submitted comments, and
24 our recommendation is, and part of this motion is to fund
25 the project contingent of the executive director's approval

1 of a revised proposal that addresses the concerns
2 identified in the ADF&G comments. Modification of the
3 budget will also be considered to reduce the indirect
4 costs. The funding provided is not to exceed that proposed
5 in the original.

6 CHAIRMAN ZEMKE: Okay. Do I hear a second
7 on that motion.

8 MR. BALSIGER: Second.

9 CHAIRMAN ZEMKE: The motion has been
10 seconded. Discussion on the motion. Questions.

11 MR. BROOKOVER: I might just go a step
12 further on our Fish and Game comments. So -- I think
13 Catherine mentioned that we did submit comments.
14 Apparently there's some on the back table if folks don't
15 have them.

16 MS. BOERNER: Uh-huh. (Affirmative)

17 MR. BROOKOVER: But we reviewed the
18 project, because this is an important component stemming
19 out of an earlier discussion that we had here at this
20 table, and -- where we requested the proponent to come back
21 with a modeling project, and we got exactly that. And we
22 think that's an important -- Fish and Game thinks that's an
23 important component of the over-all herring project, and
24 the next step needed to get us towards the long-term goals.

25 In general, we think the project's good.

1 We support the proponent. We think they're a great choice;
2 they have the right expertise. We think the project's cost
3 effective.

4 As with -- as is not uncommon, I guess, the
5 project was light on some of the details regarding the
6 modeling component. We'd like to see those fleshed out.
7 We also had some questions about how the holistic model
8 might relate to the ASA model that Fish and Game currently
9 uses. None of our concerns are fatal. We think they can
10 be addressed adequately. We'd just like to see them
11 addressed before the project's funded.

12 The only other concern we has -- had is the
13 expectation voiced in a statement in the proposal that
14 while we do not anticipate that there will be a major
15 change in our modeling ability in the next five years, we
16 expect the combination of monitoring and focus process
17 studies to provide incremental changes over the next 20
18 years. So we'd like to visit that expectation and see, you
19 know, how firm that is and get more clarity on that as
20 well, and maybe see if we can, you know, raise the
21 threshold a little bit in terms of when we might expect
22 what type of results.

23 So again, nothing fatal, but we'd like to
24 see those addressed perhaps through actions by the -- for
25 the executive director to lead before the project's funded.

1 CHAIRMAN ZEMKE: Mr. Elton.
2 MR. ELTON: Yeah. I would just say I
3 expect that it would have happened. It would be nice once
4 the executive approves a proposal, just to circulate it to
5 everybody so.....
6 MS. HSIEH: Uh-huh. (Affirmative)
7 MR. ELTON:that we know what the
8 final resolution of the issues that Tom brought up and
9 about how they look.
10 MR. BROOKOVER: Uh-huh.
11 CHAIRMAN ZEMKE: Do we have a tentative
12 time frame for being able to develop that direction?
13 MS. HSIEH: I'll be working with Tom, and
14 Scott I'm sure will be working as quickly as possible so we
15 can get funding in place.
16 DR. PEGAU: Uh-huh.
17 MS. HSIEH: I'm expecting you could -- I
18 don't know, Scott, what do you think.....
19 DR. PEGAU: You know, I don't know.....
20 MS. HSIEH:a whole month?
21 DR. PEGAU:Trevor's schedule, and I
22 haven't seen.....
23 MS. HSIEH: Yeah.
24 DR. PEGAU:read through the comments.
25 MS. HSIEH: Yeah.

1 DR. PEGAU: From what I've heard and what I
2 would have expected through comments, you know, it's
3 probably realistic in a month to a month and a half to have
4 it addressed and back in place.

5 MS. HSIEH: So I'm thinking two months or
6 so.

7 MR. ELTON: Can I kind of revise what I
8 said, Mr. Chairman?

9 CHAIRMAN ZEMKE: Yes.

10 MR. ELTON: I mean, it might be a good idea
11 for a draft proposal to be circulated so that everybody
12 knows what the proposed resolution is.....

13 MS. HSIEH: Uh-huh.

14 MR. ELTON:rather than just see what
15 it was. I mean, I'm comfortable that we're going to get
16 to where we need to get to, but that way we can all have a
17 certain level of comfort that it was resolved in a way that
18 everybody kind of at least.....

19 MS. HSIEH: Are you saying -- what I
20 normally would do is after we get a revised proposal and
21 after it's been -- Department of Fish and Game has already
22 reviewed it, and when they reach a point with the -- with
23 that revised proposal with -- where both parties are happy
24 with it, then I would also take a look at it, as well as
25 Catherine. Sometimes we bring in members of our science

1 panel, though in this area we wouldn't. And then I would
2 circulate it to you and give you a pretty short time
3 frame.....

4 MR. ELTON: Yeah, we can do that.

5 MS. HSIEH:for example, 10 days to 12
6 days to look at it from your staff, or at least flag for me
7 that you want further action. And pending not hearing from
8 you, then I would okay funding to go forward.

9 MR. ELTON: Yeah. I think it could be a
10 very short period of time.....

11 MS. HSIEH: Okay. That's.....

12 MR. ELTON:even a week. I don't know
13 that.....

14 MS. HSIEH: Okay. That's typically what I
15 would do.

16 MR. ELTON: Okay.

17 MS. HSIEH: Does that sound appropriate?

18 MR. ELTON: Yeah.

19 MS. HSIEH: Okay.

20 CHAIRMAN ZEMKE: Okay. That sounds
21 appropriate. Are there other questions then.

22 (No comments)

23 CHAIRMAN ZEMKE: I guess I did have one.

24 We also had in here about consideration of indirect costs.

25 How are we doing to deal with that?

1 MS. HSIEH: I'm not sure it's still a live
2 issue, but when -- in the last couple days we've been
3 discussing funding mechanisms for many of these projects.
4 I knew that this project, there was some discussion of
5 maybe trying to work some savings on the indirect, but I
6 don't really know if that's possible. But if it were, then
7 I'm sure you guys would prefer me to approve a proposal
8 that is less than the original amount proposed. It would
9 not exceed that. We'll continue to work on those areas.

10 CHAIRMAN ZEMKE: So you're so directed to
11 do that.

12 MS. HSIEH: Thank you.

13 (Laughter)

14 CHAIRMAN ZEMKE: I guess I have one final
15 question about whether or not this project would interface
16 at all with the long-term monitoring herring/NCEAS
17 synthesis proposal, and, you know, how -- or at least how
18 you would envision that kind of interfacing with that
19 effort?

20 DR. PEGAU: I'll start from the herring,
21 the other monitoring components, you know, when we put the
22 package together, we recognized that that was a huge gap.
23 Then I was the one who went out and was recruiting
24 modelers, you know, and talked to several different
25 modelers then so that I could -- working with Trevor,

1 because of the skills that they could bring as an area.
2 You know, when you start looking for fisheries modelers,
3 Seattle's a really good place to be looking. So, you know,
4 it just provided a lot more opportunities there.

5 The types of modeling that we were
6 requesting of him, I think fit very well with the long-term
7 monitoring. There are differences, you know, we are
8 definitely kind of a species-based. And where it really
9 fits in with the NCEAS model is NCEAS would then take it
10 out of the fisheries base and look at the same type of
11 questions, but more as an ecosystem. And so, you know, our
12 focus is on some of the physical characteristics of the
13 fish and then what we see NCEAS doing is expanding that to
14 the environment. And so they all kind of funnel up into
15 each other.

16 CHAIRMAN ZEMKE: Okay. Thank you.
17 Appreciate that explanation.

18 Any other questions. Yes, Tom.

19 MR. BROOKOVER: Just a small one. I think
20 I understand, but, Scott, the Branch proposal was submitted
21 separately from the original proposal you.....

22 DR. PEGAU: Correct.

23 MS. HSIEH: Uh-huh.

24 MR. BROOKOVER:submitted, but the
25 concept is that you would work with the modeling project

1 just as you are the other types of marine.....

2 DR. PEGAU: Yes.

3 MR. BROOKOVER:projects? You're
4 still the coordinator for Branch just like the other
5 projects?

6 DR. PEGAU: That would be my intention. I
7 want that project tight with the observations. That's the
8 whole purpose of it.

9 MR. BROOKOVER: Good. Okay. Thanks.

10 CHAIRMAN ZEMKE: Okay. Any other questions
11 or comments.

12 (No comments)

13 CHAIRMAN ZEMKE: Hearing none, let's call
14 for the question. All those in favor of the motion as
15 presented say aye.

16 IN UNISON: Aye.

17 CHAIRMAN ZEMKE: Opposed.

18 (No opposing votes)

19 CHAIRMAN ZEMKE: Hearing none, the motion
20 is approved as presented. Thank you, Dr. Pegau.

21 So I guess we're on to tab 8, subsection D,
22 harbor protection and marine restoration. And the first
23 one will be the storm water, wastewater, harbor projects.

24 MS. BOERNER: Uh-huh.

25 CHAIRMAN ZEMKE: Catherine.

1 MS. BOERNER: Sure. The first proposal on
2 your list here is the Seward vessel wash-down or wastewater
3 recycling facility. Is there a representative from that
4 project here?

5 MS. SCHORR: I believe we have someone on
6 the phone.

7 CHAIRMAN ZEMKE: I think.....

8 MS. BOERNER: Okay. Anyway, from your last
9 -- when you identified them as a potential preferred
10 proposer, there were definitely several questions that you
11 had put in place, including the legality of this project
12 and whether or not it was something that was actually
13 required for them to do. They have submitted detailed
14 information addressing your questions to Elise, and I know
15 -- I believe in her comments she was satisfied with the
16 responses they had given, that this project is not legally
17 required, nor does it give an unfair economic advantage to
18 this specific area. This proposal -- or this invitation
19 was open to all areas and Seward just happened to be the
20 one that put in a proposal for it.

21 So this is a two-year planning and
22 construction plan for \$739,100.

23 Kari, are you on the line?

24 MR. REGIS: Kari's not here today, I'm
25 sorry. She had to leave the state here, but I'm Norm

1 Regis, the deputy harbormaster. I'll try to help you out
2 the best I can.

3 MS. BOERNER: Wonderful. Thank you.

4 MS. HSIEH: This proposal was a preferred
5 proposal by the Trustee Council. Those were the remaining
6 questions. It was a fund across the board recommended.

7 MS. BOERNER: Uh-huh.

8 MS. HSIEH: Very well written, great
9 detailed in addressing the vessel wash-down pad and
10 recycling of water.

11 CHAIRMAN ZEMKE: It seems a very concise
12 proposal. This had definitive output and outcome.

13 Are there any other questions for either
14 Catherine or the assistant harbormaster? Mr. Elton.

15 MR. ELTON: Just a comment. I really
16 appreciate the effort that Elise and the staff put in to
17 the follow-up questions, because I think I asked at least
18 one of them, and I appreciate that. And I appreciate the
19 fact that Seward was able to respond in the way that they
20 did. So just thanks to both parties.

21 CHAIRMAN ZEMKE: Any other questions at
22 this time.

23 (No comments)

24 CHAIRMAN ZEMKE: I guess -- hearing none, I
25 guess I would entertain a motion.

1 MS. SCHORR: I move we approve funding
2 Anderson project 12120115, Seward marine industrial center
3 vessel wash-down and wastewater recycling facility,
4 including nine percent general administration and any
5 applicable project management costs; this multi-year
6 funding is to be reviewed annually by the Council and is to
7 lapse on September 30th, 2013.

8 CHAIRMAN ZEMKE: Thank you, Jen. Is there
9 a second?

10 MR. ELTON: I'll second.....

11 MR. HARTIG: Second.

12 MR. ELTON:or Jim.....

13 CHAIRMAN ZEMKE: Larry seconded.

14 MR. ELTON: Oh, okay.

15 CHAIRMAN ZEMKE: I would say Larry Hartig
16 seconded the motion.

17 Any discussion on the motion.

18 (No comments)

19 CHAIRMAN ZEMKE: I'd say that what -- this
20 does seem to have a definitive outcome, and quite often one
21 of the legacies that the Council can leave is a cleaner
22 environment, to help restore injured resources and
23 services, and this does seem to be able to fit into that
24 legacy of what can happen. So I intend to vote positive on
25 the motion.

1 Any other discussion.

2 (No comments)

3 CHAIRMAN ZEMKE: Hearing none, I guess I'll

4 call for the question. All those in favor of the motion as

5 presented say aye.

6 IN UNISON: Aye.

7 CHAIRMAN ZEMKE: Opposed say no.

8 (No opposing votes)

9 CHAIRMAN ZEMKE: Hearing none, the motion

10 is passed as presented.

11 So we'll move on to the next item.

12 MR. REGIS: Thank you.

13 CHAIRMAN ZEMKE: Thank you. Appreciate you

14 being on line.

15 MS. BOERNER: The next project on your list

16 is the Prince William Sound harbor clean-up project that

17 was presented by NOAA. Is there a representative at

18 the.....

19 MS. AMMANN: Yeah, Erika. And I think

20 Laurel was on the phone as well. Laurel Jennings.

21 MS. BOERNER: Okay. Want to just

22 introduce yourself and.....

23 MS. AMMANN: I'm Erika Ammann.

24 MS. BOERNER:for the record?

25 MS. AMMANN: Erika Ammann from NOAA.

1 MS. BOERNER: This project, at your last
2 meeting you had identified you wanted a reduced project
3 budget, to reduce their budget to \$1 million or less, which
4 they have done, from their original proposal. And they
5 were hoping to go out into the coastal communities and help
6 them prevent toxic releases from harbors and marinas into
7 the environment. They would work with the communities;
8 they would develop an RFP, get proposals, and identify
9 potential projects that would fit into the program.

10 Again, they did address it by -- address
11 your questions by reducing the budget to \$1 million. And,
12 you know, Erika and Laurel and I would be happy to answer
13 questions on the program.

14 MS. HSIEH: And also as a reminder this
15 was, I believe, a do not fund by the science panel, the
16 science coordinator, executive director.

17 MS. BOERNER: At least.....

18 MS. HSIEH: And.....

19 MS. BOERNER: PAC.

20 MS. HSIEH:as well as even with the
21 reduced budget at the PAC meeting, the PAC did voice
22 concerns over the ambiguities of the proposal. They're
23 very supportive of the focus area in general.....

24 MS. BOERNER: Uh-huh.

25 MS. HSIEH:but had their reservations

1 about -- continuing reservations about the proposal.

2 CHAIRMAN ZEMKE: Thank you, Elise.

3 Are there questions of either Catherine or
4 Erika.

5 (No comments)

6 CHAIRMAN ZEMKE: I had a question, it's
7 probably a minor one about the supporting staff member
8 leverage when you had like average rates of \$91 an hour,
9 that was -- is, you know, well beyond what normal salary
10 rates are. And I assume that there's other costs embedded
11 in that. What would those be?

12 MS. AMMANN: Yeah. We went through the --
13 trying to figure out what other NOAA people have done for
14 EVOS before and then what our accounting people came back
15 with was all of our benefits and everything wrapped into an
16 hourly wage, and they came up with kind of an average rate
17 per hour for us to put down.

18 CHAIRMAN ZEMKE: Okay. Thank you. Any
19 other questions at this time. Larry.

20 MR. HARTIG: Yeah. I wasn't here earlier
21 this morning, but I think the question came up once, and
22 probably is whether some of the requirements under the
23 multi-sector general permit for stormwater that the state
24 issues pursuant to our Clean Water Act authority would make
25 of these potential activities already legally required or

1 not. And we wouldn't be able to answer that question, you
2 know, without knowing specifically what's proposed.

3 I did pass out during the break what Lynn
4 Kent, our deputy commissioner sent over to me, was the
5 portions out of the multi-sector general permits,
6 stormwater section for harbors and marinas. It gives you a
7 flavor for what kinds of things are already required.

8 But we'd be happy -- we think it's still a
9 worthy effort, you know, to put together a project like
10 this, and we'd be happy to sit down with NOAA to deal with
11 more specifics and work through whether something's already
12 legally required or not. And we'd put that out as an
13 alternative. I mean, I think this is a good concept, and
14 if it needed more work, we could certainly help on that.

15 MS. HSIEH: Mr. Chairman.

16 CHAIRMAN ZEMKE: Certainly, Elise.

17 MS. HSIEH: The science panel did note in
18 reviewing the proposal which although has reduced in budget
19 remains similar in substance. They had concerns about the
20 lack of experience with the personnel, and so perhaps
21 having DEC be coordinating with it if it were to be funded
22 might be helpful in that area.

23 There was also concerns by the PAC and the
24 science panel with regard to travel costs and just the
25 expenses of the proposal, which remain the same.

1 CHAIRMAN ZEMKE: Thank you for that
2 clarification, Elise.

3 I guess, looking at some of these, I think
4 we had some discussion about their -- this appeared to be a
5 lack of definable outcomes from the project. You know,
6 they're just general kinds of work that could be done, and
7 some of them may or may not fit in kind of the permit
8 stipulations. Certainly, I think we've all -- at least my
9 understanding, most of the Trustees have agreed that it's
10 certainly a worthwhile project and worthwhile approach, but
11 that at least in my mind that we may not be ready to fund
12 implementation of the project.

13 Some of the things that may be considered
14 by the Trustee Council would be to consider maybe going
15 through the scoping exercise and kind of develop more
16 definitive process about what could come forth from that,
17 and then those types of projects could come back before the
18 Trustee Council where you'd have a more definitive outcome
19 and project proposal.

20 And so I -- I mean, I may be willing to
21 enter -- have entertained a motion that would kind of fit
22 those parameters about maybe looking at potentially funding
23 kind of a scoping portion of the exercise to be able to
24 develop a more definitive way forward to specific project
25 proposals. I don't know if that would be the consideration

1 of the Council or -- and if such, I wouldn't mind having a
2 motion proposed to entertain that type of a concept.

3 Mr. Hartig.

4 MR. HARTIG: Not -- this isn't a motion,
5 kind of a question maybe for Elise.....

6 CHAIRMAN ZEMKE: Sure.

7 MR. HARTIG:because I'm trying to
8 figure out the right path here. It seems like you know, we
9 don't have a request for proposals on the table. I mean,
10 we did have one, and this responds to it. And if we put in
11 -- do we tell NOAA to come back with a better proposal, or
12 do we put another RFP out, and if so, when, you know,
13 that's a little more detailed. I'm not quite sure what the
14 right path is here in terms of.....

15 MS. HSIEH: If the Trustee Council is
16 interested in pursuing the NOAA proposal, which was
17 submitted under the FFY 12 invitation, they can ask them to
18 continue to revise their proposal. For example, to just
19 send back a proposal that addresses the scoping phase with
20 a not-to-exceed dollar amount budget to be approved by the
21 executive director and to be circulated to you, similar to
22 what we discussed with the Branch proposal.

23 If the Trustee Council is still interested
24 in expending funds in this focus area and submitting a
25 limited RFP out to garner other projects such as the Seward

1 vessel wash-down, for example, then that would be a
2 different route. I mean, you'd get specific projects
3 versus the NOAA project which goes out and goes to the
4 communities and produces its own RFP. So, I mean, two
5 different routes to take with regard to this focus area.

6 CHAIRMAN ZEMKE: Thank you for that
7 information.

8 MR. ELTON: And I want to make sure I
9 understand, you know, so I'm going to state what I've kind
10 of been thinking. So, Larry, I guess one of the thoughts
11 is accept this proposal, but kind of stair-step it.

12 There would be a phase I where there's a
13 scoping process so that you then know -- you then know what
14 you're going to be doing after that scoping process so that
15 there is an opportunity for the Council to review the
16 product of that scoping that NOAA did, rather than the it's
17 presented. Rather than approve the whole program, not
18 knowing what your -- not knowing what the scoping is going
19 to.....

20 MR. HARTIG: Maybe it's tied back to the
21 current invitation is what I gather.

22 MR. ELTON: Right.

23 MS. HSIEH: That's correct. Uh-huh.

24 MR. HARTIG: Yeah. So we're saying we like
25 the concept here. It fits in with the invitation we'd sent

1 out. We're interested in funding it maybe up to \$1
2 million, whatever it was, but we need more detail, and as
3 part of that detail we'd also want you to scope out whether
4 -- I guess we wouldn't know at this point whether it's
5 inconsistent with any existing requirements, but that would
6 have to.....

7 MS. HSIEH: I think you'd probably want to,
8 for example, move to approve funding the project for an
9 initial scoping phase not to exceed, for example.....

10 MR. HARTIG: Right. And that's the.....

11 MS. HSIEH:\$70,000.

12 MR. HARTIG:other thing I'm worried
13 about is I don't -- if we turn around and ask NOAA to do
14 this, is, you know, is it three or is it part of the
15 project that.....

16 MS. HSIEH: I think their.....

17 MR. HARTIG:moving forward.....

18 MS. HSIEH:scoping phase with regard
19 to the proposal means they fly up here and start meeting
20 with the communities

21 MS. AMMANN: Uh-huh. (Affirmative)

22 MS. HSIEH:to discuss potential
23 projects, and then bring those ideas back to the Council,
24 so.....

25 MR. HARTIG: So we need.....

1 MS. HSIEH: And.....

2 MR. HARTIG:a motion approving the

3 initial phase, and can it be broken down that way?

4 MS. AMMANN: I think there's.....

5 MS. BOERNER: It's in their.....

6 MS. AMMANN:a good point where it

7 says after we've done the initial scoping the EVOS Trustees

8 will have a chance to review, comment and approve each work

9 plan.

10 MR. HARTIG: Okay.

11 MS. AMMANN: So in the proposal as it

12 stands right now there was a check-back with the Trustee

13 Council to say, you know, is -- are these -- these are the

14 projects that we got, and to get approval from the Trustee

15 Council, so that's in the.....

16 MS. HSIEH: I think the Trustee Council was

17 aware of that juncture, but there was no dollar amount. I

18 mean, of course, because the proposal wasn't written like

19 that for them to limit the initial funding to just up to

20 that point.

21 MS. AMMANN: Yeah, I just think that that

22 would be a good breaking point.....

23 MS. HSIEH: That's correct.

24 MS. AMMANN:for the approval.....

25 MS. HSIEH: But it's hard to discern how

1 much funding -- like if you come back and say, we did the
2 scoping phase and we spent \$570,000, it's probably not what
3 was in mind. So I guess what I'm suggesting is a motion
4 funding the project for a scoping phase not to exceed a
5 particular dollar amount, and then have you guys resubmit a
6 budget that shows that scoping phase, circulate it. So
7 that's one way to go.

8 MR. BALSIGER: So Mr. Hartig has tried to
9 ask my question. Maybe you got your answer, but.....

10 MR. HARTIG: Not yet.

11 MR. BALSIGER:is that -- once -- if
12 we did that and say we gave \$73,000 for the scoping; we
13 expect you to come back. Is the rest of the funds,
14 \$967,000, is that like reserved pending only their return
15 with their project, or are we setting that total amount of
16 money aside right now just only for that project, and then
17 we'll fund two, three, four years, the two -- the second,
18 third and fourth years after they come back? I'm not quite
19 sure.....

20 MS. HSIEH: You could set it up that way.

21 MS. BOERNER: Yeah, because we can't
22 possibly ask for any more detailed proposal than they've
23 given us, because.....

24 MS. HSIEH: Yeah, they can't.....

25 MS. BOERNER:they haven't gone out to

1 identify the projects.....

2 MS. HSIEH: Right.

3 MS. BOERNER:yet, and so I don't

4 think going back and saying, revise the proposal.....

5 MS. HSIEH: No.

6 MS. BOERNER:I don't know that that's

7 reasonable. but I do think as Larry said, we're going to

8 have to pay for them to do the scoping.....

9 MR. HARTIG: Right. We should.

10 MS. HSIEH: That's correct.

11 MS. BOERNER:and perhaps bring the

12 RFP to us for us to review at that time.

13 MR. HARTIG: Does -- maybe I should ask

14 Erika if she has a ballpark figure for the scoping?

15 MS. AMMANN: I actually don't, but.....

16 MS. SCHORR: This table 3 says -- shows a

17 figure of 50 -- it's on Page 9 of the proposal, shows a

18 figure of \$50,000 for the scoping phase.

19 MS. AMMANN: Yeah. One part of that though

20 would be -- we would need, you know, travel to do the

21 scoping, and so there's a little bit.....

22 MS. SCHORR: I see.

23 MS. AMMANN:more of segregation,

24 but.....

25 MS. HSIEH: I think the travel's about 22,

1 so again, as I was suggesting, is.....

2 MS. SCHORR: Uh-huh.

3 MS. HSIEH:you could move to fund the
4 project, but only for a scoping phase not to exceed, for
5 example, \$75,000, and conditioned upon them going ahead and
6 going back, looking at their scoping budget and going ahead
7 and getting a scoping budget. I'm not expecting detail
8 about -- and then going ahead and circulating that and then
9 having them go out if it's approved to do that scoping for
10 that limited amount.

11 MR. HARTIG: Or we could just leave it
12 within your discretion.....

13 MS. HSIEH: Yes.

14 MR. HARTIG:up to 75,000 to.....

15 MS. HSIEH: Correct.

16 MR. HARTIG:give them the notice to
17 proceed or whatever the document would be.....

18 MS. HSIEH: That's correct.

19 MR. HARTIG:for the scoping phase.

20 MS. HSIEH: I think we all just said the
21 same thing in different ways.

22 MR. HARTIG: I think so.

23 MS. SCHORR: You did.

24 CHAIRMAN ZEMKE: So do we have a motion on
25 the floor that we could discuss specifically?

1 MR. ELTON: I don't want to make one up
2 here in front of everybody.

3 (Laughter)

4 MR. ELTON: I mean, if I understand what
5 we're doing is we're accepting the NOAA proposal and we're
6 initially funding it up to \$75,000 for the scoping
7 component.

8 MS. HSIEH: And condition -- I would
9 suggest conditioning it -- I would like to see another
10 budget of just the scoping so that we know where those
11 funds are going.

12 MS. SCHORR: A more detailed budget than
13 provided here.

14 MS. HSIEH: Correct.

15 MR. ELTON: Okay. Up to \$75,000 with the
16 approval of.....

17 MS. HSIEH: Correct.

18 MR. ELTON:the executive director.

19 CHAIRMAN ZEMKE: Just a minor point. They
20 actually only asked for 73, so I'm not sure that that.....

21 MS. HSIEH: Oh, okay. I was doing.....

22 CHAIRMAN ZEMKE:but that's.....

23 MS. BOERNER: And their scoping.....

24 CHAIRMAN ZEMKE: Yeah, it could be.....

25 MS. BOERNER:actually exceeded I

1 believe one fiscal year; is that correct? I think it
2 actually was like a year and a half perhaps.....

3 MS. HSIEH: It shows it.....

4 MS. BOERNER:originally as part of
5 their proposal. I think January 2013 they were hoping to
6 complete.....

7 MS. HSIEH: That's right. So that's
8 why.....

9 MS. BOERNER:their scoping, so.....

10 MS. HSIEH:we do need to revise the
11 proposal just to.....

12 MS. BOERNER: Yeah, it's not just going to
13 be one fiscal year.

14 MS. HSIEH: Right.

15 MS. BOERNER: It's actually going to lead
16 over to another one.

17 CHAIRMAN ZEMKE: So do we have an adequate
18 concept on what the actual motion should be?

19 MS. HSIEH: Motion should say?

20 CHAIRMAN ZEMKE: I heard up to 73,000.....

21 MS. HSIEH: Up to 73,000.....

22 CHAIRMAN ZEMKE:contingent upon a
23 detailed budget that is approved by the executive director.

24 MS. HSIEH: And it can be multi-year
25 funding to be reviewed annually by the Council and to lapse

1 on September 20th, say, 2013. That will take us through
2 that initial scoping phase.

3 MS. SCHORR: Right. But would we want it
4 to be multi-year funding? I mean, aren't we.....

5 MS. HSIEH: Well, it's because the scoping
6 is over -- may extend over a year.

7 MS. SCHORR: I see. I see.

8 MS. HSIEH: So we're trying to make sure we
9 don't have to come back to the table and address the
10 scoping again. Just have the Trustee action.

11 MS. AMMANN: So one point, it probably will
12 take longer. You see in the implementation phase is
13 actually where we put the RFP out. And I would think that
14 what you'd want us to come back with is our -- the
15 proposals. And so as far as the time line, that does lead
16 into the implementation phase.

17 MS. HSIEH: And do you expect that would be
18 over the 73?

19 MS. JENNINGS: Yeah.

20 MS. AMMANN: Uh-huh. (Affirmative)

21 MS. HSIEH: That would be.

22 MS. AMMANN: For sure.

23 CHAIRMAN ZEMKE: Looking at the timing,
24 there was some concern anyway of looking at the May to
25 August scoping period is probably not a good time to be

1 scoping in Prince William Sound or some other areas
2 during.....

3 MS. SCHORR: In the harbors.

4 CHAIRMAN ZEMKE:fishing season, and
5 many of the folks that might be interested in that proposal
6 and to comment on the scoping may not be in town or
7 available at that period of time.

8 MS. HSIEH: Yeah, we thought maybe we
9 should discuss whether you want to shift that.

10 MS. AMMANN: The timing?

11 MS. BOERNER: Uh-huh. (Affirmative)

12 MS. AMMANN: Yeah, it does. We can.....

13 CHAIRMAN ZEMKE: So realizing that we --
14 you know, there was some concern about there would be no
15 deliverable implementation product until 2013, I think what
16 we're looking at is that's probably problematic to start
17 with, and so maybe having that as a constraint may not be
18 where we want to go, and maybe want to take a look at the
19 detailed scoping document about what it would actually shed
20 and then better have an understanding of how that would fit
21 into an RFP, and then also approval of that RFP by the
22 Trustee Council. And that might be -- work into the fall
23 meeting of 2012. And so, you know, the scoping period may
24 be better if it was in February through April.

25 MS. AMMANN: Okay.

1 CHAIRMAN ZEMKE: And that may moved time
2 frames up for you, but at the same time if you're
3 concentrated on the scoping effort rather than some of the
4 later phases, you might be ale to address -- you know, put
5 together a good project proposal, a detailed budget, and
6 project proposal for that, the scoping of it, and be able
7 to implement by February. And to get approval contingent
8 at this meeting and the funding would come available
9 probably in time for you to be able to put that -- to start
10 working on the scoping effort.

11 MS. AMMANN: Okay.

12 MS. HSIEH: Catherine, do you have any
13 suggestion.

14 MS. BOERNER: I'm just thinking. I'm just
15 thinking through the time line just like everyone else is.

16 MS. AMMANN: I think having a larger
17 scoping, it would -- we'd be able to take advantage of some
18 of the -- like harbormaster meeting and some of the already
19 happening meetings that are going on, so we could just, you
20 know, go into those and meet with a large variety of people
21 instead of having to take individual trips, that might add
22 some efficiency as well.

23 MS. BOERNER: Yeah. I mean, the scoping is
24 a large portion of the budget, so I would just ask that you
25 think of, you know -- think about, you know, hopefully

1 funding these projects when they do come in, after
2 reviewing them, of course. Because there's.....

3 CHAIRMAN ZEMKE: Yeah, I think.....

4 MS. BOERNER:you know, 12 days of
5 travel times three just in the first year. There's a lot
6 of cost involved in the scoping period, so.....

7 CHAIRMAN ZEMKE: I think some of the things
8 that you talked about, of having costs associated with
9 scoping as being renting meeting halls and that kind of
10 thing, if you could do -- actually work into that process
11 you were talking about, doing it during a harbormaster
12 meeting, there -- some of that infrastructure cost was
13 already dealt with, and you could actually reduce the
14 overall cost and make an efficiency effort and reducing the
15 overall costs and.....

16 MS. AMMANN: And if we didn't.....

17 CHAIRMAN ZEMKE:do it with that.

18 MS. AMMANN:use funds, we could put
19 them into.....

20 MS. HSIEH: Right. And also.....

21 MS. AMMANN:the later stages.

22 MS. HSIEH: That's correct. And also you
23 could work with our staff. Cherri Womac has set up many
24 free meeting spaces when we've done spill area meetings. So
25 there's a lot of efficiencies I think that could be

1 explored with that, too.

2 MS. AMMANN: and one of the things -- I
3 mean, when we say scoping, we're not just going out there
4 and telling them of this opportunity, but we see that there
5 aren't many people, like we only got one other project that
6 was like a tangible project, and we aren't seeing people --
7 like you just don't put out an RFP and get these projects
8 that you want. And people are -- you know, they see it's
9 too much work to put in these proposals. They, you know,
10 have permitting concerns, that they don't want to do that.
11 They already have jobs that they're doing otherwise. And
12 so what we plan to do is help them through all those
13 processes and actually even help pre-proposal, to help them
14 have better ideas when they put the proposal in. So it is
15 a lot of leg work, and that is kind of the reason for the
16 high travel costs. And we just have seen that we don't get
17 the proposals we want by just putting out an RFP.

18 MS. HSIEH: But I'm also wondering, the
19 Trustee Council, when they delineated these amounts to be
20 spent in the focus areas, this was -- the remaining amount
21 for this area was a million dollars, so if they spend -- I
22 mean, if this -- after spending a million dollars on this
23 proposal, and then you have some great projects and they
24 submit them to the Trustee Council, I guess you guys will
25 then be looking at those for potential funding and they

1 could be of any amounts. I guess I'm wondering where this
2 is going.

3 MR. HARTIG: Well, I think it's -- I think
4 what Erika's last point is a very important one. I think
5 if we just throw out a solicitation, we're not going to get
6 a lot of response, where if we go out there and work with
7 people, we're much better -- much more likely to get good
8 projects. When I say good projects, I mean projects that
9 would fit in with our kind of obtuse criteria.

10 MS. HSIEH: Right. And I guess we're
11 talking about small projects.

12 MS. AMMANN: Uh-huh. (Affirmative)

13 MR. HARTIG: Yeah.

14 MS. HSIEH: Very small projects.

15 MR. HARTIG: But I think these could be
16 demonstration projects setting up the practices. I think
17 it has promise.

18 CHAIRMAN ZEMKE: It seems like you're
19 blending a little bit between the scoping and then you're
20 kind of into the next phase of working group selection and
21 working with projects and costs, not working with selected
22 groups that come out of the scoping effort to put forward
23 project proposals. Obviously there's a lot of other
24 sources for this type of funding, whether or not you can
25 garner those or not. There's a lot of competition for

1 those sources also, so -- but at the same time I think by
2 -- you know, I guess right now I think we're still looking
3 at the portion of that of actually getting ideas
4 together.....

5 MS. AMMANN: Uh-huh. (Affirmative)

6 CHAIRMAN ZEMKE:and kind of where you
7 look at how to move forward with specific working groups,
8 not actually at that period of time coming out with fully
9 fleshed defined proposals to the Council. If you could do
10 that within the scoping period, I think that would be good.
11 At the same time I'm not sure that's what we're expecting
12 of it.

13 MR. ELTON: Let me see if I can synthesize
14 what I think I'm hearing. And I mean, I guess I'll begin
15 with a comment, that I'm not sure it really matters whether
16 it's \$75,000 or \$125,000 if in fact the control is that the
17 executive director sign off on the -- I mean, I think when
18 Erika's talking about the potential blending of working
19 with people, I mean, I think that's an important point. So
20 I'm -- it doesn't matter to me if it's more than \$75,000 as
21 long as there's a control point that's working with the
22 project proposers to handle that.

23 I think the other issue that's out there,
24 and one that I'm comfortable with is that I don't think --
25 I think there should be an understanding on the part of the

1 Council that when the projects come back for the
2 additional funding, that it be done under the auspices of
3 the NOAA proposers, because I don't think anybody would
4 want them to go out, do the scoping, you know, with the
5 idea that they may or may not be helping the communities
6 and working with the communities.

7 So given that, I mean, do we still have a
8 problem with multi-year issues? I mean, would that need to
9 be part of a motion that the scoping component is a mult --
10 would be two -- over two years?

11 MS. HSIEH: No, that's fine. It's just
12 like all of -- any other multi-year project. In your
13 motion, you would note it's reviewed annually by the
14 Council until lapse, which means we give you a status
15 report next time we have a -- and it's to lapse on
16 September 30th, and then you pick a year, which we're kind
17 of expecting to be 2013.....

18 MR. ELTON: And then the final.....

19 MS. HSIEH:I think is the scenario.

20 MR. ELTON:point that I would make is
21 I don't -- I mean, I think that we're the ones that asked
22 them to come back with a scaled-down proposal, so I don't
23 think -- I mean, I think there has to be an understanding
24 that the final expenditures, or that all of the
25 expenditures don't total more than what, you know, this

1 proposal has, but -- because, I mean, something Elise said,
2 you know, we might have a whole bunch of people coming in,
3 and it might total 2.5 million. We don't want that.

4 So having all of that, I mean, I would
5 propose a motion that, and if somebody disagrees with the
6 amount that I'm going to say, I'm more than willing to
7 change it, but I feel comfortable that we have Elise
8 working with proposers on the scoping component. So the
9 motion that I would make is that we approve the application
10 by the proposer, I might be using the wrong terms of art
11 here, and we authorize an expenditure of up to \$100,000 for
12 the scoping component. Does that cover it?

13 MS. HSIEH: And conditional upon a revised
14 scoping budget.

15 MR. ELTON: Okay.

16 MS. HSIEH: I mean, would you like me to
17 look at their scoping budget, or do you want them to go
18 ahead and.....

19 MR. ELTON: Well, no, I think -- yeah,
20 that's the control, you're the control point. Yeah.

21 MS. HSIEH: Yes. So you move to approve
22 funding the Jennings project 12120112, for a scoping phase
23 not to exceed \$100,000 and conditioned upon a revised
24 budget addressing these concerns.....

25 MR. ELTON: Right.

1 MS. HSIEH:and interests approved by
2 the executive director; this multi-year funding is to be
3 reviewed annually by the Council and is to lapse on
4 September 30th, 2013.

5 MR. ELTON: Yes.

6 MR. HARTIG: I second it.

7 MR. BALSIGER: Second. Sorry. Okay.

8 CHAIRMAN ZEMKE: Discussion on the motion.

9 MS. HSIEH: Okay. So this.....

10 MS. AMMANN: I have a question. One, where
11 does scoping end and, two, is there any guarantee after I
12 go out to these communities that there will be funding for
13 their project?

14 MS. HSIEH: Whatever is left over that you
15 don't spend.....

16 MS. AMMANN: Of this?

17 MS. HSIEH:scoping-slash -- yes.....

18 MS. AMMANN: Okay. I just need.....

19 MS. HSIEH:would be available for
20 projects.

21 MS. AMMANN: Okay. And then where.....

22 MR. ELTON: I mean, that's the intent.
23 Does that need to be.....

24 CHAIRMAN ZEMKE: Contingent upon.....

25 MR. ELTON:part of the motion?

1 CHAIRMAN ZEMKE: approval of the
2 Trustee Council of the projects.

3 MS. AMMANN: Yeah. But I mean, you know,
4 go out there and then get -- you know, not have anything,
5 and say, oh, by the way, we're not giving you a dime. I
6 mean, you know, with a very awkward position.

7 MR. ELTON: That's why we need to do the
8 scoping.

9 MS. HSIEH: You could say.....

10 CHAIRMAN ZEMKE: One at a time.

11 MS. HSIEH: approve.....

12 MS. SCHORR: I think as long as it's on the
13 record.

14 MS. HSIEH: I think as long as it's on the
15 record, and I think as long as there's a clear
16 understanding with the proposer and myself, and it's
17 reiterated to the communities that really the budget
18 they're looking at for these proposals in total is, for
19 example, 800,000 or something like that, then -- or 750 or
20 whatever, then I think that is important to highlight and
21 that -- when they go out to the communities for these
22 discussions.

23 CHAIRMAN ZEMKE: Okay. Jen, you had a.....

24 MS. SCHORR: Yeah. And I think this is
25 tied to Erika's question. I guess I'm having a little bit

1 of confusion about the bleeding between scoping and
2 implementation and what product are we expecting to come
3 back to the Trustee Council. If it's not the RFPs that are
4 part of the implementation phase, then what is coming out
5 of the scoping phase that will then e in front of the
6 Trustee Council for consideration?

7 MR. ELTON: Not being a good process
8 person, I think for me the product would be a list of
9 projects proposed for funding that -- and that list of
10 projects -- I mean, whatever that list of projects would
11 be, it wouldn't exceed the remaining amount of dollars.

12 MS. HSIEH: So as.....

13 MS. SCHORR: And I agree, but that's me.

14 MS. HSIEH: For scoping and RFP -- scoping
15 phase and RFP.

16 MS. SCHORR: And that -- yes, so
17 that's.....

18 MS. HSIEH: Yes.

19 MS. SCHORR:the implementation phase
20 also.....

21 MS. HSIEH: Yep.

22 MR. ELTON: Okay.

23 MS. SCHORR:I mean, and I guess --
24 yes, I agree.

25 MS. AMMANN: So scoping phase as defined

1 here.....

2 MS. HSIEH: And RFP.....

3 MS. AMMANN:and the RFP, with the RFP
4 resulted in.

5 MS. HSIEH: Results.

6 MR. BALSIGER: So.....

7 CHAIRMAN ZEMKE: Mr. Balsiger.

8 MS. HSIEH: So is that amount

9 CHAIRMAN ZEMKE: Dr. Balsiger.

10 MR. BALSIGER: Well, that's going to be my
11 question. So we originally thought the scoping would be
12 73; we gave them a little buffer, but I'm not sure the
13 extra 27,000 is enough to get the RFPs all back. And so I
14 was going to ask Erika if she had a thought, and maybe
15 since we're relying on the executive director to look at
16 this budget anyway, make it 125,000. And if it was only
17 90,000, nothing's lost. And if it takes that much money to
18 get the RFP back and a list of projects for us to look at,
19 then we don't have to address it again.

20 MR. ELTON: Yeah. I think that's.....

21 MR. BALSIGER: So I would offer that as an
22 amendment to the motion to change it from 100 to 125,000.

23 MR. ELTON: I'd see that as a friendly.

24 MR. HARTIG: And I agree.

25 CHAIRMAN ZEMKE: What was that, Mr. Hartig?

1 MR. HARTIG: The second agrees.

2 CHAIRMAN ZEMKE: Okay. All right so

3 there's the motion as amended.

4 I guess one other question, you had working

5 group selection. Would you include that as part of the RFP

6 process then? Is that basically how you're going to come

7 forward with kind of potential RFP projects?

8 MS. AMMANN: Yeah, I think selection of

9 working groups would be part of that. Especially because

10 that helps us make up the RFP, the people on the working

11 group.

12 CHAIRMAN ZEMKE: Do you think that you can

13 meet the time lines that we had talked about with the

14 inclusion of the RFP?

15 MS. AMMANN: I do. I'll check in. Laurel?

16 MS. JENNINGS: Yes, I am on the line.

17 MS. AMMANN: I'm just going to check in

18 with you, and does this sound like something that we could

19 do with a budget of 125 and a 2013 deadline?

20 MS. JENNINGS: Yes, I think we can work

21 this in that.

22 MS. AMMANN: Perfect.

23 CHAIRMAN ZEMKE: Any other questions or

24 comments.

25 (No comments)

1 CHAIRMAN ZEMKE: I guess we have a motion
2 as amended on the floor. Hearing no questions or comments,
3 I guess I'd call for the question. All those in favor of
4 the motion as amended say aye.

5 IN UNISON: Aye.

6 CHAIRMAN ZEMKE: Those opposed.

7 (No opposing votes)

8 CHAIRMAN ZEMKE: Hearing none, the motion
9 is passed as amended.

10 Now, I guess real Robert's Rules of Order,
11 we'd have to go back to the original motion, but I don't
12 think we'll visit that.

13 MS. HSIEH: I have it written down.

14 CHAIRMAN ZEMKE: All right.

15 MS. AMMANN: Thank you.

16 CHAIRMAN ZEMKE: Thank you, Erika.

17 Let's see. I guess march on. I lost my
18 spot here on the agenda. Move on to the next tab item.
19 We're into the marine debris subsection of the harbor
20 protection marine restoration. The first one would be the
21 marine debris removal, Gulf of Alaska Keeper.

22 MS. BOERNER: Uh-huh. Okay. Again this
23 was -- you identified this project as a preferred proposer
24 at your last meeting with the addendum that they strengthen
25 their outreach proposal, which was deemed to be by most of

1 the groups that reviewed, especially our social scientist
2 on our science panel, there was very little to actually
3 almost no outreach. They have submitted a revised proposal
4 with an addendum which does include four different
5 potential outreach activities.

6 Chris, are you on the line? That's okay.
7 We've been working pretty closely with Chris.

8 So the numbers that you do see as requested
9 do not include any of the four of these outreach
10 activities. We did include them as sort of a menu to see
11 what items may be of interest and would meet a cost
12 threshold that would be appropriate for the Trustee
13 Council. The -- I mean, I can certainly go down the four
14 different outreach activities briefly if that would be
15 suitable

16 CHAIRMAN ZEMKE: Yes, please.

17 MS. BOERNER: Sure. Uh-huh. The first
18 proposal that they included would be the Center -- it's
19 proposed by the Center for Alaskan Coastal Studies, the
20 Chugach Forest Service, and the Alaska Geographic, and it's
21 a youth action on marine debris, from the field to the
22 classroom. It's a two-phased project that enhances the
23 existing coast walk school curriculum, helps develop an
24 educational tool kit. They'll use collected debris from
25 this project in presentations to schools and to outreach

1 organizations. They'll also create an art display using
2 the debris that will be circulated to the communities. A
3 second phase of it actually includes a youth expeditions
4 program where they actually take children into the field
5 and show them how to identify debris and what to do with
6 it.

7 I think the interest in this project, which
8 the total cost on this was \$151,956 for both phases. The
9 match is almost dollar for dollar, which gives some very
10 nice leveraging of this option where we know we're getting
11 almost twice the benefit from our input to the project.

12 The second outreach proposal was from the
13 Marine Conservation Alliance Foundation, and it's a clean-
14 up documentation film. It's a short film, just about three
15 to five minutes. It's designed to play on the 360 North
16 network; that's here in Alaska. There's extremely limited
17 in-kind funds; a very small percentage of the funding would
18 be matched. And they were asking for \$30,584.

19 The third proposal was also from the Marine
20 Conservation Alliance Foundation, and it's a marine debris
21 prevention tide book project which would be a single-page
22 insert into Southcentral Alaska tide books. And then there
23 would also be a limited run of about 10,000 tide books that
24 would have a custom front and back cover talking about this
25 marine debris project and marine debris in Prince William

1 Sound. And these 10,000 brochures would be distributed
2 exclusively in Prince William Sound and the spill area.
3 And that came -- that request was for \$26,090.

4 The final proposal came in from the Alaska
5 SeaLife Center. It was a marine debris exhibit at the
6 Alaska SeaLife Center. It will be an exhibit and a
7 complimentary K through 9 curriculum. It will feature
8 debris collected in the region and it will be part of their
9 distance education program. So this will be on exhibit at
10 the SeaLife Center. The total request for this was
11 \$166,051.

12 I will say that these groups actually met
13 as a group. They did not meet as individuals. And they
14 actually came up with these ideas and it split them out.
15 So there's a lot of kind of cross-pollination of ideas
16 here, and definitely a lot of people were involved. So it
17 wasn't that, you know, each of these groups came in
18 individually. They came in as teams and just as you can
19 see from proposal 1, it's actually several organizations
20 are teaming together to do -- or to complete this work
21 which definitely shows in the leveraging amount, whereas
22 the other three proposals, outreach proposals have very
23 limited to almost no matching funds. So I will open it up
24 to questions or concerns at this time.

25 CHAIRMAN ZEMKE: I had one question, and

1 it's related to budget. On Page 119, the cost of proposal,
2 they're all about nine percent less, and so I think the
3 cost that you gave us were including the nine percent.....

4 MS. BOERNER: Yes.

5 CHAIRMAN ZEMKE:G&A versus.....

6 MS. BOERNER: Yes, they were.

7 CHAIRMAN ZEMKE:these totals which
8 don't include those.

9 MS. BOERNER: They're including the nine
10 percent GA, yes.

11 CHAIRMAN ZEMKE: Okay. Any other questions
12 for Catherine. I guess have we said what -- I guess we've
13 gone through the executive director's recommendation and
14 the science.....

15 MS. HSIEH: I spent less time on this than
16 Catherine, so I would be interested in her recommendations.
17 But I was very impressed by the first proposal, the Center
18 for Alaskan Coastal Studies, the Chugach Forest Service,
19 Alaska Geographic proposal. It was diversified. It was
20 highly leveraged, which I love, and it just struck a lot of
21 different areas, youth, classrooms, that we had talked
22 about, and that our social scientist in particular had
23 talked about when we met with the science panel with regard
24 to these proposals. So for an initial -- they all were
25 good, and.....

1 MS. BOERNER: Uh-huh.

2 MS. HSIEH:I was impressed by the
3 efforts actually, how people came together to help add this
4 menu, but if it was -- if I were to choose one, I was
5 impressed by that one.

6 I also must say the Alaska SeaLife Center
7 does, it's my recollection, that it does have currently an
8 EVOS injured species, kind of IRS exhibit. And although I
9 am interested in our presence in that center, I'm less
10 interested in a marine debris exhibit as our legacy there.
11 But I am interested in them, but this doesn't really
12 address that. That's a side issue, or a separate interest
13 of mine.

14 CHAIRMAN ZEMKE: Okay. Thank you for that
15 information. Any other questions from Council -- Larry.

16 MR. HARTIG: Yeah. I think on marine
17 debris, I wasn't quite sure what we're getting from the
18 proposals, but I was kind of impressed with what the gamut
19 is here. But the -- it does seem to me, it would be nice
20 to pick the one that would reduce kind of the burden in the
21 future, because I just anticipate that there's going to be
22 more and more debris on our coasts, and if we can cut that
23 even a little bit, that's going to save money over the long
24 run, so I don't mind spending some money now if that's
25 where it leads. And, I don't know if gathering the -- or

1 how the PAC or others felt about, you know, these different
2 proposals and what value they present, but.....

3 MS. BOERNER: Right.

4 MS. HSIEH: I' not sure if that's the
5 value. It's been discussed that very little of the debris
6 that is on our shores is from the communities here.

7 MR. HARTIG: Well, there's comment about an
8 alarming trend is there's more of it coming locally. I
9 don't have a feeling for that. I mean right now I guess my
10 mind is more on the debris from Japan. I think that's
11 going to show up if it gets here, but if there's -- is
12 there -- do people talk about a trend in Alaska and whether
13 this would actually benefit the beaches?

14 MS. BOERNER: I think most people are --
15 the understanding I have from meeting with these groups is
16 that in most cases it's impossible to stop it; however, by
17 doing programs like this in certain areas, you're at least
18 improving habitat. Whether that's permanently, I think is
19 up for discussion, but -- and in some cases the outreach
20 activities like the tide book and the school curriculum is
21 an effort to educate people, so especially with children as
22 they grow, that -- they're going to be more aware of the
23 issue, and -- but.....

24 MR. HARTIG: Is the first proposal though,
25 it has a component in it I guess letting people know how

1 they can volunteer and work on beach clean up.....

2 MS. BOERNER: Yes. Uh-huh.

3 MR. HARTIG:is that somewhat unique
4 about that proposal, and would that help have cleaner
5 beaches and.....

6 MS. BOERNER: it is unique to that
7 proposal, the volunteer aspect, which I believe is the
8 fourth phase of that, and may have better opportunities for
9 longer-termed outcomes than normal.

10 CHAIRMAN ZEMKE: It seems like ones that
11 provide a cadre of new recruits to volunteers, and such as
12 outreaching to our youth would be a very positive thing to
13 do to where people would want to volunteer and understand
14 what the benefits are for both themselves and the
15 environment.

16 MS. BOERNER: Yeah, they may not be able to
17 stop it.....

18 MR. PALLISTER: Excuse me. This is Chris
19 Pallister.

20 MS. BOERNER: Oh, you are there. Okay. We
21 called for you. Thank you.

22 MR. PALLISTER: Yeah, I've been on the
23 line, but I'm having a really hard time hearing because of
24 all the papers rustling there. But somebody asked about
25 trends.

1 MS. BOERNER: There you go.

2 MR. PALLISTER: And definitely within

3 Prince William Sound the trend is more and more

4 recreational and local trash. On the outer coast we're not

5 seeing that so much. So that's why I thought the tide book

6 and the movie would maybe address that local-generated

7 debris. The rest of it, as I think somebody mentioned, is

8 going to be coming from Japan and thereabouts, so we can't

9 do much about that.

10 CHAIRMAN ZEMKE: Thank you, Chris.

11 MR. ELTON: Well, I.....

12 CHAIRMAN ZEMKE: Kim.

13 MR. ELTON: Well, I'm struggling to form

14 the question, but if it's recreational, I mean, my guess is

15 that a lot of the recreational use is from Anchorage, but

16 the tide books would be distributed in the Prince William

17 Sound area or Kodiak? I don't know. If that is the

18 assessment, I think there needs to be some kind of comfort

19 level that we're actually marketing to the right people.

20 MS. HSIEH: The tide book is all

21 Southcentral tide books for.....

22 MR. ELTON: It is?

23 MS. HSIEH:2013 and 2014.

24 MS. BOERNER: Yeah, Southcentral. Yeah.

25 MS. HSIEH: So it would include.....

1 MS. BOERNER: It will be all the tide
2 books, plus the special edition of about 10,000 that.....
3 MR. PALLISTER: And we thought we
4 would.....
5 MS. BOERNER:would be distributed to
6 local communities. But it would go -- it.....
7 MR. PALLISTER: We thought we could.....
8 MS. BOERNER:would be single page
9 insert in all.....
10 MR. PALLISTER:distribute those to
11 sporting goods stores and such in Anchorage where all the
12 hunters and fishermen and boaters and stuff get their gear.
13 MR. ELTON: Okay. And then I'm going to
14 say something that is totally anecdotal. But I would guess
15 that in Juneau they distribute 10 to 12,000 tide books. In
16 my house I would have four or five different tide books. I
17 mean.....
18 MR. PALLISTER: Right.
19 MR. ELTON:so, I mean, 10,000 doesn't
20 seem like an awful lot to me.
21 MS. BOERNER: Well, 10,000 in addition to
22 the insert into I think it's 200,000 that are for all of
23 Southcentral.
24 MR. ELTON: Okay.
25 MS. HSIEH: And I think it's 20,000

1 actually.

2 MS. BOERNER: 20,000, I apologize, yes. I
3 said.....

4 MS. HSIEH: 10,000 a year for two years.

5 MS. BOERNER: Right.

6 MS. HSIEH: Plus the insert for all of them
7 for 2013 to 2014.

8 MS. BOERNER: For all of them.

9 MR. ELTON: Okay. And the insert will be
10 done by the publisher?

11 MS. HSIEH: It will be by the Marine
12 Conservation Alliance Foundation.

13 MS. BOERNER: Yeah. They would work to
14 develop that insert that would go into the.....

15 MR. PALLISTER: And GOAK, would all work
16 together on it.

17 MS. BOERNER: Uh-huh.

18 MS. HSIEH: And if we find those on the
19 beaches.....

20 (Laughter)

21 MR. PALLISTER: If they get too many of
22 them, they'll be on the beach.

23 CHAIRMAN ZEMKE: Biodegradable paper.

24 MS. BOERNER: Yeah.

25 CHAIRMAN ZEMKE: Are there any other

1 comments. Larry.

2 MR. HARTIG: Yeah, just a question, and
3 maybe this is for Chris. When we say we're seeing this
4 upward trend in the amount of marine debris on Prince
5 William Sound beaches that's locally generated, can you
6 describe what it is? What the.....

7 MR. PALLISTER: Well, it's everything from
8 shotgun shells to, you know, water bottles, and that kind
9 of -- that kind of stuff. And I don't know that people are
10 throwing it away. I think it's stuff that's blowing off of
11 decks, or incidentally lost. So, you know, it could come
12 from everybody. And I say recreational, it could be, you
13 know, fishermen; it could be anybody. But it's -- I would
14 say it's coming from the boating community basically is
15 probably a more correct assessment.

16 MR. HARTIG: Okay. Thank you.

17 MR. ELTON: Well, this is the cynic part of
18 me. I mean, if it's incidental loss like blown off the
19 decks, I mean, I don't know that, you know, inserts or tide
20 books address that issue. If people --if people aren't
21 doing it on purpose -- I don't know, I'm thinking out loud
22 here, but I -- and I -- I mean, part of this confusion on
23 my part is that I used to market Alaska seafood, and the
24 message and the way of getting the message out is extremely
25 important, and you apply metrics to that so that you

1 measure effectiveness.

2 I'm hung up on the tide book stuff. I'm
3 sorry, Chris.

4 MR. PALLISTER: Well, yeah, and I
5 understand it, and I understand what you're saying, too,
6 but my take on it is virtually everybody that goes out
7 there knows they aren't supposed to throw away trash. Some
8 still do. And whether you give them a tide book or not
9 that says -- explains the damages that marine debris causes
10 is not going to have any effect on them. But what -- the
11 people that leave stuff strewn around and, you know, this
12 could be tie your stuff down, pack your stuff out, you
13 know, all that kind of stuff. So if we can get a little bit
14 of control on that. I mean, it's the only trend up we see
15 other than plastic bottles going up out on the coast is the
16 stuff inside of Prince William Sound, so somehow we need to
17 address that.

18 MS. BOERNER: And to make it very clear, I
19 mean, you could fund one, two, four or none of these
20 outreach. They're giving them to you as an option. So you
21 can choose from the menu what you feel is appropriate.

22 MS. HSIEH: And so I hope whoever designs,
23 if this were to be funded, they've done all this research
24 lately on actually what persuades people who normally
25 wouldn't be persuaded, it's sort of a peer pressure, like,

1 look, everyone's starting to improve their habits, why
2 don't you, and a picture of an animal who's suffering,
3 versus don't do this, it causes harm, the people who -- I
4 mean, often that message, facing it, they know it. It has
5 -- the message has to be unique in some way.

6 MR. ELTON: Maybe DEC should have a hotline
7 that people can report.

8 MR. HARTIG: We do.

9 (Laughter)

10 MR. ELTON: Well, maybe that should be part
11 of the insert in the tide books.

12 CHAIRMAN ZEMKE: So I guess right now we're
13 looking at the basic proposal, Pallister project, and then
14 either one, two, three or four or any combinations of
15 those. I mean, we don't have a motion on the floor right
16 now. I think we've heard the executive director and
17 science director recommendation that they thought proposal
18 1 should be funded primarily because of the youth outreach,
19 but also because of the heavily leveraged amount that is,
20 you know, a one-to-one match, whereas the other projects,
21 though some may be as worthy, don't have significant
22 leverage with them.

23 So with that I guess I would entertain a
24 motion to move forward on this project.

25 MR. BALSIGER: Mr. Chairman. I will start,

1 and hopefully it will be amended if necessary. So I move
2 we approve funding for the Pallister project 12120116,
3 marine debris removal, and public outreach proposals number
4 1, 2 and 3, including nine percent general administration
5 and any applicable project management costs; this multi-
6 year funding is to be reviewed annually by the Council and
7 to lapse on September 30th, 2014.

8 If there's a second, I'll talk just for a
9 second about why I didn't include 4.

10 CHAIRMAN ZEMKE: Is there a second.

11 MR. HARTIG: I'll second.

12 CHAIRMAN ZEMKE: Been seconded by Mr.
13 Hartig.

14 MR. BALSIGER: Thank you. The first three
15 projects are -- all sound pretty good and they're all
16 pretty cheap actually. And so I intentionally didn't
17 mention number 4, because that's \$150,000 which is more,
18 and if someone would want to speak to it, I'd be prepared
19 to have that included and be happy as part of it, but it
20 seemed easy to understand the first three projects, and so
21 that's why I just included those three kind of.

22 CHAIRMAN ZEMKE: Thank you for your
23 explanation of why you posed the motion.

24 Is there other discussion. Jen.

25 MS. SCHORR: I have a question and a

1 comment. The comment is that I agree. I think the dollar
2 amount for proposal number 4 is high.

3 My question is in regards to number 1, I
4 saw an annual budget, but I wasn't -- it was \$44,000 per
5 year I think but I wasn't clear on the total budget.

6 CHAIRMAN ZEMKE: It was what, \$152,000?

7 MS. HSIEH: The total is.

8 MS. BOERNER: Yeah. And that was complete.
9 That was for the three-year project.

10 MS. SCHORR: So that's for all three years?

11 MS. HSIEH: Plus.....

12 MS. BOERNER: That's for all three years,
13 yeah.

14 MS. SCHORR: Okay. I see. All right.
15 Thank you.

16 CHAIRMAN ZEMKE: Any other questions or
17 comments.

18 (No comments)

19 CHAIRMAN ZEMKE: I guess I had a question
20 probably to the executive director. How does this fit into
21 the overall costs with -- of the RFP? And are we within
22 ballpark of what we were looking at?

23 MS. HSIEH: Yeah, you're in the ballpark
24 still. I mean, with GA and project management costs, all
25 these numbers are higher than RFP, but we understood that

1 we put it out, so.....

2 CHAIRMAN ZEMKE: Okay.

3 MS. HSIEH: This is slightly higher, but I
4 think that the groups, whoever viewed the original proposal
5 and these offshoots, it's an important matter, and I
6 haven't heard anyone suggest that it shouldn't -- I think
7 if the numbers were really high, there would be some
8 trepidation, but.....

9 MS. BOERNER: Uh-huh.

10 CHAIRMAN ZEMKE: Well, from our April
11 meeting basically we requested that, you know, the outreach
12 portion of this would be provided or at least enhanced, and
13 certainly they've come together with some fairly good
14 proposals, and I think 1, 2 and 3 sound like the best suite
15 of the four proposals at lest in my mind, and.....

16 MS. HSIEH: And actually.....

17 CHAIRMAN ZEMKE:because of that, I
18 intend to vote positive on the motion.

19 MS. HSIEH: In several of your focus areas,
20 when you reviewed the original proposal, and then you did
21 request bolstering of the proposal in areas, they did go
22 beyond, which we expected, the original budget that was put
23 in the FFY 2 invitation. But that was part of the
24 development of those proposals as the Trustee Council added
25 more interest areas or asked to expand those areas.

1 CHAIRMAN ZEMKE: Any other comments or
2 questions.

3 (No comments)

4 CHAIRMAN ZEMKE: I guess there's one
5 question about how does this relate to other efforts that
6 are out for marine debris collection. I think that was --
7 had been brought up.

8 MS. BOERNER: Uh-huh. Just go back to that
9 to be.....

10 CHAIRMAN ZEMKE: Not to confuse the
11 situation.

12 MS. BOERNER: Right. I do know that they
13 were looking to work with NOAA I believe and to actually
14 get some -- potentially some matching funds to complete
15 this work, so it would be integrated with NOAA's marine
16 debris programs. And obviously through their outreach
17 they've been well-coordinated with the other local
18 organization, the Chugach National Forest, the Alaska
19 SeaLife Center, the school districts.

20 MS. HSIEH: Steve, maybe you were also
21 referring, there was a recent BOEMRE grant, \$988,000. And
22 we received a letter today which we've distributed copies
23 of from the Marine Conservation Alliance which I believe
24 will be administrating that grant, supporting this
25 proposal, and they've worked with GOAK, the proposer, since

1 2006, and they look forward to continue to work with them,
2 but also note that the grant is not in the spill area and
3 would be spread across the state.

4 CHAIRMAN ZEMKE: Thank you. It certainly
5 does enhance the overall program, too. It's not just only
6 within the spill area, which our efforts can focus on, but
7 it also deals with some other areas in Alaska to overall
8 improve the environment and the message about the problems
9 of marine debris.

10 Thank you for the information.

11 Kim, it looks like you have a question.

12 MR. ELTON: Well, a question and I quickly
13 skimmed the MCAF letter, and I mean I -- I guess there is a
14 concern, and I didn't see an answer to it in the letter. I
15 mean, one of the things that can happen is that they can
16 now say, well, we don't need to worry about Prince William
17 Sound with the SEAP dollars, because EVOS is funding a
18 program. And so I don't know how we deal with that issue.

19 MS. HSIEH: I'm not sure -- I don't think
20 they can promise a grant, but they do state in this letter,
21 while we hope to continue to work with GOAK, the level of
22 our grant is around 50,000. So while the funding would
23 supplement their clean-up program, even under this Bohmer
24 grant that they'll disperse, it would not replace the large
25 scale program. It doesn't sound like they're intending to

1 reduce their interactions with GOAK, but are actually
2 encouraging.....

3 MR. ELTON: Right. But they're now
4 getting, you know, over \$900,000 in new money, and.....

5 MS. HSIEH: So it looks like GOAK could, if
6 they were to -- it sounds like from this letter, that if
7 they were to not award GOAK any funds this year because
8 they feel they had funds that were from EVOSTC, it would
9 only be \$50,000.

10 MR. ELTON: Okay.

11 MS. HSIEH: That's the amount of their
12 grants is what they're indicating here.

13 MS. SCHORR: So that's the most.

14 MR. PALLISTER: This is Chris. Can I make
15 a comment on that?

16 MS. HSIEH: Yeah.

17 CHAIRMAN ZEMKE: Sure, Chris, go ahead.

18 MR. PALLISTER: In the past years, MCAF has
19 been one of our primary funders, and, of course, their
20 funding has been tailing off with the situation with the
21 federal government's budget. And -- but they have been a
22 strong contributor to our programs. And our proposal to
23 the Council has -- it doesn't cover everything. And MCAF
24 and GOAK have been talking about doing some projects on the
25 outside of Montague for years, and I think they're still

1 interested in doing that. Now, 2014 we propose to do a
2 project with the Council's money, but it doesn't cover
3 anywhere near all of the outside of Montague, and I'm sure
4 that MCAF will be interested in helping us with that, and
5 some other like underwater net projects and things, so I'm
6 quite confident they'll contribute.

7 MS. HSIEH: Actually, their letter does
8 also state that they know that even with the EVOSTC money
9 this is only going to -- that EVOSTC would only clean up a
10 portion of marine debris in that spill area, and in
11 addition given GOAK's past work, we're certainly inclined
12 to continue to fund them over the two-year life of the
13 BOEMRE grant.

14 MR. ELTON: Okay. That's good.

15 MS. HSIEH: So it's as encouraging as one
16 could be, although they are not able to commit.

17 MR. ELTON: Without committing.

18 CHAIRMAN ZEMKE: Any other questions.
19 Comments.

20 (No comments)

21 CHAIRMAN ZEMKE: I guess I would call the
22 question. All those in favor of the motion as presented
23 say aye.

24 IN UNISON: Aye.

25 CHAIRMAN ZEMKE: Opposed.

1 (No opposing votes)

2 CHAIRMAN ZEMKE: Hearing none, the motion
3 is approved as presented.

4 I guess we're on to the next agenda item,
5 which would be the community-based marine debris removal,
6 NOAA, Ammann proposal.

7 MS. BOERNER: I will say that this is -- in
8 the situation at your last meeting you did not identify
9 this proposal as a preferred proposal. So we did not move
10 to develop it any further. However, you also did not
11 choose to fund or do not fund the proposal at that time, so
12 it's still considered a pending proposal even though
13 they've not submitted another proposal, a final one, nor,
14 you know, as you had not identified them as a preferred
15 proposer. So this is I imagine a bit of housekeeping,
16 and.....

17 MS. HSIEH: That's correct.

18 MS. BOERNER: Right. And at this point you
19 would need to decide whether you do wish to fund or do not
20 fund, a yeah/nay vote on proceeding.

21 CHAIRMAN ZEMKE: Do we need to have a
22 yeah/nay vote? Our company proposes.....

23 MS. HSIEH: We looked back at our past
24 practices and no funding decisions were made at the last
25 meeting, so these are carry-overs, and I'm assuming, you

1 know, these were do not fund proposals that were not chosen
2 to develop further. So I'm assuming that you would be
3 voting today on -- consistent with your last input, a nay
4 vote on funding similar to what we've done in the past
5 where you've said yeah or nay to each project, so it's
6 clear on the record.....

7 CHAIRMAN ZEMKE: Okay. These motions.....

8 MS. HSIEH:what the status of
9 funds.....

10 CHAIRMAN ZEMKE:will be made in the
11 affirmative or positive, so I'd entertain a motion.....

12 MS. HSIEH: Correct.

13 CHAIRMAN ZEMKE:for the community-
14 based marine debris removal, NOAA project.

15 MR. ELTON: Mr. Chair. I move we approve
16 funding Ammann project 12120118, community-based marine
17 debris program, including the nine percent general
18 administration and any applicable project management costs;
19 this multi-year funding is to be reviewed annually by the
20 Council and is to lapse on September 30th of 2013.

21 CHAIRMAN ZEMKE: Is there a second.

22 MR. BROOKOVER: Second.

23 CHAIRMAN ZEMKE: The motion is seconded.
24 Any discussion on the motion.

25 MR. BALSIGER: Just a process question. So

1 this requires six affirmative votes, and if we don't get
2 six, then it fails and it does not get funded, is that the
3 way you see it?

4 CHAIRMAN ZEMKE: That's my understanding.

5 MS. HSIEH: Uh-huh. (Affirmative)

6 CHAIRMAN ZEMKE: So any other questions or
7 comments.

8 (No comments)

9 CHAIRMAN ZEMKE: Hearing none, I guess I'll
10 call for the question. All in favor of the motion as
11 presented say aye.

12 MR. BALSIGER: Aye.

13 CHAIRMAN ZEMKE: All those opposed.

14 IN UNISON: Nay.

15 CHAIRMAN ZEMKE: The motion fails five to
16 one.

17 So I guess we move on to the next proposal.
18 It's I guess similar process.

19 MS. BOERNER: Yes. It's.....

20 CHAIRMAN ZEMKE: Marine debris program, the
21 EYAK/Whissel -- is that how you.....

22 MS. BOERNER: Yes. Again this was a
23 project you had not identified as a preferred proposer at
24 your last meeting.

25 CHAIRMAN ZEMKE: Any discussion on the.....

1 MR. ELTON: I would prefer to make a
2 motion, Mr. Chairman.

3 CHAIRMAN ZEMKE: Okay.

4 MS. HSIEH: And I would like to point out
5 that the Eyak youth will be engaged through the proposal
6 number 1 of the GOAK addendum which you discussed prior.
7 So you had asked at the last meeting that -- to explore
8 options of how the Eyak community could participate and
9 they will be participating through the Center for the
10 Alaskan Coastal Studies, and the Chugach Forest Service,
11 National Geographic consortium, which was already set up to
12 allow youth to participate. So youth from that community
13 will participate under that umbrella.

14 CHAIRMAN ZEMKE: Thank you for that
15 information.

16 I guess we're ready for that motion, Mr.
17 Elton.

18 MR. ELTON: Mr. Chair. I move we approve
19 funding Whissel project 12120119, marine debris program,
20 including nine percent general administration and any
21 applicable project management costs.

22 CHAIRMAN ZEMKE: All right. Any -- is
23 there a second to the motion.

24 MR. BROOKOVER: Second.

25 CHAIRMAN ZEMKE: The motion has been

1 seconded. Any discussion.

2 (No comments)

3 CHAIRMAN ZEMKE: Hearing none, I've guess
4 I'd call for the question. All those in favor of the
5 motion as presented say aye.

6 (No affirmative votes)

7 CHAIRMAN ZEMKE: Those opposed nay.

8 IN UNISON: Nay.

9 CHAIRMAN ZEMKE: Motion fails zero to six.

10 I guess we'll move on to lingering oil, the
11 Nixon.....

12 MS. HSIEH: Yes.

13 CHAIRMAN ZEMKE:Michel, Ballachey,
14 Bodkin, Esler proposal.

15 MS. BOERNER: Again this is under the
16 lingering oil subheading in the invitation. This was --
17 the principal investigator will be Zachary Nixon from
18 Research Planning. And this is just a single year project.
19 Their goal is to synthesize a lot of the biological
20 lingering oil work that has been completed by Bodkin, Esler
21 and other EVOSTC researches, to -- anyway, to synthesize it
22 with the work that's been done by Jacqui Michel and Michel
23 Boufadel over the past few years, and in effort to be able
24 to hopefully guide future bioremediations with more spatial
25 integrity. This project was a fund from -- a strong fund I

1 think from all of the entities that reviewed it.

2 CHAIRMAN ZEMKE: Thank you, Catherine.

3 MS. BOERNER: Uh-huh.

4 CHAIRMAN ZEMKE: Any other comments from
5 the executive director.

6 MS. HSIEH: No. We recommend that you fund
7 it.

8 CHAIRMAN ZEMKE: Any comments, questions
9 from Council members.

10 (No comments)

11 CHAIRMAN ZEMKE: Hearing none, I guess I'd
12 entertain a motion on the project.

13 MS. SCHORR: I move we approve funding, as
14 part of the long-term monitoring program, Nixon project
15 12120117, spatial synthesis of lingering oil distribution
16 modeling with population and biomarker data for recovering
17 species, including nine percent general administration and
18 any applicable project management costs.

19 MS. HSIEH: I'm sorry, there's an error in
20 the draft motion. It's not part of the long-term
21 monitoring program. Sorry.

22 MS. SCHORR: That's okay. I'd like to
23 restate the motion.

24 CHAIRMAN ZEMKE: Certainly.

25 MS. SCHORR: I move to approve funding

1 Nixon project 12120117, spatial synthesis of lingering oil
2 distribution modeling with population and biomarker data
3 for recovering species, including nine percent general
4 administration and any applicable project management costs.

5 CHAIRMAN ZEMKE: Okay. Thank you for that.
6 It's really not an amended motion, but a refined motion.
7 There are -- is there a second to the motion?

8 MR. HARTIG: I'll second.

9 CHAIRMAN ZEMKE: The motion has been
10 seconded by Mr. Hartig. Any discussion on the motion.
11 Questions or comments.

12 (No comments)

13 CHAIRMAN ZEMKE: Hearing none, I'll call
14 for the question on the motion. All those in favor of the
15 motion as presented say aye.

16 IN UNISON: Aye.

17 CHAIRMAN ZEMKE: Opposed.

18 (No opposing votes)

19 CHAIRMAN ZEMKE: Hearing none, the motion
20 passes unanimously.

21 All right. I guess we're moving on to tab
22 F, the response, damage assessment and restoration
23 implications. Lessons learned by Prince William Sound
24 Science Center and Pegau.

25 MS. BOERNER: Dr. Pegau once again.

1 CHAIRMAN ZEMKE: Pegau. Yeah. Dr. Pegau.
2 MS. BOERNER: Again this was another
3 housekeeping project. You did not recommend it for funding
4 as a preferred proposer at our last meeting. So, however,
5 this would be another yeah/nay vote.
6 CHAIRMAN ZEMKE: All right. Thank you for
7 that. Any questions or comments at this time.
8 (No comments)
9 CHAIRMAN ZEMKE: Hearing none, I'd
10 entertain a motion.
11 MR. ELTON: You're looking at me. I've
12 already made two motions.
13 CHAIRMAN ZEMKE: I was just looking down
14 this way.
15 (Laughter)
16 CHAIRMAN ZEMKE: Okay. I'll look this way.
17 MR. BROOKOVER: I'll move that we approve
18 funding Pegau project 12120113, lessons learned and
19 implications to future spill response, including nine
20 percent general administration and any applicable project
21 management costs; multi-year funding is to be reviewed
22 annually by the Council and is to lapse on September 30th,
23 2013.
24 CHAIRMAN ZEMKE: Thank you. Second?
25 MR. HARTIG: Second.

1 CHAIRMAN ZEMKE: Seconded by Mr. Hartig.
2 Any discussion on the motion.
3 (No comments)
4 CHAIRMAN ZEMKE: Hearing none, seeing none,
5 I won't look that way, I'll call for the question. All
6 those in favor of the motion as presented say aye.
7 MR. BALSIGER: Aye.
8 CHAIRMAN ZEMKE: All those opposed to the
9 motion say nay.
10 IN UNISON: Nay.
11 MR. BALSIGER: I'm sorry, Mr. Chairman, I
12 didn't really mean to do that, but that's fine.
13 CHAIRMAN ZEMKE: So do you want to change
14 your.....
15 MR. BALSIGER: No. It's fine. I was
16 actually looking.....
17 CHAIRMAN ZEMKE: Motion fails.....
18 MR. BALSIGER:forward to the next
19 item.
20 CHAIRMAN ZEMKE:one to five.
21 CHAIRMAN ZEMKE: Okay. I guess we're onto
22 the last official annual budget, FY 12, and Elise and Linda
23 Kilbourne will lead in discussion.
24 MS. HSIEH: Well, I think what I'll do is
25 just walk you through some of the changes. It's a pretty

1 vanilla budget. We continue to reduce it each year,
2 although we're getting closer to the bone. This year is
3 probably a little higher because of launching these
4 programs and have laid in support.

5 Under administrative management, Page 4, we
6 have included \$2500 approximately for Jen Schorr to travel
7 for programmatic and legal work. She travels and does work
8 for us in a variety of areas, not just habitat, so we put
9 her there instead of habitat, just with regard with her
10 travel funds.

11 The science program, which is on Page 9, as
12 discussed earlier under the herring long-term program, we
13 have included \$2500 for the herring small group. It sounds
14 like a pretty good bargain. We also have a larger travel
15 budget this year. We have \$16,000 for the fall 2011 long-
16 term monitoring PI meeting and \$5,000 for the 2012 AMSS PI
17 travel costs. We're including these in our annual budget
18 because we can't get the funds to them fast enough to start
19 up these programs this fall unless we do it this way. So
20 we've worked together to include it here.

21 We have a fairly large amount for our
22 science panel. We often -- with some members we don't use
23 it all, and with other members we use a lot, the ones who
24 are -- who we call upon to review documents. This year may
25 be a little heavy as we set up and look at synthesis, the

1 workshops, and begin to set up our new cycles with the
2 long-term programs.

3 With regard to Trustee Council travel, on
4 Page 12, thank you to the Department of Fish and Game and
5 also NOAA have reduced their travel costs, so we still have
6 the Department of the Interior travel costs coming from out
7 of town. In the past we had travel costs for all the
8 trustees of about \$5500, but it was difficult to track and
9 often not used and not returned, so we appreciate your eye
10 towards our budget with regard to those.

11 We've made a change since the last public
12 draft on Page 14 of 17 for agency distribution for agency
13 distribution under the habitat protection program. U.S.
14 Forest Service has removed its \$12,500 allotment that in
15 past years had been used under habitat, but the last couple
16 of years has not been used. Again thank you for being so
17 attentive to the funds that we do transfer and whether
18 they're used or not. We appreciate that extra effort.

19 On Page 16 of 17, we have a listing --
20 well, actually even on Page 15. Again we already talked
21 about the Department of Fish and Game herring program
22 coordinator. We also have under project management Dede
23 Bohn and Pete Hagen. Both work hard on project management,
24 and have been with the Council for a long time. We've been
25 drawing very heavily on their expertise lately in getting

1 these programs set up.

2 On the second page, on Page 16, we have Tom
3 Brookover or other Department of Fish and Game staff at
4 \$10,000. I call and bother Tom sometimes multiple times in
5 one week, and ask his staff to review things, so again we
6 appreciate your assistance.

7 Steve Zemke or other U.S. Forest Service
8 staff at 9100. Fish and Wildlife staff through Department
9 of Interior, 9400, and our -- the federal budget officer,
10 Bruce Nessler, 22,300.

11 So this budget, we've removed the sort of
12 liaison category that was so important in the early years
13 of the Trustee Council. And as we've sort of slimmed down
14 and we have heavily used some Trustee agency staff, we
15 become more task-focused on what the staff is doing and how
16 they participate in this agency, and we appreciate how
17 careful the trustees are and how helpful they've been in
18 reducing our budget in these areas.

19 Those are really the shifts in the budget
20 that I think were worth remark and notice.

21 MS. SCHORR: Can I ask some questions?

22 MS. HSIEH: Yes.

23 MS. SCHORR: Page 7, on the data management
24 category.....

25 MS. HSIEH: Yes.

1 MS. SCHORR:are we retaining John,
2 what's.....

3 MS. HSIEH: Wojtacha.

4 MS. SCHORR: Okay.

5 MS. HSIEH: We have him -- we have
6 remaining monies that we're rolling over, but we still do
7 use him. He will work with Department of Fish and Game as
8 we try and -- we have to upgrade all of our equipment and
9 also we might have some bolus, what I call bolus work,
10 because we're so behind as an organization in so many ways.
11 We might have large amounts of data work that Department of
12 Fish and Game -- they're sort of taking us on as a
13 maintenance project.....

14 MS. SCHORR: Uh-huh.

15 MS. HSIEH:but we actually have
16 documents and other issues here, and old equipment that
17 hasn't been addressed, so we're using his funds from last
18 year and just rolling them over.

19 MS. SCHORR: I see.

20 MS. HSIEH: If they're not used. He's been
21 unbelievably inexpensive, to be honest with you, and very,
22 very helpful. So I'm happy to roll those funds over as
23 long as we have them. He's been very useful. And our RSA
24 with Department of Fish and Game I don't believe has gotten
25 off the ground yet?

1 MS. KILBOURNE: It just got put on line.
2 MS. HSIEH: Like this week, yeah. So we
3 haven't had any support until now.
4 CHAIRMAN ZEMKE: One thing that had talked
5 about was the direct support to special use permit
6 applications, and I didn't see that in the.....
7 MS. HSIEH: Yes. I'm sorry.
8 MS. KILBOURNE: It's on Page 15.
9 MS. HSIEH: That's right. It's on Page --
10 but I don't think we've printed out a new one, but it.....
11 MS. KILBOURNE: Yes.
12 MS. HSIEH: You did?
13 MS. KILBOURNE: They were on the table.
14 MS. HSIEH: Okay. I didn't grab a new one.
15 I'm sorry. And I'm glad you mentioned it, Steve. That
16 would be -- can you describe that again for us, Linda?
17 Yes, it's U.S. Forest Service project management, and I'm
18 loosely paraphrasing, was about 22?
19 MS. KILBOURNE: \$22,000
20 MS. HSIEH: Thousand dollars. And then
21 plus GA. We're including administration of special use
22 permits, tribal consultation, rural, then work with project
23 with within wilderness areas.....
24 MS. KILBOURNE: Right.
25 MS. HSIEH:generally speaking. Thank

1 you, Steve.

2 CHAIRMAN ZEMKE: Thank you for that
3 clarification.

4 MS. HSIEH: Yes.

5 MR. ELTON: Now, I -- okay. I've got a
6 document, 9/15 and it showed as.....

7 MS. HSIEH: Yes, I do, too. The U.S.
8 Forest Service project management was added this morning,
9 so I'm.....

10 MR. ELTON: Okay. So it's -- oh, okay.

11 MS. HSIEH:actually reading off my
12 handwritten note, so sorry.

13 MR. ELTON: Okay. Good. Thank you. I was
14 trying to find it here.

15 MS. HSIEH: Yes.

16 MR. ELTON: Okay. Thanks.

17 MS. HSIEH: So I just wanted to.....

18 CHAIRMAN ZEMKE: It's on the table in
19 the.....

20 MS. HSIEH:put it on verbally on the
21 -- Linda's really fast. She's already redone the budget,
22 but I'm a little slower.

23 CHAIRMAN ZEMKE: Okay. Thank you. Are you
24 done with the description of the budget then?

25 MS. HSIEH: I am. Thank you.

1 CHAIRMAN ZEMKE: Okay. Any questions or
2 comments.

3 (No comments)

4 CHAIRMAN ZEMKE: Hearing none, I guess
5 we're ready for a motion for the budget.

6 MR. BROOKOVER: I'll move we approve
7 \$1,711,790 funding for the annual program development and
8 implementation budget project 12120100.

9 MR. ELTON: Second.

10 CHAIRMAN ZEMKE: Seconded. Any discussion
11 on the motion as presented?

12 (No comments)

13 CHAIRMAN ZEMKE: Hearing none, I call for
14 the question. Those in favor of the motion as presented
15 say aye.

16 IN UNISON: Aye.

17 CHAIRMAN ZEMKE: All those opposed.

18 (No opposing votes)

19 CHAIRMAN ZEMKE: Hearing none, the motion
20 is passed as presented. Thank you.

21 I guess we're through the agenda tabs.
22 There is one on the end, whether or not we need an
23 executive session. I haven't heard anything about that.
24 Is there any need for an executive session.

25 MS. SCHORR: I don't think so. Not to my

1 knowledge.

2 CHAIRMAN ZEMKE: Hearing none, I guess I'd
3 be ready to entertain a motion for adjournment.

4 MR. HARTIG: I move to adjourn.

5 MS. SCHORR: Second.

6 CHAIRMAN ZEMKE: Okay. Hearing no
7 opposition, motion is passed and the meeting is adjourned.

8 And I want to thank everyone, including
9 those on the phone that are still here or there. Getting
10 through the ruffling of the paper and I really do
11 appreciate the effort everybody put in to present the
12 quality materials so that we can move through this rather
13 lengthy and cumbersome at times agenda and get it done a
14 half an hour's early time. So, again, thank you very much
15 for executive council staff members, and then also the
16 publics and the principal investigators for all their hard
17 work and effort in getting this done. Thank you again.

18 MS. HSIEH: And thank you to Cherri Womac
19 for organizing these meetings and keeping us and myself
20 organized way beyond what I would ever be capable of, so
21 thank you very much, Cherri.

22 MS. SCHORR: And thank you, Mr. Chair, for
23 keeping us moving along.

24 (Off record)

25 (END OF PROCEEDINGS)

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

2 UNITED STATES OF AMERICA)

3 STATE OF ALASKA)

4 I, Salena A. Hile, Notary Public in and for
5 the state of Alaska and reporter for Computer Matrix Court
6 Reporters, LLC, do hereby certify:

7 THAT the foregoing pages numbered 2 through 177
8 contain a full, true and correct transcript of the Exxon
9 Valdez Oil Spill Trustee Council's Meeting recorded
10 electronically by Computer Matrix Court Reporters on the
11 15th day of September 2011, commencing at the hour of 12:30
12 p.m. and thereafter transcribed under my direction and
13 reduced to print:

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

16 EXXON VALDEZ TRUSTEE COUNCIL, 441 W. 5th Avenue,
17 Suite 500, Anchorage, Alaska 99501;

18 DATED at Anchorage, Alaska this 25th day of
19 September 2011.

20 SIGNED AND CERTIFIED TO BY:

21

22 Salena A. Hile

23 Notary Public, State of Alaska

24 My Commission Expires: 09/16/14

