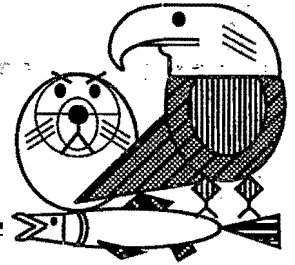


# Exxon Valdez Oil Spill Trustee Council

Restoration Office

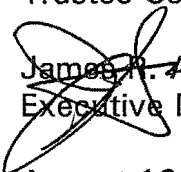
645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



## MEMORANDUM

TO: Trustee Council

FROM:  James R. Ayers  
Executive Director

DATE: August 16, 1994

RE: Trustee Council Briefing Materials for August 23 Meeting

Enclosed is the August 23 meeting agenda. The issues on the agenda are addressed below. This memo and enclosures constitute your briefing packet for the August 23 meeting.

Meeting Notes: for July 11 and 18 Meetings.

Public Advisory Group Report: The PAG met on August 2-3. The summary of that meeting is enclosed. Also enclosed are the actions the PAG took on the Restoration Reserve and the "Less than fee" and "Public Access" draft policies, as well as the pertinent sections of the meeting transcript.

Restoration Plan Update: Enclosed as a separate document is a booklet containing copies of all the public comments received through the EIS process on the Draft Restoration Plan. Included in this briefing binder is a summary of those comments. At the August 23 meeting, I will be submitting to you a recommended action and timeline for completion of the Final EIS, the Record of Decision and the Final Restoration Plan.

Habitat Protection and Acquisition: Several items are included for your review: a Status Report Regarding Appraisal Services and Appraisal Schedule, a copy of the Appraisal Process Status Summary table, and a revised draft of the "Less than Fee" and "Public Access" draft policies which reflect the Public Advisory Group's recommendations and some further recommendations by agency staff. We can discuss these further at the August 23 meeting.

---

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Proposed Interim Budgets: Interim funding is necessary for three major efforts in FY95: administration, report writing and data analysis for FY94 projects, and some field work in the fall of FY95. Enclosed is the proposed Administration, Science Management and Public Information budget for the entire FY95 in order to maintain orderly management and operation of the Trustee Council efforts throughout the year. This budget amount of \$3.6 million reflects a 30% reduction from the FY94 budget that was authorized last year. I believe it also reflects the policy directions you have given me in terms of managing the Trustee Council's programs and activities. Included in this budget is the start of an Information Management System to integrate, synthesize and make available to the public all the information generated by Trustee funded projects. I would be happy to answer any questions you may have on this budget prior to the meeting.

Also enclosed are the agencies' requests and my recommendations for interim funding for FY95. It is important that we protect our investment in 1994 efforts by funding the completion of the 1994 field work (primarily data analysis and report writing), as well as essential field work that must be accomplished during the fall months. Some projects may not reflect a recommendation because we have requested additional information that is not yet available. The remainder of the *FY95 Work Plan* will come before you in concert with adoption of a *Final Restoration Plan* in late October. The *Fiscal Year 1995 Draft Work Plan* will be available for public review September 1 - October 3, 1994.

Financial Report: Enclosed is a financial update prepared by June Arkoulis-Sinclair, Director of Administration. Ms. Sinclair has also gathered information for your review concerning various Investment Options to be considered for Trustee funds. I will have this available for you on August 23. Representatives of the Court Registry and the Alaska Department of Revenue will be available for a more detailed briefing at a time still to be determined. We do not have a Project and Budget Quarterly Status Report in your briefing packet this month. At a recent meeting you requested that an analysis memo be included with this report. Due to the time commitment required in publishing the *Draft FY95 Work Plan*, we have been unable to finalize this analysis. However, we will have it available for your next meeting.

I would also like to mention that Ms. June Arkoulis-Sinclair has accepted a position in New York and will be leaving in September. I am currently searching for a replacement.

Chief Scientist Contract: The Request for Proposals for the Chief Scientist contract has been published. Responses are due by August 31. In order to ensure consistent scientific review for this work plan cycle, I have requested that the Alaska Department of Natural Resources extend Mr. Spies' contract through November 15, 1994. You will receive as a separate document a confidential

evaluation of Mr. Spies' performance, which will be discussed during an executive session on August 23 if you so desire.

Institute of Marine Science Improvements Update: Enclosed is a summary of the public comments received during the comment period on the Draft Environmental Impact Statement for the Institute of Marine Science Improvements project. Twenty two comments were received from individuals; 15 from groups/organizations; 155 from federal, state and local agencies; and 14 from public hearing testimony.

We will be ready to brief you in detail on the final responses to the tasks included in your January 31, 1994 authorization of this project by the third week of September. I have been working with the various agencies, the Seward group, and the University of Alaska to facilitate coordination of this effort.

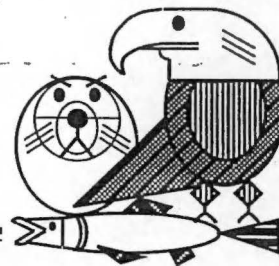
FY95 Draft Work Plan: The draft work plan is now being printed and will be available for review from September 1 - October 3, 1994. We have scheduled a number of technical review sessions of such major efforts as the Prince William Sound System Investigation, herring restoration projects, and sockeye salmon restoration during the next six weeks in order to have accurate and up-to-date information upon which to base my final recommendation. In addition, we have scheduled a teleconferenced public hearing on the Draft Work Plan for September 28 to take additional public comment. I will facilitate that hearing unless one of the Trustees would care to do so.

# Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



# DRAFT

## AGENDA EXXON VALDEZ OIL SPILL SETTLEMENT TRUSTEE COUNCIL

**AUGUST 23, 1994 @ 10:30 A.M.**

8/16/94

3:18 pm

**DRAFT**

### Trustee Council Members:

PHIL JANIK/JIM WOLFE  
Regional Forester/Trustee  
Alaska Region/Representative  
U.S. Department of Agriculture-Forest Service

BRUCE BOTELHO/CRAIG TILLERY  
Attorney General/Trustee  
State of Alaska/Representative

GEORGE T. FRAMPTON, JR./DEBORAH WILLIAMS  
Assistant Secretary/Trustee Representative  
U.S. Department of the Interior

STEVE PENNOYER  
Director, Alaska Region  
National Marine Fisheries Service

CARL L. ROSIER  
Commissioner  
Alaska Department of Fish & Game

JOHN A. SANDOR  
Commissioner  
Alaska Department of Environmental  
Conservation

, Chair

Anchorage - 645 G Street Fourth Floor

1. Call to Order 10:30 a.m.
  - Approval of Agenda
  - Order of the Day
  - Approval of July 11 and 18, 1994 Meeting Notes
2. Public Advisory Group Report (Brad Phillips) and  
Public Comment Period 10:30 - 11:30 a.m.
3. Restoration Plan Update (Jim Ayers) 11:30 a.m.
  - Summary of Public Comments on EIS (Rod Kuhn)
  - Adoption of Preferred Alternative for EIS\*
  - Implementation/Final Restoration Plan
4. Habitat Protection and Acquisition
  - Update on Activities  
(Possible Executive Session for Strategy Discussion)

*Financial report  
Investment options (Cherry)*

### Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior



- "Less than fee" and "Public Access" Policies\*

5. Proposed Interim Budget\*
  - Administrative Budget
  - Project Interim Budgets
6. Executive Director's Report (Jim Ayers)
  - Financial Report
  - Court Request
  - Investment Options
  - Chief Scientist Contract (Possible Executive Session)
  - Institute of Marine Science Improvements Update
  - FY95 Draft Work Plan
7. Future Meeting Schedule

**\*Action Items**



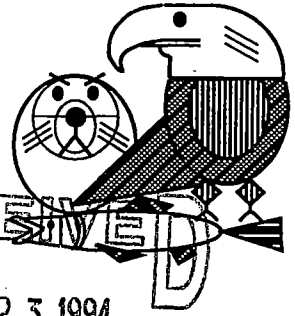
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# Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



**DRAFT**

## AGENDA

EXXON VALDEZ OIL SPILL SETTLEMENT  
TRUSTEE COUNCIL

AUG 23 1994

EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
ADMINISTRATIVE RECORD  
8/22/94  
3:59 pm  
**DRAFT**

**AUGUST 23, 1994 @ 10:30 A.M.**

### Trustee Council Members:

PHIL JANIK/JIM WOLFE  
Regional Forester/Trustee  
Alaska Region/Representative  
U.S. Department of Agriculture-Forest Service

BRUCE BOTELHO/CRAIG TILLERY  
Attorney General/Trustee  
State of Alaska/Representative

GEORGE T. FRAMPTON, JR./DEBORAH WILLIAMS  
Assistant Secretary/Trustee Representative  
U.S. Department of the Interior

STEVE PENNOYER  
Director, Alaska Region  
National Marine Fisheries Service

CARL L. ROSIER  
Commissioner  
Alaska Department of Fish & Game

JOHN A. SANDOR  
Commissioner  
Alaska Department of Environmental  
Conservation

John Sandor, Chair  
Anchorage - 645 G Street Fourth Floor

1. Call to Order 10:30 a.m.
  - Approval of Agenda
  - Order of the Day
  - Approval of July 11 and 18, 1994 Meeting Notes
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  - Overview
  - Investment Options
  - Summary of Public Comments on EIS (Rod Kuhn)
  - Adoption of Preferred Alternative for EIS\*
  - Implementation/Final Restoration Plan
4. Habitat Protection and Acquisition

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### Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

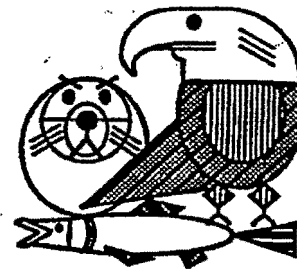
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

- Update on Activities  
(Possible Executive Session for Strategy Discussion)
  - "Less than fee" and "Public Access" Policies\*
5. Proposed Interim Budget\*
    - Administrative Budget
    - Project Interim Budgets
  6. Executive Director's Report (Jim Ayers)
    - Financial Report
    - Court Request
    - Institute of Marine Science Improvements Update
    - FY95 Draft Work Plan
  7. Personnel Actions (Executive Session)
    - Chief Scientist Evaluation
    - Director of Administration
  8. Future Meeting Schedule

**\*Action Items**



**Exxon Valdez Oil Spill Trustee Council**  
**Restoration Office**  
 645 "G" Street, Anchorage, AK 99501  
 Phone: (907) 278-8012 Fax: (907) 276-7178



**MEMORANDUM**

**TO:** James R. Ayers  
**FROM:** June Arkoulis-Sinclair  
 Administrative Officer

**RECEIVED**

AUG 23 1994

EXXON VALDEZ OIL SPILL  
 TRUSTEE COUNCIL  
 ADMINISTRATIVE RECORD  
 DATE AUG 15, 1994

**RE:** Financial Report

**Status of Funds**

1. The financial statements for the period ending July 31, 1994 are attached.
2. Status of settlement funds - as of July 31, 1994, \$6,239,657 has been earned on settlement funds (including United States and State of Alaska accounts), \$340,831,233 has been disbursed, and the total estimated funds available including receivables from Exxon are approximately \$625,512,307.
3. Status of United States and State of Alaska Joint Trust Fund - as of July 31, 1994, the balance in the Joint Trust Fund was approximately \$75,487,307.
4. Average earnings percentages -
  - Court registry - 4.00%
  - State of Alaska - 5.00%
  - NRDA&R - 3.30%
5. Court requests - The \$1.5 million court request to accommodate the U. S. Forest Service's proposed Appraisal Schedule & Cost Estimates is on hold until a decision is made by the Trustee Council on the Eyak appraisal at the August 23 meeting. The request is on hold until it is known whether additional funds will need to be drawn down.
6. Quarterly Financial Summaries - Brief third quarter (June 30, 1994) summary information is for the FFY 94 Work Plan presented below:

**Trustee Agencies**

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
 United States: National Oceanic & Atmospheric Administration, Departments of Agriculture and Interior

Authorized	\$56.2
Expended/Obligated	<u>(44.3)</u>
Unobligated Balance	\$11.9

### Investment of Funds

1. Court Registry - the Clerk of the Court has put together a long term reserve proposal for Trustee Council and Executive Director review and comment. The proposal is attached. The Clerk of the Court will be available to attend an October meeting.
2. State of Alaska - The Department of Revenue, Treasury Division has provided us with information regarding long term investments and asset allocation for review and comment. Bob Storer, Investment Officer will be available to attend an October meeting.

### Attachments

**DRAFT****Statement of Exxon Settlement Funds As of July 31, 1994****Beginning Balance of Settlement**

900,000,000

**Receipts:**

Interest Earned on Exxon Escrow Account

831,233

Net Interest Earned on Joint Trust Fund (See Note 1)

4,750,396

Interest Earned on United States and State of Alaska Accounts

658,028

**Total Interest**

6,239,657

**Disbursements:**

Reimbursements to United States and State of Alaska

139,111,287

Exxon clean up cost deduction

39,913,688

Joint Trust Fund deposits

161,806,258

**Total Disbursements**

340,831,233

**Funds Available**

Exxon future payments

560,000,000

Balance in Joint Trust Fund (See Statement 2)

75,487,307

Seal Bay acquisition payments due (See Note 3)

(9,975,000)

Other (See Note 2)

TBD

**Total Estimated Funds Available**

625,512,307

Note 1: Gross interest earned less District Court registry fees.

Note 2: Previously funded projects may have unobligated balances which will be available.

Note 3: Annual payments due in November 1994, 1995 and 1996.



**DRAFT**

**Cash Flow Statement Exxon Valdez Oil Spill Settlement United States and State of Alaska Joint Trust Fund  
July 31, 1994**

**Receipts:****Exxon payments**

Deposit December 1991	36,837,111	
Deposit December 1992	56,586,312	
Deposit September 1993	68,382,835	
Total Deposits	<u>161,806,258</u>	<u>161,806,258</u>

Interest Earned	5,272,794	
Total Interest	<u>5,272,794</u>	<u>5,272,794</u>

<b>Total Receipts</b>		<u><u>167,079,052</u></u>
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**Disbursements:****Court requests**

Withdrawal June 1992	12,879,700	
Withdrawal December 1992	6,567,254	
Withdrawal June 1993	21,067,740	
Withdrawal November 1993	29,950,000	
Withdrawal November 1993	4,743,925	
Withdrawal June 1994	15,860,728	
Total Requests	<u>91,069,347</u>	<u>91,069,347</u>

District Court Fees	<u>522,398</u>	<u>522,398</u>
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<b>Total Disbursements</b>		<u><u>91,591,745</u></u>
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<b>Balance in Joint Trust Fund</b>		<u><u>75,487,307</u></u>
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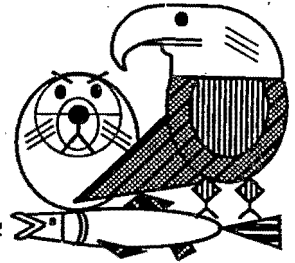
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# Exxon Valdez Oil Spill Trustee Council

## Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



### TRUSTEE COUNCIL MEETING ACTIONS

July 18, 1994 @ 3:00 p.m.  
Reconvened from July 11, 1994 Meeting

By James R. Ayers  
Executive Director

RECEIVED  
DRAFT  
AUG 23 1994

#### Trustee Council Members Present:

EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
ADMINISTRATIVE RECORD

- Jim Wolfe, USFS
- Deborah Williams, USDO
- Don Collinsworth, NMFS

- Carl Rosier, ADF&G
- \* John Sandor, ADEC
- Craig Tillery, ADOL

\* Chair

• Alternates:

Deborah Williams served as an alternate for George T. Frampton, Jr. for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

Don Collinsworth served as an alternate for Steve Pennoyer for the entire meeting.

Jim Wolfe served as an alternate for Phil Janik for the entire meeting.

#### 1. Approval of the Agenda

**APPROVED MOTION:** Approved the Agenda. (Attachment A)

#### 2. Habitat Acquisition Update

**APPROVED MOTION:** Trustee Council authorized an additional \$1,500,000 to accommodate the U.S. Forest Service's proposed Appraisal Schedule & Cost Estimates. This is to include a timber cruise for Tatitlek @ \$200,000 and an expedited Eyak timber cruise and report (mid-September) @ \$600,000. Akhiok, Old Harbor and Koniag report due date to change from mid-September to late August. Also, requested was a written explanation from the contractor for the cost difference regarding the report due dates. Motion by Deborah Williams, seconded by Jim

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#### Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

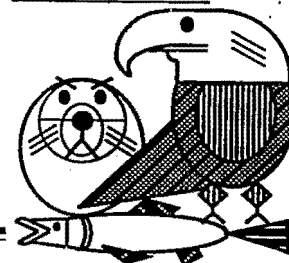
Wolfe.

3. Upcoming Meeting Dates

**APPROVED MOTION:** The next Trustee Council meeting will be in Anchorage on August 23, 1994 @ 10:30 a.m.

Meeting adjourned

raw

**Exxon Valdez Oil Spill Trustee Council****Restoration Office****645 G Street, Suite 401, Anchorage, Alaska 99501-3451****Phone: (907) 278-8012 Fax: (907) 276-7178**

AGENDA  
 EXXON VALDEZ OIL SPILL SETTLEMENT  
 TRUSTEE COUNCIL  
 CONTINUATION OF JULY 11, 1994 MEETING  
**TELECONFERENCE**  
**JULY 18, 1994 @ 3:00 P.M.**

## Trustee Council Members:

PHIL JANIK/JIM WOLFE  
 Regional Forester/Trustee  
 Alaska Region/Representative  
 U.S. Department of Agriculture-Forest Service

BRUCE BOTELHO/CRAIG TILLERY  
 Attorney General/Trustee  
 State of Alaska/Representative

GEORGE T. FRAMPTON, JR./DEBORAH WILLIAMS  
 Assistant Secretary/Trustee Representative  
 U.S. Department of the Interior

STEVE PENNOYER  
 Director, Alaska Region  
 National Marine Fisheries Service

CARL L. ROSIER  
 Commissioner  
 Alaska Department of Fish & Game

JOHN A. SANDOR  
 Commissioner  
 Alaska Department of Environmental  
 Conservation

John Sandor, Chair  
 Juneau - Forest Service Conference Room 541A  
 Anchorage - 645 G Street Fourth Floor

1. Call to Order 3:00 p.m.
  - Approval of Agenda
  - Order of the Day
2. Habitat Acquisition Update (Dave Gibbons)
  - Appraisal Schedule & Cost Estimate
3. Future Meeting Schedule
  - August 23, 1994 @ 7:30 or 8:00 a.m. (Simpson Building)
  - Tentative Topics to be Discussed
    - Final Restoration Plan
    - EIS Preferred Alternative
    - FY95 Interim Budget
    - Habitat Update

## Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
 United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

## DRAFT

July 18, 1994

FOREST SERVICE STATUS REPORT REGARDING  
APPRAISAL SERVICES AND APPRAISAL SCHEDULE

At its July 11, 1994, meeting, the Trustee Council requested both a status report regarding the Forest Service contract to conduct appraisals in support of the restoration acquisition program and a current appraisal schedule.

## I. Background

The status of the appraisal contract and current appraisal schedule cannot be fully appreciated without a consideration of the historical context in which the Trustee Council's appraisal process has evolved.

## A. Standardized Appraisal Process and Appraisal Services Contract.

On November 30, 1993, the HPWG issued its comprehensive habitat protection evaluation and ranking of large parcels, which were evaluated, scored and ranked as high, moderate, or low to represent the degree to which protection of a parcel would benefit the recovery of linked resources and services that occur on the parcel.

At its January 31, 1994, meeting, the Trustee Council approved a resolution proposed by Commissioner Sandor to proceed with a habitat protection program. Among other things, the resolution directed the Executive Director to work with the lead negotiators to develop a standardized appraisal process, including standardized appraisal instructions, to be used to appraise the parcels under consideration for protection. This Council direction launched several initiatives.

First, the Alaska Department of Natural Resources, the U.S. Department of the Interior, and the U.S. Department of Agriculture entered into a Memorandum of Understanding (MOU) regarding the appraisal process to be used to appraise interests in land under consideration for acquisition and habitat protection as part of the Trustee Council restoration process. The parties entered into the MOU to ensure that all appraisals are conducted and reviewed in an efficient and uniform manner. The MOU provides that standard appraisal instructions will be developed and applied to each appraisal of interests in land proposed for acquisition, and that all appraisals will comply with State of Alaska appraisal standards and the *Uniform Appraisal Standards for Federal Land Acquisitions* (UASFLA), 1992. In addition, the parties agreed that an existing

## DRAFT

U.S. Forest Service contract for the procurement of appraisal services would be used to appraise all interests in land proposed to be acquired for purposes of restoration. The responsibility for the overall administration of the appraisal services contract remains with the Forest Service. The parties executed the MOU on March 21, 1994.

Second, in March, 1994, the Executive Director began a process to develop standardized appraisal instructions. The appraisal instructions utilized in the existing Forest Service contract were the basis for development of the standardized instructions. The Executive Director solicited comments on these instructions from landowners interested in participating in the restoration acquisition program and incorporated appropriate comments in the final version. The Department of Justice Chief Appraiser also reviewed the standardized instructions and concurred that the standards met the requirements of UASFLA. The standardized appraisal instructions were finalized on April 21, 1994.

Third, the Executive Director also requested that the appropriate staff develop a framework for the appraisal process that could be shared with landowners and the public. Throughout April, 1994, agency negotiators, appraisers, and attorneys formulated a twelve step process for conducting appraisals, reviewing appraisals, and approving appraisals. The draft twelve step process was also submitted to interested landowners for comment and was endorsed by the Council on May 31, 1994. The final twelve step process was issued June 3, 1994.

#### B. Initiation of Appraisals and Current Schedule.

At the same time the above initiatives detailing the standards and process to be used in conducting appraisals was taking place, negotiations with landowners were occurring. Receipt of permission from the landowners to proceed with an appraisal has varied with each parcel and remains dependent upon the progress of on-going negotiations. The progress of negotiations and thereby the number of parcels to be appraised within the assumed deadline of mid-September has made the confirmation of the completion of any given appraisal difficult. In fact, the Executive Director informed the Council at its April 11, 1994, meeting that the schedule for completion of appraisals was not definitive and that the appraisers were expecting appraisals to be prepared by July, August, or maybe even early September. Transcript at p. 16.

In addition, two issues have been problematic with respect to the scheduling of appraisals, although it does not appear either issue has caused significant delays in the current appraisal schedule. First, the May 6, 1994, purchase agreement with the Eyak Corporation and Sherstone, Inc. for the purchase of approximately

## DRAFT

two thousand acres of commercial timber rights required that an appraisal be conducted as soon as possible to meet the 90 day closing requirement stated in the purchase agreement. This required a shift in focus from the Shuyak and Chenega parcels to the Eyak/Sherstone parcel with respect to the performance of the timber appraisal. Second, locating a subcontractor to perform timber appraisals was troublesome. No timber appraisal firm with experience in Alaska was acceptable to the State and/or the private landowners. This results from a potential appearance of a conflict for the Alaska firms because no qualified firm was identified that was not already associated with either the private parties or with Exxon Corporation in the remaining oil spill litigation. Not until mid-May was the Forest Service contract appraiser, Black-Smith and Richards of Anchorage, able to subcontract with Pacific Forest Consultants of Portland, Oregon to perform timber appraisal services under the Forest Service contract.

An appraisal schedule prepared for the Council for its May 31, 1994 meeting indicates that of the five appraisals authorized to be conducted as of that date, the draft appraisal completion date for two was mid-July, one in August, and two in mid-September. The chart attached details, among other things, the expected completion date of the draft appraisal reports for these five parcels, which effectively remain on schedule as reported to the Council in May.

Since the May Council meeting, however, three additional requests have been made by the Executive Director to prepare appraisals, with a presumed target for completion of the draft appraisal report of September 15, along with the other parcels already being appraised. Completion of these draft reports by this target date significantly raises the cost of conducting the appraisals and also may raise the perception that the Council's appraisal process is not reliable.

With respect to costs, several factors affect the estimated cost of conducting an appraisal, including the deadline established for completion of the appraisal. Large parcels containing timber may increase appraisal costs substantially. This results, in part, from deficient or non-existent timber inventory data, which then requires a significant amount of field work to inventory the timber. A significant number of additional timber cruisers may be required to complete the groundwork during this field season in order to meet a September 15 timeframe. There may be substantial risks involved in performing timber appraisals for an estimated 200,000 acres during the remaining 1994 field season. First, the margin for error increases in the timber inventory and grade, which calls into question the validity of the appraisal. This factor therefore requires that the accountability level increase substantially. Timber check cruisers must be available from the lead negotiating agency to ensure the validity of the timber

## DRAFT

inventory. In addition, physical risks for the individuals performing the timber inventory work increases as the end of the field season nears.

If the draft completion date for each appraisal requested is to be by mid-September, an increase in contract personnel and cost will certainly occur. Based on discussions with Pacific Forest Consultants, the Forest Service estimate for completing the timber cruises for the Afognak and Eyak large parcels by September 15 is approximately \$800,000. This is based on an increase in personnel to approximately 100 people to cruise the estimated 163,000 acres to be appraised, and considers current costs for labor, transportation, overhead, and expenses. It is estimated that if the September 15 draft completion date is not required, and the deadline to complete the timber cruise is late October, the estimate for Eyak is \$250,000, assuming that good timber inventory data is available for Afognak. In addition, it must be noted that Pacific Forest Consultants indicates there is only a 50-50 chance that it could meet the September 15 deadline.

The incurred costs associated with the conduct of appraisals currently exceeds the amount authorized by the Council at its May 31st meeting to conduct appraisals. The Council allocated \$515,000 to conduct appraisals. The cost of performing the five appraisals authorized at the time of the May 31st meeting, Akhiok-Kaguyak, Chenega, Eyak-Orca Narrows Sub-parcel, Shuyak, and Old Harbor, is \$992,617. This does not include the \$53,043 that the Federal trustees authorized to be expended from federal restitution funds to conduct an appraisal of the Chenega parcel. The worst case analysis regarding completion of Afognak, Eyak large parcel and Koniag by September 15th brings the estimated total to conduct all appraisals to \$1,827,617. This total cost exceeds the \$515,000 allocated by the Council by \$1,312,617. This estimate does NOT include any appraisal of Tatitlek lands that may be requested for draft completion by September 15.

Finally, it must be emphasized that the attached appraisal schedule provides for an expected date of completion of the draft appraisal report and the cost estimates are based on the September 15 completion date. For acquisitions involving partial interests, significant issues continue to remain undefined, which affect the appraiser's ability to meet this draft completion date. Where less than fee acquisitions are proposed, negotiators must resolve issues such as public access, subsistence rights, ANILCA 22(g), and defining development rights retained by the landowner before a defined partial interest to be acquired is presented to the appraiser for a determination of value of the less than fee interest.



**DRAFT**

July 18, 1994

APPRAISAL SCHEDULE & COST ESTIMATES

PARCEL OWNERSHIP	REQUEST FROM E.D.	ACRES TO BE APPRAISED	INTEREST APPRAISED	DRAFT REPORT DATE	ESTIMATED COST
EYAK	5/5/94	2,025	TIMBER	LATE-JULY	\$60,320
CHENEGA	9/93*	76,000	FEE/PAR/TIM	LATE-JULY	\$450,000
SHUYAK	4/29/94	27,900	FEE/TIMBER	MID-AUGUST	\$391,603
AKHIOK	5/6/94	119,885	FEE	MID-SEPT	\$63,401
OLD HARBOR	5/6/94	34,134	FEE/PARTIAL	MID-SEPT	\$27,291
KONIAG	7/11/94	100,000	FEE	MID-SEPT	\$35,000**
AJV	6/23/94	112,658	FEE/TIMBER	MID-SEPT	\$200,000**
EYAK	6/17/94	50,000**	FEE/PAR/TIM	MID-SEPT	\$600,000**
				LATE-OCT	\$250,000**
TATITLEK	not ordered				
CHUGACH	not ordered				
PORT GRAHAM	4/29/94	CANCELLED 5/17 AFTER PRELIMINARY WORK WAS INITIATED			
ENGLISH BAY	not ordered				

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ESTIMATED TOTAL	\$1,827,617
<hr/>	
APPRAISAL FUNDS AUTHORIZED BY TRUSTEE COUNCIL ON 1/31/94	\$515,000
<hr/>	
ADDITIONAL FUNDS NEEDED	\$1,312,617

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\*Landowner permission given thru 9/93 agreement with Forest Service

\*\*Estimate

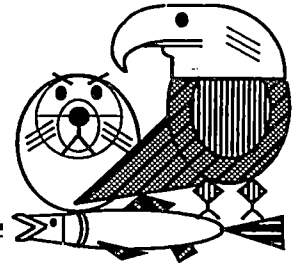
**DRAFT**

# Exxon Valdez Oil Spill Trustee Council

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



## TRUSTEE COUNCIL MEETING ACTIONS

RECEIVED

AUG 23 1994

July 11, 1994 @ 1:00 p.m.

Reconvened from May 31, 1994 Meeting EXXON VALDEZ OIL SPILL

By James R. Ayers  
Executive Director

DRAFT  
ADMINISTRATIVE RECORD

### Trustee Council Members Present:

Phil Janik, USFS  
• Deborah Williams, USDOJ  
• Don Collinsworth, NMFS

Carl Rosier, ADF&G  
\* John Sandor, ADEC  
• Craig Tillery, ADOL

\* Chair

• Alternates:

Deborah Williams served as an alternate for George T. Frampton, Jr. for the entire meeting.

Craig Tillery served as an alternate for Bruce Botelho for the entire meeting.

Don Collinsworth served as an alternate for Steve Pennoyer for the entire meeting.

### 1. Approval of the Agenda

**APPROVED MOTION:** Approved the Agenda. (Attachment A)

**APPROVED MOTION:** Approved May 31, 1994 Meeting Notes. (Attachment B)

### 2. Publication Policy

**APPROVED MOTION:** Adopted Publication Policy as recommended. (Attachment C)  
Motion by Deborah Williams, seconded by Phil Janik.  
Deborah Williams clarified that in lieu of the disclaimer language, in some cases it would be possible to seek Trustee Council and/or Chief Scientist endorsement of an article for publication. No action on other issue.

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

3. Peterson Resolution

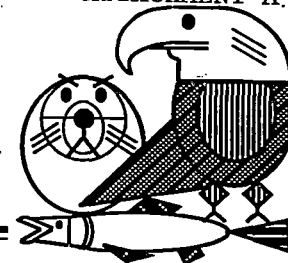
**APPROVED MOTION:** Adopted resolution honoring Dr. Charles Peterson. Motion by Carl Rosier, seconded by Deborah Williams. (Attachment D)

4. Outline of Draft FY95 Work Plan

**APPROVED MOTION:** Adopted, with changes, a general outline for structure of the Draft FY95 Work Plan. Motion by Deborah Williams, seconded by Carl Rosier. (Attachment E)

Meeting recessed until July 18, 1994 @ 3:00 p.m.

raw

**Exxon Valdez Oil Spill Trustee Council****Restoration Office****645 G Street, Suite 401, Anchorage, Alaska 99501-3451****Phone: (907) 278-8012 Fax: (907) 276-7178**

AGENDA  
 EXXON VALDEZ OIL SPILL SETTLEMENT  
 TRUSTEE COUNCIL  
 CONTINUATION OF MAY 31, 1994 MEETING  
 ANCHORAGE  
 JULY 11, 1994 @ 1:00 P.M.

Trustee Council Members:

PHIL JANIK  
 Regional Forester, Alaska Region  
 U.S. Department of Agriculture-Forest Service

BRUCE BOTELHO/CRAIG TILLERY  
 Attorney General/Trustee  
 State of Alaska/Representative

GEORGE T. FRAMPTON, JR./DEBORAH WILLIAMS  
 Assistant Secretary/Trustee Representative  
 U.S. Department of the Interior

STEVE PENNOYER/DON  
 Director/COLLINSWORTH  
 Alaska Region/Trustee Representative  
 National Marine Fisheries Service

CARL L. ROSIER  
 Commissioner  
 Alaska Department of Fish & Game

JOHN A. SANDOR  
 Commissioner  
 Alaska Department of Environmental  
 Conservation

Steven Pennoyer, Chair  
 Juneau - LIO 130 Seward Street -- Anchorage - 645 G Street First Floor

1. Call to Order 1:00 p.m.
  - Approval of Agenda
  - Order of the Day
  - Approval of May 31, 1994 Trustee Council Meeting Notes
2. Public Comment - 1:15 - 2:00 p.m.
3. Public Advisory Group Report (Brad Phillips) 2:00 p.m.
4. Executive Director's Report (Jim Ayers) 2:30 p.m.
  - Restoration Plan Update
    - Implementation - Management Structure
    - Organizational Structure
  - EIS Proposed Action

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Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
 United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

- Science Review Board Policy Review
- Chief Scientist Contract
- Institute of Marine Science Improvements Update
- Habitat Protection & Acquisition Update
- Financial Report

5. Action Items

- Publications Policy
- Peterson Resolution
- Outline of Draft FY95 Work Plan

6. Future Meeting Schedule

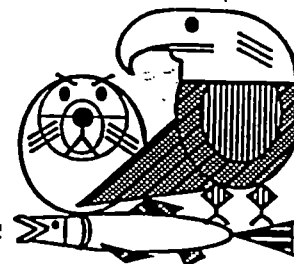
5:00 p.m. Adjourn

**Exxon Valdez Oil Spill Trustee Council**

Restoration Office

645 G Street, Suite 401, Anchorage, AK 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178

**TRUSTEE COUNCIL MEETING ACTIONS**

**May 31, 1994 @ 1:00 p.m. Juneau, Alaska**  
**Reconvened from May 3, 1994 meeting**

By James R. Ayers  
 Executive Director

**Trustee Council Members Present:**

- |                        |                           |
|------------------------|---------------------------|
| * Steve Pennoyer, NMFS | Carl Rosier, ADF&G        |
| John Sandor, ADEC      | • Jim Wolfe, USFS         |
| • Craig Tillery, DOL   | • Deborah Williams, USDOJ |

- \* Chair
- Note:

- Craig Tillery served as an alternate for Attorney General Bruce Botelho for the entire meeting.
- Jim Wolfe served as a representative for the USFS for the entire meeting.
- Deborah Williams served as an alternate for George T. Frampton, Jr. for the entire meeting.

Teleconference sites included the Anchorage Restoration Office and the Fairbanks LIO.

1. Approval of the Agenda

**APPROVED MOTION:** Approved the Agenda. (Attachment A)

2. Resolution Honoring Michael Barton

**APPROVED MOTION:** Approved a resolution honoring the work of Michael Barton as a Trustee Council member (Attachment B).

3. Analysis of Options Available to Maximize Earnings on Settlement Funds

**APPROVED MOTION:** Directed the Executive Director to prepare an analysis of options available to the Trustee Council to maximize the interest earned on EVOS civil settlement funds.

4. Tatitlek and Chugach Habitat Evaluation and Ranking

**APPROVED MOTION:** Authorized the Executive Director, subject to a formal determination of a willing seller, to

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Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
 United States: National Oceanic and Atmospheric Administration, Departments of Agriculture, and Interior

proceed with the habitat evaluation and ranking of large parcels that have not been evaluated and ranked in the past.

5. Transfer of Funds from Herring Project to Harlequin Duck Project

**APPROVED MOTION:** Approved the transfer of \$20.0 thousand from Project #94165/Herring Genetic Stock Identification to Project #94427/Harlequin Duck Boat Survey to provide funds to conduct additional harlequin brood surveys.

6. Trustee Council Policy on Less Than Fee Simple Habitat Acquisitions

**APPROVED MOTION:** Directed the Executive Director to, first, develop a draft process and policy statement on less than fee simple habitat acquisition which will examine public access and canopy protection, among other issues and, second, bring the policy statement and process to the Trustee Council by resolution at the next Trustee Council meeting.

The meeting was recessed. The next meeting of the Trustee Council was tentatively scheduled for some time in late June.

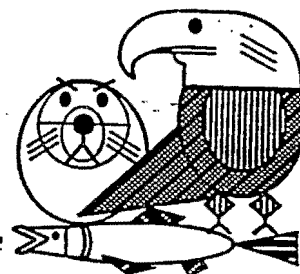
Attachment A	Agenda
Attachment B	Resolution Honoring Michael Barton

# **Exxon Valdez Oil Spill Trustee Council**

**Restoration Office**

**645 G Street, Suite 401, Anchorage, Alaska 99501-3451**

**Phone: (907) 278-8012 Fax: (907) 276-7178**



**AGENDA**  
**EXXON VALDEZ OIL SPILL SETTLEMENT**  
**TRUSTEE COUNCIL**  
**CONTINUATION OF APRIL 28, 1994 MEETING**  
**TELECONFERENCE**  
**MAY 31, 1994 @ 1:00 P.M.**

**5/27/94**  
**11:12 am**  
**DRAFT**

**Trustee Council Members:**

**JAMES A. WOLFE/Trustee Representative**  
Director, Engineering & Aviation Management  
U.S. Department of Agriculture-Forest Service

**BRUCE M. BOTELHO/CRAIG TILLERY**  
Attorney General/Trustee  
State of Alaska/Representative

**GEORGE T. FRAMPTON, JR./DEBORAH WILLIAMS**  
Assistant Secretary/Trustee Representative  
U.S. Department of the Interior

**STEVEN PENNOYER**  
Director, Alaska Region  
National Marine Fisheries Service

**CARL L. ROSIER**  
Commissioner  
Alaska Department of Fish & Game

**JOHN A. SANDOR**  
Commissioner  
Alaska Department of Environmental  
Conservation

**Steven Pennoyer, Chair**  
**Juneau location - U.S. Forest Service Conference Room 541A**  
**Anchorage location - 645 G Street Fourth Floor**

1. Approval of Agenda
  - Order of the Day
  - Approval of Meeting Notes from April 11 & 28, May 2 & 3
2. Executive Director's Report (Jim Ayers)
  - Financial Report (June Sinclair)
  - Project Status (Eric Myers)
  - Restoration Plan EIS (Rod Kuhn)
  - Institute of Marine Science (Kim Sundberg)
  - Public Information and Communication (Molly McCammon)
  - FY95 Work Plan Process (Molly McCammon)
  - Habitat Protection and Acquisition Status (Dave Gibbons)

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**Trustee Agencies**

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior



3. New Business

\* Authorization for Ranking and Negotiations:

- 1) Tatitlek
- 2) Chugach
- 3) Other

\* Transfer of \$20,000 from Project 94165 (Prince William Sound Herring Genetic Stock Identification) to Project 94427 (Harlequin Duck Boat Surveys & Methodology Testing)<sup>1</sup>.

4. 2:30 p.m. Executive Session on Habitat Protection and Acquisition Strategies  
Trustee Council and Appropriate Staff Only.

Tentative Meeting Schedule:

- 1) Between August 24 & 31 (May require 2 days)
- 2) Last week of September
- 3) October 31

Adjourn

\* Action Items

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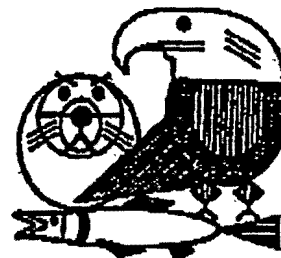
<sup>1</sup> The \$20K in Project 94165 is available because poor herring returns this spring did not allow for a full-scale testing of the hypothesis of several spawning stocks in Prince William Sound. A full-scale project will be considered again for FY95.

**Exxon Valdez Oil Spill Trustee Council**

Restoration Office

645 "G" Street, Anchorage, AK 99501

Phone: (907) 278-8012 Fax: (907) 276-7178



Resolution of Appreciation for Michael A. Barton  
Recognizing His Outstanding Leadership and Dedication  
as

Trustee Council Member for the  
U.S. Department of Agriculture on the  
*Exxon Valdez* Oil Spill Trustee Council

The *Exxon Valdez* Oil Spill Trustee Council expresses its profound appreciation to Michael A. Barton for his extraordinary leadership and stewardship as the Trustee Council Member for the U.S. Department of Agriculture on the *Exxon Valdez* Oil Spill Trustee Council. From the time of the spill, during response and damage assessment, as well as subsequent planning and implementation of restoration activities, Michael Barton always brought exceptional judgment and insight to the process of formulating policy for the restoration of the injured natural resources and the services they provide. Michael Barton's dedication to service and his composure under pressure contributed significantly to the Trustee Council's design of a balanced approach to restoration of the spill affected area. The Trustee Council unanimously commends Michael Barton for his professionalism and friendship and wish Michael Barton well in future endeavors.

James Wolfe  
Regional Forester  
USDA Forest Service

Bruce Botelho  
Attorney General  
State of Alaska

George T. Frampton, Jr.  
Assistant Secretary  
U.S. Department of Interior

John A. Sandor  
Commissioner  
Department of Environmental Conservation

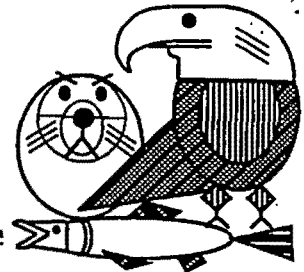
Steve Pennoyer  
Director  
National Marine Fisheries Service

Carl L. Rosier  
Commissioner  
Department of Fish and Game

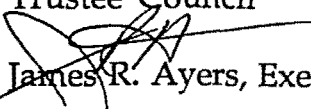
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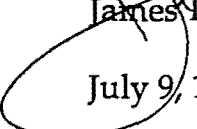
**Trustee Agencies**

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
United States: National Oceanic & Atmospheric Administration, Departments of Agriculture and Interior

**Exxon Valdez Oil Spill Trustee Council****Restoration Office****645 G Street, Suite 401, Anchorage, Alaska 99501-3451****Phone: (907) 278-8012 Fax: (907) 276-7178****M E M O R A N D U M**

TO: Trustee Council

FROM:  James R. Ayers, Executive Director

DATE:  July 9, 1994

SUBJ: Policies Regarding Publications and Reference to  
Trustee Council Funded Research

The purpose of this memorandum is to recommend that the Trustee Council adopt a policy that addresses the need for a "disclaimer" when Trustee Council funded research is published in articles or other submissions for publication.

Additionally, as discussed below, a separate question has emerged regarding whether the Trustee Council should reserve the opportunity to participate in the peer review process of materials submitted for publication (in books, journals, etc.) that are supported with civil settlement funds.

Reference to Trustee Council Funded Research in Articles or Other Literature

Researchers who have worked on various damage assessment or restoration projects funded by the Trustee Council sometimes seek to have their work published as articles in scientific journals or other professional literature. While this is appropriate and even to be encouraged, it is also important to ensure that the views and positions of the Trustee Council are not inadvertently misconstrued as a result of these publication efforts. The conclusions of individual investigators using data or information from Trustee Council funded projects should be clearly identified as their own unless and until the Trustee Council takes specific action to endorse a particular interpretation or conclusion. It is my understanding from the Chief Scientist, that the Environmental Protection Agency (EPA) maintains a policy along these lines as indicated by the attached excerpt from an article

Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

published in the *Marine Ecology Progress Series* by Dr. Spies, et. al. (see attachment, last page).

**Recommendation:** Investigators working on projects sponsored by the Trustee Council that are the subject of a journal article or other submission for publication should be directed to include a statement with all such submissions stating:

"The research described in this paper was supported by the *Exxon Valdez* Oil Spill Trustee Council. However, the findings and conclusions presented by the author(s) are their own and do not necessarily reflect the views or position of the Trustee Council."

#### Peer Review of Materials Included in Trustee Council Supported Publications

A related policy issue has also emerged regarding what opportunity, if any, the Trustee Council should have to participate in the peer review of materials published as a result of direct funding support from the civil settlement (e.g., a book of papers or journal articles for which civil settlement funds are used to pay page charges). This question was brought to light by the difference of scientific interpretation that has arisen regarding a paper to be included in the marine mammal book that will be published with funding support from the Trustee Council (*Effects of the Exxon Valdez on Marine Mammals*).

One possible means of addressing this issue would be for the Trustee Council to adopt a policy providing that if civil settlement funds are used to support the cost of printing a book or other publication, the Trustee Council would expressly reserve the opportunity to participate in the peer review process for the materials to be published as a result of that Trustee Council funding support.

At this point, there is a spectrum of opinion on the need for a policy that addresses this issue. Some agency liaisons are supportive of the concept while others object. There is no consensus of opinion and this is an issue that warrants further discussion. I do not have a recommendation at this time. I did, however, want to bring the issue to your attention.

attachment

# Stable isotope ratios and contaminant concentrations in a sewage-distorted food web

Robert B. Spies<sup>1</sup>, Harold Kruger<sup>2</sup>, Robert Ireland<sup>1</sup>, David W. Rice, Jr<sup>1</sup>

<sup>1</sup> Environmental Sciences Division, Lawrence Livermore National Laboratory, University of California, Box 5507, Livermore, California 94550, USA

<sup>2</sup> Kruger Laboratories, 24 Blackstone Street, Cambridge, Massachusetts 02139, USA

**ABSTRACT:** Concentrations of selected neutral organic contaminants and stable isotope ratios of carbon, nitrogen and deuterium/hydrogen in invertebrates and fish were compared from near a large, 60m deep municipal waste outfall near Los Angeles, California, where waste has a measurable influence on the structure of the marine food web, and from a reference area off Santa Barbara, California. Objectives were to investigate (1) the degree of utilization of sewage organic matter in the food web, especially by 3 species of fish, (2) differences in contaminant accumulation between these benthophagous fish and (3) the behavior of organic contaminants relative to each other and to organic matter through several trophic levels. Isotopically lighter carbon and nitrogen and higher concentrations of most chlorinated hydrocarbons were found in tissues of organisms from near the outfall. On the basis of the  $\delta^{13}\text{C}$  and  $\delta^{15}\text{N}$  of the fishes, the estimated contribution of nitrogen and carbon from sewage was about 15 to 20% of their requirements for these elements. The  $\delta^{13}\text{C}$  and  $\delta^{15}\text{N}$  values increased in the fishes in the order of *Microstomus pacificus*, *Citharichthys sordidus* and *Zanolepis latipinnis*. The Cs/K ratio of the latter species was also significantly higher than the former 2 species, also indicating its higher trophic position. *C. sordidus* had the highest wet-weight concentrations of chlorinated hydrocarbons and phthalic acid esters; intermediate concentrations of these compounds were found in *Z. latipinnis* and the lowest concentrations were found in *M. pacificus*. Concentrations of chlorinated hydrocarbons on a lipid-weight basis changed this order so that it more closely resembled the trophic structure revealed by the stable isotope ratio and Cs/K ratio data. Increases of both EDDT and Aroclor 1254, from deposit-feeding invertebrates through fish, were evident in foodwebs of the outfall and reference areas as positive correlations with  $\delta^{13}\text{C}$ . A large degree of correlation was evident between contaminants in *Z. latipinnis* but not in the other 2 fish species. These correlations were apparently not a function of liver lipid concentration, but the strengths of the correlations were dependent on the similarities of log  $K_{ow}$  values of the correlated compounds.

## INTRODUCTION

Over  $2 \times 10^5$  metric tons of sewage particulate matter are discharged into the Southern California Bight each year (Schafer 1984). Associated with these particles are a variety of xenobiotic contaminants, such as chlorinated hydrocarbons, aromatic hydrocarbons, phthalic acid esters, heterocycles and chlorophenols (Young & Gossett 1980, Eganhouse & Kaplan 1982, Gossett et al. 1982, Schafer 1984). The sewage particles are about 60% organic matter, compared to ca 2% in endogenous marine particulate matter (Sweeney & Kaplan 1980).

As a result of particulate matter settling, sediments have accumulated at the rate of  $0.6$  to  $1.7 \text{ g cm}^{-2} \text{ yr}^{-1}$  (dry) during the 1970's near the Los Angeles County

Joint Water Pollution Control Plant (JWPCP) outfall (Stull et al. 1986a). This deposition of particles with a high organic content has had a marked effect on the food web, changing microbial and invertebrate populations in accordance with effects expected from organic enrichment (Pearson & Rosenberg 1978, Stanley et al. 1978, Stull et al. 1986b). The general effect evident in the invertebrate populations was a stimulation of selected species of deposit-feeding infauna, especially polychaetes, while crustaceans, particularly amphipods, became less numerous (Smith & Green 1976, Word & Striplin 1980).

Changes in populations of benthophagous fish were also noted near the JWPCP outfall during the 1970's (Cross et al. 1985; see Spies 1984 for review). One species in particular, the Dover sole (*American appella-*

ascribe size-related differences in  $\delta^{15}\text{N}$  in *M. pacificus* mainly to changing diet with size rather than an isotope effect due to metabolism, the specimens analysed from Santa Barbara were much smaller (ca 8 g each) than those from the JWPCP outfall area (from 42 to 110 g each). Therefore, if there were really a relationship between size and  $\delta^{15}\text{N}$  due to an isotope effect, the use of larger fish from the control area would have resulted in an even greater difference in  $\delta^{15}\text{N}$  than observed.

The local movement of *Citharichthys sordidus* in and out of the outfall area is a behavior pattern consistent with the ecological data that indicate there is not a strong attraction of this species for the outfall area (Cross et al. 1985). This behavior pattern would be expected to result in both a greater accumulation of those contaminants that were elevated near the outfall and in isotope ratio shifts that were different in the outfall area in some individuals. Therefore, it might be expected that contaminant concentrations and shifts in stable isotope ratios might be correlated. Indeed, Aroclor 1254 and  $\Sigma\text{DDT}$  are elevated in these species relative to the SB reference site (Table 7) and their concentrations correlate with  $\delta^{15}\text{N}$  (Fig. 4). An alternative explanation is that the switch from partly benthic to wholly pelagic prey in larger specimens (Allen 1982) would result in greater contaminant concentrations along with isotopic shifts toward lighter carbon and nitrogen. However, size did not correlate with either of these measures in this species.

It has now been well established that  $\delta^{13}\text{C}$  increases slightly with each trophic transfer (DeNiro & Epstein 1978, Teeri & Schoeller 1979, Stephenson et al. 1986). This phenomenon has been utilized to interpret the structure of complex food webs where it is not entirely clear that the trophic level assignments should be for animals that feed on organisms from various trophic levels (Haines & Montague 1979, McConnaughey & McRoy 1979a, b, Rau et al. 1983). Data presented here indicate that a combination of  $\delta^{13}\text{C}$  and  $\delta^{15}\text{N}$  predicts trophic level better than Cs/K. However, we used about 20 of each species for the isotope ratio analyses and only 5 of each species for the Cs and K analyses. Perhaps with more Cs/K values clearer separations between species, such as those observed from the isotope ratio data, would be evident.

The data support the following conclusions: (1) the 3 species of fish collected in the outfall area obtained about 15 to 20% of their carbon and nitrogen from sewage and this varied little between species; (2) carbon and nitrogen became isotopically heavier and Cs/K increased in the 3 species in the order of: *Microstomus pacificus*, *Citharichthys sordidus* and *Zaniolepis latipinnis*, which suggests strongly that trophic levels increase in this order; (3) *M. pacificus*, a species that apparently occupies a lower trophic level than the

other 2 species, accumulated the lowest concentrations of  $\Sigma\text{DDT}$  and PCBs; (4) Aroclor 1254 and  $\Sigma\text{DDT}$  bioaccumulate through the food web, from invertebrate detritus feeders to predatory fish, although for  $\Sigma\text{DDT}$  in fish this may related to lipid content; (5) contaminants tend to correlate positively between individuals of a fish species with increasing trophic level, and the reason for this remains unclear.

**Acknowledgements.** We are grateful to I. Haydock of the Los Angeles County Sanitation District for making the 'Saa-S-Dee' available for sampling and for the sample of sewage particulate matter, Willard Bascom, director of the Southern California Coastal Water Research Project (SCCWRP) at the time of this study, graciously made laboratory space available for processing field samples. Jeff Cross of SCCWRP was particularly helpful in our field work. Don Baumgartner, Bruce Boese and Henry Lee of EPA's Marine Laboratory, Newport, Oregon have given us support and many helpful suggestions. We thank D. Young, from the same laboratory, for invaluable discussions of the Cs and K data. This work was performed under the auspices of the U.S. Department of Energy by the Lawrence Livermore National Laboratory (LLNL) under Contract No. W-7405-ENG-48. Although the research described in this paper was funded by the U.S. Environmental Protection Agency through Interagency Agreement AD-89-E2A267 to LLNL, it has not been subjected to the Agency's required peer and policy review and therefore does not necessarily reflect the views of the Agency.

#### LITERATURE CITED

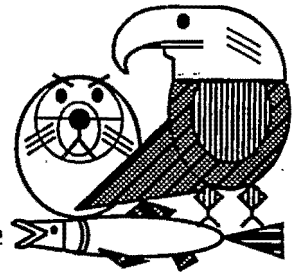
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**Exxon Valdez Oil Spill Trustee Council**

Restoration Office

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178

**RESOLUTION**

WHEREAS, Dr. Charles H. Peterson has served as one of the Trustee Council's most highly regarded scientific peer reviewers; and

WHEREAS, Dr. Peterson has been extremely diligent in his efforts to provide the Trustee Council and the public with sound information and advice; and

WHEREAS, Dr. Peterson has made an important contribution to the Trustee Council's efforts to develop an ecosystem approach to the restoration of resources and services injured by the *Exxon Valdez* oil spill; and

WHEREAS, the Pew Scholars Program in Conservation and the Environment recently recognized Dr. Peterson's exceptional professional contribution to the conservation of biological diversity and related environmental issues,

THEREFORE BE IT RESOLVED, that the *Exxon Valdez* Oil Spill Trustee Council commends Dr. Peterson for the receipt of this prestigious award from the Pew Charitable Trusts.

*Craig J. Tillery* Dated 7/11/94  
for BRUCE M. BOTEHO  
Attorney General  
State of Alaska

*Donna Williams* Dated 7/11/94  
for GEORGE T. FRAMPTON, JR.  
Assistant Secretary for Fish,  
Wildlife & Parks  
U.S. Department of the Interior

*Phil Janik* Dated 7/11/94  
PHIL JANIK  
Regional Forester  
Alaska Region  
USDA Forest Service

*Steve Pennoyer* Dated 7.11.94  
STEVEN PENNOYER  
Director, Alaska Region  
National Marine Fisheries Service

*Carl L. Rosier* Dated 7/11/94  
CARL L. ROSIER  
Commissioner  
Alaska Department of Fish &  
Game

*John A. Sandor* Dated 7/11/94  
JOHN A. SANDOR  
Commissioner  
Alaska Department of  
Environmental Conservation

**Trustee Agencies**

State of Alaska: Departments of Fish &amp; Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

## Outline of Draft FY 95 Work Plan

Note: The following outline represents a proposal by staff to organize information about the Draft FY 95 Work Plan in order to provide an opportunity for meaningful public review and comment. The proposal to identify various project categories in no way reflects an action or decision on the part of the Trustee Council regarding any specific project or proposal to be funded in FY 95. Budgets for continuing administrative costs and closeout/report writing for FY 94 projects will require action by the Trustee Council in late August. It is intended that a Draft FY 95 Work Plan will be published for public review and comment in late August/early September. Based on comment received as a result of the PAG and public review, the Executive Director will present a formal recommendation for consideration and action by the Trustee Council at a meeting in late October.

### Summary: Draft FY 95 Work Plan

This document would consist of:

- an introduction and several tables that identify Category 1 projects<sup>(1)</sup> (number, title, sponsor, lead agency, cost) organized according to category (General Restoration, Monitoring, Research, Habitat Protection and Administration) together with a narrative that puts the set of Category 1 projects into the context of the overall restoration goals, objectives and strategies drawing on the guidance provided in the *Invitation to Submit Restoration Projects for FY 95* and the *Draft Restoration Plan*
- a listing of Category 2<sup>(2)</sup> projects; Category 3<sup>(3)</sup> projects; Category 4<sup>(4)</sup> projects as well as identify "closeout" and "carry-forward" projects<sup>(5)</sup>

Note: this document would receive wide circulation to the Trustee Council mailing list.

### Draft FY 95 Work Plan — Supplement Volume I

This document would consist of Brief Project Descriptions for Category 1 and Category 2 projects and information on how to obtain BPDs for other projects

Note: this document would receive limited mail circulation, but be widely noticed as available upon request.

### Draft FY 95 Work Plan — Supplement Volume II

This document would consist of Brief Project Descriptions for all other projects.



Note: this document would be prepared as a three ring binder and widely noticed as available for review in Legislative Information Offices and Public Libraries. Individual BPDs would be available upon request.

### **Draft FY 95 Work Plan — Supplement Volume III**

This document would consist of detailed budget forms for Category 1 and Category 2 projects.

Note: this document would be prepared as a three ring binder and widely noticed as available for review in Legislative Information Offices and Public Libraries. Individual budgets and additional information about budgets would be available upon request.

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(1) This set of projects will reflect a comprehensive, balanced set of priority FY 95 projects identified by the Executive Director in consultation with the Chief Scientist, Trustee Council agency liaisons, the PAG representatives and the Coordinating Committee on the basis of information available at this time. This set of projects will include General Restoration, Monitoring, Research, Habitat Protection and Administration/Public Information projects of a high priority that are responsive to the guidance (objectives and strategies) provided by the *Invitation to Submit Restoration Projects for FY 95*.

(2) This set of projects will include General Restoration, Monitoring, Research, Habitat Protection and Administration/Public Information projects identified as permissible under the terms of the civil settlement, but of a lower priority in FY 95, together with a statement of the rationale for their designation as Category 2 projects.

(3) This set of projects will include General Restoration, Monitoring, Research, Habitat Protection and Administration/Public Information projects that have been proposed to the Trustee Council that are identified as being incomplete, lacking a clear relationship to restoration or otherwise of low priority, together with a statement of the rationale for their designation as Category 3 projects.

(4) This set of projects will include General Restoration, Monitoring, Research, Habitat Protection and Administration/Public Information projects raising significant legal or policy issues. A specific rationale for why a particular project is proposed for this category will be provided for each project (e.g., not legally permissible under the civil settlement, the proposal would fund a normal agency responsibility).

(5) Closeout projects are those projects from a prior year that will be concluded in FY 95. Carry-forward projects are those projects that were not completed in FY 94, that are to be continued but need reauthorization.

PAG REPORT

11577-  
**DRAFT**

## Meeting Summary

A. GROUP: Exxon Valdez Oil Spill Public Advisory Group (PAG)

B. DATE/TIME: August 2-3, 1994

C. LOCATION: Anchorage, Alaska

D. MEMBERS IN ATTENDANCE:

RECEIVED  
AUG 23 1994

Name

Rupert Andrews  
Pamela Brodie  
Kim Benton (for Sturgeon)  
Jim Cloud  
Jim Diehl  
Donna Fischer, Vice-Chair  
John French  
James King  
Vern McCorkle  
Gerald McCune  
Brad Phillips, Chair (8-3)  
Chuck Totemoff  
Lew Williams  
(McCorkle alt. for Eliason)  
(McCune alt. for McMullen)

Principal Interest

EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
ADMINISTRATIVE BOARD  
Sport Hunting and Fishing  
Environmental  
Forest Products  
Public-at-Large  
Recreation Users  
Local Government  
Science/Academic  
Conservation  
Public-at-Large  
Commercial Fishing  
Commercial Tourism  
Native Landowners  
Public-at-Large  
Public-at-Large  
Aquaculture

E. NOT REPRESENTED:

Name

Cliff Davidson (ex officio)  
Richard Knecht  
Don McCumby (alternate)  
Drue Pearce (ex officio)

Principal Interest

Alaska State House  
Subsistence  
Public-at-Large  
Alaska State Senate

F. OTHER PARTICIPANTS:

Name

Jim Ayers (via telecon 8-2)  
Mark Broderson  
David Bruce  
Dan Hull  
Bob Loeffler  
Mary McBurney  
Molly McCammon  
  
Charles McKee  
Jerome Montague  
Doug Mutter  
  
Eric Myers  
Joan Ostercamp  
Sandy Rabinowitch

Organization

Executive Director, EVOS  
Restoration Office  
AK Dept. Envir. Conservation  
AK Dept. Envir. Conservation  
Cordova Dist. Fishermen United  
AK Dept. Envir. Conservation  
Alternate for McCune  
Director of Operations, EVOS  
Restoration Office  
Self  
AK Dept. Fish and Game  
Designated Federal Officer  
Dept. of the Interior  
Project Coordinator  
Univ. of Alaska Fairbanks  
National Park Service

Walt Sheridan  
Bob Spies  
Kim Sundberg  
Craig Tillery  
Ray Thompson

U.S. Forest Service  
Chief Scientist  
AK Dept. of Fish and Game  
AK Dept. of Law  
U.S. Forest Service

Federal Interagency Ecosystem Management Task Force (8-3):

Jim Pipkin  
Diane Gelburd  
Roger Griffis  
Sean Furniss  
Louise Milkman  
Andrea Ray  
Susan Hute

DOI Office of Secretary  
Soil Conserv. Service  
Nat. Oceanic Atmos. Admin  
Fish & Wildlife Service  
Dept. of Justice  
Nat. Oceanic Atmos. Admin  
Soil Conserv. Service

## G. SUMMARY:

The meeting was opened August 2 at 9:45 a.m. by Vice-Chairperson Donna Fischer. The June 28, 1994 meeting summary was accepted.

Vern McCorkle and Mary McBurney presented recommendations for changing the structure of PAG meetings and for the FY 1995 PAG budget (see attachment #1). The recommendations were discussed, amended, and unanimously passed (motion by Jim Cloud, second by John French). Molly McCammon noted that the budget assumes full attendance at meetings, which does not usually occur leaving additional funds to support incidental PAG travel. Rupert Andrews suggested scheduling all meetings for the year in advance, but since the PAG meetings revolve around Trustee Council meetings and they are not set, this would be difficult at this time. Chuck Totemoff invited the PAG to meet in Chenega.

Jim Ayers gave the Executive Director's report. He noted that the Trustee Council was supportive in general of the recommendations to improve PAG meetings. He stated that the Trustee Council wished the PAG to be a deliberative body, and not just tally votes. He explained the FY 1995 work plan materials and the aims for the budget reserve. An ecosystem approach to restoration is what the Trustee Council desires, which means combining projects and grouping them in logical ways.

Public comment was accepted at 11:30 a.m. Dan Hull spoke in support of the Prince William Sound Aquaculture Corporation's revised FY 1995 project proposal for salmon restoration. Charles McKee offered his comments.

Craig Tillery briefed the PAG on the issue of endowments/restoration reserve (see attachment #2). Tillery explained that since the Trustee Council must maintain its discretion for the use of funds and cannot turn them over to an independent body, as might be required with an endowment, a reserve was preferred to an endowment. The Trustee Council is trying to obtain a better interest rate on money

held in the Federal Court, and wants to keep interest income within the restoration fund. A \$12 million per year deposit is anticipated for the reserve (totaling \$120 to \$150 million by 2001). PAG comments are solicited regarding what level of long-term support should be provided by the reserve funds (e.g., a declining balance, inflation proofing, a permanent reserve, etc.) as well as what the reserve should be used for. McCorkle recommended on page 5, second line of the draft resolution, changing the term "showing" to "finding". Jim King stated that the Trustee Council should listen to the public comment in support of creating an endowment and explore ways to get this accomplished. Lew Williams called for additional funds to be put aside each year and a method to protect the reserve against "raids". Pam Brodie stated that the reserve should be available for all types of authorized restoration work. French moved (second by McCorkle) to endorse the draft Resolution of the Exxon Valdez Trustee Council on the budget reserve, with modifications to strengthen the reserve against raids and to make a minimum of \$12 million in deposits per year (passed by 9 to 5, Brodie, Diehl, McCune, McMullen (proxy with McCune), and Benton opposed).

Walt Sheridan discussed the "less than fee" and "public access" draft policies (see attachment #3). Kim Benton, Chuck Totemoff, Jim Cloud, and Pam Brodie participated in work sessions on the policies. Benton suggested this be called an advisory statement or guideline, not a hard and fast policy, so that the Trustee Council can be flexible in dealing with individual situations. In addition, the PAG wanted to make it clear that the issue of public access not be "make or break" for negotiations. Brodie moved (second by Andrews) that the discussion draft be adopted as "guidelines" not as "policy" and that the comments of the PAG be passed on to the Trustee Council (passed unanimously).

McCammon provided a status report on the Restoration Plan and Draft Environmental Impact Statement (EIS). Public comments were due August 1. The Trustee Council will choose a final alternative at their August 23, 1994 meeting. The Record of Decision will be issued around the end of October.

King suggested that PAG members each compile a list of issues of concern to them and their constituents, along with alternatives to resolve them, and submit the list to McCammon by September 1, 1994 who will compile the issues for PAG discussion at their October meeting. This could serve as a "final" report for this term of the PAG. Williams made the motion to adopt this suggestion (second by French) (passed unanimously).

McCammon opened discussions of the FY 1995 Work Plan (see attachment #8). She mentioned the "Five-year Status Report" and the "Invitation for Proposals" as the places to begin Work Plan review. 178 proposals totalling \$68 million were

received. Recommendations from the PAG, Executive Director and Chief Scientist are expected in mid October--after which the Trustee Council will make their decisions. She explained the categories under which the proposed projects were classified. French noted that the ecosystem approach was a major shift in the direction for approving restoration projects. It was suggested that the PAG focus on category one projects and any other projects of member interest for consideration and action at the October meeting. McCammon recommended considering sustainability and the need for continued funding as well as what makes sense to do when deliberating on projects. Special workshops will be held in September-October to discuss projects and directions for sockeye salmon, herring, public outreach, and the Prince William Sound System Investigation.

Bob Spies reviewed Table 1--Research Projects. Kim Sundberg summarized and responded to questions about the Seward Institute of Marine Sciences project. Jerome Montague provided an overview of the fisheries situation in the spill area. Spies reviewed Table 3--Monitoring Projects. McCammon reviewed Table 2--General Restoration Projects, Table 4--Habitat Protection and Acquisition Projects, and Table 5--Administration and Public Information Projects. Mark Broderson discussed the status of oiled beaches. Some of the points raised were: the validity of Kenai sockeye salmon studies, the relationship of the University and the Seward Center, why resources are not recovering, the study of the many bird species in the area that could be injured but have not been studied, do not overextend money on projects at this time, why no recreation/tourism projects are in category 1, ask lawyers "how to do it" not "whether it can be done", and reducing administrative costs.

Jim Pipkin provided an overview of the Federal Interagency Ecosystem Management Task Force (see attachment #9) and had each member introduce themselves. They are looking at Prince William Sound as an ecosystem study area. The Task Force asked several questions of the PAG.

The meeting adjourned at 11:50 a.m. on August 3, 1994.

#### H. FOLLOW-UP:

1. Brad Phillips will present a summary of PAG actions at the August 23, 1994 Trustee Council meeting.
2. McCammon will determine the number of requests and Trustee Council desire for transcripts of PAG meetings.
3. Ayers will distribute to the PAG a spreadsheet on the status of habitat protection activities.
4. McCammon will attach the section of the PAG meeting transcript with comments on the restoration reserve resolution to be presented to the Trustee Council.

**DRAFT**

McCammon will also attach the section of the PAG meeting transcript on the "less than fee" and "public access" guidelines to be presented to the Trustee Council.

5. PAG members will compile a list of restoration and related issues they believe are important, along with alternative solutions, and submit them to McCammon by September 1, 1994. She will compile the list for discussion at the October PAG meeting.
6. McCammon will provide the PAG with a report on the information requests received at the Oil Spill Public Information Center.

I. NEXT MEETING: October 12-13, 1994 in Anchorage.

J. ATTACHMENTS:

1. Recommendations for improving PAG meetings and for the FY 1995 budget

Reference to previously distributed PAG packet:

2. Draft Resolution of the Trustee Council on the Restoration Reserve
3. Draft policies for "Less than fee" and "public access"
4. PAG comments on the Environmental Impact Statement
5. Update on Draft FY 1995 Work Plan
6. Tables of Proposed FY 1995 Projects
7. Third Supplement: FY 1995 Brief Project Descriptions

For those not in attendance:

8. FY 1995 Work Plan Agenda
9. Federal Interagency Ecosystem Management Task Force

K. CERTIFICATION:

\_\_\_\_\_  
PAG Chairperson

\_\_\_\_\_  
Date

**DRAFT**

I. Meetings

A. Change meeting format to provide more meeting time

1. Start meetings at 8:30 a.m.
2. Provide refreshments and sack lunches to allow PAG to work through the lunch hour and reduce time spent on breaks
3. Streamline public input
  - a. encourage the public to submit written comments ahead of time for incorporation into the PAG agenda
  - b. holding the public comment period as the last agenda item of day one of the meeting
  - c. limiting the time allowed for public presentations
  - d. limiting comments to agenda topics or subjects requested by PAG members
  - e. informing the public of rules and time for comments ahead of time
  - f. allowing PAG members to request a specific topic or persons be placed on the agenda

B. Schedule six regular PAG meetings per year

1. Four quarterly two-day duration meetings in Anchorage
  - a. first day to review agenda items, hear reports from staff, ask questions, take public comment
  - b. second day to conduct formal deliberation and decision-making
2. Two one or two-day duration meetings in spill-affected communities
  - a. send PAG chair and/or staff person to set up meeting and make local contacts
  - b. conduct public meeting including updates on research of local interest or take a field trip to project site(s)

II. Staff

A. Prepare materials for PAG members

1. Provide a synopsis of Trustee Council meetings
2. Deliver copies of PAG minutes not less than ten days before the next scheduled meeting
3. Prepare a weekly or bi-weekly calendar of other meetings which PAG members may attend on a drop-in basis



B. PAG public relations

1. Include a section in the *Restoration Update* newsletter to report on PAG meetings and activities

**DRAFT**

III. Budget

A. Currently proposed PAG budget for FY 1995:

Per meeting:	travel/per diem	\$ 10,000
	printing/copying	800
	postage/courier	250
	transcription services	2,500
	advertising	1,500
	ADA compliance	200

total:	\$ 15,250
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Four PAG meetings:	\$ 61,000
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Staff support: ADF&G (1.0 FTE)	46,100
DOI (0.1 FTE)	6,000

General & administrative:	9,300
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Total current:	\$ 122,400
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B. Proposed budget additions for FY 1995:

Four two-day PAG meetings in Anchorage additional

Drinks/snacks and working lunch on day one (@ \$400/mtg x 4 mtgs):	\$ 1,600
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Two one or two-day PAG community-based meetings/field visits:	37,300
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@ \$18,650 each: (e.g., \$9,200 added for 20 people Anchorage to Cordova: travel @ \$4,500, two nights per diem @ \$ 4,600, room cost @ \$100; plus travel for 9 people to Anchorage @ \$4,200; plus other per meeting costs from above)

Travel for PAG members to attend working groups and other EVOS-related meetings	12,000
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Staff support/supplies for synopses/regular communication:	no additional
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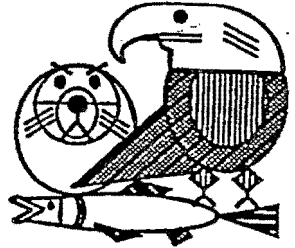
Total additional:	\$ 50,900
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# Exxon Valdez Oil Spill Trustee Council

Public Advisory Group

645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone 907-278-8012 Fax 907-276-7178



July 27, 1994

Rod Kuhn  
Restoration Plan EIS Project Director  
EVOS Restoration Office  
645 G Street  
Anchorage, Alaska 99501

Dear Mr. Kuhn:

At a recent meeting of the EVOS Trustee Council Public Advisory Group, the Draft Environmental Impact Statement on the Draft Restoration Plan was discussed.

On behalf of the Public Advisory Group I would like to submit the following comments on the Draft EIS.

1. Implementation Management Structure -- We have been briefed by Executive Director Jim Ayers on the results of the planning workshops he has been holding since January, 1994. Participants have included PAG members, other representatives of the public and spill area communities, EVOS researchers, and agency representatives. This group has reviewed the Draft Restoration Plan and further refined and updated the recovery status and objectives of the injured resources and services, the draft policies, and other elements of the Draft Restoration Plan.

We believe this "management by objective" implementation approach is an appropriate clarification of the Draft Restoration and would like to see it incorporated into the Final Restoration Plan.

2. In July, 1993, the Public Advisory Group unanimously adopted a set of restoration priorities (attached). We would like to see these elements reflected within the Final Restoration Plan.
3. Establishment of a reserve account is included as a restoration activity in alternative #5 in the DEIS, the "proposed action". The Public Advisory Group would like to see the restoration reserve account action clarified in alternative #5 and in the other alternatives. We would like to see specific criteria attached to the reserve for its expenditure.

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Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

Thank you for your consideration of these comments.

Sincerely,

Brad Phillips, Chair  
Public Advisory Group

# *Exxon Valdez Oil Spill Public Advisory Group*

## --Approach to Restoration (7/15/93)--

The Exxon Valdez Oil Spill Trustees should give priority to the projects which are most effective in restoring and protecting injured resources and services. Preference should be given by the Trustees to projects (1) within the spill area as defined in the Restoration plan brochure of April 1993, or (2) outside the spill area within the state of Alaska.

A. Pick-up oil which is fouling the environment and where it makes environmental and economic sense to clean up and with the approval of local residents, landowners and resource users. This includes:

- Monitoring and feasibility studies
- Physical clean-up

B. Restore injured resources and services by taking direct action in pertinent environments. This includes:

- Subsistence
- Cultural
- Recreational
- Commercial
- Fish
- Wildlife
- Habitat

C. Protect habitat critical to resources injured by the oil spill or threatened by potentially injurious actions. This includes:

- Acquisition
- Conservation easements
- Leases
- Trade
- Application of management techniques with landowners

D. The Public Advisory Group is in support of the concept of the establishment of an endowment or trust that will provide funding for the purposes established by the settlement agreement. The use or administration of the endowment or trust should be established by a charter developed and approved by the Trustee Council.

E. Replace and/or enhance injured resources/services through indirect means. This includes:

- Enhancement of equivalent resources to reduce pressure on injured ones
- Increase populations or levels of service over pre-spill conditions

F. Provide funding for facilities which support A through E, above.

July 22, 1994 10:46am

**DISCUSSION DRAFT PREPARED FOR THE  
PUBLIC ADVISORY GROUP SUBCOMMITTEE**

This draft document has been prepared for a subcommittee of the Public Advisory Group for review, discussion and comment by the Public Advisory Group.

**GUIDELINES  
~~POLICY STATEMENT~~**

**General**

The purpose of the Comprehensive Habitat Protection Process is to identify and protect habitats that will benefit the recovery of resources and services injured by the Exxon Valdez oil spill. Some of the protection tools available include: fee title acquisition, less than fee acquisitions including conservation easements, acquisition of partial interests, acquisition of commercial timber rights and term easements, land exchanges and cooperative agreements. Following an agreement for protection, acquired parcels or interests will be managed in a manner that is consistent with the restoration objectives for the injured resources and/or services.

Selection of the protection tool for a particular parcel or habitat area will consider the measures necessary to meet restoration objectives for the injured resource or service for that particular parcel. Factors to be considered include such things as habitat requirements, cost effectiveness, restoration benefits to lost or diminished services of providing public access, and the cultural and economic needs of the existing land owners. Each proposed acquisition will address these and other factors on a case-by-case basis in order to ensure consistency with the restoration objectives and cost effective expenditure of settlement funds.

**Acquisition of fee simple title**

Fee simple title acquisitions have the potential to provide the highest level of habitat protection. Fee simple acquisitions also are more likely to avoid future ambiguities concerning future management, rights of sellers, public access and use, the possibility of development activities incompatible with restoration objectives and other issues that may arise with less than fee simple acquisitions. Fee simple acquisitions are also less complex to negotiate and therefore more likely to be successfully completed. The purchase price for fee simple may be only slightly

greater than the purchase price of lesser interests. Acquisition of commercial timber rights alone may not provide adequate habitat protection. The cost of future management of less than fee interests may be significantly higher than that of fee interests. Therefore, fee simple acquisition will, in many cases, be the preferred method of habitat acquisition and likely to receive a high priority.

#### Acquisition of less than fee simple title

In some cases, restoration of injured resources and services can be achieved through acquisition of less than a fee simple title interest in the land. There are several reasons to pursue this strategy when it is adequate to meet restoration objectives. First, it may reduce the cost of the protection. Second, less than fee interests may be available that meet restoration objectives when fee simple title is not for sale. Third, it may allow the owner of the residual fee interest to pursue economic, cultural and other activities on the lands that are compatible with restoration objectives.

The density and type of commercial or other development has the potential to reduce the value for restoration purposes of the rights acquired in a less than fee simple transaction. In less than fee simple acquisitions the extent of development, if any, to be permitted should be specified. For example, the number of lodge sites or home sites, their size and location should be identified. The rights reserved to the seller, including the extent of development permitted, if any, must be delineated so as to preserve the value of the land for restoration purposes. The development rights reserved will differ from parcel to parcel depending on the particular needs for restoration and the needs of the seller. In addition to the issue of density and type of development which must be addressed, related concerns such as water usage and sewage disposal, shoreline and stream buffers for habitat values and recreation uses should be addressed to ensure that the rights being acquired will, in fact, provide the level of protection needed to facilitate realization of the restoration objectives now and in the future.

#### Acquisition of commercial timber rights

In addition to the considerations described above, acquisitions involving commercial timber rights should address the extent of timber removal permitted incidental to the fee owner's exercise of retained rights.<sup>1</sup> The amount of incidental timber removal to be

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<sup>1</sup> Normally commercial timber rights are purchased in order to harvest the timber and related development is not an issue. In these acquisitions, where the timber is being purchased in order to protect the habitat, development which could affect that habitat is

allowed must not reduce the value of acquiring the timber rights for restoration purposes. Factors to be considered are the extent of buffers for sensitive areas such as streams and shorelines, limitations on the amount of canopy removal and limitations on the clearing or substantial clearing of areas. Any revenue in excess of removal costs received from the sale of commercial timber removed incident to the exercise of retained rights should be paid to the managing agency.

Because of differing restoration needs for various parcels, the necessary limitations on incidental timber removal may differ for different parcels. The specific development to be permitted on parcels where commercial timber rights have been acquired should be described in sufficient detail to preclude future ambiguity. Descriptions should identify sites for development, including the size, locations and nature of development allowed.

In specific circumstances where it is not possible to identify all the development to be permitted, acquired habitat may be protected by setting limits on the removal of trees incidental to development. Such limitations could be used to assure that restoration objectives are achieved. They are a less preferred method of describing rights to be retained by the seller and must be carefully reviewed on a case-by-case basis. An example of a set of restrictions that could be considered would be as follows:

- 1) incidental timber removal could be limited to no more than some specified percent of the basal area of a parcel<sup>2</sup>;
- 2) incidental timber removal could be further constrained by specifying the percentage of timber removal within portions of a parcel;
- 3) the size and juxtaposition of discrete blocks of timber harvested incidental to the fee owner's exercise of retained rights could also be limited;
- 4) incidental timber removal, if any, could be constrained so that there would not be a disproportionate number of larger trees removed;
- 5) timber removal could be prohibited within some specific distance of anadromous streams, streams that support nesting of injured species, mean high water of salt water bodies, or fish bearing fresh water body shorelines except as may be specifically

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an important consideration for the Trustee Council.

<sup>2</sup> Basal area is a per acre measure of the cross sectional area at chest height occupied by the standing timber.



agreed upon after consideration of the restoration impact of the proposed removal.

The above is but one example of how incidental removal of timber might be addressed. Other methods might include acreage control rather than basal area, zoning for critical habitat within the overall parcel or some combination of these or other methods. The specific method of addressing incidental timber removal should be tailored to the specific parcel and designed to ensure that restoration objectives are met while, to the extent possible, meeting the needs of the seller for flexibility in the exercise of retained rights.

#### Public use

In view of the restoration benefits to lost or diminished services of providing public access to natural resources, and because of the expenditure of public funds, public access to lands where a less than fee interest is acquired may be an important acquisition consideration. In fee simple acquisitions public use is, to a large extent, determined by the nature of the state or federal land management status.

In less than fee simple acquisitions covenants governing public access shall be sought when two conditions are met. The first is that the interest to be acquired, for purposes of restoring natural resources injured by the oil spill, is less than fee simple but the price to be paid for the interest is a substantial portion of the value of fee simple. The second condition is that the acquisition of public use rights will also serve to benefit services lost or diminished as a result of the oil spill. Where the seller proposes to limit public use, the Trustee Council will consider approval of the transaction when it finds that the restoration benefits outweigh the cost of limiting access to the public.

The determination of the specific public access rights to be obtained and the rights to be retained by the land owner will require a careful balancing of public and private needs and values including the need to restore lost services but at the same time protect the legitimate cultural and economic interests of the land owners. Such decisions can only be made on a case-by-case basis.

1 talk to you some more.

2 (Off Record 12:30 p.m.)

3 (On Record 12:45 p.m.)

4 MS. FISCHER: ... and still work, and we're going to go  
5 back to less than fee and public access -- access policy, and  
6 that's Chuck Totemoff, Pam Brodie, Jim Cloud, John Sturgeon and  
7 Walter Sheridan. I'm going to ask if Walt will come up and give a  
8 brief overview and maybe lay out how you'd like to have this  
9 discussed or what you want to do about it, Walt, okay?

10 MR. SHERIDAN: Okay, thanks.

11 MS. FISCHER: There comes Chuck now. Okay.

12 MR. SHERIDAN Well, I guess I'd first say that having  
13 worked on the issue now for several months, I note that it raises  
14 some pretty high level of feelings at some time, and as a luncheon  
15 topic, I hope it doesn't interfere with anyone's digestion.  
16 (Laughter) But, I -- Alex Swiderski and I worked with the subgroup  
17 of the PAG, and we had three different meetings, via teleconference  
18 with part of the people here and part of them in Juneau, and we've  
19 come up with a discussion draft that you have before you now. I  
20 thought what I might do is just briefly summarize what some of the  
21 elements of that draft might be and then turn it back to you folks  
22 to dispose of it as you feel fit. The policy statement starts off,  
23 sort of -- with a general area that clarifies that the purpose of  
24 the comprehensive habitat protection process is to identify and  
25 protect habitat that will benefit restoration, and I think that's  
26 worthwhile to go ahead and state that right up front, and then list

1 the number of tools that might be available to accomplish that,  
2 everything from fee simple acquisition to less than fee, timber  
3 rights, the land exchanges to cooperative agreements. Then it  
4 discusses how that the selection of tools should be made, that it  
5 should clearly be related to the habitat requirement, look at cost  
6 effectiveness, public access issues, and then -- I think other  
7 worthwhile areas that it -- it should recognize, it should look at  
8 the cultural economic needs of the existing landowners. Then, it  
9 goes into a discussion of what fee simple acquisition is all about,  
10 and notes that in many cases that acquisition of the fee title is  
11 only marginally more expensive than acquisition of less than fee.  
12 It will also that it -- that fee simple has some advantages of ease  
13 of administration, and the like. The next section talks about  
14 acquisition of less than fee, and notes that there are reasons to  
15 pursue this strategy. Sometimes that is all that's necessary to  
16 meet the restoration objectives. Sometimes it's -- you can save  
17 some money, that it allows -- and it allows the landowner the  
18 option of pursuing some economic and cultural objectives that might  
19 not be available under fee acquisition. Next section deals with  
20 acquisition of commercial timber rights, and in this section it  
21 talks about that if you do that that you need to make sure that  
22 your are meeting the restoration objectives, and that the specific  
23 kinds of activities that might be allowed by the landowner should  
24 be stated as clearly as possible, that it -- you should try to  
25 preclude any future ambiguities to the extent that you possibly can  
26 and that you ought to identify which sites specifically would be

1 available for development or size, locations and the nature of the  
2 development that would be allowed. And, that would be the  
3 preferred way of going at the less than fee acquisition. It also  
4 recognizes that in some cases, the landowner may be unwilling to  
5 make that kind of commitment over the long haul, and that more  
6 generic kinds of restrictions on development other than timber  
7 harvesting might be all that would possible to acquire, and that in  
8 both cases that there are a number of ways that those restrictions  
9 could be identified. As an example here, the example being use of  
10 basal area restraint with a number of subsidiary restraints, such  
11 as where incidental timber could be removed, specifically the size  
12 and the exact position of any openings that might be allowed, and  
13 specific prohibitions against removal within a certain distance of  
14 anadromous streams or nesting areas for injured species, etcetera.  
15 And, that should be made clear that that's just one example. There  
16 are a number of other ways that those kinds of restrictions could  
17 be put into an agreement. You could use zoning for critical  
18 habitat, you could use area control rather than basal area,  
19 acreages for instance, but that the specific restrictions should be  
20 tailored to the particular parcel and to the specific restoration  
21 objectives that you have for acquiring it. The final section deals  
22 with public use, and notes that -- that it is something that the  
23 Council will probably want to pursue in a lot of cases, and that  
24 this should be sought when two conditions are met. Those two  
25 conditions are, first that when the price to be paid for the rights  
26 that are being acquired starts to approach fee simple that then

1 public access should be, clearly should be a consideration, and  
2 also, the second one is that the acquisition of the public use  
3 rights will serve to benefit services lost or diminished as a  
4 result of the oil spill. So, it makes it necessary that there be  
5 a nexus between the acquisition of the public access rights and  
6 services that were injured by the oil spill. And, that's a quick  
7 overview of the draft policy, and I'll be glad to answer any  
8 questions or turn it back to the Chair for further discussion.

9 MS. FISCHER: Okay, I think at this point we probably  
10 should hear from Chuck, Pam, Jim, and John Sturgeon. So, we'll  
11 start with you Chuck. Do you have any comments or statements to  
12 make?

13 MR. TOTEMOFF: Actually, what I have to present to you is  
14 some observations and clarifications on the document -- the draft  
15 document, today. But, what I'd like to do, in order here, is to  
16 try to turn it over to Kim first of all to explain the process that  
17 the subcommittee went through, and then I can follow-up with my  
18 observations and clarifications of the document itself.

19 MS. BENTON: I'll try. We had several meetings to try  
20 -- the draft has come a long way from where it was, and of course  
21 when you're working with a lot of diverse interests, you're not  
22 going to ever end up with a document that's all things to all  
23 people, and I don't think we're trying to do that. Chuck had to be  
24 involved at the Exxon trial and wasn't able to be at the public --  
25 the small meetings that we had, but he does have a couple of  
26 comments that I think are just to be taken more for informational

1 purposes when you're reading through the document, rather than try  
2 to make revisions to the language that's in it. I think it  
3 compliments it, I just think it's more for points of clarification.

4 MR. FISCHER: Okay, Jim Cloud.

5 (Aside comments)

6 MS. FISCHER: I have no comments.

7 MR. CLOUD: I think Walt covered it just fine. What  
8 went on, but, you know, as with the rest of the volunteers on these  
9 little subcommittees, the rest of you owe us a lot. (Laughter)

10 (Aside comments)

11 MS. FISCHER: Lew.

12 MR. WILLIAMS: I just have some questions. Who gets  
13 title to the land when it's fee simple, and the reason that's a  
14 concern of mine is because, although the effects of the oil spill  
15 might run out in ten, twenty or thirty years, when you acquire land  
16 it's forever, at least if it goes to a government agency, and I  
17 just want some clarification there what's the intent. We -- you  
18 know, we selected land under Statehood Act and the Native Claims  
19 Settlement Act to get it out of the federal government into a state  
20 and private hands, and now are we going to go back to federal land,  
21 or is it going to state land, or what's going to happen.

22 MS. FISCHER: That's a good question. Walt, can you  
23 answer that.

24 MR. SHERIDAN: Yeah, Madam Chair, that was not an issue  
25 that was addressed in this document. This was focused on public  
26 access and less -- the issue of less than fee. I guess the only

1 comment that I would have on that is that the precedent for it has  
2 been the acquisitions that we've undertaken to date where the  
3 Council has made the decision on which agency, either the state or  
4 federal agency, would have the management responsibility, and it  
5 appears to me, at least, that they've used criteria of which one  
6 would be most administratively expedient to do it, in the best  
7 position to manage it, and whether -- where the land is located  
8 relative to a particular -- other particular ownerships.

9 MR. FISCHER: Okay, Kim.

10 MS. BENTON: I have a couple of issues that were  
11 forwarded to me after the last meeting and one of them was brought  
12 up during the subgroup meetings that we had, and I think that  
13 they're important that the whole group be able to hear, and if I'm  
14 not saying it in the way that it was stated at the subgroup  
15 meetings, any of the people that were there, please let me know.  
16 But, the first concern that I have has been brought to me by a  
17 couple of other timber and landowners, is that they're feeling a  
18 little uncomfortable calling this a policy and there has been a  
19 preference to call it rather than a -- they have it worded on the  
20 front -- a policy statement, an advisory statement. This is a  
21 statement that has come through the Public Advisory Group, and I  
22 don't think that we're in a position to create policy, but rather  
23 to advise. The second thing that I think is important to bring up,  
24 public access -- the issue of public access on non-fee simple or  
25 fee simple lands has been brought up through the Trustee Council,  
26 and I think that a couple of members in particular because there

1 was a feeling that the public wanted and mandated public access,  
2 and it was brought up through the subgroup meetings that we had  
3 that public access is not always a make or break issue, and that it  
4 could be -- should be considered on a case-by-case basis, weighing  
5 several different things, and that public access is not make or  
6 break, and I think that that's a message that needs to be stated  
7 very clearly to the Trustee Council. I think that they're under  
8 the impression as was I before we had the -- the smaller meetings  
9 and did more contact that that was a real critical issue. And,  
10 from what we heard from the other user groups, that isn't always a  
11 make or break issue. The third concern that I have is in fairness  
12 to the land and timber owners in the way that the policy is  
13 written, and -- advisory statements written, and I don't think that  
14 there's any place in the statement to implement this. I just think  
15 it's something that the Trustees also should be made aware of.  
16 There's no place right now in the appraisal process to determine or  
17 value public access, and yet what this statement asks for in less  
18 than fee simple acquisitions where public access is not allowed is  
19 to take out a value for public access. I don't know how you do  
20 that. If the public access has never been valued in the front end,  
21 how do back it out of the other side without being unfair to the  
22 private land and timber owners. I don't know how you address that,  
23 but that's also something that needs to be discussed more on a  
24 case-by-case basis, or if -- Jim Ayers said earlier that we're now  
25 into a new realm of acquisitions because of public access. But,  
26 there isn't any place for valuing of public access in the ongoing



1 appraisals. So, I don't know where that fits in, but it's a  
2 concern that I have. The final concern that I have is to look at  
3 other things, and they say that fee simple title acquisitions have  
4 the potential to provide the highest level of habitat protections,  
5 but is it where we get the most restoration for our money? I think  
6 that we need to always be looking -- keep our eye on a prize such  
7 as restoration, and maybe in all cases that isn't where we get the  
8 most bang for our buck, if you will. It may be more difficult, but  
9 it may not serve the purpose of restoration. That's really all I  
10 have.

11 MS. FISCHER: (Indiscernible)

12 MS. McCAMMON: Madam Chair, I'd like to respond mainly to  
13 the first comment that she made. The intent of this draft policy  
14 statement is to develop the PAG's recommendation to the Trustee  
15 Council for their adoption -- possible adoption as a policy. So,  
16 in this case it would be the PAG's recommendation to the Trustee  
17 Council, and then they in turn would look at this and decide what  
18 kind of a policy statement they would adopt, or they would adopt  
19 any policy statement. But, that was the whole goal with this  
20 document.

21 MS. BENTON: Is there some way that the message could  
22 be conveyed to the Trustee Council that there are several  
23 landowners and private timber owners that are concerned with the  
24 specific policy and that would apply to all areas at all times, and  
25 would rather look at something that would be an advisory statement  
26 that that would tend to say, okay, this is basically the guidelines

1 that we're going to follow, but it's not as strictly interpreted as  
2 a policy. I have heard that come back from a couple of people that  
3 you're in negotiations with now that they're concerned about a  
4 policy.

5 MS. McCAMMON: I think you could do it in a couple of  
6 different ways. You could either do it with an intent statement at  
7 the beginning that indicated that preference, or you could do it  
8 with an accompanying letter of intent that came from the PAG. You  
9 could do it in a couple of different fashions, but I think that you  
10 could do that easily.

11 MS. FISCHER: Any other questions? Vern.

12 MR. McCORKLE: Yes, ma'am. I'm still waiting for the  
13 answer to Lew's question of what happens in fee simple when the  
14 spill is over, as we heard speakers this morning say some day, just  
15 like Rawanda, it will end. We don't know when that will be, but is  
16 there -- all of the land that will pass to -- to various  
17 governments, will that land continue to stay in the hands of  
18 governments when the spill problems have passed, or is there some  
19 other plan. And, Lew if you want to speak more to that question,  
20 then -- or clarify it some, I'd be glad to yield to you.

21 MR. WILLIAMS: You asked it fine.

22 MS. FISCHER: Jim.

23 MR. DIEHL: Jim Diehl. I've been thinking about what  
24 Lew said before and what Vern just said, and perhaps both of you  
25 should knock -- knock. In fact both of you should look into the  
26 the less than fee simple as the better alternative to buying rather

1     than fee simple.

2             MR. McCORKLE:   Would you like to speak on that a little  
3     bit?

4             MR. DIEHL:       Well, it's not really my place, but, you  
5     know, you guys -- I mean, a less than fee simple, if you buy  
6     certain rights and you have certain access, then at the -- I don't  
7     know what's going to happen at the end of the restoration period  
8     either there. But, I would think that the owners would -- if it's  
9     less than fee simple and say you're just buying timber rights, then  
10    the owners would be able to develop the land any which -- any way  
11    they wanted except for -- and the questions that came to me, I  
12    consulted with different people in my club about this was does it  
13    go through -- you know, what is the period of time? Would it mean  
14    that the land, if it was less than fee simple, would be clear-cut  
15    in the future -- could be clear-cut in the future, that the timber  
16    rights would revert back to the landowner some time in the future.  
17    I mean, just what is -- what are we buying? And, you know, these  
18    are some of the questions that came up. The other -- the big  
19    access questions that came up is -- well, the access questions were  
20    kind of sticky, but it -- it was told me by at least one member of  
21    my club that at the time these titles were given over to the Native  
22    corporations in Prince William Sound area, that access was looked  
23    at then, and withdrawals were made so that the public boaters, in  
24    particular people that travel in Prince William Sound on bike-boat  
25    would have certain access rights, so that they can gain access to  
26    lands that were pretty far away, you know. They would have a

1 landing site here on the way to there, that type of thing. So,  
2 access became less of a problem for me after finding out some of  
3 these things. You know, I -- I don't know how to solve your --  
4 your problems, but, you know, perhaps looking at less than fee  
5 simple as an alternative might help you.

6 MS. FISCHER: Okay, I'm going to go back to Lew again.

7 MR. WILLIAMS: Now, just one other way to be handled as  
8 a common business practice, you just lease, lease it for ten years  
9 or twenty years, or lease with option to buy. At the end of twenty  
10 years you may find, well, you don't even want to buy it because it  
11 isn't feasible for development. And, there's more than one kind of  
12 development other than timber and, you know, you want to look down  
13 the line, maybe ten, fifteen years from now somebody wants to put  
14 a resort some place, you want to protect it now from maybe having  
15 them go in and do some damage to habitat, but twenty years from now  
16 you may be encouraging them to go in there and put something in  
17 because -- well, you know how it is with seal, for example, at one  
18 time you wanted to protect them. Now I know fishermen that would  
19 love to shoot them.

20 MS. FISCHER: Pam.

21 MS. BRODIE: I'd like to let Walt speak first and I'll  
22 come after.

23 MR. SHERIDAN: Okay, on the question of tenure, all of  
24 the issues that I've heard raised around here are just -- just in  
25 the opening part of this advisory -- if that's what we want to call  
26 it -- those are all tools that we should be looking at, that the

1 policy recognizes as tools that we should be looking at, and  
2 relating to what the needs of the particular species or service  
3 might be for restoration. In some cases term leases might be  
4 exactly the right thing for meeting your restoration objectives, or  
5 leases, or land exchanges, or any variety of tools. And, the key  
6 is to make that very clearly in your plans for making the  
7 acquisition, make it very clearly to restoration objectives.

8 MS. FISCHER: Okay, Pam.

9 MS. BRODIE: A couple of things, one about whether  
10 protection -- habitat protection should be permanent or temporary.  
11 This group just adopted a policy that the money should be put in a  
12 permanent endowment, and some of the people who do not want to see  
13 habitat protection permanently are very concerned to see the money  
14 protected permanently. If the -- I think the habitat acquisition  
15 could be seen as a -- an endowment for wildlife -- the permanent  
16 protection of wildlife. The other thing is about, again where the  
17 land goes and what kind of protection it gets. The Trustee Council  
18 has limited powers over that. The Trustee Council can't designate  
19 a state park for example. As Walt says, though, for each  
20 particular place it's usually very clear what government agency  
21 makes the most sense, and if it's something that is completely  
22 surrounded by the borders of a national park or a state park, it  
23 would become part of that national park or state park, that's what  
24 happen with Kachemak Bay State Park. If not, then it takes some  
25 other action and in the case of Seal Bay the state legislature  
26 later decided to designate it as state park, but that doesn't

1 necessarily have to happen.

2 MS. FISCHER: John.

3 DR. FRENCH: I better not pass up an opportunity to  
4 agree with Pam Brodie (laughter), but I -- but I do in the case of  
5 acquisition. If it's worth buying land or timber rights or mineral  
6 rights, I think it's worth doing in perpetuity on a term basis.

7 MS. FISCHER: Kim, then Chuck.

8 MS. BENTON: I just had a question, I don't know,  
9 Molly, if you know this answer, but as it's happening now, with the  
10 timber appraisals and land appraisals, I call it the acquisition  
11 train, for lack of a better way. The train goes forward in non-fee  
12 and fee simple evaluations, and now we've entered a new realm with  
13 the public access issue. Is there going to be a place for valuing  
14 that public access inserted into the current process, or is the  
15 train going to have to stop when we get to that issue on -- in  
16 case-by-case. I'm just curious how that's all going to fit.

17 MS. McCAMMON: Madam Chair -- Walt, you can jump in here,  
18 but the way the appraisals are going now, they're being appraised  
19 assuming it's fee simple acquisition, and then if negotiations end  
20 -- end up with less than fees, than you're right, they do back a  
21 certain point out, and I don't know what the process you have  
22 available in the appraisal process for public access, and some of  
23 these other kind of lessons, these concerns in -- in determining a  
24 value, and Walt might be able to address that.

25 MR. SHERIDAN: Yeah, I can address it a little. I'm not  
26 an appraiser, and -- make sure everyone understands that before I

1 start saying -- get too far into an area that I don't have a lot of  
2 expertise in, but from what I understand from talking to the  
3 appraisers is, you know, the concept is the highest and best use  
4 that they will be looking at in terms of the appraisal, and that  
5 whole bundle of rights that are in there, and to the extent that  
6 public access can be valued and affect that total, then it's looked  
7 at. And, the specifics of how they go about that, I don't have a  
8 clue.

9 MS. FISCHER: Kim.

10 MS. BENTON: Madam Chair, the reason I bring that up is  
11 because in the first two acquisitions that occurred in Kachemak Bay  
12 and Seal Bay, public interest was part of the value, whether -- it  
13 was a controversial part of the evaluation process. So, when they  
14 said, hold it, stop, let's come up with some standard appraisal  
15 instructions, public interest -- public access was taken out. Now,  
16 we're talking about somehow putting it back in so that we can talk  
17 about how to change the values and consider that as part of the  
18 value, and I'm confused. And, I think that many of the land and  
19 timber owners are confused. That's what I'm hearing also is that  
20 there's -- there's a confusion over there.

21 MS. FISCHER: Okay, Chuck, do you want to make a  
22 comment?

23 MR. TOTEMOFF: When I first read the initial draft that  
24 -- I'm not sure who in the office were -- Swiderski or someone else  
25 -- my impression of it was that it was slanted towards fee simple  
26 acquisition, and we became very concerned with that, because I know

1 a lot of landowners are interested in less than fee sale of its  
2 land interest. There seems to have been a movement here that, I  
3 think that I'm trying to address and I'm trying to stop, is that,  
4 you know, there are other methods of habitat protection, and fee  
5 simple, in some cases, isn't the only alternative. I'd like to  
6 remind the PAG that in some cases, less than fee title is the only  
7 option available to them, and in a lot of cases that's not  
8 debatable. So, it becomes a case of whether the Trustee Council  
9 wants to consider what's -- what it means by habitat protection,  
10 protection to resources, rather than doing this high-flying act of  
11 doing fee simple across the board. And, I think there's room for  
12 both fee title and less than fee, and I think it ought to be --  
13 they ought to be considered equally and jointly. And, there  
14 shouldn't be an undue amount of pressure on the landowners to say  
15 are you willing to sell it or not, and a lot of cases the people  
16 that are interested are willing sellers, but -- and some parcels  
17 they're not willing to sell fee title. And, which brings me to  
18 this public access issue. Some of the landowners that I'm aware of  
19 have been talking about this for some time, and it was never a part  
20 of -- especially in those less than fee title discussions, that  
21 public access would be a key part of that, or a deal breaker. I'm  
22 very concerned about that because it -- it will be a source of  
23 friction here within the next month or two that could be a deal  
24 breaker, and it's very critical at this point in time that PAG  
25 understands that and especially the Trustee Council. There needs  
26 to be ways to avoid that, and I agree with Kim here, that can only



1 be done on a case-by-case basis. But, there shouldn't be this  
2 overriding desire to have a fee simple title. There's got --  
3 there's got to be room to compromise on both sides. Jim.

4 MS. FISCHER: Okay, can I get a motion on the draft?  
5 Jim.

6 MR. CLOUD: I had some comments first. (Laughter)

7 MS. FISHER: Well, we have comments too after we get a  
8 motion, as Gerry has pointed out. (Laughter)

9 MR. CLOUD: Anybody want to make a motion?

10 MS. FISCHER: Okay, James.

11 MR. KING: I guess, I'd like to say, not being a  
12 realtor, I really don't feel comfortable about voting for or  
13 against something of this nature. I see this as a -- as a really  
14 excellent process of -- of getting the debate going, and how these  
15 realtor people should be accommodating public interests, and I  
16 think I could vote for it as a working draft, but not as a final  
17 document.

18 MS. FISCHER: Okay, Jim.

19 MR. CLOUD: Well, I -- I think when we -- when we  
20 looked at the first draft that we saw at the last meeting, and when  
21 we held our first get together, it was clear that we all agreed  
22 right from the outset that -- that whatever policy or guideline  
23 that the Trustees wanted to adopt for themselves ought to have  
24 maximum flexibility so that they could evaluate things on a case-  
25 by-case basis. Do you get that when you do the transcript, do you  
26 put cough down in parenthesis? (Laughter)

1 (Aside comments)

2 MR. CLOUD: Anyhow, we also -- we also agreed that in  
3 order for the Trustees to have a process to chose tools rationally,  
4 and also, we -- I think we all agreed that the public deserved to  
5 know what were the restoration or replacement services objectives  
6 on a parcel-by-parcel basis, and once then you determine what  
7 objectives you're trying to reach for habitat acquisition, or a  
8 replacement of a service, a particular parcel, then you could chose  
9 from this list of tools that Walt alluded to. And -- but  
10 throughout the whole thing, we looked for getting maximum  
11 flexibility, and I think if you -- if you find -- you'll find the  
12 answers in Walt's work, and really Walt and Alex did everything, we  
13 just asked them to take out a sentence here and put in a word  
14 there. But, the -- there is maximum flexibility. There isn't  
15 anything that would cause a deal to be broke, except if two parties  
16 couldn't agree on something, and that is what would happen anyhow.  
17 In answer to -- partial answer to John Sturgeon's concern, Kim's  
18 concern, on valuing of public access, well, you know, valuing of  
19 anything is basically willing buyer and a willing seller, whatever  
20 the two agree to, and each case certainly will be different. No --  
21 no matter where you are in the Sound or out of the Sound, a public  
22 access on one parcel will be more important to an owner than on  
23 another parcel, or be more important to the Trustees. And, that to  
24 reiterate also what I think Pam brought out was during this  
25 conversation when -- with Rupe Andrews and Jim, on the line, and  
26 their groups -- you know, they would be representing groups that

1 would be concerned about public access, and they basically thought  
2 that they couldn't think of any reasons to be -- to make public  
3 access a deal breaker, if -- if a landowner was selling only or  
4 only leasing its land for a period of time, or just the timber  
5 rights or something like that, and wanted to retain public access,  
6 they have public access now, and those areas like streams and --  
7 and tidal areas are still protected for public access anyhow, under  
8 current laws. It's mainly -- we were concerned about Jim's group  
9 out in kayaks on a stormy, windy day and not being able to find a  
10 place to get dry under a tree. (Laughter) Anyhow, that's the  
11 process we went through, and I think Walt and Alex put up with a  
12 lot of our banting back and forth to get -- get it done.

13 MS. FISCHER: Okay, Molly wanted to answer something  
14 here.

15 MS. McCAMMON: Madam Chair, I just wanted to point out,  
16 the reason this whole issue came about was because there are a  
17 number of negotiations currently under way by Trustee staff. And,  
18 there are a number of issues regarding less than fee and public  
19 access that will be part of those ongoing negotiations. There was  
20 some Trustees who wanted a policy developed to guide those  
21 negotiations, and they directed staff to go off in a corner and  
22 attempt to develop such a policy. What you as a working group  
23 started out with was the initial staff drafted policy, and there's  
24 been some modifications based on your input. I think what the  
25 staff found, when they went off to develop this policy, is that  
26 it's really difficult, it's not impossible, to set a hard and fast,

1 cut and dried policy. That really when it comes down to it, you  
2 use guidelines and you approach it on a case-by-case basis, for the  
3 most part. And, that's pretty much what the policy reflects.  
4 These are guidelines. These are things to consider as you go  
5 through these kinds of negotiations. And, I think that the most  
6 beneficial input from the PAG has been to get your input in terms  
7 of the priorities of less than fee versus fee simple, and see how  
8 you -- what you think about one versus the other, and then also  
9 your views on whether you see this as a set of guidelines to be  
10 used case-by-case, or whether you see as a cut and dried, hard and  
11 fast type rule. And, I think that's the kind of input from you  
12 that's been most beneficial in terms of drafting a policy or  
13 guidelines, or whatever the Trustee Council ends up adopting.

14 MS. FISCHER: Okay, Rupert. Rupert had the next  
15 question, and then go to Pam.

16 MR. ANDREWS: Comment of something that Kim brought up.  
17 There are guidelines for purchase of public access. There's a  
18 program in the Lower Forty-eight, I call it -- I think they call it  
19 CPR lands for (indiscernible) monies are involved with lease  
20 hunting rights (indiscernible) landowners. Chuck and I were going  
21 to sit down here and negotiate (indiscernible), I'd probably say to  
22 him that this -- well, actually I'd like to have, and he would  
23 probably say to me, this is what's on the table. So, if you're  
24 going to negotiate timber rights, negotiate timber rights. If  
25 you're going to negotiate timber rights, plus access, then  
26 negotiate access on top of that or whatever -- whatever we're going

1 to talk about them. I think each one of them is going to be a  
2 negotiable thing on the table, and you budget in the contract  
3 whatever it is.

4 MS. FISCHER: Pam.

5 MS. BRODIE: I would like to move that we recommend to  
6 the Trustee Council that they adopt this document with the change  
7 that instead of the title being policy statement, that the title  
8 would be guidelines or advisory.

9 MS. FISCHER: Do you have a question?

10 MS. BRODIE: I think that from what Molly was saying  
11 the guidelines.

12 MS. FISCHER: Guidelines.

13 MS. BRODIE: ... either what's going to handle it.

14 MR. ANDREWS: Madam Chairman.

15 MS. FISCHER: Yes.

16 MR. ANDREWS: Could we also include ...

17 UNKNOWN: I second it.

18 MS. FISCHER: We have a movement ...

19 MR. ANDREWS: I'll second it.

20 MS. FISCHER: Rupert will second. Okay, Chuck.

21 MR. TOTEMOFF: I just have a comment. I was wondering if  
22 we could have a PAG comments included along with this draft --  
23 written up where the Trustees can see them.

24 MS. BRODIE: I would accept that as a friendly  
25 amendment.

26 MS. FISCHER: A friendly amendment (laughter - aside

1 comments). Is that okay with the second? Okay. All right Gerry.

2 MR. McCUNE: Madam Chair.

3 MS. FISCHER: Now he'll talk.

4 MR. McCUNE: I just want to make sure that when we put  
5 guideline on there that we also say that, you know, we appreciate  
6 the Trustee Council stay flexible, so -- and that should be the --  
7 what we're saying with guidelines, but we can add that little note,  
8 you know. If everybody agrees that they should stay flexible in  
9 these negotiations.

10 MS. FISCHER: Lew.

11 MR. WILLIAMS: As long as we're going to send comments,  
12 I would like to continue to add mine, that I think they should, as  
13 much as possible, spend as little money on this as they can, so  
14 that there's more money available in 2001 when you'll have an  
15 entirely new bunch of Trustees, plus you'll have a new President  
16 and a new Governor, so future generations can make a decision on  
17 what they want to do, and maybe Chuck's grandchildren will decide  
18 now that they're -- they want to sell the land.

19 MS. FISCHER: Jim. Are you getting all the comments?  
20 Okay.

21 MR. CLOUD: They're writing fast and furious.

22 MS. FISCHER: I just wondered if they were catching your  
23 remarks, Jim.

24 MR. CLOUD: Well, I guess the concern over -- somebody  
25 raised the concern over priorities, and we -- we discussed that at  
26 one point in this subgroup, and Alex Swiderski was very clear to us

1 that -- he said the Trustees have stated that their priorities are  
2 first fee simple acquisitions, being number one, and that less than  
3 fee simple acquisitions of anything, just timber rights or anything  
4 less than fee simple was less desirable to the Trustees. And, we  
5 discussed quite a bit, and actually I think the language had been  
6 a little more stiffer slanted towards fee simple in the initial  
7 draft, and I think Walt toned it down a little bit. But, you know  
8 there -- when Alex was standing there telling us that he didn't  
9 care -- they didn't care what we said, they're stated goal was for  
10 fee simple acquisition, if at all possible, then they'd consider  
11 something less.

12 MS. FISCHER: Okay, Vern.

13 MR. McCORKLE: Thank you, Madam Chairman. In reading  
14 this policy statement which is before us, I don't see any  
15 reference, maybe I've missed it, to prioritization, and I would --  
16 what's that (aside comments) -- yeah, I -- I am not in favor of  
17 prioritization. I am in favor of maximum flexibility. I'm not  
18 opposed to fee simple, but I do want to say that I'm not opposed to  
19 less than fee simple title either. I think it should be determined  
20 on a case-by-case basis, and based upon that, I can vote in favor  
21 of this policy or advisory statement which I -- I do prefer the  
22 title "guidelines." Now, what the Trustees do with when they act  
23 on it will be another matter. But, I like guidelines and I like  
24 flexibility, and I do not like prioritization for this particular  
25 activity.

26 MS. FISCHER: Okay, Kim.

1 MS. BENTON: I guess I wanted to comment on something  
2 that Molly stated early as a word of caution. If the appraisal  
3 process -- the appraisal train is going forward right now --  
4 assuming fee simple on all the lands that the appraisals are being  
5 done, I would ask you, or recommend that the owners be asked what  
6 they're considering the uses be of their land, and that if they are  
7 considering less than fee simple or alternatives that are going to  
8 raise the public access to be -- that be identified sooner rather  
9 than later for valuation, so that we don't get to the finish line  
10 and say, rest, we're across the finish line, here's the value, we  
11 valuated your land for fee simple, and the owner says, golly that's  
12 really nice, but that's not what we had in mind, and then you have  
13 to backtrack. I think we're going to lose some time and money. If  
14 the people are already, you know, having to change some sort of  
15 appraisal instructions or appraisal valuations, that they do that  
16 sooner rather than later.

17 MS. FISCHER: Walt.

18 MR. SHERIDAN: The intent with going forward with the fee  
19 simple was to try to speed the process rather than delay it,  
20 because we -- you know, we're in the middle of ongoing negotiations  
21 at the present time. We don't know exactly what the bundle of  
22 rights might be that we will end up with. And, the intent here was  
23 to determine what the whole bundle's worth, and then when the  
24 appraisal was -- when the negotiations are complete, we can figure  
25 out -- then the appraisers can figure out then what the value is of  
26 the portion of those rights that we're going to acquire.



1 MS. FISCHER: Okay, I'm going to ask for a vote on the  
2 motion. The wording of policy is changed to "guidelines," and  
3 "flexibility," I believe, is added with that. All in favor --  
4 we're going to do a voice count, and Doug will call, okay?

5 MR. MUTTER: Rupert Andrews.

6 MR. ANDREWS: Yes.

7 MR. MUTTER: Pamela Brodie.

8 MS. BRODIE: Yes.

9 MR. MUTTER: James Cloud.

10 MR. CLOUD: Yes.

11 MR. MUTTER: James Diehl.

12 MR. DIEHL: Yes.

13 MR. MUTTER: Vern McCorkle for Richard Eliason.

14 MR. McCORKLE: Yes.

15 MR. MUTTER: Donna Fischer.

16 MS. FISCHER: Yes.

17 MR. MUTTER: John French.

18 DR. FRENCH: Yes.

19 MR. MUTTER: James King.

20 MR. KING: Yes.

21 MR. MUTTER: Vern McCorkle.

22 MR. McCORKLE: Yes.

23 MR. MUTTER: Gerald McCune.

24 MR. McCUNE: Yes.

25 MR. MUTTER: And, Gerald for John McMullen.

26 MR. McCUNE: Yes.

1 MR. MUTTER: Kim Benton for John Sturgeon.  
2 MS. BENTON: Yes.  
3 MR. MUTTER: Charles Totemoff.  
4 MR. TOTEMOFF: Yes.  
5 MR. MUTTER: Lew Williams.  
6 MR. WILLIAMS: Yes.  
7 MS. FISCHER: All right. Alrighty, due to the late  
8 start that we had, I don't think we're too far off schedule, so the  
9 next thing on the agenda would be to report on the '90 -- '94 work  
10 session. Would be John -- pardon me.  
11 MS. MCCAMMON: Just interrupt real quickly. There was  
12 one item left under the Executive Director's report, Restoration  
13 Plan Draft EIS.  
14 MS. FISCHER: That's right, we need to come back to  
15 that.  
16 MS. MCCAMMON: We've just received word -- Jim is at an  
17 appointment that -- and he's still hung up there and probably will  
18 be for the next half an hour to an hour, but I could just give you  
19 a little bit of a -- just a summary on where we are on that in  
20 terms of the EIS and choosing the final alternative for the final  
21 EIS, and just kind of bring you up to speed on that.  
22 MS. FISCHER: Okay, we'll do that, and then we'll come  
23 back to the recommendations of the FY '95 PAG budget because Mr.  
24 King had some comments that he wanted to make, and when we broke I  
25 said -- we said we'd come back, you know, after that, and we  
26 haven't done that yet. So, we'll let Molly give the rest of Jim's

# DRAFT

## RESOLUTION OF THE EXXON VALDEZ TRUSTEE COUNCIL

We, the undersigned, duly authorized members of the Exxon Valdez Trustee Council, after extensive review and consideration of the views of the public, and in furtherance of our decision made at a public meeting of the Trustee Council on January 31, 1994, find as follows:

1. Scientists and other experts have identified a clear continuing need for research and monitoring (and, potentially, associated general restoration activities) after 2001, the year of the last annual payment by Exxon to the Joint Trust Fund. This need arises primarily from the present limitations on scientific understanding of the ecological systems and relationships that may affect the recovery of certain of the species injured by the Exxon Valdez oil spill. The research and monitoring programs adopted or under consideration by the Trustee Council will help fill those gaps in knowledge and may provide a basis for additional future actions to promote or assist recovery of injured species and ecological systems. Moreover, the relatively long life cycles of certain species make long-term programs to monitor recovery and assess any continuing injury essential. For example, sockeye salmon return in five-year cycles. In order to obtain meaningful information about the effects of the oil spill on those runs and its duration, several cycles may need to be examined. Actions to restore injured salmon runs and monitoring of their recovery could take yet additional cycles. Restoration of this species is thus likely to span several decades into the future. Similarly, many other resources such as murre, harlequin ducks, harbor seals, sea

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otters, and herring appear to be recovering slowly, if at all. Long term observation and, potentially, future restoration action are essential to assure the recovery of these species.

2. It is prudent to set aside trust funds in a reserve fund to provide funding for research, monitoring and associated general restoration programs after 2001.

3. Because all restoration needs through the year 2001 are not yet known, the Trustees must have the flexibility to invade the reserve to fund restoration projects that are clearly needed and cannot be funded by other trust funds.

WE THEREFORE resolve to create a reserve account with joint trust funds under the following terms and conditions:

(a) A long term investment sub-account ("Reserve Fund") shall be established in the EXXON VALDEZ Oil Spill Settlement Account in the Court Registry Investment System ("CHRIS") to receive, invest and disburse monies set aside as a reserve for future research, monitoring and general restoration projects. The term of investments shall be as determined yearly by the Trustee Council upon recommendation of the Executive Director. Interest received from investment of the Reserve Fund shall accrue to the Reserve Fund.

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(b) Disbursement of the monies in the Reserve Fund shall be to the Governments upon resolution of the Trustee Council as provided in the Order for Deposit of and Transfer of Settlement Proceeds entered by the United States District Court on December 6, 1991.

(c) The sum of \$12,000,000 shall be placed in the Reserve Fund through the 1994 work plan. It is the intent of the Trustee Council that additional monies will be placed in the Reserve Fund from each remaining payment by Exxon. Such funding decisions will be made through the Trustee Council's annual Work Plan process and are subject to the final Restoration Plan. All requests for monies to be placed into the Reserve Account will be made through the United States District Court in the same manner as for other restoration projects.

(d) Expenditures from the Reserve Fund will be made only by the unanimous agreement of the Trustee Council, consistent with the terms of the Memorandum of Agreement and Consent Decree entered by the United States District Court on August 28, 1991. Expenditure of monies in the Reserve Fund for restoration projects shall be made in accordance with applicable law, including the National Environmental Policy Act.

(e) It is the intent of the Trustee Council that the Reserve Fund be available for research, monitoring and associated general restoration projects in the years following the last

# DRAFT

payment into the trust fund by Exxon in the year 2001. However, where there is a showing of need, the Trustee Council may, at any time, use either the principal or interest retained within the Reserve Fund to fund restoration projects permitted under the Memorandum of Agreement.

(f) The Department of Law and Department of Justice are requested to petition the United States District Court to provide any necessary authorization for the Reserve Fund and to seek a waiver of fees from the CHRIS.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 1994  
at Anchorage, Alaska.

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1 public that would like to talk -- to speak -- discuss with us.  
2 Okay, we're going to hear from Mr. Tillery.

3 MR. TILLERY: Thank you, Madam Chairman. I'm -- I guess  
4 going to talk about the endowment, where we are now. I would just  
5 suggest that people just interrupt as I say things, and if you have  
6 questions, and that's all you have is an efficient way as anything  
7 to do it. What the Trustee Council is currently looking at is not  
8 so much an endowment as it is a reserve fund. There are still a  
9 number of issues out there on it. It is -- the basis for doing a  
10 reserve fund is the fact that we simply don't know what ultimately  
11 we're going to need to restore out there. We think there's still  
12 things that we -- we have to learn about. That's important because  
13 it's distinct from another possible reason for reserve fund, which  
14 is we know what we are going to do, but it's going to take a long  
15 time to do it. That would -- I think if you -- if it were the  
16 latter, it would give you more freedom to do such things as  
17 actually segregated the money. We could give it to a board, or  
18 something like that, and say, okay, we know we need to deal with  
19 pink salmon, we know it's going to take twenty years, we don't want  
20 to see an existence for twenty years, here's what you have to do,  
21 go do it. But, we're in a situation where we don't know what it's  
22 going to be like in the year 2001. For that reason, it is believed  
23 that the Trustee Council needs to retain the discretion to use  
24 those money in the way it sees fit. That's one of the reasons that  
25 a classic endowment, where we would just give the monies to some  
26 board to use, is not workable, at least that's the view of the

1 Department of Justice and the Department of Law. We concur with  
2 that. From a legal matter, we would be delegating our discretion  
3 and that would not be permissible. Okay, so we went to the idea of  
4 a reserve fund, because we think that we are going to need money  
5 though past the year 2001. The first step in that was to take  
6 twelve million dollars out of '94 work plan and set it aside. It  
7 hasn't been set aside because we got into a big argument over where  
8 we could set it aside. What we ended up doing -- and this actually  
9 goes back -- this goes farther than just a reserve fund, if you  
10 guys ever want to look into it, it just goes into -- the amount --  
11 some of the other money the trustee is sitting on. But, right now  
12 those things are sitting in the court registry account earning  
13 something like two and one-half or three percent interest. The  
14 State of Alaska, on the other hand, is getting six, eight or ten  
15 percent interest on its investments, safely. We had hoped that we  
16 could give the money as a project of the State of Alaska, and have  
17 it invest the money, thus earning a substantial amount more money.  
18 The Department of Justice, one branch of a very large Department of  
19 Justice, believes we could do so, and wrote up a brief and we --  
20 they sent it to the -- another branch of the very large Department  
21 of Justice, which ultimately determined that that was not  
22 permissible, that the only way that we could set up the reserve  
23 account would be in the federal government, which was not  
24 acceptable, and doesn't really get you around the earnings problem,  
25 or leave it in the court registry. The most -- the best way that  
26 appears to us is that we -- court registry -- Jim Ayers alluded to



1 the fact we are trying to deal with the court registry and how to  
2 get out of this short-term investment thing, and try to get into  
3 some kind of a longer term where we hope to at least be getting  
4 about six percent interest. Okay. The -- another associated  
5 question is -- okay, are we -- what do we do with the interest that  
6 we earn? Is it plowed in the reserve fund, or is it used for  
7 ongoing operations? The current concept is that all interest  
8 earned would go into the reserve fund. That will result -- you  
9 know, depending on how interest rates go and so forth, but at the  
10 end of the time period if we put in twelve million dollars a year,  
11 we would hope to have as much as hundred and fifty million dollars  
12 in the reserve fund in the year 2001, I think. Again, Jim has sort  
13 of worked out those -- those numbers, but it's -- it's a pretty  
14 significant amount. We -- the type of a reserve fund we would have  
15 there are a couple of ways you could do it. One would be sort of  
16 a permanent reserve fund. Now, the very idea of having a permanent  
17 reserve fund has caused substantial problems within the Department  
18 of Justice, and it goes back to what I alluded to originally, we  
19 don't know what we're going to need the money for, and we certainly  
20 have no basis for believing that restoration is a permanent  
21 process. Therefore, that's another reason why we can't simply say  
22 we're going to give the money to a board from now on and it's for  
23 this purpose because at some point it is presumed that there will  
24 be an end to the need for Exxon Valdez restoration. However, that  
25 does not mean that some of the attributes of a permanent endowment  
26 cannot be followed as least again under the discretion of the

1 Trustees, which would be to protect the principal of it by -- by  
2 inflation proof the reserve as we go along, so we start in the year  
3 2002. One of the options would be to go ahead and start to  
4 inflation-proof the reserve, not, you know, unlike the Permanent  
5 Fund, might do, and then take what's left and put that into  
6 whatever of the appropriate projects. My understanding is that the  
7 federal government -- or the Department of Justice does not have  
8 any problems with that as long as the Trustees retain discretion.  
9 The other way of doing this has been suggested was a declining  
10 balance type restoration. We would take the money, you would start  
11 in the year 2001, you would say, we think we need twenty more years  
12 of -- of restoration work. You know, if we have the ability to  
13 make that kind of judgment and you can simply figure out, you know,  
14 you're going to assume your interest rates and figure out how much  
15 you can spend, eat away at the principal each year, so that you end  
16 up with a fairly uniform spending over twenty years. Those are  
17 issues certainly that the Public Advisory Group might want to  
18 comment on. The other thing the Public Advisory Group might want  
19 to comment on is the intended uses of the reserve fund. It is --  
20 as it's set out in this draft, that's not necessarily agreed to --  
21 well, it certainly is not agreed to by all the Trustee Council yet,  
22 it suggests that funds will be available for research, monitoring  
23 and associated general restoration projects. There are those who  
24 believe that that should say research monitoring and restoration  
25 projects. The difference is that under the -- first way I read  
26 that, it does not include the concept of using reserve fund for

1 habitat acquisition. If habitat acquisition is to be, at this  
2 time, thought to be something that we want to do with that, then it  
3 should not, you know, it should say something different. It should  
4 say like restoration projects. Now, that again is only intent.  
5 The language would go on to say, however, where there is a showing  
6 of need, the Trustee Council may at any time use either principal  
7 or interest retained in the reserve fund to fund restoration  
8 projects permitted under the memorandum of agreement. That would  
9 include any restoration project, whether it's habitat acquisition,  
10 research and monitoring, general restoration that's -- that's  
11 permissible. That is a discretionary function of the Trustee  
12 Council that cannot be abridged. That discretion has to stay in  
13 there. Still, it would have seemed to me, at least, that it is  
14 important that at the outset of establishing this reserve fund,  
15 there is a statement of intent as to what we believe it is going to  
16 be used for. And, that is something that, I think, that the Public  
17 Advisory Group might want to talk about, and let us know what your  
18 -- what your views are on. That's in a nutshell what the reserve  
19 fund is intended to do. I guess I would be interested in hearing,  
20 at some point, your views on the questions I raised, and also  
21 generally how this reserve fund meets what you had hoped when you  
22 had called for an endowment, and whether this somehow does not --  
23 whether this is adequate or whether there are concepts inherent in  
24 an endowment that you think this absolutely doesn't meet and how  
25 important you think they are.

26 MS. FISCHER: Any questions? Okay, Jim.

1 MR. CLOUD: Craig, is it possible to get copies of the  
2 Department of Justice briefs that cover -- was it in this issue  
3 there were two briefs or just one opinion that said that they ...?

4 MR. TILLERY: I think the -- I don't know. You'd have  
5 to talk to (indiscernible) at DOJ.

6 MR. CLOUD: Actually, I think I got it mixed up a  
7 little bit, there were two - two briefs or two opinions on the --  
8 how you can invest the funds.

9 MR. TILLERY: Right, and my understanding -- I haven't  
10 seen it, but DOJ sent something to Office of Legal Counsel in --  
11 DOJ environmental sections is in the Office of Legal Counsel.  
12 Office of Legal Counsel sent them back the answer, which was, no,  
13 you can't do it. I should also add, this is the second time we  
14 tried it. We tried it when we first set up the MOA for generally  
15 investing the funds, we tried it with the Bush Office of Legal  
16 Counsel, and they said no, and we tried it again with the Clinton  
17 Office of Legal Counsel, and they said no too. So, there's a  
18 certain -- a pattern emerging from the Office of Legal Counsel.

19 MR. CLOUD: On the investment fund issue, now, is  
20 there a brief or an opinion on the endowment issue about setting up  
21 a real endowment where the Trustees would establish the future use  
22 of the funds, but leave it at that?

23 MR. TILLERY: You're asking whether there is a brief on  
24 whether the Trustees could relinquish control of the funds beyond  
25 a written document?

26 MR. CLOUD: Besides setting up the endowment or trust

1 ...

2 MR. TILLERY: And presumably specify (indiscernible -  
3 simultaneous talking) purposes.

4 MR. CLOUD: ... yeah, which would specify purposes.

5 MR. TILLERY: There is no legal brief on that in  
6 conversations with the Department of Justice. They have used and  
7 -- I think I would have to -- we haven't sort of finalized this,  
8 but I would assume to subscribe to those, or -- you know, you can  
9 try to circumscribe it as -- as tightly as you can, and the more  
10 tightly that you circumscribe what an independent board could do  
11 with it, the more likely you are to pass muster, but ultimately  
12 because the whole basis for setting this up is that we don't know  
13 what's going to happen, delegating the discretion to choose the  
14 relative priority of -- of one thing versus another is something  
15 that -- that can't be done, at this point. When we know more, and  
16 maybe by the year 2001 we will. Maybe by then we'll pretty much  
17 know what our -- you know, what course we need to chart, and it can  
18 be said, hey, just give it to those people and let them go with it.  
19 But, for right now, I guess what I'm mainly interested in doing,  
20 sort of at a minimum is setting this money aside so we don't spend  
21 it.

22 MR. ANDREWS: Madam Chair.

23 MS. FISCHER: Yes, Rupert.

24 MR. ANDREWS: Is Senator Murkowski considering  
25 legislation along this line?

26 MR. TILLERY: Senator Murkowski has introduced

1 legislation that would establish an endowment in the United States.  
2 The State has some concerns about that, we're very concerned -- I  
3 think we're -- fair to say we were concerned about the concept of  
4 having Congress -- about putting something in the Treasury where  
5 Congress can change the rules.

6 MR. McCORKLE: Madam Chairman.

7 MS. FISCHER: Yes, Vern.

8 MR. McCORKLE: I'm not only concerned, I'm scared to  
9 death about that. I've been in touch with the senator's office,  
10 both senators' office and Don Young's office, and a bunch of others  
11 like most of you have as well, and the downside of getting anything  
12 like a congressional act like we began to talk about here six  
13 months go, is really not a good idea. That's a sure way to lose  
14 the money, and so, I -- and it would take -- because of the court  
15 decree, it would take an act of Congress to get Congress to have  
16 the right to expend that money in the way they see fit, which I  
17 think is probably something we want to avoid like the plague. At  
18 least that's my -- my personal comment on that aspect. I just --  
19 I just feel like we need to hone pretty closely to the words in the  
20 court decree, and perhaps even the memorandum of -- of  
21 understanding of the MOA, because if we don't do that, then we --  
22 I think we open up other possibilities of being found legally  
23 incorrect. The -- the problem I have is -- is with the language in  
24 a couple places here in this draft resolution. It's entitled  
25 "Resolution of the Exxon Valdez Trustee Council" marked draft, and  
26 on page two, paragraph three, it reads, quote, because all

1 restoration needs to the year 2001 are not yet known, the Trustees  
2 must have the flexibility to invade the reserve to fund restoration  
3 projects that are clearly needed and cannot be funded by other  
4 trust funds. Now, I don't have any trouble with that, if there is  
5 a funding that these new programs cannot be funded by other trust  
6 funds and -- and the funds must be invaded. I think that what  
7 we're all trying to do is make sure that there is money left over  
8 after the year 2001 which is not far hence to be utilized in the  
9 way that the decree said it was to be used, which is by the -- at  
10 the discretion, if you will, of the Trustees. We have to -- we  
11 have to proceed from the premise that the Trustees are going to  
12 make the right decisions. So, I just am very, very concerned that  
13 there's a little weasel wording here and -- on page two, paragraph  
14 three, it says that they can use that money for anything that comes  
15 up, and who knows what might come up in the future. What we want  
16 guard against coming up in the future are unwise calls upon that,  
17 invasions, if you will. The word is rather inopportune but it's  
18 there nonetheless -- to invade the funds. So, for -- just for the  
19 record, and I don't know what the PAG will wish to do on this, but  
20 for the original record that goes to the Trustees, I, for one, am  
21 opposed to utilization of the -- the funds, whether they be called  
22 an endowment or reserve or whatever, simply by calling upon it to  
23 be used anyway they wish, if we sort of run short some place else.  
24 It's like having a nice big surable to go get into, but if there is  
25 a finding, and the Trustees and staff say, in fact, well, we have  
26 looked and we have found, and we've made this consideration, and we

1 find and decree the facts must be used -- rather the funds must be  
2 used and so forth, then of course, I am going along with that, and  
3 presumably the Council and the public would as well. But, I really  
4 want there to be a finding that the money is not available some  
5 place else. And, you know and I know, those of us who have  
6 strained budgets, there are boo-koos of bucks that are just sort of  
7 tucked away there in various little places with -- or somebody  
8 else's sugar bowls, you got a lot of sugar bowls out there. And,  
9 I don't think that this trust fund, or this reserve fund, needs to  
10 be a sugar bowl. Thank you, Madam Chairman.

11 MS. FISCHER: Yes, Vern, thank you. Any other comments?

12 MR. TILLERY: Madam Chairman.

13 MS. FISCHER: Yes.

14 MR. TILLERY: If I can just kind of respond on that a  
15 little bit. I understand it, and -- you need to notice that the  
16 way this thing is drafted, the first three things are findings.  
17 The actual implementation of that particular paragraph three is on  
18 the last page, in E, the last sentence says, however, where there  
19 is a showing of need, the Trustee Council may at any time use the  
20 principal interest retained to fund restoration projects. Now,  
21 that's the sort of operative language. And this -- we have  
22 language in there that says where there is a showing of need --  
23 your view is -- perhaps, I should say where there is a finding of  
24 need. I don't personally have any problems with that. The other  
25 thing you would need to know is once -- and we have set this aside,  
26 it's -- I see if the Trustee Council wants to go and play in sugar



1 bowl, they can make any kind of finding they want to, but it will  
2 require a unanimous decision to play in the sugar bowl. So, that  
3 would -- will hopefully prevent raids. Hopefully, there will be at  
4 least one Trustee Council member, that believes in the integrity of  
5 the reserve fund. But, in any event, I -- I don't think I would  
6 personally have problems changes showing to finding.

7 MR. McCORKLE: Well, finding is, you know, a legal term,  
8 and it requires that certain things have to be done, and usually  
9 not -- not complex or complicated, unless they want to make them  
10 that way, but finding requires that you deliberate, and then come  
11 to a conclusion. Of course, they're going to come to an unanimous  
12 one anyway, we hope, but I do feel comfortable with -- back there  
13 is paragraph E, changing -- I had a whole bunch of language to drop  
14 in there, but if -- if you're willing to change the word "showing"  
15 to "finding," I think that's an excellent suggestion. Thank you,  
16 very much.

17 MR. TILLERY: Okay.

18 MS. FISCHER: Are there any comments? John, I'm sorry  
19 ...

20 DR. FRENCH: Having represented several groups and  
21 chaired the subcommittee trying to put this thing together, I would  
22 like to reflect a couple of things. The first one is to echo  
23 Vern's sentiments. If there's anything people are worried about,  
24 it's raids on (indiscernible) the reserve funds. The other one is  
25 that, in terms of the uses of it, the wording that's in here,  
26 "monitoring, research and general restoration" is consistent with

1 the intent of most of those people who I have heard -- who I've  
2 received input from on -- on this subject. The wording of  
3 restoration, implying habitat acquisition, is not consistent with  
4 most of that information.

5 MS. FISCHER: James.

6 MR. KING: I probably have an over-simplistic view of  
7 this thing, but it seems to me that the settlement agreement stated  
8 that the Trustee Council should consider very carefully input from  
9 the public in regard to restoration, and the public has come out  
10 with a number of very specific proposals regarding endowments. The  
11 one, perhaps in greatest detail, is the one presented by Arliss  
12 Sturgelewski. But, there's been wide support for these things, and  
13 it seems to me that the Justice Department doesn't even belong in  
14 the ballgame that the Trustee Council should go to the district  
15 court and say this is what you told us to do, listen to these  
16 people, now how do we achieve it. And, I don't know if that's a --  
17 you know, I'm not a lawyer, but that's -- look's like to me the way  
18 it ought to go. I have one other comment. You say at some point  
19 the thing is over and it's done, and I would take exception to  
20 that. There was an enormous amount of oil deposited in a new area,  
21 some of those hydrocarbons are a permanent part of the area where  
22 they were placed. They're in this sediments, they're in the tissue  
23 of the creatures there, they're in the bone structure and shells,  
24 and -- it's not going to be possible to say it's over. Some of  
25 that stuff is always going to be there, and so, on down the line  
26 it's going to be necessary to determine what is the effect of --

1 it's a geological fact, in a sense. So, those would be my -- my  
2 two observations and comments, and I hope that they can be  
3 addressed at some point.

4 MS. FISHER: Mr. Tillery.

5 MR. TILLERY: In response, the way this works with the  
6 Justice Department, they don't really have any say in this, other  
7 than the fact that they have to go get the money. If they don't  
8 like it they won't sign the request to the court for money. But,  
9 on the other hand, when the federal Trustees go to vote, if the  
10 Justice Department tells them it's illegal, they'll vote no, and  
11 since we have a -- they have to -- and since we have a unanimity  
12 requirement, effectively Justice has actually a pretty good say in  
13 what they do when it comes to legal issues. So far, we've been  
14 able to work with the Department of Justice pretty well, sort of  
15 over the long haul. With regard to the permanent aspect of it, I  
16 don't actually disagree with you particular, and I think there can  
17 be some very long term effects, and I think we need to have the  
18 money available in a very long term basis. For that reason,  
19 looking seven years down the line and just thinking now what it's  
20 going to be seven years down the line, I would tend to favor sort  
21 of a permanent thing where it is inflation proof. I mean, that  
22 would be my own view, to at least maintain that option, and then if  
23 at some point we see that, no, this is all over now, then we can  
24 back away from that. But, that's -- that would be one way to do  
25 it, would be to -- if you inflation proof it, and you keep it going  
26 after the year 2001, then you would at least maintained that

1 option.

2 MR. KING: And, two and a half percent isn't going to  
3 inflation-proof.

4 MR. TILLERY: No, it is not. That's the problem.

5 MR. KING: How about the district court now, and how  
6 is the Trustee Council going to fulfill their obligation to listen  
7 to the public when some lawyer who hasn't really been involved can  
8 cancel out all the public comment and public interest and hard work  
9 that a number of people have done. It seems like -- there's  
10 something wrong here.

11 MR. TILLERY: Well, there is, but even if it's a great  
12 idea, if it's not legal, the district court is not going to tell  
13 you that we can do it either. In fact, they're going to say we  
14 can't.

15 MR. KING: Yeah, but the court is where legality is  
16 decided, not in the Justice Department.

17 MR. TILLERY: That is correct, and ultimately if there  
18 are -- if an issue came down and it became important enough, one  
19 thing to do, the court retains jurisdiction over this, we could ask  
20 the court for interpretation or a ruling or so forth. To date, it  
21 has not been necessary because after sufficient conversations,  
22 we've generally been able to do things that tend to make most --  
23 that tend to make -- tend to meet the needs we have, and I'm hoping  
24 that this will kind of work out that way too.

25 MS. FISCHER: Lew.

26 MR. WILLIAMS: You know, my concern is about the amount

1 of money, putting twelve million aside -- I think -- 2001 they hope  
2 to have a hundred and twenty million in it. Each year it looks  
3 from our projects here that the Trustees are authorizing about  
4 thirty-five to forty million in projects, they're getting seventy  
5 million from the Exxon Valdez, so I presume the difference between  
6 say forty-five and seventy, that money is being used for  
7 administrative purposes, land acquisition and the twelve million.  
8 It seems to me over a period of eight years that -- for land  
9 acquisition and administration is pretty high, and more should go  
10 into the trust fund or the reserve account. And, the reason I say  
11 that is because all of sudden in 2001, all the payments are made  
12 and you're spending at the rate of thirty-five to forty million a  
13 year on projects and you're going to be suddenly faced with  
14 earnings from a reserve account of one-tenth of that, and it's  
15 going to be quite a shock to the system, let's put it that way.  
16 So, I think you'd be better to spend a little less each year on  
17 projects and land acquisition, so that you have a bigger reserve  
18 account, so that when 2001 comes we're not in a sudden economic  
19 shock.

20 MR. TILLERY: Yeah, that's a real good point,  
21 particularly with the -- because the people think we're going to  
22 have this -- all this money out there, but really we've only got  
23 the earnings, and if you inflation-proof them you got -- you know,  
24 half of what you might earn, so you'd be talking, you know, three  
25 million or something a year, but the thirty-five million, I think,  
26 those kinds of numbers include the twelve million for the reserve,

1 and include the habitat acquisition money, at least some of it.  
2 So, my impression for general restoration projects, or research and  
3 monitoring, at this point, we're probably only spending in the  
4 nature of eleven or twelve million. Is that right or wrong?

5 MS. McCAMMON: In FY '94 the total of the research,  
6 monitoring and general restoration was about seventeen million, and  
7 then there was an additional four and one-half million on  
8 administration, and the seventeen million includes the support  
9 costs for habitat acquisition. It doesn't actually include actual  
10 purchase, and then an additional twelve million for the reserve.

11 MR. TILLERY: Presumably, that seventeen will also be  
12 declining over the next seven years, and maybe -- I don't know if  
13 this is going to be close enough, I think your point is well taken.  
14 We're not -- it's going to be a shock when the year 2002 rolls  
15 around.

16 MR. WILLIAMS: Yeah, and I think we can avoid it now if  
17 we planned a little in advance. Spending maybe a little less on  
18 something, I don't know what. We have to take care of restoration,  
19 but maybe we can hold back on land acquisition a little bit, by  
20 maybe making some non-fee simple agreements.

21 MS. FISCHER: Any other questions for Mr. Tillery? Pam.

22 MS. BRODIE: A few things. First of all, in response  
23 to Mr. Williams, you were mentioning land acquisition and general  
24 restoration, but research and monitoring is another part of the  
25 money that is being spent now which is not the same as the  
26 restoration reserve. That's where a lot of the money is going into

1 research and monitoring. And also, this specifies twelve million  
2 dollars for the 1994 work plan. It does not say whether future  
3 payments would be more or less than that. There's nothing in this  
4 document that specifies what the other payments would be, that will  
5 be determined by the adoption of the restoration plan, the record  
6 of decision. But, also in part E, where it says what the reserve  
7 funds can be used for, I don't understand any reason why this  
8 should be limited to some types of restoration now and not all  
9 types restoration. I don't see why this should be different from  
10 what's in the settlement about what restoration is. In fact, it is  
11 particularly leaving out habitat acquisition. It is not leaving  
12 out anything else. Well, since the point of this is that we make  
13 -- is that we don't know as much as -- now as we will in the  
14 future. Suppose we find out in the future that some particular  
15 place is necessary to restore some particular species, why should  
16 this be saying no we can't do that. I -- it seems to me -- I don't  
17 personally expect that very much of this reserve will be spent on  
18 habitat acquisition. I think it's unlikely, but I don't think that  
19 the language here should make that impossible. And, what Mr.  
20 French said about the people involved, didn't want it to be used  
21 for acquisition, I'm not sure quite what you meant. I think,  
22 perhaps, that was referring to the Public Advisory Group, and I  
23 would agree that the majority of the Public Advisory Group probably  
24 doesn't want that; that doesn't mean that the majority of the  
25 public or the Trustees feel that way.

26 DR. FRENCH: I was referring specifically to those

1 people I have receive input from, which involve a large number of  
2 fishing groups, the University of Alaska, and Arliss Sturgelewski  
3 and some of the people working with her. I admit there were  
4 numerous public people I have not directly work with on this  
5 request.

6 MS. FISCHER: Okay, Jim.

7 MR. TILLERY: Can I just respond.

8 MS. FISCHER: Okay, let's let Mr. Tillery respond.

9 MR. TILLERY: With respect to your comments, the -- it  
10 actually doesn't make it impossible. In fact, what it says it's  
11 available for certain monitoring associated general restoration  
12 projects. And, then it goes on to say, however, where there is a  
13 finding of need -- if we use the word finding -- Trustee Council  
14 may at any time use the principal interest retained within the  
15 reserve fund, to fund restoration projects permitted under the MOA,  
16 that would include habitat acquisition. What it's -- written now  
17 is saying, we -- the current intent is that it's a research,  
18 monitoring and for associated general restoration projects, but if  
19 down the road we find out, based on what we see, that hey, we  
20 really need something here to protect some species that seems to be  
21 making its last stand (indiscernible), or whatever reason, we need  
22 habitat acquisition, this does not forbid it, it simply says that's  
23 not our current intent, but it's permissible.

24 MS. BRODIE: Yes, you're right. That's true. It means  
25 that habitat acquisition has to go through another -- it has to  
26 jump through a legal hoop that nothing else has to jump through.



1 MS. FISCHER: Jim.

2 MR. CLOUD: Well, although I personally prefer it that  
3 way, Pam, I think (Laughter), you know that paragraph (3)(D) it is  
4 clear that the expenditures from the reserve fund will be made by  
5 unanimous of agreement, consistent with the terms of the memorandum  
6 agreement and consent decree, and it doesn't exclude habitat  
7 acquisition at all, although, if we can get that exclusion in there  
8 somehow, I'd vote for that. (Laughter)

9 MS. FISCHER: Yes, Vern.

10 MR. McCORKLE: Madam Chairman. I have -- from time to  
11 time in the past spoken against massive programs of habitat  
12 acquisition, but I'm not opposed to habitat acquisition. I still  
13 want to go about -- on the record that, and I -- I don't find Pam's  
14 comments repugnant, although I'd -- I like to support her comments  
15 as often as I can. I do find that the language supports the -- the  
16 need to buy habitat in the future if we have to. It doesn't make  
17 any sense at all to say that you can't buy some habitat, if it's  
18 necessary. I just think that, you know, the finding and -- and the  
19 discussion together with the unanimous agreement provides  
20 protection for habitat acquisition that -- that Pam envisions, and  
21 I believe that habitat protection and acquisition is protected in  
22 this draft in two places.

23 MS. FISCHER: Okay.

24 MR. McCORKLE: Could I have one more comment.

25 MS. FISCHER: Certainly.

26 MR. McCORKLE: I'm sorry for changing subjects again.

1 With respect to Mr. King's discussion on -- on the endowment and  
2 the most excellent presentation we had by Jerome Komisar and Arliss  
3 Sturgelewski here several months ago with respect to funding chairs  
4 at the University of Alaska, which I'm also in favor of, but not  
5 with this money. The problem with funding chairs -- I guess  
6 problem is not quite the right word -- the way you fund the chair  
7 at the university is to give them a few million bucks and say, do  
8 with it as you will, and Jerome Komisar was very specific on that  
9 point. If the university is going to properly run its institution  
10 and conduct its -- its mission, it can't have anybody, the PAG or  
11 the Trustee Council or others telling them what to do with that  
12 money. So, when you put the money in a chair at any university, we  
13 really do violate the requirements of the decree document to the  
14 memorandum of agreement.

15 MS. FISCHER: Is there any other discussions? Or any  
16 questions? Yes, Kim.

17 MS. BENTON: Craig, I just have a quick question. In  
18 the way -- because of the way the federal legal advisors see this,  
19 that it can only be governed by the Trustee Council, am I  
20 understanding it correctly that this endowment -- for the length of  
21 the endowment is in existence, the Trustee Council would also be in  
22 existence?

23 MR. TILLERY: That's correct. Now another way to make  
24 this -- over time, and, you know, how this is going to evolve in  
25 the year 2002 and beyond, but it's entirely possible that decisions  
26 could be made -- I think, that an advisory board, a scientific

1 advisory board or whatever else could be created, that could do --  
2 come up with the research plan for a particular year, let's say we  
3 then present to a Trustee Council that would probably be meeting  
4 only, you know, once a year by that point, and could just sort of  
5 go through those. I mean, in essence some kind of board could be  
6 making the recommendations, and I'm not saying a Trustee Council  
7 would rubber stamp them. They have to retain their discretion, but  
8 I don't foresee a big role for the Trustee Council down the line  
9 here, but they do have to retain that ability to make decisions.  
10 So yes, they would remain in existence.

11 MS. BENTON: The would remain an infrastructure  
12 wouldn't have to be (indiscernible - simultaneous talking).

13 MR. TILLERY: The expensive -- well, I mean, you know,  
14 a scientific, you know, board is going to be an expensive  
15 infrastructure. It's going to be hard to get away from it, but you  
16 won't necessarily have a Trustee Council building here, a Trustee  
17 Council restoration staff, or anything else. Maybe, it could be  
18 rolled into some state science and technology foundation. Maybe it  
19 could be a group of people, I don't know. It could that -- I mean,  
20 you know, whatever.

21 MR. FISCHER: Any other comments? Pam.

22 MS. BRODIE: Question, a process question, is this  
23 something that we're going to vote on whether or not to recommend  
24 this to the Trustees for their adoption, or is this just something  
25 that -- that the Trustees -- and did this, initially -- did any of  
26 this initially come from the Trustees, or does it all come from

1 this subcommittee?

2 (Aside comments - laughter)

3 MS. FISCHER: Mr. King, did you have a questions too,  
4 and then maybe he can answer both of them. We -- kind of -- move  
5 on.

6 MR. KING: But, I guess one more point of it. I  
7 think my concern is slamming the door on something that the public  
8 has expressed a strong interest in, and that because of a  
9 solicitor's opinion, and so I would strongly urge that the Trustee  
10 Council keep looking at that, and consider that -- we're not  
11 suggesting -- nobody's suggesting that something illegal be done,  
12 but in a democracy, you have the option of making what the public  
13 wants legal. And, if it turns out that the public really wants  
14 this endowment thing, they should get it.

15 MS. FISCHER: Okay, very good. Can you answer Pam's and  
16 then go into James'.

17 MR. TILLERY: I -- you know, I just got a phone call  
18 asking me to be here. I mean, you need to ask Molly to why -- what  
19 this is -- what the role is.

20 MS. McCAMMON: I think the role of the Public Advisory  
21 Group is what you want to make it. If you would like to just have  
22 these comments go back to Craig and to the staff here, and then be  
23 included in the ongoing discussions amongst all of the Trustee  
24 agencies, it could be at that level, or it could be at the level of  
25 a formal motion that you could make in either -- approving this or  
26 adopting this or recommending that it be adopted, or something of

1 that fashion. It's basically up to you at what level you'd like to  
2 make your input. We're just basically bringing this in response to  
3 a request that was made at the last PAG meeting, and making this  
4 opportunity available.

5 MR. TILLERY: From my perspective, as one Trustee  
6 Council -- person sitting on the Trustee Council, I would just like  
7 to hear your views, and I don't really care, you know, how you go  
8 about it whether you mark this up and come back with your version  
9 of the draft, whether you give a bunch of comments on it, or  
10 whatever you think is the most effective way to communicate, but --  
11 I mean I just like to hear them.

12 MS. FISCHER: Vern.

13 MR. McCORKLE: Thank you, Madam Chairman. One of the  
14 things that I think we could do is there is precedent for this kind  
15 of discussion because it was in -- in our Chairman's report to the  
16 Trustee Council recently when Mr. Phillips asked what had happened  
17 to the idea of a -- a Trustee -- of a trust fund, or a reserve  
18 account. And so, I think it's proper for us to be -- be discussing  
19 it, and I like the idea of making sure that we have an opportunity  
20 to get our comments to the Trustees, whether or not we adopt a  
21 formal motion or have a hands show up and down on -- on this  
22 particular draft, or just discuss or comment. I think all would be  
23 helpful. I'm in favor of preserving the idea of -- of an endowment  
24 or a reserve fund, or call it what you will, so long as it is  
25 hooked directly to the decree and the memorandum of agreement,  
26 because I don't think you'll go far wrong then. You may have to

1 argue like heck to make our own particular points heard, but at  
2 least you do have a process which -- which does not fritter away  
3 the money.

4 MS. FISCHER: Jim.

5 MR. CLOUD: I cancelled my luncheon arrangement so I  
6 could have a sandwich with you folks (laughter), and now you're  
7 using up almost all the time. (Laughter)

8 MS. FISCHER: Well, we're getting ... Jim, I'm sorry,  
9 yeah you gave away your sandwich, but it's a working lunch.

10 (Aside comments)

11 MS. FISCHER: Okay, is there a -- this is not a motion  
12 or anything, I believe -- yes, John.

13 DR. FRENCH: I was going to make a motion that the PAG  
14 endorse -- I move that the PAG (laughter) -- I move that the PAG  
15 endorse a resolution on the -- the draft resolution on this Exxon  
16 Valdez -- whatever this thing is ...

17 MS. FISCHER: Trustee Council ...

18 DR. FRENCH: ... Trustee Council ...

19 MS. FISCHER: Endowment.

20 DR. FRENCH: ... formation of a restoration reserve  
21 with the modifications to -- with any modifications necessary to  
22 appropriately strengthen it against raids on the -- the fund, and  
23 also that we recommend continued allocation, if that's the  
24 appropriate word, of a minimum of twelve million dollars a year to  
25 the fund.

26 MS. FISCHER: Go ahead ...

1 DR. FRENCH: I guess that's all we need, yeah.  
2 MR. McCORKLE: Second the motion.  
3 MS. FISCHER: And, Vern second the motion. All in  
4 favor, say aye.  
5 PUBLIC ADVISORY GROUP: Aye.  
6 MR. McCUNE: What about discussion on this motion?  
7 MS. FISCHER: Oh, yeah, okay. Yes, you're right. We  
8 haven't discussed it enough. (Laughter) Gerry, discuss it, I'm  
9 sorry.  
10 (Aside remarks)  
11 MR. McCUNE: I would like to say that I -- I thinks  
12 it's a little preliminary for a motion myself. I -- I'm still very  
13 unclear about what exactly we could do, or exactly what we can't do  
14 here. You know, I -- it isn't a matter of title to me -- endowment  
15 -- as long as I get the right things in the reserve fund, or  
16 whatever you call it in here, and I'm still -- from what I hear  
17 it's very vague, and I think it's preliminary to -- to pass a  
18 resolution or to endorse this resolution at this time. So, that's  
19 my comment, I'll make it short.  
20 MS. FISCHER: Okay. Are there any other comments? All  
21 in favor of the motion?  
22 PUBLIC ADVISORY GROUP: Aye.  
23 MS. FISCHER: All opposed.  
24 MS. BRODIE: Nay.  
25 MS. FISCHER: One, two, three ...  
26 MR. McCORKLE: Call for a raising of the house?

1 MS. FISCHER: Call for hands, yeah. Okay, I need to go  
2 back to the original ayes and nays. All in favor, please raise  
3 your hand.

4 REPORTER: Can we do a voice vote?

5 MS. FISCHER: Okay, we can do a voice vote. Let's start  
6 with Rupert.

7 MR. ANDREWS: Yes.

8 MS. FISCHER: Pam.

9 MS. BRODIE: No.

10 MS. FISCHER: Jim.

11 MR. CLOUD: No.

12 MR. DIEHL: No.

13 DR. FRENCH: Yes.

14 MR. CLOUD: Up with concern.

15 MS. FISCHER: You want yes, James. James (indiscernible  
16 - laughter) a yes.

17 MR. CLOUD: Do you want me to answer that?

18 MS. FISCHER: No, it's bound to have gone to his head.

19 UNKNOWN: He's got a little blood sugar.

20 (Aside comments)

21 MS. FISCHER: Yeah, okay, John French.

22 DR. FRENCH: Yes.

23 MS. FISCHER: Where are you at? Are you ...

24 MR. MUTTER: Vern McCorkle.

25 MS. FISCHER: Okay, Vern.

26 MR. MCCORKLE: Yes.



1 MR. MUTTER: Charles McCune.  
2 MS. FISCHER: Kim.  
3 MS. BENTON: No.  
4 MS. FISCHER: Chuck.  
5 MR. TOTEMOFF: Yes.  
6 MR. WILLIAMS: Yes.  
7 MR. KING: Yes.  
8 MS. FISCHER: Yes.  
9 MR. CLOUD: Madam Chairman.  
10 MS. FISCHER: Yes.  
11 MR. CLOUD: Vern also votes for Senator Eliason.  
12 MS. FISCHER: Are you saying yes for him too?  
13 MR. MCCORKLE: Yes, I am (indiscernible - simultaneous  
14 talking).  
15 MS. FISCHER: And, yes for Senator Eliason.  
16 MR. MCCORKLE: Yes, that's right. Yes, I'm saying yes.  
17 MS. FISCHER: Okay. Let's see where we're at first.  
18 Okay, nine for the amendment and four opposed -- amendment -- or  
19 the resolution passes. Any of those that had -- made plans for  
20 lunch and would like to go out and leave for lunch, since no one  
21 knew it would be a working lunch or we would be here, may do so at  
22 this time, and the rest of us will break, get our sandwiches and  
23 come back and do a working lunch. And, we're going to pick up with  
24 less than the fee and public access policy. Mr. Tillery, we want  
25 to thank you for being here and talking with us, meeting with us.  
26 If you'd like, stay and have lunch with us, and maybe somebody can

EIS COMMENTS

Revised August 16, 1994  
w/PAAG comments.

## I. Introduction

It needs to be pointed out from the start that the public comment solicitation for the draft environmental impact statement (DEIS) was not intended or designed to be a statistically valid measure of public feelings about the direction of the restoration program. Many factors combine to prevent this from occurring. First, the timing was not conducive to measuring public sentiment. Second, the sample was very small. Last, responses were spontaneous. There was no instrument designed to allow a poll to be taken. The NEPA public comment process is not intended to be a public opinion poll. It is to serve as an avenue of information to the public and to solicit their involvement in reviewing the document.

## II. The Comment Period

The 45-day public comment period for the DEIS for the Exxon Valdez Restoration Plan ended August 1. We received 211 written or telephone comments. Public meetings were held in Anchorage, Seward, Homer, Kodiak, Cordova, and Valdez. A total of 53 people attended these meetings. A teleconference was held on July 20, to provide another opportunity for up to 25 communities (apart from the meeting location in Anchorage) to participate if they so desired. Only three communities took advantage of this opportunity (Cordova, Seward, and Old Harbor) with ten people present.

## III. Those Who Commented

Of the 211 responses received or postmarked by 8/1/94, 119 (56%) were from Alaska and 92 (44%) were from other locations, 1 of these from Canada. Of 92 Alaskan responses, 35 (29%) were from the EVOS area and 84 (29%) were from other areas of Alaska.

Geographic Breakdown of Responses to DEIS				
	EVOS Area	Other Alaska	Outside Alaska	Total
Number:	35	84	92	211
Percentage:	16.6%	39.8%	43.6%	100%

## IV. The Comments

The comments can be broken down in five subject areas. These are: expressions of preference for a particular alternative; habitat protection and acquisition; general restoration; monitoring and research; and restoration reserve. Because of the efforts of the Alaska Rainforest Campaign, habitat acquisition and general restoration were heavily commented on. The following represents a sampling of preferences and comments received.

## A. Alternative Preference

Very few of those who commented clearly selected any alternative. Most comments focused on the restoration categories. Alternative preference was mostly given by saying which alternatives they, the public, did not like. However, among those few expressing a clear preference, Alternative 2 was chosen by seven people who commented and Alternative 5 by three. Alternatives 1, 3, and 4 were not chosen by any of those commenting.

Public Advisory Group (PAG) Comments: Supports Alternative 5--Draft Restoration Plan with some modifications to clarify areas. "Management by objective" implementation approach and an "Implementation Management Structure" should be included in the Final Restoration Plan. They also recommend using the restoration priorities in the "Approach to Restoration (7/15/93)" document.

## B. Habitat Protection and Acquisition

This was by far the most commented on part of the restoration program. With those commenting asking for "most," "at least \$500 million" (or more up to all the funds), or "2/3 of the funds" to be spent on acquiring lands. Of the 211 persons commenting, 134 wanted the Trustees to spend more than shown in Alternative 5 (\$295-325 million).

Specific comments:

" best use of civil fines is purchase of land an/or timber rights on land that is important as habitat. At least two thirds of the funds should be spent to protect habitat."

" Strengthen the habitat Protection budget and deflate the budgets that will end up in some contractor's bank account."

" Strengthen habitat Protection budget for acquisitions of larger parcels of land."

" Most of what's left of the money should be spent to acquire large parcels of land, including inholdings."

" Spend money to have a permanent impact on lands. Acquire lands for the coastal forests and related areas in the Kenai-Afognak-Kodiak region."

" \$300 million for Habitat Acquisition. Buy salmon streams and recreation sites in and adjacent to the EVOS area instead of conducting studies on fish stocks and recreation."

" Provide habitat that cannot be taken by government, military, farms, parks, personal use or any other. Disallow pollutants or even human interaction."

" there should be more emphasis on habitat protection and acquisition than on artificial enhancement of commercial and sport fisheries and recreation and tourism."

" The amount of money allocated to the habitat program in alternative 5 is inadequate. Emphasize Dangerous Passage, East Side of Knight Island, Bainbridge/Evans/Latouche Islands, South End of Knight Island, and Chenega Island."

" Forest habitat which will otherwise be logged should be preferred over habitat that is unlikely to be developed."

" use all of the settlement funds to acquire the private lands within Chugach National Forest, Kenai Fjords National Park, Afognak Island, and Kodiak National Wildlife Refuge."

" Reduce this! Does not support the ACE position to increase land acquisition."

" In my opinion this state already has far too many lands in the public sector. I also believe that public sector lands are less conducive to proper management and resource development. I hope that no more of our resources get locked up with this oil spill"

" Purchase large tracts of land so whole environmental habitats can be preserved."

" I urge you to use the settlement funds within Chugach National Forest, Kenai Fjords National Park, Afognak Island and Kodiak National Wildlife Refuge."

#### C. General Restoration

The opposite emphasis was made for general restoration. Comments ranged from "reduce" or "eliminate", to "slash the general restoration boondoggles." In most, if not all cases the same people expressed the idea that habitat should be increased while reducing general restoration. Of the 211 people commenting, 132 requested that funding for this restoration category be reduced or eliminated. The following statements taken from public comments received convey the thoughts expressed.

PAG Comments: use the 7/15/93 priorities.

Specific comments:

" 1/3 to 1/2 of the remaining funds should be used on General Restoration"

" No General Restoration boondoggles"

" Don't put money into lots of little General Restoration projects."

" don't see the sense of spending a lot of money to clean up little patches. Tanker spills from both world wars seem to have eventually been cleaned up on their own."

" Shift money from General Restoration to Habitat Protection and Acquisition"

" Eliminate support for facilities, including aquaculture, aquarium, and tourist facilities. Drop fish hatchery support and support for museums. Reduce scientific studies, both monitoring and hypothesis testing, to a total of \$20 million."

" Use the money for acquisition of habitat and good, focused scientific studies with a preference going to Alaska based researchers and field technicians."

" Resist temptation to spend money on short term pork barrel research and General Restoration"

" No more spending for scientific studies."

" We oppose virtually all enhancement and manipulation forms of restoration."

" support general restoration projects that includes public education"

#### D. Monitoring and Research

Several of those commenting spoke directly to this category of restoration. The statements made are reflected below.

PAG Comments: "Management by objective" implementation approach and an "Implementation Management Structure" should be included in the Final Restoration Plan. They also recommend using the restoration priorities in the "Approach to Restoration (7/15/93)" document.

Specific comments:

" Cut in half proposed allocations for marine research"

" Limit studies of oil effects to long-term research on sub-lethal effects of Prudhoe Bay oil."

" Do support studies so we will know what is there come the next spill."

" Would like to see studies done on the Sound, but do so with extreme scrutiny, even researchers go overboard with their costs."

" Slash budget for scientific studies"

" Perhaps the isolated areas from the oil spill that are still degraded can be studied, but most concerned about proposed amount budgeted for studies"

" Stop studying how and why species are disappearing from the oil and do something about it."

" Spend no more than 10% on research"

" Please refuse to dole out money for porkbarrel make work projects."

" Research needs some money, but protection of habitat is highest priority"

" Much of the research which has been conducted or proposed has little chance of contributing to actual restoration"

" target scientific studies of the resources will be much better than buying land"

#### E. Restoration Reserve

There was a polarization of views here. Either people wanted to see the restoration reserve added to more alternatives or they were opposed to the idea altogether. Of the eight people commenting on this item, two directly support the concept, one wanted to limit the amount to \$1-3 million, one wanted to wait until the last two years to set aside anything, and four people were opposed to setting any money aside.

PAG Comments: Supports "the concept of establishment of an endowment or trust that will provide funding for the purposes established by the settlement agreement." "The Public Advisory Group would like to see the restoration reserve account action clarified in alternative #5 and in the other alternatives. We would like to see specific criteria attached to the reserve for its expenditure."

#### Specific comments:

" Use the restoration reserve as a long-term investment strategy for acquiring additional sites should the results of monitoring and research reveal the need to obtain additional habitat areas for select species."

" Establish a small endowment to fund costs associated with conservation easements: \$1 to \$3 million."

" There is no rationale in the EIS for how the Reserve fund would improve restoration, or even how it would work or what it is. Therefore, the Reserve should not be included as part of the proposed action."

" Do not need to set aside funds each year, but can set aside payments from Exxon's last payment or two."

" The endowment option should be included in each of the alternatives, not just alternative 5."



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August 16, 1994

## I. Introduction

EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
ADMINISTRATIVE RECORD

It needs to be pointed out from the start that the public comment solicitation for the draft environmental impact statement (DEIS) was not intended or designed to be a statistically valid measure of public feelings about the direction of the restoration program. Many factors combine to prevent this from occurring. First, the timing was not conducive to measuring public sentiment. Second, the sample was very small. Last, responses were spontaneous. There was no instrument designed to allow a poll to be taken. The NEPA public comment process is not intended to be a public opinion poll. It is to serve as an avenue of information to the public and to solicit their involvement in reviewing the document.

## II. The Comment Period

The 45-day public comment period for the DEIS for the Exxon Valdez Restoration Plan ended August 1. We received 211 written or telephone comments. Public meetings were held in Anchorage, Seward, Homer, Kodiak, Cordova, and Valdez. A total of 53 people attended these meetings. A teleconference was held on July 20, to provide another opportunity for up to 25 communities (apart from the meeting location in Anchorage) to participate if they so desired. Only three communities took advantage of this opportunity (Cordova, Seward, and Old Harbor) with ten people present.

## III. Those Who Commented

Of the 211 responses received or postmarked by 8/1/94, 119 (56%) were from Alaska and 92 (44%) were from other locations, 1 of these from Canada. Of 92 Alaskan responses, 35 (29%) were from the EVOS area and 84 (29%) were from other areas of Alaska.

Geographic Breakdown of Responses to DEIS				
	EVOS Area	Other Alaska	Outside Alaska	Total
Number:	35	84	92	211
Percentage:	16.6%	39.8%	43.6%	100%

## IV. The Comments

The comments can be broken down in five subject areas. These are: expressions of preference for a particular alternative; habitat protection and acquisition; general restoration; monitoring and research; and restoration reserve. Because of the efforts of the Alaska Rainforest Campaign, habitat acquisition and general restoration were heavily commented on. The following represents a sampling of preferences and comments received.

## A. Alternative Preference

Very few of those who commented clearly selected any alternative. Most comments focused on the restoration categories. Alternative preference was mostly given by saying which alternatives they, the public, did not like. However, among those few expressing a clear preference, Alternative 2 was chosen by seven people who commented and Alternative 5 by three. Alternatives 1, 3, and 4 were not chosen by any of those commenting.

## B. Habitat Protection and Acquisition

This was by far the most commented on part of the restoration program. With those commenting asking for "most," "at least \$500 million" (or more up to all the funds), or "2/3 of the funds" to be spent on acquiring lands. Of the 211 persons commenting, 134 wanted the Trustees to spend more than shown in Alternative 5 (\$295-325 million).

Specific comments:

" best use of civil fines is purchase of land an/or timber rights on land that is important as habitat. At least two thirds of the funds should be spent to protect habitat."

" Strengthen the habitat Protection budget and deflate the budgets that will end up in some contractor's bank account."

" Strengthen habitat Protection budget for acquisitions of larger parcels of land."

" Most of what's left of the money should be spent to acquire large parcels of land, including inholdings."

" Spend money to have a permanent impact on lands. Acquire lands for the coastal forests and related areas in the Kenai-Afognak-Kodiak region."

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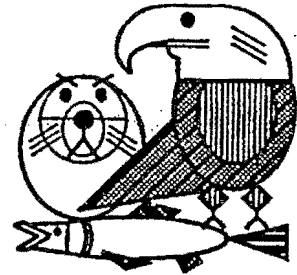
" There is no rationale in the EIS for how the Reserve fund would improve restoration, or even how it would work or what it is. Therefore, the Reserve should not be included as part of the proposed action."

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EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
ADMINISTRATIVE RECORD



## Investment Options

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### Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation  
United States: National Oceanic & Atmospheric Administration, Departments of Agriculture and Interior

UNITED STATES COURTS  
SOUTHERN DISTRICT OF TEXAS

HOUSTON DIVISION

FTS FAX No.: (713) 250-5812  
COMMERCIAL FAX No.: (713) 250-5812



TRANSMITTAL COVER SHEET

TO:

Ms. Jane Sinclair

FROM:

Michael Milby

SUBJECT:

Exxon Valdez Settlement Funds

TOTAL NUMBER OF PAGES:

20

## UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF TEXAS

OFFICE OF THE CLERK

P. O. BOX 61010

HOUSTON, TEXAS 77208

MICHAEL N. MILBY  
CLERK OF COURT

August 11, 1994

Ms. June M. Arkoulis-Sinclair  
Administrative Officer  
Exxon Valdez Oil Spill Trustee Counsel  
645 "G" Street  
Anchorage, AK 99501

Dear Ms. Sinclair:

It has been a pleasure working with you, on a new Court Registry Investment System (CRIS) fund for the Exxon Valdez Settlement Funds. I believe that the CRIS fund can meet the long term investment needs for the Exxon Valdez Settlement Funds. As we discussed, implementation of the new investment fund will require that a court order establishing the fund be entered by Chief Judge Norman W. Black, as well as, an order from the presiding judge in Alaska to deposit the funds into the newly created account. These orders can be prepared once we determine the investment parameters of the new fund. I prepared the following information to assist the Trustee Council in its review of the CRIS alternatives.

As you know, we currently perform a very similar service with the CRIS - Term Fund for the Boesky, Milken and Drexel settlement funds. The Term Fund has a maximum maturity of 18 months and an average maturity of 365 days. In this fund a portion of the portfolio matures each quarter to meet projected cash needs. The proceeds from a maturing security can be used to meet disbursement requirements or rolled over into another 18 month security. In effect the Term Fund provides quarterly liquidity with a 365 day yield. For your information, attachment A depicts the CRIS - Term Fund yield verses the one year Treasury Bill.

Since the CRIS invests only in U. S. Treasury securities through the Federal Reserve Bank, no default risk, credit risk or collateral requirements exist. Therefore, the key investment decision becomes one of matching liquidity needs to investment maturities. When these variables are matched, yield increases through the purchase of longer maturities and market risk (interest rate risk) reduces since securities are held to maturity.

The following theoretical portfolios illustrate the reduced market risk exposure achieved through the matching of maturities to cash needs, and through the staggered purchase of securities.



Portfolio I

Strategy: Laddered quarterly maturities...December '94 to March '96.

Estimated Yield: 5.61%

If rates rise 100 basis points in the first three months, the market value of the portfolio remains higher than the original cost. Each quarter approximately \$2 million in principal is available to reinvest or disburse.

Portfolio II

Strategy: Fixed three year maturity.

Estimated Yield: 6.50%

If rates rise 100 basis points in the first three months, the market value of the portfolio falls below the original cost. No funds are available to invest until the single security matures.

Portfolio III

Strategy: Laddered maturities with one year to five year maturities.

Estimated Yield: 6.41%

If the rates rise 100 basis points in the first three months, the market value of the portfolio plus cash flow received in the first three months is higher than the original cost. Under this scenario approximately \$2 million in principal is available each year to reinvest or disburse.

Of course Portfolio II maybe the optimum choice if we know we will not need funds for three years.

The CRIS building blocks assure a safe, efficient portfolio for the reserve account. The only task that remains is to determine the most likely scenario for disbursement out of the fund. With this projection, the portfolio's investment horizon can be established to match liquidity need and minimize the portfolio's exposure to market risk. There are many possible strategies that could be employed to match liquidity to the disbursement horizon. A few follow:

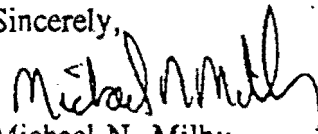
- If the council knows with certainty that there will be no disbursements until the year 2002, then the first \$12 million deposit could mature in the year 2002, the second \$12 million deposit could mature in the year 2003, (etc). In 2002 the principal plus interest from the first \$12 million could be reinvested in a staggered portfolio with quarterly liquidity or placed into the CRIS liquidity fund.

- Alternatively, we could break the first \$12 million into \$4 million blocks. One block would mature every quarter of 2002.

- As still another option, we could begin immediately to create a portfolio with an average maturity 2 to 4 years. The first \$12 million dollars could be staggered throughout this range to provide a weighted maturity of three years.

I trust the above will assist the council in determining the best method of investing its projected \$108 million reserve account. Attachment B includes sample orders and procedures that would govern the operation of the fund. Please do not hesitate to call me at (713) 250-5400 if I may provide any further information.

Sincerely,



Michael N. Milby  
Clerk of Court

**Attachment A**

**COURT REGISTRY INVESTMENT SYSTEM  
YIELD ANALYSIS**

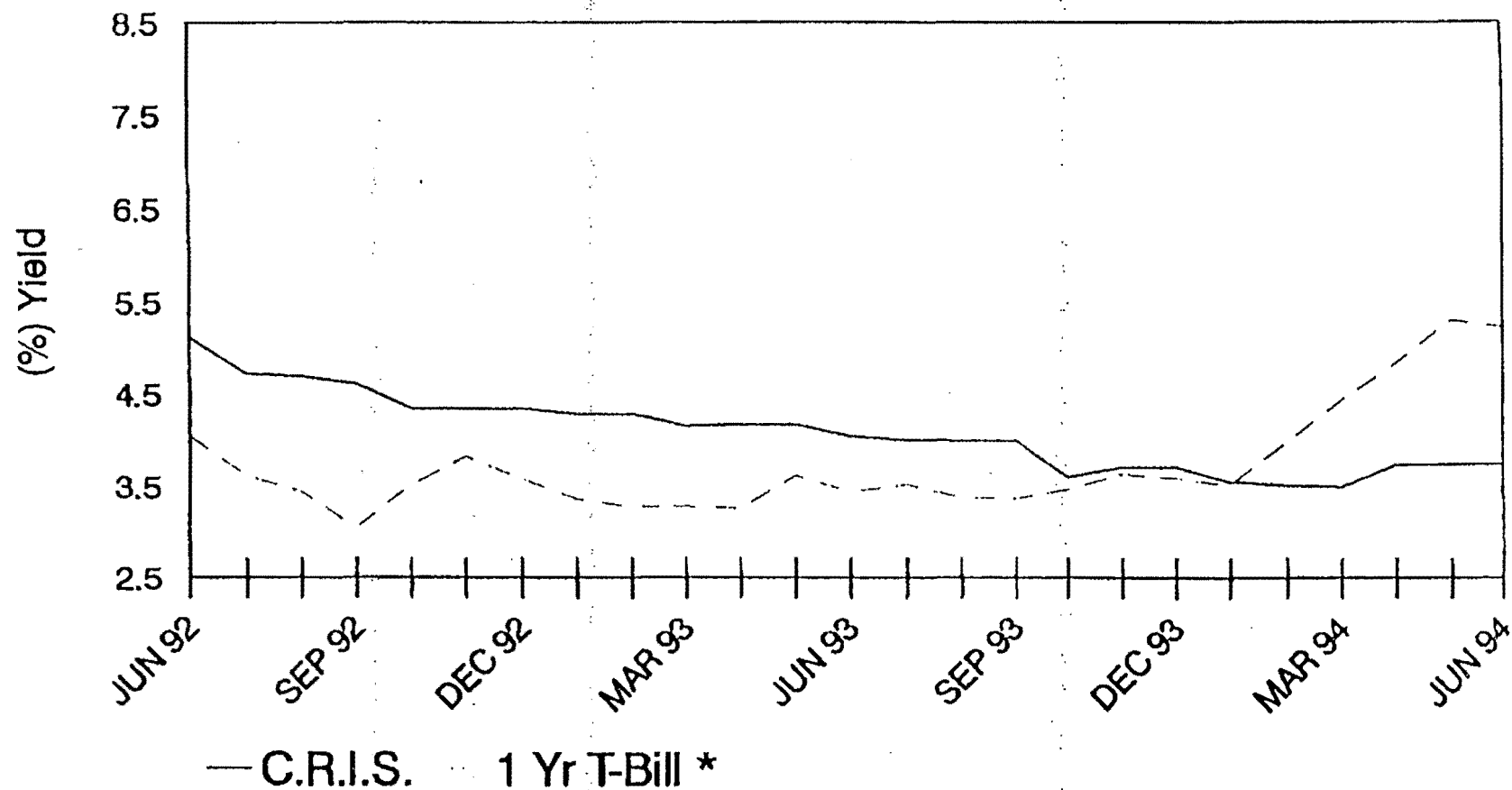
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Attachment A

# Court Registry Investment System

## Term Portfolio

### C.R.I.S. vs 1 Year T-Bill



\* Bloomberg Financial Service

## YIELD COMPARISON

DATE	CRIS TERM PORTFOLIO	1 YEAR T-BILL
.....	.....	.....
JAN 92	6.08	4.19
FEB 92	6.08	4.30
MAR 92	6.08	4.49
APR 92	6.04	4.29
MAY 92	5.25	4.23
JUN 92	5.11	4.05
JUL 92	4.72	3.62
AUG 92	4.69	3.45
SEP 92	4.61	3.05
OCT 92	4.34	3.51
NOV 92	4.34	3.82
DEC 92	4.34	3.58
JAN 93	4.28	3.36
FEB 93	4.28	3.27
MAR 93	4.15	3.28
APR 93	4.17	3.26
MAY 93	4.17	3.62
JUN 93	4.04	3.44
JUL 93	4.00	3.52
AUG 93	3.99	3.37
SEP 93	3.99	3.36
OCT 93	3.60	3.47
NOV 93	3.71	3.63
DEC 93	3.71	3.59
JAN 94	3.55	3.51
FEB 94	3.51	3.98
MAR 94	3.49	4.43
APR 94	3.73	4.83
MAY 94	3.74	5.30
JUN 94	3.74	5.22

Attachment B

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

M10-468

ORDER ADOPTING COURT REGISTRY INVESTMENT SYSTEM ("C.R.I.S.") -  
TERM FUND DEVELOPED BY SOUTHERN DISTRICT OF TEXAS,  
DIRECTING CLERK TO DEPOSIT ALL INTEREST BEARING REGISTRY  
FUNDS PERTAINING TO BOESKY, DREXEL AND MILKEN CASES.

- 1.0 All money ordered to be paid into the court or received by its officers in the said Boesky, Drexel and Milken cases mentioned above, pending or adjudicated, except such of said money which this Court shall order be placed in bank custody referred to in paragraph 2.1 below, shall be deposited with the Treasurer of the United States in the name and to the credit of the Courts under the "C.R.I.S. - Term Fund" pursuant to 28 U.S.C. § 2041 through the Federal Reserve Bank, Houston Branch.
- 2.0 Investment of Registry Funds
- 2.1 The "C.R.I.S. - Term Fund" administered through the United States District Court for the Southern District of Texas, shall be an investment mechanism authorized for funds pertaining to said cases, except for funds to be ordered by this Court to be placed in bank custody for current expenses in said cases.
- 2.2 Under "C.R.I.S. - Term Fund", monies deposited to the credit of each said case under 1.0 will be "pooled" together with those on deposit with the Treasury to the credit of other courts in the "C.R.I.S. - Term Fund" and used to purchase Treasury securities which will be held at the Federal Reserve Bank, Houston Branch, in a Safekeeping Account in the name and to the credit of the Clerk, United States Court for the Southern District of Texas, hereby designated custodian for those cases in the "C.R.I.S. - Term Fund".
- 2.3 An account for each of said Boesky, Drexel and Milken cases is to be established in the "C.R.I.S. - Term Fund" titled in the name of the case giving rise to the investment in the system. Income received from fund investments will be distributed to each case based on the ratio each account's principal and income has to the aggregate principal and income total in the term fund each quarter. The investment strategy for securities purchased for the "C.R.I.S. - Term Fund" shall have an average maturity of 365 days. Quarterly reports showing the income earned and the principal amounts contributed in each case will be prepared and distributed to the United States District Court, Southern District of New York, as well as to the Clerk of the United States District Court, Southern District of Texas and made available to litigants and/or their counsel.
- 2.4 Upon instructions from the United States District Court for the Southern District of New York, all or part of the funds placed in the "C.R.I.S. - Term Fund" and the investments therein may be transferred and/or sold and may be reinvested in the C.R.I.S. - Liquidity Fund. The C.R.I.S. - Liquidity Fund provides weekly liquidity and a maximum of 100-day term Treasury Securities. Under such conditions, the Registry Funds would be subject to the management fee agreed upon with the contract brokerage service and with the provisions of paragraph 3.1.

3.0 Registry Investment Fee

3.1 The custodian is authorized and directed by this Order to deduct for maintaining accounts in the "C.R.L.S. - Term Fund" the fee on the above accounts as authorized in the Federal Register Vol. 55, No. 206 at p.42887 which has been reduced to 5 percent by special exception made by the Director of the Administrative Office of the United States Courts by letter dated December 11, 1990. The fee may be deducted on prorated basis over the course of the deposits in "C.R.L.S. - Term Fund".

4.0 This Order shall take precedence over Rule 67, Federal Rules of Civil Procedure.

Signed this 14 day of December, 1990.

Charles L. Bricani

Charles L. Bricani  
Chief Judge

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

The individuals listed below are authorized to:

1. Transfer the accountability for registry funds deposited into this Court's registry to the United States District Court for the Southern District of Texas.
2. Provide the case number(s) that support each transfer, to the United States Court for the Southern District of Texas, for the purpose of receiving an interest allocation report.
3. Instruct the United States District Court for the Southern District of Texas to return the accountability over to this Court's registry funds as required by order of this Court.

Name	Signature	Title
Edmund Mullin <u>212-791-0551</u>	<u>Edmund Mullin</u>	Administrative Support Services
Margaret Berran <u>212-791-0111</u>	<u>M. B. Berran</u>	Cashier
Michael Lindner <u>212-791-0111</u>	<u>Michael Lindner</u>	Assistant Financial Administrator
_____	_____	_____
_____	_____	_____

All previous authorizations are void.

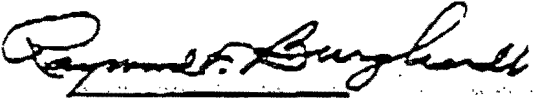
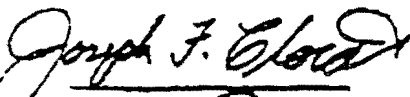

Dated: December 14, 1990

Approved: Charles B. Bryant  
Chief Judge



UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

The individuals listed below are authorized to receive the confirmation callback from the United States District Court for the Southern District of Texas affirming the return of accountability over registry funds.

<u>Name</u>	<u>Signature</u>	<u>Title</u>
Raymond F. Burghardt <u>212-791-0108</u>		<u>Clerk of Court</u>
Joseph F. Cloidt <u>212-791-0108</u>		<u>Chief Deputy Clerk</u>
Gary L. Düberian <u>212-791-0150</u>		<u>Trial Support Services</u>
_____	_____	_____
_____	_____	_____

All previous authorizations are void.

Dated: December 14, 1990

Approved: Charles Bryant  
Chief Judge

Attachment B.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
ENTERED

DEC 27 1990

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXASJesse E. Clark, Clerk  
By Deputy: *Joyce Green*ORDER ESTABLISHING THE COURT \*  
REGISTRY INVESTMENT SYSTEM \*  
(CRIS)-TERM FUND \*ORDER NO. 90-46

## ORDER

Registry deposits with known disbursement horizons exceeding 100 days require an investment strategy of purchasing longer term U. S. Treasury Securities. The CRIS-Term Fund meets this need. The objectives of the CRIS-Term Fund in order of importance are: 1) to assure the safety of Registry Funds; 2) to maintain sufficient quarterly liquidity to provide adequate and timely disbursement of funds as directed by the court, and 3) to achieve the highest rate of return consistent with objectives 1 and 2.

The Clerk, U. S. District Court for the Southern District of Texas is ORDERED to establish the CRIS-Term Fund. The initial CRIS-Term Fund investments shall be one year U. S. Treasury Securities or multiple U. S. Treasury Securities, which have an average maturity and an average yield approximately equal to one year U. S. Treasury Securities. The CRIS-Term Fund shall provide a minimum of quarterly liquidity, unless a special order of disbursement from a participating court is entered.

Subsequent investments shall meet the CRIS-Term Fund objectives and shall be made with judgment and care, under circumstances then prevailing, that persons of prudence, discretion and intelligence would exercise in the management of their own affairs.

DONE at Houston, Texas, on this the 27<sup>th</sup> day of December, 1990.

*James Deanda*  
JAMES DEANDA  
CHIEF JUDGE  
United States District Court

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
ENTERED

Attachment B

DEC 27 1990

MEMORANDUM OF PROCEDURES FOR INVESTMENT AND ALLOCATION OF  
EARNINGS ON ASSETS OF THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
FOR THE COURT REGISTRY INVESTMENT SYSTEM -  
TERM PORTFOLIO

Jesse E. Clark, Clerk  
By Deputy: Joyce [Signature]

ORDER NO. 90-

This memorandum sets forth the procedural and fee arrangements for certain trading and accounting services to be rendered by Texas Commerce Bank National Association ("Texas Commerce") to the United States District Court for the Southern District of Texas (the "Court") with respect to certain assets held by the Court on behalf of its own cases and on behalf of cases pending in other United States District Courts. The method of investment set forth herein shall be known as the Court Registry Investment System - Term Portfolio and the assets governed hereby are referred to herein as the "Term Portfolio".

This arrangement shall be effective commencing December 31, 1990.

1. Identification and Allocation of Initial Funds to be Invested. The Designated Representative (as described below) shall deliver to Texas Commerce a statement identifying the initial cash balance of funds to be invested. Such statement shall further include an allocation of such funds by court and case number.

2. Investment. Texas Commerce is authorized to execute, on behalf of the Court, purchase and/or sale transactions in United States treasury bills, United States treasury notes and securities representing separate trading of registered interest and principal ("STRIPS") of United States Treasury securities (hereinafter referred to collectively as "Securities") as instructed by a Designated Representative. On each trade date or the next business

day following, Texas Commerce will provide to any one of the Designated Representatives written documentation of the purchase and/or sale transaction. All investments will be made in book entry form through the Federal Reserve Bank of Dallas-Houston Branch. The Securities transactions on behalf of the Court will be delivered versus payment by Fed Wire.

3. Allocations.

(a) Texas Commerce shall allocate all income earned on the Term Portfolio between the cases that are a part thereof in the same proportions that the total balance of the assets attributable to each case bears to the total balance of assets of all such cases comprising the principal of the Term Portfolio as of the date such income is earned.

(b) Texas Commerce shall allocate all disbursements made by the Court from the Term Portfolio to the case or cases which a Designated Representative directs pursuant to Item 5 below.

4. Quarterly Reports. On a quarterly basis, Texas Commerce will provide quarter ending and quarter beginning reports regarding asset values and allocation between cases as described herein. Quarter end dates will be selected by a Designated Representative. The quarter ending reports provide the quarter end balances available for disbursement and allow the court to make additions to, withdrawals from or reinvestments in the Term Portfolio. Quarter ending reports will be available by 2:00 p.m. C.S.T. one business day before quarter end. The quarter beginning reports will reflect the additions to, withdrawals from and reinvestments

made in the Term Portfolio at the beginning of the new quarter. Quarter beginning reports will be available within 20 business days of the new quarter. There will be two types of quarter ending reports: the Quarter Ending Asset Report and the Quarter Ending Allocation Report. There will be two types of quarter beginning reports: the Quarter Beginning Asset Report and the Quarter Beginning Allocation Report. The purpose and content of each of these four reports are as follows:

(a) Asset Reports

(1) Quarter Ending Asset Report

The Quarter Ending Asset Report will include a list of assets held in the Term Portfolio showing updated market values for all Securities held at quarter end, priced for regular settlement. The total value of the Term Portfolio in such report shall equal the market value of all Securities held, based on regular settlement, plus odd dollars on deposit at the Federal Reserve Bank at quarter end.

(2) Quarter Beginning Asset Report

The Quarter Beginning Asset Report will include a list of assets held in the Term Portfolio showing updated market values for all Securities held at the beginning of the new quarter. The total value of the Term Portfolio in such report should equal the sum of the market value of Securities held plus odd dollars on deposit at the Federal Reserve Bank at the beginning of the new quarter.

(b) Allocation Reports

(1) Quarter Ending Allocation Report

The Quarter Ending Allocation Report will identify, for each case which is a participant in the Term Portfolio, the pro-rata portion of the assets shown on the Quarter Ending Asset Report attributable to such case. The sum of all balances shall equal the total value of the Term Portfolio as shown on the Quarter Ending Asset Report.

(2) Quarter Beginning Allocation Report

Quarter Beginning Allocation Report will identify, for each case which is a participant in the Term Portfolio, the pro-rata portion of the assets shown on the Quarter Beginning Asset Report attributable to such case. The sum of all case balances shall equal the total value of the Term Portfolio as shown on the Quarter Beginning Asset Report.

5. Additions and Withdrawals. From time to time the Court may make additions to the Term Portfolio. In such event, a Designated Representative shall provide the information described in Item 1 above within five (5) business days after the beginning of the quarter for which such addition is made. From time to time the Court may make withdrawals from the Term Portfolio. In such event, a Designated Representative shall advise Texas Commerce of the amount of the withdrawal and shall allocate such withdrawal between specified court and case number or numbers within five (5)

business days after the beginning of the quarter for which such withdrawal is made.

6. Designated Representatives. All investment decisions, asset and case data referenced hereunder shall be the responsibility of one or more of the individuals specified in writing by Judge James DeAnda, Chief Judge for the United States District Court for the Southern District of Texas, such persons to be hereinafter referred to as "Designated Representatives". The initial Designated Representatives for the Court, until Texas Commerce is notified otherwise in writing, shall be Jesse E. Clark, Michael N. Milby and James H. Suchma. Texas Commerce shall be entitled to rely upon information from or instructions of any one of such persons.

7. Fees and Expenses. Texas Commerce agrees to provide the trading, accounting and reporting services described herein for a fee limited to five (5) basis points per annum (one basis point is 1/100th of one percentage point). This fee arrangement assumes not more than three specific court cases participate in the Term Portfolio. The fee shall be charged by adjusting the yield on securities transactions for the Term Portfolio and is assessed at the time of the transactions.

8. Errors in Accounting. In the event that Texas Commerce or the Court (or a Designated Representative) makes an error in the earnings allocations or in the allocation of receipts and disbursements, such an error shall be corrected as of the next quarter end report or within 10 business days immediately following

the discovery of the error, whichever is deemed most appropriate by the party discovering the error. The Court acknowledges that Texas Commerce has the authority to adjust, either up or down, the account balances of all cases for which an accounting error was made. In the event that an error results in a case receiving less than its allocable portion of earnings or other receipts (reduced by losses or disbursements), damages, if any, shall be limited to the difference between the amount erroneously allocated and the amount which was properly allocable to that particular case. Texas Commerce will not be responsible for errors resulting from erroneous or unclear information supplied by a Designated Representative.

9. Limitations. No party other than the Court, and subject to the limitations set forth in Section 8, shall have any cause of action against Texas Commerce for any investment decisions or allocations made pursuant to the terms of this arrangement.

10. Termination and Notice. Texas Commerce or the Court may terminate this arrangement at any time upon thirty (30) days written notice delivered to the other party. All notices referenced herein shall be delivered to the appropriate party listed below. The address for notice purposes provided herein may be changed by written notice provided to the other parties at the addresses listed below:



Texas Commerce:

Daniel L. Austin  
Texas Commerce Bank National  
Association  
P. O. Box 2558  
Houston, Texas 77252-8032

Designated Representatives:

Jesse E. Clark  
Clerk for the  
United States District Court  
for the Southern District of Texas  
515 Rusk  
Houston, Texas 77002


Michael N. Milby  
Deputy Clerk  
United States District Court  
for the Southern District of Texas  
515 Rusk  
5th Floor - Financial Section  
Houston, Texas 77002

James H. Suchma  
Deputy Clerk  
United States District Court  
for the Southern District of Texas  
515 Rusk  
5th Floor - Financial Section  
Houston, Texas 77002

The trading, allocation procedures and fee arrangements  
referenced herein are agreed to and approved of by the undersigned  
parties.

TEXAS COMMERCE BANK NATIONAL  
ASSOCIATION

By:

  
Allene S. Lucas  
Senior Vice President

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF  
TEXAS

By: 

Chief Judge James DeAnda

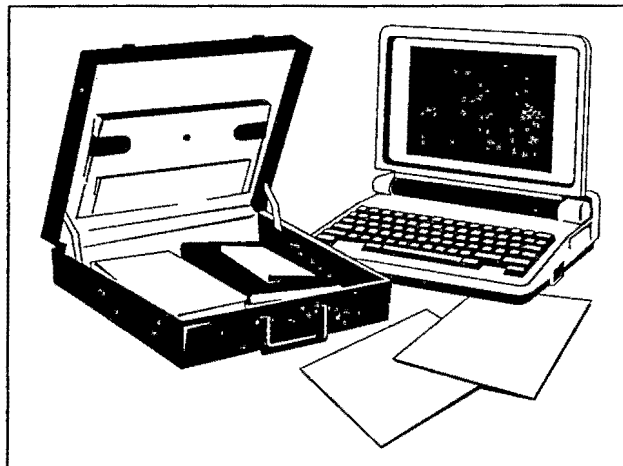
Attached hereto as proof of authorization by Judge James DeAnda, Chief Judge for the United States District Court for the Southern District of Texas, is a certified copy of the Court Order authorizing Texas Commerce Bank National Association to invest assets of the Court, and to provide for certain accounting services as provided herein.

SIGNED at Houston, Texas on this the 27th day of December, 1990.

DONAHOS\TCBNA-1(113666)

# **Exxon Valdez Oil Spill Trustee Council**

## **Investment Presentation**



**State of Alaska  
Department of Revenue  
Treasury Division**

**August 23, 1994**

# **INVESTMENT PRESENTATION**

- **Determination of Portfolio Objectives and Constraints**
- **Historical Risk/Return Relationship**
- **Policies**

# **DETERMINATION OF PORTFOLIO OBJECTIVES AND CONSTRAINTS**

## **Objectives**

- **Return Requirements**
- **Risk Tolerance**

## **Constraints**

- **Liquidity**
- **Horizon**
- **Regulations**
- **Unique Needs**

# **HISTORICAL RISK/RETURN RELATIONSHIP**

# **1993 Value of \$1 Invested at the end of 1925**

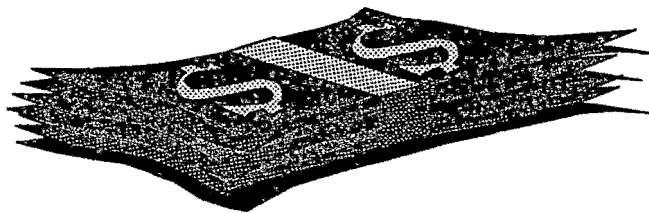
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**Stocks                      \$800.08**

**LT Govt Bonds          \$28.03**

**Treasury Bills           \$11.73**

**Inflation                      \$ 8.13**



**Source: Ibbotson Associates**

## **Summary Statistics of Annual Total Returns from 1926 to 1993**

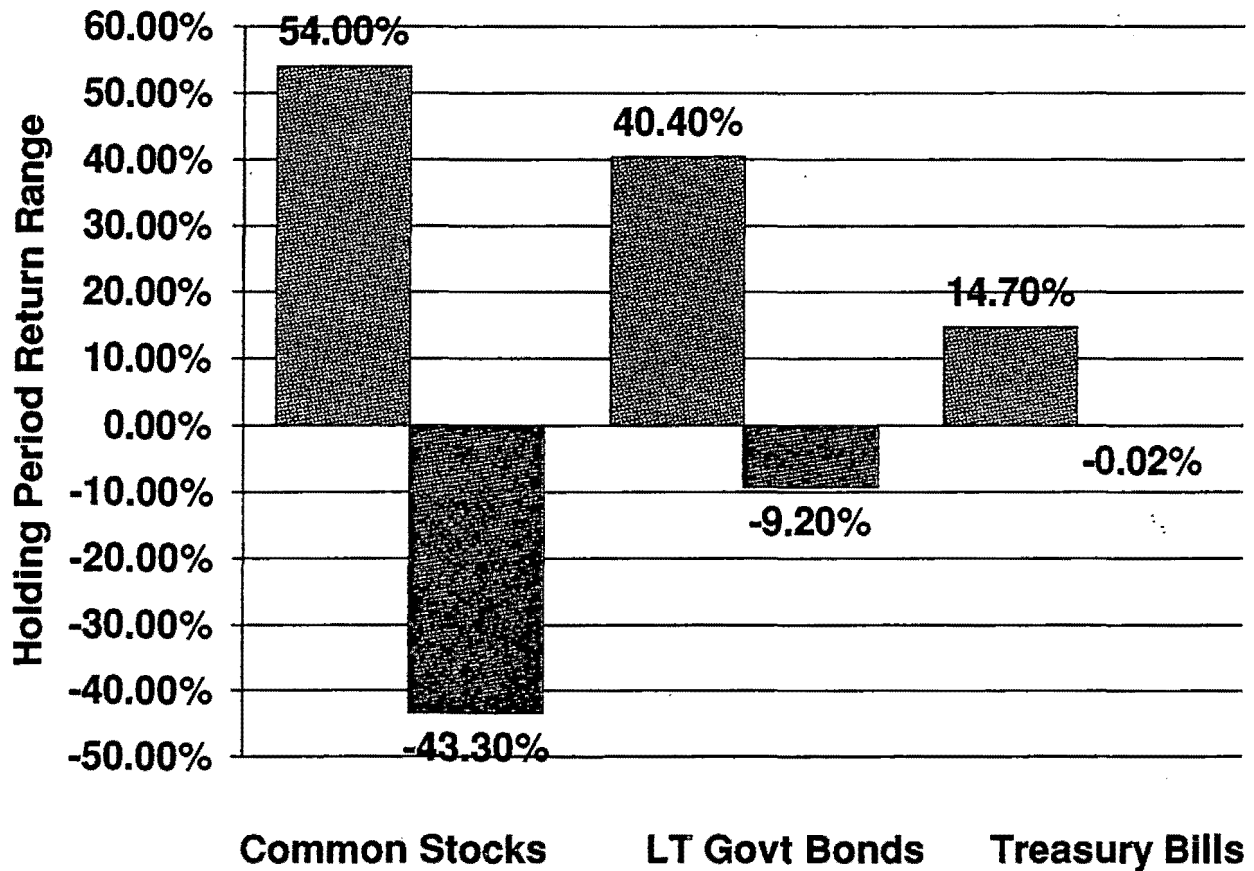
	<b>Compound Return</b>	<b>Average Return</b>	<b>Risk (Standard Deviation)</b>
<b>Common Stocks</b>	<b>10.03%</b>	<b>12.3%</b>	<b>20.5%</b>
<b>LT Govt Bonds</b>	<b>5.3%</b>	<b>5.9%</b>	<b>8.4%</b>
<b>U.S. Treasury Bills</b>	<b>3.7%</b>	<b>3.7%</b>	<b>3.7%</b>
<b>Inflation</b>	<b>3.1%</b>	<b>3.2%</b>	<b>4.6%</b>



Source: Ibbotson Associates

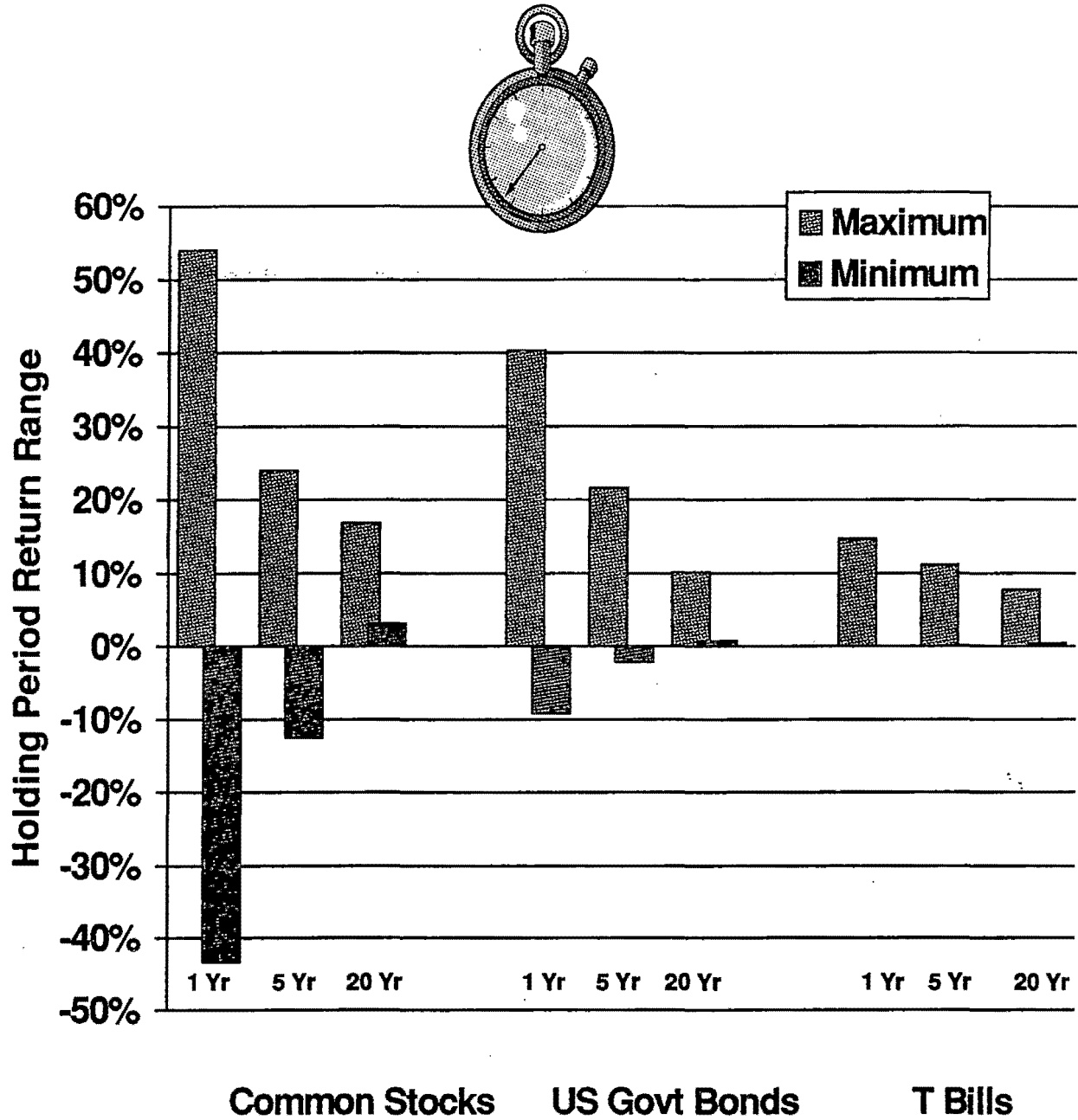


# Ranges of Annual Returns



Each set of bars shows the range of annual total returns for each asset class over the period 1926-1993.

# Reduction of Risk Over Time

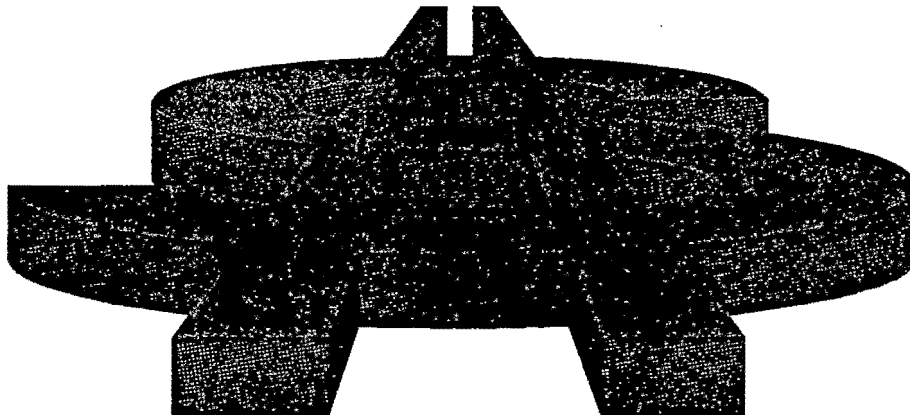


Maximum and Minimum Values of Returns for One, Five and Twenty Year Holding Periods

Source: Ibbotson Associates

## **Inflation Adjusted Returns**

	<b>Compound Return</b>	<b>Average Return</b>	<b>Risk (Standard Deviation)</b>
<b>Common Stocks</b>	<b>7.0%</b>	<b>9.0%</b>	<b>20.0%</b>
<b>LT Govt Bonds</b>	<b>1.8%</b>	<b>2.3%</b>	<b>10.1%</b>
<b>Treasury Bills</b>	<b>.5%</b>	<b>.6%</b>	<b>4.3%</b>

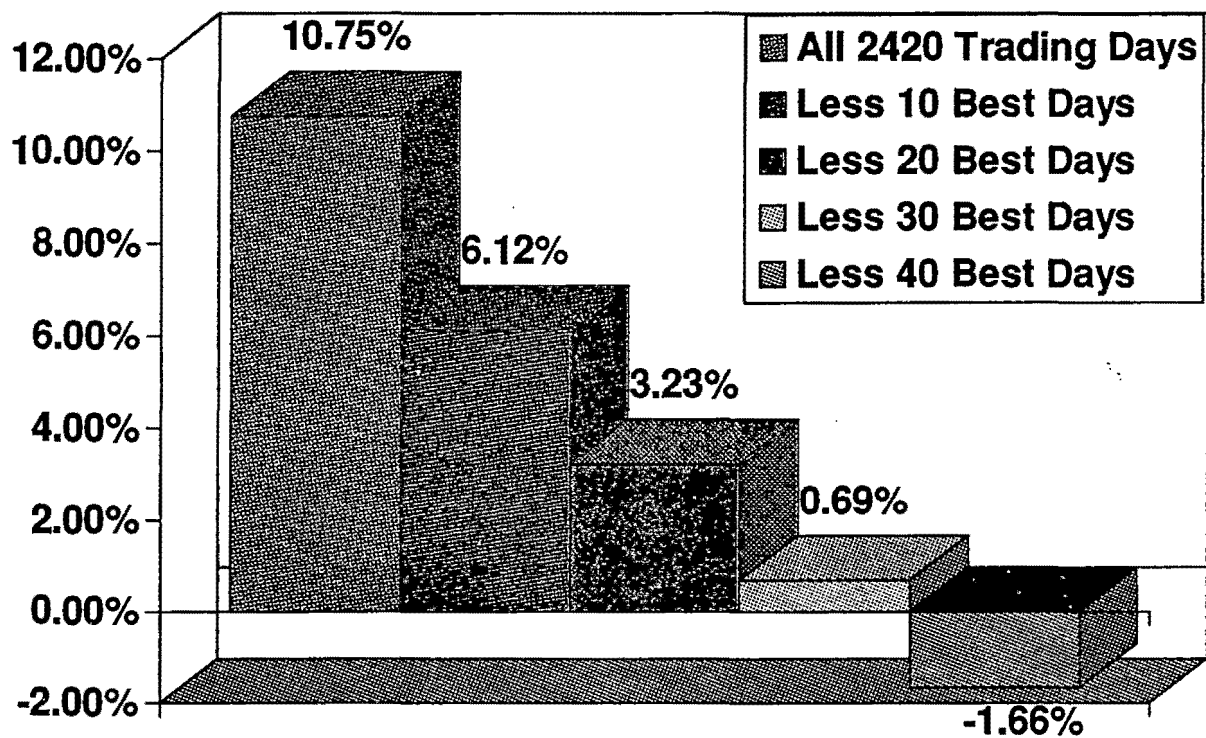


Source: Ibbotson Associates

# To Time or Not to Time.....

## The Penalty for Missing the Market

### S&P 500 Index Annualized Return



1/1//65 through 6/30/94

# **POLICIES**

- **Asset Allocation**
- **Diversification**
- **Income Generation**

## Correlations of Historical Returns From 1926-1993

	Stocks	Bonds	T-Bills	Inflation
Stocks	1			
Bonds	0.14	1		
T-Bills	-0.05	0.24	1	
Inflation	-0.02	0.15	0.42	1

Source: Ibbotson Associates

## A Two-Asset Class Allocation Mix

### Assumptions:

### Return

### Risk

Common Stock:

14.0%

20.0%

Bonds:

8.0%

6.0%

### Asset Mix

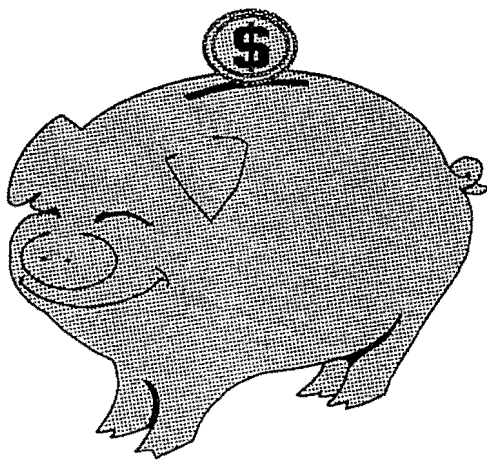
### Standard Deviation

<u>Stocks</u>	<u>Bonds</u>	<u>Expected Return</u>	<u>1-Year Horizon</u>	<u>5-Year Horizon</u>	<u>10-Year Horizon</u>
100%	0%	14.0%	20.0%	8.8%	6.2%
90	10	13.4	18.1	8.1	5.7
80	20	12.8	16.3	7.3	5.2
70	30	12.2	14.8	6.6	4.7
60	40	11.6	13.2	5.9	4.2
50	50	11.0	11.8	5.2	3.7
40	60	10.4	10.3	4.6	3.2
30	70	9.8	8.9	4.0	2.8
20	80	9.2	7.6	3.4	2.4
10	90	8.6	6.7	3.0	2.1
0	100	8.0	6.0	2.7	1.9

# The Power of Compounding with Reinvestment of Income

	Compound Return	Average Return	Risk (Standard Deviation)
<b>Common Stocks</b>	<b>10.3%</b>	<b>12.3%</b>	<b>20.5%</b>
Income	4.7%	4.7%	1.3%
Capital Appreciation	5.4%	7.4%	19.7%
 <b>LT Govt Bonds</b>	 <b>5.0%</b>	 <b>5.4%</b>	 <b>8.7%</b>
Income	5.1%	5.1%	2.9%
Capital Appreciation	-0.2%	0.0%	7.4%

Source: Ibbotson Associates





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FY 95 Project Interim Budget Request  
Executive Director Recommendations

# DRAFT

		<i>INTERIM</i>	<i>ANALYSIS</i>	<i>REMAINING</i>	
		<i>FUNDS</i>	<i>FUNDS</i>	<i>FUNDS</i>	
		<i>REQUESTED</i>	<i>REQUESTED</i>	<i>REQUESTED</i>	<i>Executive Director Recommendation</i>
<b>Category 1</b>					
95007A	ADNR		191.7	194.3	Fund
95007B	USFS		32.2	83.8	Fund for completion
95024	ADFG	53.3		131.0	Fund
95039	DOI		30.5	123.7	Fund for completion
95041	DOI		20.4	46.1	Fund for completion
95064	ADFG		114.7	232.4	Fund for completion
95069	ADFG	14.6		360.4	Fund
95074	NOAA		148.8	258.3	Fund for completion
95086C	ADFG		327.3	576.9	Fund with understanding that these are high cost projects and future funding should be dependent on further review and integrated with other intertidal work.
95089	ADFG	304.8		285.9	Fund. OSPIC portion only at this time.
95090	NOAA		160.4	278.4	Fund
95100	ALL	3,596.9		0.0	Fund, approximately \$35.0 increase included for PAG
95126	ADNR	626.2		473.3	Fund. Additional funding for FY 95 to be determined
95131	ADFG	82.5		362.5	Hold for consideration with '95 Work Plan and rewrite as a pilot project
95137	ADFG		55.8	221.7	Fund
95163	NOAA		194.8	1,135.7	Fund, conditioned upon approval of a cooperative working agreement between agencies involved with this project and Project 95320N/Nearshore Fish. (This figure reflects inclusion of \$21.6 for NOAA)
95166	ADFG	17.8	220.8	274.2	Fund
95173	DOI		55.1	353.7	Fund
95191A	ADFG		68.4	196.6	Fund
95191B	NOAA	45.0	120.4	165.6	Fund
95244	ADFG	4.0	48.6	41.3	Fund
95255	ADFG	29.3	343.1	272.6	Fund. Review and discussion of entire Kenai River Sockeye salmon restoration effort in mid-October.

RECEIVED  
AUG 23 1994

EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
ADMINISTRATIVE RECORD

FY 95 Project Interim Budget Request  
Executive Director Recommendations

**DRAFT**

		<i>INTERIM</i>	<i>ANALYSIS</i>	<i>REMAINING</i>	
		<i>FUNDS</i>	<i>FUNDS</i>	<i>FUNDS</i>	
		<i>REQUESTED</i>	<i>REQUESTED</i>	<i>REQUESTED</i>	<i>Executive Director Recommendation</i>
95258	ADFG	140.2	344.9	513.0	Fund. Review and discussion of entire Kenai River Sockeye salmon restoration effort in mid-October.
95290	NOAA		91.9	71.5	Fund
95320A	ADFG		48.7	219.1	Fund
95320E	ADFG	16.0	98.0	829.1	Fund, except for acquisition of skiff and motor (\$16.0).
95320G	ADFG	70.7	17.8	150.8	Fund
95320H	ADFG	51.9		195.5	Fund
95320I(2)	ADFG	30.0		49.4	Fund, any project involving stable isotopes should be aware of possible RFP for FY 95 stable isotope work.
95320J	ADFG	265.7		570.5	No recommendation. Need clarification and further detail
95320M	ADFG	138.7		439.1	Fund
95320N	ADFG	413.1		222.1	No recommendation. Need further clarification and final brief project description
95320Q	ADFG	23.1		75.9	Fund
95424	ALL	12,000.0		0.0	Restoration Reserve
95427	ADFG		17.3	209.6	Fund. Includes recommendation for methodology for future Harlequin duck recovery monitoring
<b>Category 2</b>					
95279	ADFG	14.2	66.9	129.5	Fund
95320D	ADFG		56.5	170.5	Fund
95266	ADEC		97.9	1,313.2	Fund
<b>Category 5</b>					
95102-CLO	DOI		63.8	0.0	Fund
95110-CLO	ADNR		144.0	0.0	Fund. Closeout of small parcel. Includes \$84.0 carryforward of anticipated FY 94 lapsed funds.

FY 95 Project Interim Budget Request  
Executive Director Recommendations

**DRAFT**

		<i>INTERIM</i>	<i>ANALYSIS</i>	<i>REMAINING</i>	
		<i>FUNDS</i>	<i>FUNDS</i>	<i>FUNDS</i>	
		<i>REQUESTED</i>	<i>REQUESTED</i>	<i>REQUESTED</i>	<i>Executive Director Recommendation</i>
					Request reauthorization of these funds plus \$60.0.
95139B	USFS	5.2		0.0	Fund
95199	ADF&G	46.5		0.0	Fund
95285-CLO	NOAA		121.0	0.0	Fund
95422-CLO	USFS		20.0	0.0	Fund
95428-CLO	ADFG	26.4	71.5	2.0	Fund. Portion of funding is lapsed funds and request reauthorization
<b><u>Category 3</u></b>					
95139D	ADFG	7.9		53.7	Defer decision to October. These are new projects for FY 95.
95259	ADFG	7.8	78.8	246.4	Fund. Full project will be subject to further sockeye review.
<b><u>Category 4</u></b>					
95320B	ADFG		84.3	0.0	Fund. J. Montague to have report written
95320C	ADFG		1.9	640.3	Fund
<b><u>Category 6 - Carry Forward Funding</u></b>					
95043B	USFS	134.8			Fund. Represents reauthorization of FY 94 funding
95139A	ADFG	90.0			Fund. Represents reauthorization of FY 94 funding
95139C	ADFG	170.1			Fund. Reauthorization of FY 94 funding. Detailed budget will be revised to reflect cooperative work effort on project involving both ADFG (\$110.8) and USFS (\$59.3)
95417	ADEC	232.2			Fund. Represents reauthorization of FY 94 funding
<b>Total</b>		<b>18,658.9</b>	<b>3,558.2</b>	<b>12,169.6</b>	

FY 95 Project Interim Budget Request  
Executive Director Recommendations

**DRAFT**

		<b>INTERIM</b>	<b>ANALYSIS</b>	<b>REMAINING</b>	
		<b>FUNDS</b>	<b>FUNDS</b>	<b>FUNDS</b>	
		<b>REQUESTED</b>	<b>REQUESTED</b>	<b>REQUESTED</b>	<b>Executive Director Recommendation</b>
<b>Summary of Executive Director Recommended Funding</b>					
Interim			5,659.7		
Analysis			3,558.2		
Carry-Forward			627.2		
Restoration Reserve			12,000.0		
Total recommended funding			21,845.1		
Note: All 95320 projects need policy clarification with respect to travel, travel rates, and tuition.					

# FFY 95 Project Interim Budget Summary Request

**DRAFT**

<u>Project Number</u>	<u>Project Description</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>Other</u>	<u>Total</u>
95007A	Archaeological Site Restoration - Index Site Monitoring.	80.7	1.5	90.1	1.0	0.0	0.0	18.4	0.0	191.7
95007B	Site SEW-488 Archaeological Site Restoration	28.0	0.0	0.0	0.0	0.0	0.0	4.2	0.0	32.2
95024	Enhancement of PWS Pink Salmon Stocks	0.0	0.0	49.8	0.0	0.0	0.0	3.5	0.0	53.3
95039	Common Murre Productivity Monitoring	25.2	0.5	0.0	1.0	0.0	0.0	3.8	0.0	30.5
95041	Introduced Predator Removal from Islands	16.0	1.0	0.0	1.0	0.0	0.0	2.4	0.0	20.4
95043B*	Cutthroat Trout and Dolly Varden Rehabilitation in Western Prince William Sound	82.9	4.2	4.4	16.8	13.8	0.0	12.7	0.0	134.8
95064	Monitoring, Habitat Use and Trophic Interactions of Harbor Seals in Prince William Sound, Alaska	76.9	4.0	17.0	2.7	1.4	0.0	12.7	0.0	114.7
95069	Restoration of Salmon Stocks of Special Importance to Native Cultures	10.2	1.3	1.5	0.0	0.0	0.0	1.6	0.0	14.6
95086C	Herring Reproductive Impairment	120.3	2.0	0.0	8.5	0.0	0.0	18.0	0.0	148.8
95089	Herring Bay Monitoring and Experimental Study	0.0	0.0	308.6	0.0	0.0	0.0	18.7	0.0	327.3
95090	Information Management System	159.0	1.3	97.8	15.5	0.5	0.0	30.7	0.0	304.8
95100	Mussel Bed Restoration and Monitoring	127.2	5.6	1.7	6.7	0.0	0.0	19.2	0.0	160.4
95102CLO	Administration, Public Information and Scientific Management	1,811.0	268.5	1,108.5	70.4	30.5	0.0	308.0	0.0	3,596.9
95110CLO	Closeout: Murrelet Prey Foraging Habitat PWS	55.5	0.0	0.0	0.0	0.0	0.0	8.3	0.0	63.8
95126	Habitat Protection - Data Acquisition Support	73.2	6.0	48.0	2.4	0.0	0.0	14.4	0.0	144.0
95131	Habitat Protection Acquisition Support	175.4	28.3	359.4	8.7	3.0	0.0	51.4	0.0	626.2
95137	Nanwalek, Port Graham, Tatilek Clam Restoration	0.0	0.0	77.1	0.0	0.0	0.0	5.4	0.0	82.5
95139A*	Prince William Sound Salmon Stock Identification and Monitoring Studies	39.5	6.0	3.2	1.0	0.0	0.0	6.1	0.0	55.8
95139B	Salmon Instream Restoration: Little Waterfall Creek Barrier Bypass	10.7	0.3	71.8	0.6	0.0	0.0	6.6	0.0	90.0
95139C*	Salmon Instream Habitat Stock Restoration	4.5	0.0	0.0	0.0	0.0	0.0	0.7	0.0	5.2
95139D	Salmon Instream Restoration: Lowe River	24.6	2.1	129.8	0.8	0.0	0.0	12.8	0.0	170.1
95163	Salmon Instream Restoration: Pink Creek and Horse Marine Bypass	5.2	0.6	1.0	0.2	0.0	0.0	0.9	0.0	7.9
95173	Abundance Distribution of Forage Fish their Influence on Recovery of Injured Species	81.7	12.6	78.3	1.0	3.5	0.0	17.7	0.0	194.8
95191A	Herring Natal Habitats	83.6	2.0	131.1	0.2	0.0	0.0	21.7	0.0	238.6
95191B	Factors Affecting the Recovery of PWS Pigeon Guillemot Recoveries	47.0	1.0	0.0	0.0	0.0	0.0	7.1	0.0	55.1
	Investigating and Monitoring Oil Related Egg and Alevin Mortalities	51.0	2.3	3.2	0.0	4.0	0.0	7.9	0.0	68.4
	Injury to Salmon Eggs and Pre-emergent Fry Incubated in Oil Gravel (Laboratory Study)	124.7	8.5	0.0	13.5	0.0	0.0	18.7	0.0	165.4

FFY 95 Project Interim Budget Summary Request

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<i>Project Number</i>	<i>Project Description</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>Other</i>	<i>Total</i>
95199	Institute of Marine Science and Seward Improvement	29.3	10.1	1.9	0.6	0.0	0.0	4.6	0.0	46.5
95244	Seal and Sea Otter Cooperative Subsistence Harvest Assistance	32.2	14.0	1.0	0.5	0.0	0.0	4.9	0.0	52.6
95255	Kenai River Sockeye Salmon Restoration	260.0	8.8	16.0	33.5	14.0	0.0	40.1	0.0	372.4
95258	Sockeye Salmon Overescapement	325.2	11.3	46.1	22.5	28.0	0.0	52.0	0.0	485.1
95259	Restoration of Coghill Lake Sockeye Salmon Stocks	65.6	1.6	6.3	2.8	0.0	0.0	10.3	0.0	86.6
95266	Shoreline Restoration	63.1	5.1	16.3	2.9	0.0	0.0	10.5	0.0	97.9
95279	Subsistence Foods Testing Project	49.3	16.6	4.8	2.7	0.0	0.0	7.7	0.0	81.1
95285CLO	Subtidal Sediment Recovery Monitoring	97.9	3.0	0.0	5.4	0.0	0.0	14.7	0.0	121.0
95290	Hydrocarbon Data Analysis, Interpretation, and Database Maintenance for Restoration and NRDA Environmental Samples Associated with Exxon Valdez Oil Spill	76.4	2.0	0.0	2.0	0.0	0.0	11.5	0.0	91.9
95320A	Prince Salmon Growth and Mortality	39.5	0.0	0.0	3.3	0.0	0.0	5.9	0.0	48.7
95320E	Juvenile Salmon and Herring Integration	76.9	0.0	0.0	7.8	17.8	0.0	11.5	0.0	114.0
95320G	Phytoplankton and Nutrients	3.0	0.0	83.5	0.0	0.0	0.0	2.0	0.0	88.5
95320H	Role of Zooplankton in the PWS Ecosystem	0.0	0.0	50.6	0.0	0.0	0.0	1.3	0.0	51.9
95320I(2)	Isotope Tracers - Food Webs of Fish	0.0	0.0	29.4	0.0	0.0	0.0	0.6	0.0	30.0
95320J	Information Systems and Model Development	0.0	0.0	261.5	0.0	0.0	0.0	4.2	0.0	265.7
95320M	Observational Physical Oceanography in PWS and the Gulf of Alaska	0.0	0.0	134.2	0.0	0.0	0.0	4.5	0.0	138.7
95320N	Nearshore Fish	3.0	0.0	399.3	0.0	0.0	0.0	10.8	0.0	413.1
95320Q	Avian Predation on Herring Spawn	17.3	1.4	1.7	0.0	0.0	0.0	2.7	0.0	23.1
95320B	Coded Wire Tag Recoveries from Pink Salmon Closeout	68.1	2.6	3.2	0.0	0.0	0.0	10.4	0.0	84.3
95320C	Otolith Thermal Mass Marking of Hatchery Pink Salmon in PWS	0.0	1.6	0.3	0.0	0.0	0.0	0.0	0.0	1.9
95320D	Prince William Sound Pink Salmon Genetics	33.5	3.0	0.0	15.0	0.0	0.0	5.0	0.0	56.5
95417*	Waste Oil Disposal Facilities	49.6	19.9	142.9	2.4	0.0	0.0	17.4	0.0	232.2
95422CLO	Restoration Plan Environmental Impact Statement	14.8	0.0	2.8	0.0	0.0	0.0	2.4	0.0	20.0
95424	Restoration Reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12,000.0	12,000.0
95427	Harlequin Duck Recovery Monitoring	15.0	0.0	0.0	0.0	0.0	0.0	2.3	0.0	17.3
95428	Subsistence Restoration Planning and Implementation	70.2	14.1	2.0	1.0	0.0	0.0	10.6	0.0	97.9
	Total	4,703.9	474.7	3,786.1	254.4	116.5	0.0	881.5	12,000.0	22,217.1
*These are carry-forward projects. Funding was approved in FY 94 and lapse is anticipated. Reauthorization of the entire FY 95 budget is requested.										

Project 95007A  
Archaeological Site Restoration - Index Site Monitoring  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<b>94 Report/'95 Interim Budget</b>									
ADNR	80.7	1.5	90.1	1.0	0.0	0.0	18.4	191.7	1.2
DOI-NPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOI-FWS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOA-FS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>80.7</b>	<b>1.5</b>	<b>90.1</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>18.4</b>	<b>191.7</b>	<b>1.2</b>
<b>Remaining Budget</b>									
ADNR	61.6	20.0	26.5	4.0	0.0	0.0	11.1	123.2	0.8
DOI-NPS	13.8	8.0	2.3	1.9	0.0	0.0	2.2	28.2	0.2
DOI-FWS	8.3	2.5	0.0	0.0	0.0	0.0	1.2	12.0	0.1
DOA-FS	13.8	7.5	5.3	1.9	0.0	0.0	2.4	30.9	0.2
	<b>97.5</b>	<b>38.0</b>	<b>34.1</b>	<b>7.8</b>	<b>0.0</b>	<b>0.0</b>	<b>16.9</b>	<b>194.3</b>	<b>1.3</b>
<b>Total FFY 95 Budget</b>	<b>178.2</b>	<b>39.5</b>	<b>124.2</b>	<b>8.8</b>	<b>0.0</b>	<b>0.0</b>	<b>35.3</b>	<b>386.0</b>	<b>2.5</b>

Project 95007B  
 Site SEW-488 Archaeological Site Restoration  
 Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>'94 Report/'95 Interim Budget</u>									
DOA-FS	28.0	0.0	0.0	0.0	0.0	0.0	4.2	32.2	0.8
 <u>Remaining Budget</u>									
DOA-FS	39.0	2.2	32.0	1.5	1.0	0.0	8.1	83.8	0.9
 Total FFY 95 Budget	 67.0	 2.2	 32.0	 1.5	 1.0	 0.0	 12.3	 116.0	 1.7



# DRAFT

Project 95024  
Enhancement of PWS Pink Salmon Stocks  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	0.0	0.0	49.8	0.0	0.0	0.0	3.5	53.3	0.0
	0.0	0.0	49.8	0.0	0.0	0.0	3.5	53.3	0.0
<u>Remaining Budget</u>									
ADFG	7.2	0.0	114.7	0.0	0.0	0.0	9.1	131.0	0.1
	7.2	0.0	114.7	0.0	0.0	0.0	9.1	131.0	0.1
<b>Total FFY 95 Budget</b>	<b>7.2</b>	<b>0.0</b>	<b>164.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>12.6</b>	<b>184.3</b>	<b>0.1</b>

# DRAFT

Project 95039  
Common Murre Productivity Monitoring  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
DOI-FWS	25.2	0.5	0.0	1.0	0.0	0.0	3.8	30.5	0.7
	25.2	0.5	0.0	1.0	0.0	0.0	3.8	30.5	0.7
<u>Remaining Budget</u>									
DOI-FWS	68.0	28.7	0.0	10.0	6.8	0.0	10.2	123.7	1.8
	68.0	28.7	0.0	10.0	6.8	0.0	10.2	123.7	1.8
<b>Total FFY 95 Budget</b>	<b>93.2</b>	<b>29.2</b>	<b>0.0</b>	<b>11.0</b>	<b>6.8</b>	<b>0.0</b>	<b>14.0</b>	<b>154.2</b>	<b>2.5</b>

# DRAFT

Project 95041  
Introduced Predator Removal from Islands  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/'95 Interim</u>									
DOI-FWS	16.0	1.0	0.0	1.0	0.0	0.0	2.4	20.4	0.6
	16.0	1.0	0.0	1.0	0.0	0.0	2.4	20.4	0.6
<u>Remaining Budget</u>									
DOI-FWS	22.0	11.8	0.0	4.5	4.5	0.0	3.3	46.1	0.7
	22.0	11.8	0.0	4.5	4.5	0.0	3.3	46.1	0.7
Total FFY 95 Budget	38.0	12.8	0.0	5.5	4.5	0.0	5.7	66.5	1.3

# DRAFT

Project 95043B  
Cutthroat Trout and Dolly Varden Rehabilitation in Western Prince William Sound  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/'95 Interim</u>									
DOA-FS	20.7	0.0	0.0	0.0	0.0	0.0	3.1	23.8	0.4
	20.7	0.0	0.0	0.0	0.0	0.0	3.1	23.8	0.4
<u>Remaining Budget</u>									
DOA-FS	62.2	4.2	4.4	16.8	13.8	0.0	9.6	111.0	1.4
	62.2	4.2	4.4	16.8	13.8	0.0	9.6	111.0	1.4
<u>Total FFY 95 Budget</u>	82.9	4.2	4.4	16.8	13.8	0.0	12.7	134.8	1.8

# DRAFT

Project 95064  
Monitoring, Habitat Use and Trophic Interactions of Harbor Seals in Prince William Sound, Alaska  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/'95 Interim</u>									
ADFG	76.9	4.0	17.0	2.7	1.4	0.0	12.7	114.7	1.1
	76.9	4.0	17.0	2.7	1.4	0.0	12.7	114.7	1.1
<u>Remaining Budget</u>									
	48.5	7.7	106.1	55.4	0.0	0.0	14.7	232.4	0.7
	48.5	7.7	106.1	55.4	0.0	0.0	14.7	232.4	0.7
Total FFY 95 Budget	125.4	11.7	123.1	58.1	1.4	0.0	27.4	347.1	1.8

Project 95069  
 Restoration of Salmon Stocks of Special Importance to Native Cultures  
 Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	10.2	1.3	1.5	0.0	0.0	0.0	1.6	14.6	0.0
	10.2	1.3	1.5	0.0	0.0	0.0	1.6	14.6	0.0
<u>Remaining Budget</u>									
ADFG	66.3	13.3	248.5	5.0	0.0	0.0	27.3	360.4	0.0
	66.3	13.3	248.5	5.0	0.0	0.0	27.3	360.4	0.0
<b>Total FFY 95 Budget</b>	<b>76.5</b>	<b>14.6</b>	<b>250.0</b>	<b>5.0</b>	<b>0.0</b>	<b>0.0</b>	<b>28.9</b>	<b>375.0</b>	<b>0.0</b>

Project 95074  
Herring Reproductive Impairment  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/'95 Interim</u>									
NOAA	120.3	2.0	0.0	8.5	0.0	0.0	18.0	148.8	2.2
	120.3	2.0	0.0	8.5	0.0	0.0	18.0	148.8	2.2
<u>Remaining Budget</u>									
NOAA	122.9	18.5	64.0	25.0	5.0	0.0	22.9	258.3	2.4
	122.9	18.5	64.0	25.0	5.0	0.0	22.9	258.3	2.4
Total FFY 95 Budget	243.2	20.5	64.0	33.5	5.0	0.0	40.9	407.1	4.6

Project 95086C  
Herring Bay Monitoring and Experimental Study  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADF&G/Fucus Monitoring/Experimental Study	0.0	0.0	308.6	0.0	0.0	0.0	18.7	327.3	4.9
	0.0	0.0	308.6	0.0	0.0	0.0	18.7	327.3	4.9
<u>Remaining Budget</u>									
ADF&G	9.0	0.0	555.4	0.0	0.0	0.0	12.5	576.9	6.0
	9.0	0.0	555.4	0.0	0.0	0.0	12.5	576.9	6.0
Total FFY 95 Budget	9.0	0.0	864.0	0.0	0.0	0.0	31.2	904.2	10.9



Project 95089  
Information Management System  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<b>94Report/'95 Interim</b>									
95089A - Oil Spill Information Center									
ADEC	0.0	0.0	97.8	15.5	0.5	0.0	6.8	120.6	0.0
ADF&G	159.0	1.3	0.0	0.0	0.0	0.0	23.9	184.2	3.0
Subtotal	159.0	1.3	97.8	15.5	0.5	0.0	30.7	304.8	3.0
<b>Remaining Budget</b>									
95089B - Synthesis and Dissemination									
ADNR	141.6	5.1	100.0	9.0	2.0	0.0	28.2	285.9	2.3
Subtotal	141.6	5.1	100.0	9.0	2.0	0.0	28.2	285.9	2.3
<b>Total</b>	<b>300.6</b>	<b>6.4</b>	<b>197.8</b>	<b>24.5</b>	<b>2.5</b>	<b>0.0</b>	<b>58.9</b>	<b>590.7</b>	<b>5.3</b>

Project 95090  
Mussel Bed Restoration and Monitoring  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/95 Interim</u>									
NOAA	98.4	2.3	0.0	6.0	0.0	0.0	14.8	121.5	1.7
ADEC	28.8	3.3	1.7	0.7	0.0	0.0	4.4	38.9	0.4
DOI-NBS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	127.2	5.6	1.7	6.7	0.0	0.0	19.2	160.4	2.1
<u>Remaining Budget</u>									
NOAA	98.9	14.0	39.6	16.5	0.0	0.0	17.6	186.6	1.6
ADEC	10.3	4.8	1.8	0.0	0.0	0.0	1.7	18.6	0.1
DOI-NBS	28.6	4.1	26.4	4.0	4.0	0.0	6.1	73.2	0.6
	137.8	22.9	67.8	20.5	4.0	0.0	25.4	278.4	2.3
Total FFY 95 Budget	265.0	28.5	69.5	27.2	4.0	0.0	44.6	438.8	4.4

Project 95100  
Administration, Public Information and Scientific Management  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<b>Chief Scientist and Peer Review</b>									
ADNR	6.5	1.4	450.0	0.0	0.0	0.0	22.5	480.4	0.1
Subtotal	6.5	1.4	450.0	0.0	0.0	0.0	22.5	480.4	0.1
<b>Executive Director's Office</b>									
ADEC	0.0	0.0	67.3	9.7	8.0	0.0	4.7	89.7	0.0
ADF&G	260.4	25.6	0.0	0.0	0.0	0.0	16.6	302.6	3.0
NOAA	0.0	0.0	72.5	0.0	0.0	0.0	5.1	77.6	0.0
Subtotal	260.4	25.6	139.8	9.7	8.0	0.0	26.4	469.9	3.0
<b>Operations</b>									
ADEC	42.5	0.0	426.1	34.7	20.0	0.0	27.4	550.7	0.5
ADF&G	634.9	104.1	0.0	0.0	0.0	0.0	95.2	834.2	8.5
ADNR	0.0	0.0	24.0	0.0	0.0	0.0	1.7	25.7	0.0
Subtotal	677.4	104.1	450.1	34.7	20.0	0.0	124.3	1,410.6	9.0
<b>Public Advisory Group</b>									
ADEC	0.0	0.0	28.0	0.0	0.0	0.0	2.0	30.0	0.0
ADF&G	46.1	63.5	0.0	0.0	0.0	0.0	6.9	116.5	1.0
DOI	6.0	0.0	0.0	0.0	0.0	0.0	0.9	6.9	0.1
Subtotal	52.1	63.5	28.0	0.0	0.0	0.0	9.8	153.4	1.1
<b>Restoration Work Force</b>									
ADEC	182.0	18.0	17.9	6.2	2.5	0.0	28.6	255.2	2.0
ADF&G	150.0	0.0	0.0	0.0	0.0	0.0	22.5	172.5	1.7
ADNR	132.8	4.5	20.4	7.8	0.0	0.0	21.3	186.8	1.6
DOA-FS	118.0	9.3	0.0	5.0	0.0	0.0	17.7	150.0	2.0
DOI	111.8	17.1	2.3	2.0	0.0	0.0	16.9	150.1	1.5
NOAA	120.0	25.0	0.0	5.0	0.0	0.0	18.0	168.0	1.3
Subtotal	814.6	73.9	40.6	26.0	2.5	0.0	125.0	1,082.6	10.1
<b>Total</b>	<b>1,811.0</b>	<b>268.5</b>	<b>1,108.5</b>	<b>70.4</b>	<b>30.5</b>	<b>0.0</b>	<b>308.0</b>	<b>3,596.9</b>	<b>23.3</b>

Project 95102CLO  
Closeout: Murrelet Prey Foraging Habitat in PWS  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>ETEs</u>
<u>94 Report/'95 Interim</u>									
DOI-FWS	55.5	0.0	0.0	0.0	0.0	0.0	8.3	63.8	1.1
	55.5	0.0	0.0	0.0	0.0	0.0	8.3	63.8	1.1
<u>Remaining Budget</u>									
DOI-FWS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total FFY 95 Budget	55.5	0.0	0.0	0.0	0.0	0.0	8.3	63.8	1.1

# DRAFT

Project 95110CLO  
Habitat Protection - Data Acquisition Support  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<b><u>94 Report/'95 Interim</u></b>									
ADNR	24.5	3.0	48.0	1.5	0.0	0.0	7.0	84.0	0.3
ADFG	18.7	1.0	0.0	0.3	0.0	0.0	2.8	22.8	0.3
DOA-FS	15.0	1.0	0.0	0.3	0.0	0.0	2.3	18.6	0.3
DOI-FWS	15.0	1.0	0.0	0.3	0.0	0.0	2.3	18.6	0.3
	73.2	6.0	48.0	2.4	0.0	0.0	14.4	144.0	1.2
<b><u>Remaining Budget</u></b>									
ADNR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADFG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOA-FS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOI-FWS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total FFY 95 Budget</b>	<b>73.2</b>	<b>6.0</b>	<b>48.0</b>	<b>2.4</b>	<b>0.0</b>	<b>0.0</b>	<b>14.4</b>	<b>144.0</b>	<b>1.2</b>

# DRAFT

Project 95126  
Habitat Protection Acquisition Support  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>ETEs</i>
<u>94 Report/'95 Interim</u>									
ADNR	28.0	3.0	129.0	1.5	0.0	0.0	13.2	174.7	0.3
DOA-FS	44.2	12.0	202.0	2.0	3.0	0.0	20.8	284.0	0.8
DOI-FWS	57.2	7.3	26.4	2.7	0.0	0.0	10.4	104.0	0.8
DOI-NPS	28.0	2.0	0.0	0.0	0.0	0.0	4.2	34.2	0.4
ADFG	18.0	4.0	2.0	2.5	0.0	0.0	2.8	29.3	0.3
	175.4	28.3	359.4	8.7	3.0	0.0	51.4	626.2	2.6
<u>Remaining Budget</u>									
ADNR	21.0	2.3	64.0	2.0	0.0	0.0	7.6	96.9	0.3
DOA-FS	46.8	12.0	80.0	2.0	0.0	0.0	11.0	151.8	0.8
DOI-FWS	102.3	7.2	67.7	2.0	0.0	0.0	20.1	199.3	1.9
DOI-NPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADFG	18.0	2.0	1.0	1.5	0.0	0.0	2.8	25.3	0.3
	188.1	23.5	212.7	7.5	0.0	0.0	41.5	473.3	3.3
<b>Total FFY 95 Budget</b>	<b>363.5</b>	<b>51.8</b>	<b>572.1</b>	<b>16.2</b>	<b>3.0</b>	<b>0.0</b>	<b>92.9</b>	<b>1,099.5</b>	<b>5.9</b>

DRAFT

Project 95131  
 Nanwalek, Port Graham, Tatitlek Clam Restoration  
 Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>ETEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	0.0	0.0	77.1	0.0	0.0	0.0	5.4	82.5	0.0
	0.0	0.0	77.1	0.0	0.0	0.0	5.4	82.5	0.0
<u>Remaining Budget</u>									
ADFG	7.2	0.0	338.8	0.0	0.0	0.0	16.5	362.5	0.1
	7.2	0.0	338.8	0.0	0.0	0.0	16.5	362.5	0.1
Total FFY 95 Budget	7.2	0.0	415.9	0.0	0.0	0.0	21.9	445.0	0.1

# DRAFT

Project 95137  
 Prince William Sound Salmon Stock Identification and Monitoring Studies  
 Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>ETEs</u>
<u>94 Report/95 Interim</u>									
ADFG	39.5	6.0	3.2	1.0	0.0	0.0	6.1	55.8	0.7
	39.5	6.0	3.2	1.0	0.0	0.0	6.1	55.8	0.7
<u>Remaining Budget</u>									
ADFG	169.3	2.6	17.2	6.0	0.0	0.0	26.6	221.7	3.7
	169.3	2.6	17.2	6.0	0.0	0.0	26.6	221.7	3.7
Total FFY 95 Budget	208.8	8.6	20.4	7.0	0.0	0.0	32.7	277.5	4.4



# DRAFT

Project 95139A..  
Salmon Instream Habitat Stock Restoration: Little Waterfall Creek Barrier Bypass  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Remaining Budget</u>									
ADFG	10.7	0.3	71.8	0.6	0.0	0.0	6.6	90.0	0.2
	10.7	0.3	71.8	0.6	0.0	0.0	6.6	90.0	0.2
<u>Total FFY 95 Budget</u>	10.7	0.3	71.8	0.6	0.0	0.0	6.6	90.0	0.2

# DRAFT

Project 95139B  
Salmon Instream Habitat Stock Restoration  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/'95 Interim</u>									
DOA-FS	4.5	0.0	0.0	0.0	0.0	0.0	0.7	5.2	0.1
	4.5	0.0	0.0	0.0	0.0	0.0	0.7	5.2	0.1
<u>Remaining Budget</u>									
DOA-FS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total FFY 95 Budget	4.5	0.0	0.0	0.0	0.0	0.0	0.7	5.2	0.1

Project 95139C  
 Salmon Instream Habitat Stock Restoration: Lowe River  
 Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Remaining Budget</u>									
ADFG	24.6	2.1	129.8	0.8	0.0	0.0	12.8	170.1	0.6
	24.6	2.1	129.8	0.8	0.0	0.0	12.8	170.1	0.6
<u>Total FFY 95 Budget</u>	24.6	2.1	129.8	0.8	0.0	0.0	12.8	170.1	0.6

# DRAFT

Project 95139D  
Salmon Instream Restoration: Pink Creek and Horse Marine Bypass  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>ETEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	5.2	0.6	1.0	0.2	0.0	0.0	0.9	7.9	0.1
	5.2	0.6	1.0	0.2	0.0	0.0	0.9	7.9	0.1
<u>Remaining Budget</u>									
ADFG	37.5	0.6	3.2	6.6	0.0	0.0	5.8	53.7	0.7
	37.5	0.6	3.2	6.6	0.0	0.0	5.8	53.7	0.7
<b>Total FFY 95 Budget</b>	<b>42.7</b>	<b>1.2</b>	<b>4.2</b>	<b>6.8</b>	<b>0.0</b>	<b>0.0</b>	<b>6.7</b>	<b>61.6</b>	<b>0.8</b>

Project 95163  
Abundance Distribution of Forage Fish their Influence on Recovery of Injured Species  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
NOAA	42.8	9.0	0.0	1.0	3.5	0.0	6.4	62.7	0.6
ADFG	14.6	1.6	78.3	0.0	0.0	0.0	7.7	102.2	0.2
DOI-FWS	24.3	2.0	0.0	0.0	0.0	0.0	3.6	29.9	0.6
	81.7	12.6	78.3	1.0	3.5	0.0	17.7	194.8	1.4
<u>Remaining Budget</u>									
NOAA	42.8	6.0	700.0	1.0	6.0	0.0	32.9	788.7	0.6
ADFG	36.0	0.0	104.0	2.8	0.0	0.0	12.7	155.5	0.8
DOI-FWS	139.3	7.7	0.0	3.6	20.0	0.0	20.9	191.5	3.8
	218.1	13.7	804.0	7.4	26.0	0.0	66.5	1,135.7	5.2
<b>Total FFY 95 Budget</b>	<b>299.8</b>	<b>26.3</b>	<b>882.3</b>	<b>8.4</b>	<b>29.5</b>	<b>0.0</b>	<b>84.2</b>	<b>1,330.5</b>	<b>6.6</b>

# DRAFT

Project 95166  
Herring Natal Habitats  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>ETEs</i>
<u>94 Report/'95 Interim</u>									
ADFG	83.6	2.0	131.1	0.2	0.0	0.0	21.7	238.6	1.3
	83.6	2.0	131.1	0.2	0.0	0.0	21.7	238.6	1.3
<u>Remaining Budget</u>									
ADFG	112.1	2.8	117.5	11.7	5.1	0.0	25.0	274.2	2.2
	112.1	2.8	117.5	11.7	5.1	0.0	25.0	274.2	2.2
Total FFY 95 Budget	195.7	4.8	248.6	11.9	5.1	0.0	46.7	512.8	3.5

Project 95173  
 Factors Affecting the Recovery of PWS Pigeon Guillemot Populations  
 Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
DOI-FWS	47.0	1.0	0.0	0.0	0.0	0.0	7.1	55.1	1.0
	47.0	1.0	0.0	0.0	0.0	0.0	7.1	55.1	1.0
<u>Remaining Budget</u>									
DOI-FWS	185.0	10.0	85.0	15.0	25.0	0.0	33.7	353.7	5.3
	185.0	10.0	85.0	15.0	25.0	0.0	33.7	353.7	5.3
<b>Total FFY 95 Budget</b>	<b>232.0</b>	<b>11.0</b>	<b>85.0</b>	<b>15.0</b>	<b>25.0</b>	<b>0.0</b>	<b>40.8</b>	<b>408.8</b>	<b>6.3</b>

Project 95191A  
Investigating and Monitoring Oil Related Egg and Alevin Mortalities  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>ETEs</i>
<u>94 Report/'95 Interim</u>									
ADFG	51.0	2.3	3.2	0.0	4.0	0.0	7.9	68.4	0.9
	51.0	2.3	3.2	0.0	4.0	0.0	7.9	68.4	0.9
<u>Remaining Budget</u>									
ADFG	127.6	10.1	23.4	14.7	0.0	0.0	20.8	196.6	2.9
	127.6	10.1	23.4	14.7	0.0	0.0	20.8	196.6	2.9
<b>Total FFY 95 Budget</b>	<b>178.6</b>	<b>12.4</b>	<b>26.6</b>	<b>14.7</b>	<b>4.0</b>	<b>0.0</b>	<b>28.7</b>	<b>265.0</b>	<b>3.8</b>



# DRAFT

Project 95191B  
Injury to Salmon Eggs and Pre-emergent Fry Incubated in Oil Gravel (Laboratory Study)  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
NOAA	124.7	8.5	0.0	13.5	0.0	0.0	18.7	165.4	2.4
	124.7	8.5	0.0	13.5	0.0	0.0	18.7	165.4	2.4
<u>Remaining Budget</u>									
NOAA	89.0	24.0	0.0	32.2	7.0	0.0	13.4	165.6	1.6
	89.0	24.0	0.0	32.2	7.0	0.0	13.4	165.6	1.6
Total FFY 95 Budget	213.7	32.5	0.0	45.7	7.0	0.0	32.1	331.0	4.0

# DRAFT

Project 95199  
Institute of Marine Science Seward Improvements  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>ETEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	18.8	4.8	1.9	0.6	0.0	0.0	3.0	29.1	0.2
DOI-MMS	10.5	5.3	0.0	0.0	0.0	0.0	1.6	17.4	0.2
	29.3	10.1	1.9	0.6	0.0	0.0	4.6	46.5	0.4
<u>Remaining Budget</u>									
ADFG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOI-MMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total FFY 95 Budget	29.3	10.1	1.9	0.6	0.0	0.0	4.6	46.5	0.4

Project 95244  
Seal and Sea Otter Cooperative Subsistence Harvest Assistance  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	32.2	14.0	1.0	0.5	0.0	0.0	4.9	52.6	5.0
	32.2	14.0	1.0	0.5	0.0	0.0	4.9	52.6	5.0
<u>Remaining Budget</u>									
ADFG	20.5	5.0	11.0	1.0	0.0	0.0	3.8	41.3	3.0
	20.5	5.0	11.0	1.0	0.0	0.0	3.8	41.3	3.0
<u>Total FFY 95 Budget</u>	52.7	19.0	12.0	1.5	0.0	0.0	8.7	93.9	8.0

Project 95255  
Kenai River Sockeye Salmon Restoration  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	260.0	8.8	16.0	33.5	14.0	0.0	40.1	372.4	5.9
	260.0	8.8	16.0	33.5	14.0	0.0	40.1	372.4	5.9
<u>Remaining Budget</u>									
ADFG	122.4	8.5	85.1	25.3	7.0	0.0	24.3	272.6	2.8
	122.4	8.5	85.1	25.3	7.0	0.0	24.3	272.6	2.8
Total FFY 95 Budget	382.4	17.3	101.1	58.8	21.0	0.0	64.4	645.0	8.7

Project 95258  
 Sockeye Salmon Overescapement  
 Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	325.2	11.3	46.1	22.5	28.0	0.0	52.0	485.1	4.5
	325.2	11.3	46.1	22.5	28.0	0.0	52.0	485.1	4.5
<u>Remaining Budget</u>									
ADFG	369.5	2.0	30.8	41.1	12.0	0.0	57.6	513.0	8.9
	369.5	2.0	30.8	41.1	12.0	0.0	57.6	513.0	8.9
<b>Total FFY 95 Budget</b>	<b>694.7</b>	<b>13.3</b>	<b>76.9</b>	<b>63.6</b>	<b>40.0</b>	<b>0.0</b>	<b>109.6</b>	<b>998.1</b>	<b>13.4</b>

# DRAFT

Project 95259  
Restoration of Coghill Lake Sockeye Salmon Stocks  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>ETEs</i>
<b><u>94 Report/'95 Interim</u></b>									
ADFG	65.6	1.6	6.3	2.8	0.0	0.0	10.3	86.6	1.2
DOA-USFS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	65.6	1.6	6.3	2.8	0.0	0.0	10.3	86.6	1.2
<b><u>Remaining Budget</u></b>									
ADFG	49.8	0.9	39.6	11.5	0.0	0.0	10.2	112.0	1.0
DOA-FS	11.7	0.0	111.4	1.7	0.0	0.0	9.6	134.4	0.4
	61.5	0.9	151.0	13.2	0.0	0.0	19.8	246.4	1.4
<b>Total FFY 95 Budget</b>	<b>127.1</b>	<b>2.5</b>	<b>157.3</b>	<b>16.0</b>	<b>0.0</b>	<b>0.0</b>	<b>30.1</b>	<b>333.0</b>	<b>2.6</b>

Project 95266  
Shoreline Restoration  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/'95 Interim</u>									
ADEC	28.8	3.3	1.7	0.7	0.0	0.0	4.4	38.9	0.4
DOI-NBS	8.7	1.8	14.6	0.2	0.0	0.0	2.3	27.6	0.2
NOAA	25.6	0.0	0.0	2.0	0.0	0.0	3.8	31.4	0.4
	63.1	5.1	16.3	2.9	0.0	0.0	10.5	97.9	1.0
<u>Remaining Budget</u>									
ADEC	83.4	9.0	1,150.1	5.1	9.5	0.0	47.9	1,305.0	1.2
DOI-NBS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NOAA	7.1	0.0	0.0	0.0	0.0	0.0	1.1	8.2	0.1
	90.5	9.0	1,150.1	5.1	9.5	0.0	49.0	1,313.2	1.3
<b>Total FFY 95 Budget</b>	<b>153.6</b>	<b>14.1</b>	<b>1,166.4</b>	<b>8.0</b>	<b>9.5</b>	<b>0.0</b>	<b>59.5</b>	<b>1,411.1</b>	<b>2.3</b>

Project 95279  
 Subsistence Foods Testing Project  
 Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	39.3	16.6	4.8	1.7	0.0	0.0	6.2	68.6	0.7
NOAA	10.0	0.0	0.0	1.0	0.0	0.0	1.5	12.5	0.2
	49.3	16.6	4.8	2.7	0.0	0.0	7.7	81.1	0.9
<u>Remaining Budget</u>									
ADFG	58.5	7.9	50.0	0.8	0.0	0.0	12.3	129.5	1.0
NOAA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	58.5	7.9	50.0	0.8	0.0	0.0	12.3	129.5	1.0
Total FFY 95 Budget	107.8	24.5	54.8	3.5	0.0	0.0	20.0	210.6	1.9



Project 95285CLO  
Subtidal Sediment Recovery Monitoring  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
NOAA	97.9	3.0	0.0	5.4	0.0	0.0	14.7	121.0	1.7
	97.9	3.0	0.0	5.4	0.0	0.0	14.7	121.0	1.7
<u>Remaining Budget</u>									
NOAA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total FFY 95 Budget</b>	<b>97.9</b>	<b>3.0</b>	<b>0.0</b>	<b>5.4</b>	<b>0.0</b>	<b>0.0</b>	<b>14.7</b>	<b>121.0</b>	<b>1.7</b>

## Project 95290

Hydrocarbon Data Analysis, Interpretation, and Database Maintenance for Restoration and NRDA Environmental Samples Associated with the Exxon Valdez Oil Spill  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
NOAA	76.4	2.0	0.0	2.0	0.0	0.0	11.5	91.9	1.0
	76.4	2.0	0.0	2.0	0.0	0.0	11.5	91.9	1.0
<u>Remaining Budget</u>									
NOAA	54.8	4.0	0.0	4.5	0.0	0.0	8.2	71.5	0.7
	54.8	4.0	0.0	4.5	0.0	0.0	8.2	71.5	0.7
<b>Total FFY 95 Budget</b>	<b>131.2</b>	<b>6.0</b>	<b>0.0</b>	<b>6.5</b>	<b>0.0</b>	<b>0.0</b>	<b>19.7</b>	<b>163.4</b>	<b>1.7</b>

Project 95320COR  
Prince William Sound System Investigation  
Draft FFY 95 Budget Summary by Agency

DRAFT

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG									
95320A	39.5	0.0	0.0	3.3	0.0	0.0	5.9	48.7	0.8
95320E	76.9	0.0	0.0	7.8	17.8	0.0	11.5	114.0	1.6
95320G	3.0	0.0	83.5	0.0	0.0	0.0	2.0	88.5	0.0
95320H	0.0	0.0	50.6	0.0	0.0	0.0	1.3	51.9	0.0
95320 - I - (2)	0.0	0.0	29.4	0.0	0.0	0.0	0.6	30.0	0.0
95320J	0.0	0.0	261.5	0.0	0.0	0.0	4.2	265.7	0.0
95320K	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
95320M	0.0	0.0	134.2	0.0	0.0	0.0	4.5	138.7	0.0
95320N	3.0	0.0	399.3	0.0	0.0	0.0	10.8	413.1	3.8
95320Q	17.3	1.4	1.7	0.0	0.0	0.0	2.7	23.1	0.4
95320T	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
95320U	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	139.7	1.4	960.2	11.1	17.8	0.0	43.5	1,173.7	6.6
<u>Remaining Budget</u>									
ADFG									
95320A	130.6	1.2	49.8	14.4	0.0	0.0	23.1	219.1	2.3
95320E	298.0	2.8	374.4	89.2	0.0	0.0	64.7	829.1	4.5
95320G	0.0	0.0	146.7	0.0	0.0	0.0	4.1	150.8	0.0
95320H	3.0	0.0	187.5	0.0	0.0	0.0	5.0	195.5	0.0
95320 - I - (2)	3.0	0.0	45.0	0.0	0.0	0.0	1.4	49.4	0.0
95320J	3.0	0.0	550.9	0.0	0.0	0.0	16.6	570.5	0.0
95320K	0.0	0.0	43.8	0.0	0.0	0.0	3.5	47.3	0.0
95320M	3.0	0.0	426.1	0.0	0.0	0.0	10.0	439.1	0.0
95320N	0.0	0.0	217.1	0.0	0.0	0.0	5.0	222.1	1.8
95320Q	46.5	0.9	12.6	5.6	2.5	0.0	7.8	75.9	1.3
95320T	58.1	2.0	248.8	6.3	0.0	0.0	25.1	340.3	0.8
95320U	3.0	0.0	92.6	0.0	0.0	0.0	3.8	99.4	0.0
	548.2	6.9	2,395.3	115.5	2.5	0.0	170.1	3,238.5	10.7
<b>Total FFY 95 Budget</b>	<b>687.9</b>	<b>8.3</b>	<b>3,355.5</b>	<b>126.6</b>	<b>20.3</b>	<b>0.0</b>	<b>213.6</b>	<b>4,412.2</b>	<b>17.3</b>

Project 95320B  
 Coded Wire Tag Recoveries from Pink Salmon Closeout  
 Draft FFY 95 Budget Summary by Agency

**DRAFT**

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>ETEs</i>
<u>94 Report/'95 Interim</u>									
ADFG	68.1	2.6	3.2	0.0	0.0	0.0	10.4	84.3	1.2
	68.1	2.6	3.2	0.0	0.0	0.0	10.4	84.3	1.2
<u>Remaining Budget</u>									
ADFG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total FFY 95 Budget	68.1	2.6	3.2	0.0	0.0	0.0	10.4	84.3	1.2

# DRAFT

Project 95320C  
Otolith Thermal Mass Marking of Hatchery Pink Salmon in PWS  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	0.0	1.6	0.3	0.0	0.0	0.0	0.0	1.9	0.0
	0.0	1.6	0.3	0.0	0.0	0.0	0.0	1.9	0.0
<u>Remaining Budget</u>									
ADFG	25.7	0.0	568.3	10.4	8.2	0.0	27.7	640.3	0.6
	25.7	0.0	568.3	10.4	8.2	0.0	27.7	640.3	0.6
<b>Total FFY 95 Budget</b>	<b>25.7</b>	<b>1.6</b>	<b>568.6</b>	<b>10.4</b>	<b>8.2</b>	<b>0.0</b>	<b>27.7</b>	<b>642.2</b>	<b>0.6</b>

# DRAFT

Project 95320D  
Prince William Sound Pink Salmon Genetics  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	33.5	3.0	0.0	15.0	0.0	0.0	5.0	56.5	0.8
	33.5	3.0	0.0	15.0	0.0	0.0	5.0	56.5	0.8
<u>Remaining Budget</u>									
ADFG	16.3	2.0	140.0	0.0	0.0	0.0	12.2	170.5	0.4
	16.3	2.0	140.0	0.0	0.0	0.0	12.2	170.5	0.4
Total FFY 95 Budget	49.8	5.0	140.0	15.0	0.0	0.0	17.2	227.0	1.2

Project 95417  
Waste Oil Disposal Facilities  
Draft FFY 95 Budget Summary by Agency

**DRAFT**

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADEC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Remaining Budget</u>									
ADEC	49.6	19.9	142.9	2.4	0.0	0.0	17.4	232.2	0.7
	49.6	19.9	142.9	2.4	0.0	0.0	17.4	232.2	0.7
<u>Total FFY 95 Budget</u>	49.6	19.9	142.9	2.4	0.0	0.0	17.4	232.2	0.7

# DRAFT

Project 95422CLO  
Restoration Plan Environmental Impact Statement  
Draft FFY 95 Budget Summary by Agency

<i>Agency/Sub-Project</i>	<i>Personal Services</i>	<i>Travel</i>	<i>Contractual</i>	<i>Commodities</i>	<i>Equipment</i>	<i>Capital Outlay</i>	<i>General Admin.</i>	<i>FY 95 Total</i>	<i>FTEs</i>
<u>94 Report/'95 Interim</u>									
DOA-FS	14.8	0.0	2.8	0.0	0.0	0.0	2.4	20.0	0.3
	14.8	0.0	2.8	0.0	0.0	0.0	2.4	20.0	0.3
<u>Remaining Budget</u>									
DOA-FS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total FFY 95 Budget	14.8	0.0	2.8	0.0	0.0	0.0	2.4	20.0	0.3



Project 95427  
 Harlequin Duck Recovery Monitoring  
 Draft FFY 95 Budget Summary by Agency

DRAFT

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	15.0	0.0	0.0	0.0	0.0	0.0	2.3	17.3	0.2
	15.0	0.0	0.0	0.0	0.0	0.0	2.3	17.3	0.2
<u>Remaining Budget</u>									
ADFG	126.2	8.1	24.5	18.2	12.0	0.0	20.6	209.6	2.0
	126.2	8.1	24.5	18.2	12.0	0.0	20.6	209.6	2.0
Total FFY 95 Budget	141.2	8.1	24.5	18.2	12.0	0.0	22.9	226.9	2.2

Project 95428  
Subsistence Restoration Planning and Implementation  
Draft FFY 95 Budget Summary by Agency

<u>Agency/Sub-Project</u>	<u>Personal Services</u>	<u>Travel</u>	<u>Contractual</u>	<u>Commodities</u>	<u>Equipment</u>	<u>Capital Outlay</u>	<u>General Admin.</u>	<u>FY 95 Total</u>	<u>FTEs</u>
<u>94 Report/'95 Interim</u>									
ADFG	57.6	10.1	2.0	1.0	0.0	0.0	8.8	79.5	1.1
DOA-FS	6.3	2.0	0.0	0.0	0.0	0.0	0.9	9.2	0.1
DOI-NPS	6.3	2.0	0.0	0.0	0.0	0.0	0.9	9.2	0.1
	70.2	14.1	2.0	1.0	0.0	0.0	10.6	97.9	1.3
<u>Remaining Budget</u>									
ADFG	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DOA-FS	0.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0
DOI-NPS	0.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0
	0.0	2.0	0.0	0.0	0.0	0.0	0.0	2.0	0.0
Total FFY 95 Budget	70.2	16.1	2.0	1.0	0.0	0.0	10.6	99.9	1.3

Milestones for FEIS**RECEIVED**  
AUG 23 1994EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL  
ADMINISTRATIVE RECORD

- 8/1/94 Close of comment period.
- 8/5/94 Package of Comment letters to TC.
- 8/12/94 Draft of comment summary to TC.
- 8/10/94 Send EIS and Comment letters to John Farrell followed by the draft responses to comments ASAP.
- 8/12/94 Send PFEIS to TC et.al. (Note: This is the DEIS plus Chapter 5 - Response to Comments. If there are no changes in the DEIS then all we are focusing on is Chapter 5. If there are changes of some significance then we may need to adjust this date.)
- 8/22/94 TC comments on PFEIS due to Rod.
- 8/22-9/9/94 Edit FEIS and prepare camera ready copy.
- 9/10/94 Send camera ready copy of FEIS to Printer.
- 9/21/94 Printer sends FEIS to EPA for Noticing on Federal Register.
- 9/30/94 Federal Register publishes Notice of Availability of FEIS.
- 10/31/94 Sign the Record of Decision (R.O.D.) after 30-day waiting period.
- 11/1-11/10/94 Print R.O.D.

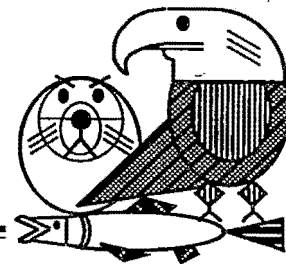
HAB. ACTIVITY

# Exxon Valdez Oil Spill Trustee Council

Restoration Office

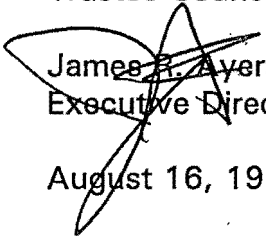
645 G Street, Suite 401, Anchorage, Alaska 99501-3451

Phone: (907) 278-8012 Fax: (907) 276-7178



## MEMORANDUM

TO: Trustee Council

FROM:  James R. Ayers  
Executive Director

DATE: August 16, 1994

RE: Habitat Acquisition

Attached is a Status Report Regarding Appraisal Services and Appraisal Schedule provided by the U.S. Forest Service. I believe you have already received a copy of the Summary table directly from Phil Janik (also attached). An updated table will be available next week, as will a comprehensive status report on all habitat protection and acquisition activities.

I have also included a revised draft of the "less than fee" and "public access" draft policies which reflect the Public Advisory Group's recommendations and some further recommendations by agency staff.

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Trustee Agencies

State of Alaska: Departments of Fish & Game, Law, and Environmental Conservation

United States: National Oceanic and Atmospheric Administration, Departments of Agriculture and Interior

FOREST SERVICE STATUS REPORT REGARDING  
APPRAISAL SERVICES AND APPRAISAL SCHEDULE

At its July 11, 1994, meeting, the Trustee Council requested both a status report regarding the Forest Service contract to conduct appraisals in support of the restoration acquisition program and a current appraisal schedule.

I. Background

The status of the appraisal contract and current appraisal schedule cannot be fully appreciated without a consideration of the historical context in which the Trustee Council's appraisal process has evolved.

A. Standardized Appraisal Process and Appraisal Services Contract.

On November 30, 1993, the HPWG issued its comprehensive habitat protection evaluation and ranking of large parcels, which were evaluated, scored and ranked as high, moderate, or low to represent the degree to which protection of a parcel would benefit the recovery of linked resources and services that occur on the parcel.

At its January 31, 1994, meeting, the Trustee Council approved a resolution proposed by Commissioner Sandor to proceed with a habitat protection program. Among other things, the resolution directed the Executive Director to work with the lead negotiators to develop a standardized appraisal process, including standardized appraisal instructions, to be used to appraise the parcels under consideration for protection. This Council direction launched several initiatives.

First, the Alaska Department of Natural Resources, the U.S. Department of the Interior, and the U.S. Department of Agriculture entered into a Memorandum of Understanding (MOU) regarding the appraisal process to be used to appraise interests in land under consideration for acquisition and habitat protection as part of the Trustee Council restoration process. The parties entered into the MOU to ensure that all appraisals are conducted and reviewed in an efficient and uniform manner. The MOU provides that standard appraisal instructions will be developed and applied to each appraisal of interests in land proposed for acquisition, and that all appraisals will comply with State of Alaska appraisal standards and the *Uniform Appraisal Standards for Federal Land Acquisitions* (UASFLA), 1992. In addition, the parties agreed that an existing U.S. Forest Service contract for the procurement of appraisal services would be used to appraise all interests in land proposed

to be acquired for purposes of restoration. The responsibility for the overall administration of the appraisal services contract remains with the Forest Service. The parties executed the MOU on March 21, 1994.

Second, in March, 1994, the Executive Director began a process to develop standardized appraisal instructions. The appraisal instructions utilized in the existing Forest Service contract were the basis for development of the standardized instructions. The Executive Director solicited comments on these instructions from landowners interested in participating in the restoration acquisition program and incorporated appropriate comments in the final version. The Department of Justice Chief Appraiser also reviewed the standardized instructions and concurred that the standards met the requirements of UASFLA. The standardized appraisal instructions were finalized on April 21, 1994.

Third, the Executive Director also requested that the appropriate staff develop a framework for the appraisal process that could be shared with landowners and the public. Throughout April, 1994, agency negotiators, appraisers, and attorneys formulated a twelve step process for conducting appraisals, reviewing appraisals, and approving appraisals. The draft twelve step process was also submitted to interested landowners for comment and was endorsed by the Council on May 31, 1994. The final twelve step process was issued June 3, 1994.

#### B. Initiation of Appraisals and Current Schedule.

At the same time the above initiatives detailing the standards and process to be used in conducting appraisals was taking place, negotiations with landowners were occurring. Receipt of permission from the landowners to proceed with an appraisal has varied with each parcel and remains dependent upon the progress of on-going negotiations. The progress of negotiations and thereby the number of parcels to be appraised within the assumed deadline of mid-September has made the confirmation of the completion of any given appraisal difficult. In fact, the Executive Director informed the Council at its April 11, 1994, meeting that the schedule for completion of appraisals was not definitive and that the appraisers were expecting appraisals to be prepared by July, August, or maybe even early September. Transcript at p. 16.

In addition, two issues have been problematic with respect to the scheduling of appraisals, although it does not appear either issue has caused significant delays in the current appraisal schedule. First, the May 6, 1994, purchase agreement with the Eyak Corporation and Sherstone, Inc. for the purchase of approximately two thousand acres of commercial timber rights required that an appraisal be conducted as soon as possible to meet the 90 day

closing requirement stated in the purchase agreement. This required a shift in focus from the Shuyak and Chenega parcels to the Eyak/Sherstone parcel with respect to the performance of the timber appraisal. Second, locating a subcontractor to perform timber appraisals was troublesome. No timber appraisal firm with experience in Alaska was acceptable to the State and/or the private landowners. This results from a potential appearance of a conflict for the Alaska firms because no qualified firm was identified that was not already associated with either the private parties or with Exxon Corporation in the remaining oil spill litigation. Not until mid-May was the Forest Service contract appraiser, Black-Smith and Richards of Anchorage, able to subcontract with Pacific Forest Consultants of Portland, Oregon to perform timber appraisal services under the Forest Service contract.

An appraisal schedule prepared for the Council for its May 31, 1994 meeting indicates that of the five appraisals authorized to be conducted as of that date, the draft appraisal completion date for two was mid-July, one in August, and two in mid-September. The chart attached details, among other things, the expected completion date of the draft appraisal reports for these five parcels, which effectively remain on schedule as reported to the Council in May.

Since the May Council meeting, however, three additional requests have been made by the Executive Director to prepare appraisals, with a presumed target for completion of the draft appraisal report of September 15, along with the other parcels already being appraised. Completion of these draft reports by this target date significantly raises the cost of conducting the appraisals and also may raise the perception that the Council's appraisal process is not reliable.

With respect to costs, several factors affect the estimated cost of conducting an appraisal, including the deadline established for completion of the appraisal. Large parcels containing timber may increase appraisal costs substantially. This results, in part, from deficient or non-existent timber inventory data, which then requires a significant amount of field work to inventory the timber. In addition, the accelerated work schedule does not provide the timber appraiser with sufficient opportunity to plan a detailed timber cruise using any existing maps and aerial photographs that are available to design plots. It is expected that additional timber cruisers will be required to complete the groundwork during this field season in order to meet a September 15 timeframe.

There may be substantial risks involved in performing timber appraisals for the estimated 200,000 acres to be appraised during the remaining 1994 field season. First, without proper field planning, the margin for error in identifying timber inventory and



grade increases, which calls into question the validity of the value determination. This requires that the accountability level increase substantially. Timber check cruisers must be available from the lead negotiating agency and may be required to survey a larger number of plots to ensure the validity of the timber inventory. In addition, physical risks for the individuals performing the timber inventory work increases as the end of the field season nears.

At its July 18, 1994, meeting the Trustee Council determined that the appraisal schedule should proceed on the presumption that the draft appraisal reports will be prepared by September 15 (or earlier for the five previously approved parcels). The Council authorized an additional \$1.5 million to prepare the draft appraisal reports by September 15. The September 15 date for completion of the draft appraisal increases the expected appraisal costs. Attached to this report is the information received from Pacific Forest Consultants explaining the cost estimates for completing the timber appraisal for the Eyak large parcel, which illustrates the increased costs associated with meeting the September 15th deadline.

Thus far, the Council has allocated \$2,015,000 to complete the appraisals. The current estimated total for conducting all authorized appraisals is \$2,027,615. It includes the estimated costs for appraising the Tatitlek parcel. However, as of this date, authorization to conduct an appraisal for Tatitlek has not been received.

Finally, it must be emphasized that the attached appraisal schedule provides for an expected date of completion of the draft appraisal report and the cost estimates are based on the September 15 completion date. For acquisitions involving partial interests, significant issues continue to remain undefined, which affect the appraiser's ability to meet this draft completion date. Where less than fee acquisitions are proposed, negotiators must resolve issues such as public access, subsistence rights, ANILCA 22(g), and defining development rights retained by the landowner before a defined partial interest to be acquired is presented to the appraiser for a determination of value of the less than fee interest. A final, approved appraisal cannot be issued for parcels involving partial interests until the partial interest is defined.

In addition, this appraisal schedule does not anticipate changes in the requested appraisal product. If such changes occur as a result of negotiations with the landowners, the appraisal schedule for that parcel may be affected.

August 8, 1994

APPRAISAL SCHEDULE & COST ESTIMATES

PARCEL OWNERSHIP	REQUEST FROM E.D.	ACRES TO BE APPRAISED	INTEREST APPRAISED	DRAFT REPORT DATE	ESTIMATED COST
EYAK	5/5/94	2,025	TIMBER	MID-AUGUST	\$60,320
CHENEGA	9/93*	76,000	FEE/PAR/TIM	MID-AUGUST	\$450,000
SHUYAK	4/29/94	27,900	FEE/TIMBER	MID-AUGUST	\$391,603
AKHIOK	5/6/94	134,212	FEE	LATE-AUG	\$63,401
OLD HARBOR	5/6/94	33,274	FEE/PARTIAL	LATE-AUG	\$27,291
KONIAG	7/11/94	115,739	FEE	LATE-AUG	\$35,000**
AJV	6/23/94	112,658	FEE/TIMBER	MID-SEPT	\$200,000**
EYAK	6/17/94	50,000**	FEE/PAR/TIM	MID-SEPT	\$600,000
TATITLEK	8/8/94	26,000***	FEE/PAR/TIM	MID-SEPT	\$200,000**
CHUGACH	not ordered as of 8/8/94				

PORT GRAHAM 4/29/94 CANCELLED 5/17 AFTER PRELIMINARY WORK WAS INITIATED

ENGLISH BAY not ordered

ESTIMATED TOTAL	578,808	\$2,027,615
-----		
APPRAISAL FUNDS AUTHORIZED BY TRUSTEE COUNCIL ON 1/31/94		\$515,000
-----		
ADDITIONAL FUNDS NEEDED		\$1,512,615
-----		
ADDITIONAL FUNDS AUTHORIZED BY TRUSTEE COUNCIL ON 7/18/94		\$1,500,000

\*Landowner permission granted in 9/93 agreement with Forest Service/\*\*Estimate/  
\*\*\*Appraisal acreage are expected to increase as negotiations proceed.

The estimated cost does not include associated appraisal costs such as title searches, verification of timber check cruises, and hazardous substances surveys. It is expected that the agency acquiring the land interest assumes such costs, which the Trustee Council allocated funding for in Project 94126.

August 8, 1994

The schedule for completion of the draft report for AJV assumes AJV will timely provide its timber cruise data and that the quality of these data is good. As of August 8, 1994, AJV has not provided such data because of confidentiality concerns.



The scheduled mid-August report date noted above for the Eyak 2,025 acre parcel is for a final, approved appraisal rather than a draft report.

Acreages for Akhiok, Old Harbor, and Koniag have changed since the 7/18/94 Appraisal Schedule due to a request to revise the appraisal task received on August 4, 1994. The revised definition of the interest to be appraised results from additional negotiations with the landowner.

## Appraisal Process Status Summary

Appraisal Process Steps		Landowners											
The Trustee Council at its Jan. 31, 1994 meeting directed the Executive Director to proceed with negotiations with the landowners of the 17 high values parcels identified by the Habitat Work Group in the Large Parcel Evaluation and Ranking. Appraisals are an integral part of the negotiation process.		AJV	AKI	Chenega	ENB	Eyak Sub	Eyak Lg.	KIB	Konlag	PTG	Tatitlek	Chugach	Old Harbor
1	Landowner consent and any pertinent information received.												
2	Lead Nego Agency requests USFS conduct appraisal. Executive Director issues request.												
3	USFS Issues Task Order.												
	Preliminary Title Report submitted by lead agency.												
	Site maps submitted by lead agency.												
	Legal description submitted by lead agency.												
	Existing mineral surveys submitted by lead agency.	NA						NA					
	Existing and draft easements submitted by lead agency.	NA						NA					
	Existing timber information submitted by lead agency or landowner.		NA										
4	PreWork Conference with agency rep., appraiser, owner.												
5	Site Visit by appraiser, agency representative and landowner.												
	Timber cruise.		NA										NA
	Check cruise/verification by lead agency.		NA										NA
	Minerals survey.		NA										NA
	Hazardous materials survey.												
	Spruce Bark Beetle review.		NA										NA
6	Draft Appraisal Reports Submitted												
7	Appraisal reviews submitted. USFS forwards comments to appraiser(s).												
8	Draft appraisal report modified where appraiser deems appropriate. Final appraisal reports to review appraisers. This may be repeated.												
9	Review appraisers submit comments, Review Statement issued designating an approved or rejected appraisal.												
10	Lead agency submits approved Appraisal Report and Review Statement or review statement for rejected appraisal to Landowner for review/comment.												
11	Landowner comments submitted to review appraisers for consideration.												
12	Final Approved Appraisal and Final Review Statement issued.												
Upon completion of the appraisal process negotiators and landowners develop a final package based upon appraisal information for Trustee Council consideration.													
Purchase agreement submitted to landowner.													
Trustee Council and landowner executes a purchase agreement.													

\*\* Highlighted boxes indicate participation of landowner expected and encouraged.

KEY:      Step Begun        
              Step Complete      

DRAFT 8/5/94

August 15, 1994 4:24pm

**DRAFT PREPARED FOR THE TRUSTEE COUNCIL  
BY THE PUBLIC ADVISORY GROUP**

This draft document has been prepared Public Advisory Group. Edits proposed by Trustee Council staff are indicated by redline and strike out

**POLICY GUIDELINES**

**General**

The purpose of the Comprehensive Habitat Protection Process is to identify and protect habitats that will benefit the recovery of resources and services injured by the Exxon Valdez oil spill. Some of the protection tools available include: fee title acquisition; less than fee acquisitions including conservation easements, acquisition of partial interests, acquisition of commercial timber rights and term easements; land exchanges; and cooperative management agreements. Following an agreement for protection, acquired parcels or interests will be managed in a manner that is consistent with the restoration objectives for the injured resources and/or services.

Selection of the appropriate protection tool for a particular parcel or habitat area requires consideration of will consider the measures necessary to meet restoration objectives for the injured resources or services for that particular parcel. Factors to be considered include such things as habitat requirements of injured resources, cost effectiveness, restoration benefits to injured resources and services, restoration benefits to lost or diminished services of providing public access, and the cultural and economic needs of the existing land owners. Each proposed acquisition will address these and other factors on a case-by-case basis in order to ensure consistency with the restoration objectives and cost effective expenditure of settlement funds.

**Acquisition of fee simple title**

Fee simple title acquisitions have the potential to provide the highest level of habitat protection. Fee simple acquisitions also are more likely to avoid future ambiguities concerning future management, rights of sellers, public access and use, the possibility of development activities incompatible with restoration

objectives and other issues that may arise with less than fee simple acquisitions. Fee simple acquisitions are also less complex to negotiate and therefore more likely to be successfully completed. The purchase price for fee simple may be only slightly greater than the purchase price of lesser interests. Acquisition of commercial timber rights alone may not provide adequate habitat protection. The cost of future management of less than fee interests may be significantly higher than that of fee interests. Therefore, fee simple acquisition will, in many cases, be the preferred method of habitat acquisition and likely to receive a higher priority.

#### **Acquisition of less than fee simple title**

In some cases, restoration of injured resources and services can be achieved through acquisition of less than a fee simple title interest in the land. There are several reasons to pursue this strategy when it is adequate to meet restoration objectives. First, it may reduce the cost of the protection. Second, less than fee interests may be available that meet restoration objectives when fee simple title is not for sale. Third, it may allow the owner of the residual fee interest to pursue economic, cultural and other activities on the lands that are compatible with restoration objectives.

The density and type of commercial or other development has the potential to reduce the value for restoration purposes of the rights acquired in a less than fee simple transaction. In less than fee simple acquisitions the extent of development, if any, to be permitted should be specified. For example, the number of lodge sites or home sites, their size and location should be identified. The rights reserved to the seller, including the extent of development permitted, if any, must be delineated so as to preserve the value of the land for restoration purposes. The development rights reserved will differ from parcel to parcel depending on the particular needs for restoration and the needs of the seller. In addition to the issue of density and type of development which must be addressed, related concerns such as water usage and sewage disposal, shoreline and stream buffers for habitat values and recreation uses should be addressed to ensure that the rights being acquired will, in fact, provide the level of protection needed to facilitate realization of the restoration objectives now and in the future.

#### **Acquisition of commercial timber rights**

In addition to the considerations described above, acquisitions involving commercial timber rights should address the extent of timber removal permitted incidental to the fee owner's exercise of

retained rights.<sup>1</sup> The amount of incidental timber removal to be allowed must not reduce the value of acquiring the timber rights for restoration purposes. Factors to be considered are the extent of buffers for sensitive areas such as streams and shorelines, limitations on the amount of canopy removal and limitations on the clearing or substantial clearing of areas. Any revenue in excess of removal costs received from the sale of commercial timber removed incident to the exercise of retained rights should be paid to the Trust Fund or the managing agency if the Trust Fund no longer exists. Removal costs may not exceed normal customary charges.

Because of differing restoration needs for various parcels, the necessary limitations on incidental timber removal may differ for different parcels. The specific development to be permitted on parcels where commercial timber rights have been acquired should be described in sufficient detail to preclude future ambiguity. Descriptions should identify sites for development, including the size, locations and nature of development allowed.

In specific circumstances where it is not possible to identify all the development to be permitted, acquired habitat may be protected by setting limits on the removal of trees incidental to development. Such limitations could be used to assure that restoration objectives are achieved. They are a less preferred method of describing rights to be retained by the seller and must be carefully reviewed on a case-by-case basis. An example of a set of restrictions that could be considered would be as follows:

- 1) incidental timber removal could be limited to no more than some specified percent of the basal area of a parcel<sup>2</sup>;
- 2) incidental timber removal could be further constrained by specifying the percentage of timber removal within portions of a parcel;
- 3) the size and juxtaposition of discrete blocks of timber harvested incidental to the fee owner's exercise of retained rights could also be limited;
- 4) incidental timber removal, if any, could be constrained so

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<sup>1</sup> Normally commercial timber rights are purchased in order to harvest the timber and related development is not an issue. In these acquisitions, where the timber is being purchased in order to protect the habitat, development which could affect that habitat is an important consideration for the Trustee Council.

<sup>2</sup> Basal area is a per acre measure of the cross sectional area at chest height occupied by the standing timber.

that there would not be a disproportionate number of larger trees removed;

5) timber removal could be prohibited within some specific distance of anadromous streams, streams that support nesting of injured species, mean high water of salt water bodies, or fish bearing fresh water body shorelines except as may be specifically agreed upon after consideration of the restoration impact of the proposed removal.

The above is but one example of how incidental removal of timber might be addressed. Other methods might include acreage control rather than basal area, zoning for critical habitat within the overall parcel or some combination of these or other methods. The specific method of addressing incidental timber removal should be tailored to the specific parcel and designed to ensure that restoration objectives are met while, to the extent possible, meeting the needs of the seller for flexibility in the exercise of retained rights.

#### Public use

In view of the restoration benefits to lost or diminished services of providing public access to natural resources, and because of the expenditure of public funds, public access to lands where a less than fee interest is acquired may be an important acquisition consideration. In fee simple acquisitions public use is, to a large extent, determined by the nature of the state or federal land management status.

In less than fee simple acquisitions covenants governing public access shall be sought when two conditions are met. The first is that the interest to be acquired, for purposes of restoring natural resources and services injured by the oil spill, is less than fee simple but the price to be paid for the interest is a substantial portion of the value of fee simple. The second condition is that the acquisition of public use rights will also serve to benefit services lost or diminished as a result of the oil spill. Where the seller proposes to limit public use, the Trustee Council will consider approval of the transaction when it finds that the restoration benefits outweigh the ~~disadvantages~~ of limiting access to the public.

The determination of the specific public access rights to be obtained and the rights to be retained by the land owner will require a careful balancing of public and private needs and values including the need to restore lost services but at the same time protect the legitimate cultural and economic interests of the land owners. Such decisions can only be made on a case-by-case basis.



11,574

LARGE PARCEL NEGOTIATION STATUS SUMMARY

DRAFT

Landowner	High Value Parcels	Region	Acres	LEAD/ Coop	Will Discuss	Ownership	Related Parcels **	Status	Anticipated Timeline
Afognak Joint Venture	AJV 01, Shuyak Strait	KOD	13,400	DOL/ USFWS	Fee Simple, w/ add'l parcels included	Surface Estate AJV Subsurface Koniag Native Allotments	Moderate Parcels: AJV 04, 05, 06 Low Parcels: 07, 08 w/in & adjacent to Tonki Bay	Authority to appraise was received from AJV on June 20 and appraisal was requested June 22. AJV has requested an appraisal of moderate value lands in the previously indicated parcels and two low value parcels adjacent to Tonki Bay that have recently been evaluated by the HWG. A pre appraisal conference was held 8/19/94.	A draft appraisal is expected to be completed in mid Sept. Negotiations will resume upon acceptance of an approved appraisal.
	AJV 03, Pauls/Laura Lake		27,100						
Akhiok Kaguyak	AKI 04, Aliulik Peninsula	KOD	34,300	USFWS/ DOL	Fee Simple, other parcels must be incl.	Surface estate AKI Subsurface, USA Native Allotments	AKI 01-05	The appraisal of twelve tracts of AKI lands (134,212 acres) is on going. Completion is expected late August. The landowner is conducting its own appraisal using TC specifications. The land is being appraised with and without a subsistence reservation. The reservation provides perpetual subsistence rights to AKI residents.	Appraisal review & acceptance Sept. Negotiations continue upon acceptance of approved appraisal. The earliest an agreement for sale would be available; late Sept.
	AKI 06, North Olga Bay		16,900						
	AKI 08, Upper Station Lk		15,600						
Chenega	CHE 01, 02 Eshamy Bay Jackpot Bay	PWS	7,900 12,100	USFS/ DOL	Fee simple for core parcels, partial interests; timber, for remainder of Chenega lands.	Surface estate CHE Subsurface CAC	Remainder of Chenega lands	The completion of the appraisal is on schedule. The timber cruise portion of the appraisal is complete and verification underway. Negotiations will continue upon acceptance of an approved	Draft appraisal completed early Sept. Negotiations, Sept. Proposal Oct.
English Bay	ENB 06	KEN	3,800	NPS/ DOL	Fee simple, surface estate	Surface Estate ENB Subsurface CAC	Other ENB holdings w/in Kenai Fjords NP: ENB 02, ENB 05	All remaining ANCSA acreage entitlement of ENB will be taken from lands within the boundary of Kenai Fjords NP. It would be advantageous to purchase selections and avoid the costs of conveyance. Total acreage, 17,600. Negotiations will resume upon acceptance of an approved appraisal.	If appraisal approved, a proposal could be available late Oct.
Eyak	EYA 01, Port Gravina	PWS	3,400	USFS/ DOL	Eyak has submitted a detailed proposal which has raised issues surrounding public access and less than fee acquisitions, specifically the definition of timber rights.	Surface estate EYA Subsurface CAC	EYA 04-12	TC passed resolution on 5/3/94 to acquire the timber interest in Orca Narrows sub parcel, subject to detailed proposal being submitted by Eyak within 15 days. The proposal was submitted and an appraisal has been ordered. The appraisal of the Orca Narrows subparcel is nearing completion. An appraisal has been ordered on the remainder of Eyak lands.	Orca Narrows transaction complete early Sept. The larger appraisal due mid Sept. Further negotiations will commence upon acceptance of an approved appraisal.
	EYA 02, Sheep Bay		9,100						
	EYA 03, Windy/Deep Bay		7,100						
Kodiak Island Borough	KIB 01, Shuyak Island	KOD	27,900	DOL/NPS	Fee simple	Surface Estate KIB Subsurface AK	none	The borough planning and zoning commission and the borough assembly have authorized the mayor to proceed with the transaction. DOL requested an appraisal April 12. KIB has commissioned an independent appraisal. Appraisal is underway.	Draft appraisal due early Sept. Appraisal review completed late Sept.
Koniag	KON 01, Brown's Lagoon	KOD	9,900	USFWS/ DOL	Fee simple, but must incl. a mix of high, mod, low parcels	Surface estate KON Subsurface USA Native Allotments	KON 03,05,06 Note: Some coastal areas, primarily in Uyak Bay have been removed.	Koniag has granted authority to appraise Koniag lands. Discussions on going to clarify legal descriptions and confirm Koniag's remaining entitlement and irrevocable prioritization of selections. Appraisal of 100,000 acres in eleven tracts to commence in July. The land will be appraised with and without a subsistence reservation. The reservation would provide perpetual subsistence rights to residents of Larsen Bay and Karluk.	Appraisal review & acceptance Sept. Negotiations continue upon acceptance of approved appraisal. The earliest an agreement for sale would be available; late Sept.
	KON 02, Uyak Bay		7,000						
	KON 04, Karluk River		28,200						
Port Graham	PTG 05, Delight/ Desire Creeks	KEN	11,500	NPS/ DOL	Fee & Unspecified partial interest, possibility of conservation easements.	Surface Estate PTG Subsurface CAC	Other PTG holdings w/in Kenai Fjords NP: PTG 01, 02	All remaining ANCSA acreage entitlement of PTG will be taken from lands within the boundary of Kenai Fjords NP. It would be advantageous to purchase selections and avoid the costs of conveyance. Total acreage, 23,300. Negotiations will resume upon acceptance of an approved appraisal.	If appraisal approved, a proposal could be available late Oct.
Tatitlek	TAT 01, Bligh Island	PWS	8,800	USFS/ DOL	Possibly some fee simple, Heather Island, Emerald Bay, Sawmill Bay. Primary interest in less than fee for remainder.	Surface estate TAT Subsurface CAC	Undefined at this time.	HWG is currently evaluating Tatitlek lands pursuant to a request from the landowner. Tatitlek recently granted permission for TC contract appraisal to take place and a task order has been issued to the contract appraiser by the USFS.	Appraisal completion expected by late Sept. Further negotiations will commence upon acceptance of an approved appraisal.

NOTE:

Chugach Alaska

Old Harbor

\*\*

Chugach has asked that its lands on Montague be evaluated. It has several holdings in Prince William Sound ranked moderate and low that it would like to sell. Chugach is the subsurface estate holder for all lands in PWS and Kenai Fjords presently being considered. Negotiators have met with Chugach attorneys and have asked that Chugach consider selling its subsurface estate for these parcels.

Appraisal is ongoing and is expected to be completed in August. It is being paid for with Federal restitution funds. Approximately 30,000 acres are being appraised for fee simple acquisition and 2,000 acres are being appraised for conservation easements. The appraisal is being conducted to address both fee and limited acquisition rights.

Related parcels are included in discussions at the request of landowners in order to avoid unacceptable high grading of parcels.

DRAFT: 8/22/94

RECEIVED  
AUG 25 1994

EXXON VALDEZ OIL SPILL

ADDITIONAL RECORDS  
TAPPESE RECORDS  
ADMINISTRATIVE RECORDS

IMS

**COMMENTS ON DRAFT ENVIRONMENTAL IMPACT STATEMENT**

**PROPOSED IMS INFRASTRUCTURE IMPROVEMENT PROJECT**

**SEWARD, ALASKA**

Comments Received as of August 8, 1994  
(due date for comments)

# COMMENT LOG

	Submitted By	Issue			
<b>FEDERAL, STATE, AND LOCAL AGENCIES</b>					
	State of Alaska Department of Fish and Game	Permitting to transport, possess, or release fish in waters of state			
	"	Mariculture Technical Center considered in Cumulative Effects			
	"	Intake water quality effects on operation			
	"	Quality and quantity of discharge water			
	Department of Interior Fish and Wildlife Service	Protection of Alaska Maritime National Wildlife Refuge from increased tourism.			
	"	Effects of project on refuge resources, education programs, and the community of Homer (plans for live seabird exhibit).			
	"	Recreation tours include the Alaska Maritime National Wildlife Refuge.			
	Department of Interior Bureau of Reclamation	Library needs to be large enough to store large volumes of research information. System needs to be in place to handle research data and reports.			
	"	Public coordinators should be added to staff to inform the public.			
	"	Management of operating facility. Coordination with other agencies and organizations.			
	"	Justification of submersible purchase.			

# COMMENT LOG

	Submitted By	Issue			
	Department of Natural Resources, Division of Parks and Outdoor Recreation	City of Seward has been designated as a Certified Local Government by SHPO			
	"	Number of sites on or eligible for inclusion on National Register of Historic Places.			
	"	AHRS description and procedures.			
	"	Manor of listing of sites indicates level of significance.			
	"	Identification number for Brosius-Noon Building is incorrect.			
	"	Section 106 procedure not clearly defined.			
	Army Corps of Engineers	An individual DA permit application is needed for proposed work.			
	"	Reference Section 404, Clean Water Act.			
	"	Section 404 authorizes discharge of dredged or fill material and mechanized land clearing and excavation proposed in waters of the US.			
	"	Indicate areas to be filled or excavated and quantities.			
	"	Clarify seawall/wave barrier discussion.			
	"	Tide pool and debris excavation location relative to EHW and MHW:			
	"	Location of armor rock in relation to EHW and MHW.			

### COMMENT LOG

	Submitted By	Issue			
	"	Intake and outfall structures: Section 10, Nondomestic Wastewater Discharge Plan Approval from the ADEC, NPDES.			
	NOAA	Identify location of any geodetic control monuments and notify C&GS if they will be disturbed or destroyed by project (disk provided).			
	USDA Forest Service	Duplication of Trustee Council funded modeling and oceanography work in PWS area.			
	"	Partial or complete operation and maintenance funding by visitation. Where will shortfalls come from?			
	"	Identify agencies committed to activities at the facility.			
	"	Purchase vs. lease of vessels.			
	"	Coordination with existing research facilities.			
	ADOT/PF	Relocation of ferry service and ticket office.			
	"	Location of sea wall cannot interfere with vessels at dock.			
	"	Placement of intake and outfall structures to avoid damage by docking vessels.			
	"	Adequate ferry traffic access and queuing space.			
	"	Access to garbage disposal facilities for ferry.			
	"	Effect on ferry service demand.			
	"	Mooring of vessels in small boat harbor.			
	"	Adequate parking.			

# COMMENT LOG

	Submitted By	Issue			
	"	Incorrect location of new boat launch and parking.			
	"	No mention of airport.			
	"	Expand pedestrian and non-motorized vehicles.			
	"	Update new harbor discussion and correct location on map.			
	"	Load limits and seasonal restrictions effect on construction schedule.			
	"	Expand quarry site discussion.			
	"	Clarify sales tax discussion.			
	"	Discussion of alternative locations.			
	Seward Community Development	Table 1.1 - Local and State authority.			
	"	Revise Figure 2-1.			
	"	Clarify SAAMS involvement in Teen Center relocation.			
	"	Revise bike path on Figure 2-2.			
	"	Clarify SAAMS involvement in NSHC lease and relocation.			
	"	Contradiction re: rehabilitation goals (p. 2-12).			
	"	More detail on visual compatibility with historic downtown.			
	"	Public transportation not currently available.			

# COMMENT LOG

	Submitted By	Issue			
	"	Clarify membership rates (p. 2-29).			
	"	Change "pips" to "pipes" on page 2-41, and "an" instead of "a" on last line of page.			
	"	Address campground displacement.			
	"	No on-site construction housing.			
	"	Clarify sales tax issue.			
	"	Clarify use of city water vs. wells.			
	"	More discussion needed on short-term housing.			
	"	Waterfront Campground vs. Iditarod Campground.			
	"	There are no private wells in the city on the west side of the bay.			
	"	Correct stated length of Resurrection Bay.			
	"	Structures predating the earthquake except for dock.			
	"	Clarify how land will be transferred to SAAMS. Port of Seward?			
	"	Correct name of Alaska Vocational Technical School. Expand discussion on growth of visitor industry.			
	"	Mention buildings that existed on site before 50's.			
	"	Correct description of tracts.			
	"	Correct Figure 3-5.			
	"	Correct legal description of IMS site.			



# COMMENT LOG

	Submitted By	Issue			
	"	Correct Figure 3-6.			
	"	Correct adjoining lands description.			
	"	Include 1993 zoning modifications.			
	"	Revise for 1994 zoning changes.			
	"	Figure 3-7 changes.			
	"	Zoning on adjacent lands.			
	"	Inlet Fisheries lease update.			
	"	Correct coal company name.			
	"	Explain Figure 3-8.			
	"	Wells at Ft. Raymond.			
	"	Table 3-9.			
	"	Clarify city sewer system, electric, and solid waste information.			
	"	Update Health and social services info.			
	"	Clarify names of campgrounds.			
	"	Figure 3-12 corrections.			
	"	Correct Table 3-16 (campgrounds).			
	"	Correct Table 3-17 (visitation).			
	"	Correct municipal facilities list.			
	"	Update cruise line info.			

### COMMENT LOG

	Submitted By	Issue			
	"	Update lodging, charter, and day cruise operators.			
	"	Correct museum location.			
	"	Clarification of highway and street name info.			
	"	Figure 3-13 corrections. (Also see A-96)			
	"	Change street name (see A-94) and reflect on Figure 3-13.			
	"	Clarify Railway Avenue information.			
	"	Reference to Seward Highway/Third Avenue.			
	"	Correct Figure 3-15.			
	"	Correct Figure 3-16.			
	"	Correct information in Table 3-23 (street names, intersections).			
	"	Correct reference to Third Ave/Seward Hwy intersection.			
	"	Correct street names in Table 3-24.			
	"	Clarify location of new parking and boat ramp.			
	"	Trolley run by Chamber of Commerce-no local bus service.			
	"	Describe depot.			
	"	Relocating ferry service vs. dock.			
	"	Change in cruise ship calls.			

# COMMENT LOG

	Submitted By	Issue			
	"	Waterfront Park vs. Iditarod Campground.			
	"	Add Salmon Derby.			
	"	Add sales tax assumption.			
	"	Location of new boat launch and parking lot.			
	"	Correct Figure 4-1.			
	"	Correct text regarding use of city-owned parcels.			
	"	Change Seward Marine Industrial Park to Center.			
	"	Clarify on-site vegetation.			
	"	Fix title to 4.2.8.			
	"	Table 5-3 - lease revenue lost to city clarification.			
	"	Clarify responsibility of NSHC improvements removal.			
	"	Add loss of revenue due to ferry relocation.			
	"	Change in land use regulation discussion.			
	"	Iditarod/Waterfront			
	"	Iditarod/Waterfront			
	"	Change Kerry Martin's title.			
	"	Land appraisal - 12%?			
	"	Iditarod/Waterfront			
	"	Iditarod/Waterfront			

# COMMENT LOG

	Submitted By	Issue			
	"	No on-site housing			
	"	Additional private campground capacity.			
	"	P&Z variance for off site signing.			
	"	Correct Figure 4-4			
	"	Correct Figure 4-5			
	"	Table 4-8, correct street names.			
	"	Table 4-9, correct street names.			
	"	Delete extra space.			
	"	Rae Building parking lot.			
	"	Off site bus lay-over.			
	"	Bus noise effect.			
	"	Non-motorized travel.			
	"	Page 4-66 ??			
	"	Visual assessment.			
	"	Effect on schools.			
	"	Only one hotel proposed in downtown.			
	"	Correct location of new boat ramp and lot.			
	"	Zoning changes.			
	"	Correct past use description.			

# COMMENT LOG

	Submitted By	Issue			
	"	Public fishing area.			
	"	Clarify recycle program.			
	"	Verify 12% figure.			
	"	Appendix B correction.			
	"	Appendix B correction.			
	"	Correct street references in Appendix D.			
	"	Correct street references in Appendix D.			
	"	Correct Figure D-1.			
	"	Location of employee parking lot and bus turn out.			
<b>GROUPS AND ORGANIZATIONS</b>					
	Indigenous People's Council for Marine Mammals	Use of local experts (from communities in the Prince William Sound area) in the design process.			
	"	Tank areas for transition of recovering birds and mammals that are large enough to regain strength and feed on their own - continuum of wildlife rehabilitation.			
	"	Quantity and availability of freshwater. Will city be used for backup?			
	Sierra Club	Use of Exxon funds inappropriate.			
	"	Expand on need for facility.			
	"	Visitor/operating fund projections overly optimistic.			
	"	Rehabilitation revenue-mobile units vs. fixed facility.			

### COMMENT LOG

	Submitted By	Issue			
	"	Success of animal rehabilitation questioned.			
	"	Visitation component gives incentive to hold rehabilitated animals.			
	"	Trustee Council responsibility to fund operation and maintenance?			
	Commercial Salmon Seine Permit Holders, PWS	Cost assumptions of facility operation and revenue.			
	"	Need for facility.			
	"	Visitation projections.			
	"	Effectiveness of animal rehabilitation and likelihood of revenue.			
	"	Contingency for construction cost overruns.			
<b>PUBLIC HEARING TESTIMONY</b>					
	Stu Clark	Address public comments directly in Final.			
	"	Assumption of visitation to Seward.			
	"	Who owns facility and who underwrites it financially if visitation falls short?			
	Rick Smeriglio	Visitation necessary to support research?			
	"	New elementary school.			
	"	Visitor assumptions.			
	"	Use of Exxon money for project.			

### COMMENT LOG

	Submitted By	Issue			
	Carol Griswold	Rerouting of bike path.			
	"	Displacement of campground spaces.			
	"	Reduce, reuse, recycle commitment.			
	Stu Clark	Alternative IIA.			
	Carl Hild	Freshwater supply and system.			
	"	Design of wildlife habitat to include room for exercise to rehabilitate.			
	"	Local expertise in the design of facility - Native expertise.			
<b>INDIVIDUALS</b>					
	Kevin Walker	Future operating funds for Alt. 2.			
	"	Use of local workforce during construction.			
	Mr./Mrs. James Denison	Reduce size of public education and visitor areas for classes only, not to view captured animals.			
	K. Baxter	Economic effects of vessel ownership - competition with area vessel owners.			
	"	Economic effect on other research institutes.			
	Richard Houghton	Benefits of increasing number of students-employment opportunities.			
	"	Project offers enhancement of local educational system through visitation to classrooms and heightened cultural awareness. Opportunities for student docents and volunteers.			

# COMMENT LOG

	Submitted By	Issue			
	Diana Rigg	Consultation with SHPO necessary to evaluate effects.			
	"	Correspondence from SHPO not in Appendix.			
	"	Mitigation needs to be evaluated by SHPO.			
	"	NPDES not potential mitigation.			
	"	Section 106 consultation not complete.			
	"	Consistency with terms-Cultural/Historical/ Archaeological			
	"	Reference city Historic Preservation Plan-Secondary effects due to visual.			
	"	Issuance of ROD before prior to completion of Section 106.			
	"	Reference to SHPO contact in Bibliography.			
	Katherine West	Adverse financial and quality of life effects from project. Traffic, pollution, public facilities concern.			
	"	Revenues to city from increased tourism will be minimal as food and lodging costs are included in tour costs.			
	"	Effect on overburdened highway in summer.			
	"	Sufficient revenue for facility operation and maintenance. Fund- raising focus of staff or research?			
	Timothy Sczawinski	Expand narrative about historical and archeological resources in project area.			
	Mark Luttrell	Testing and monitoring for historical resources.			



## COMMENT LOG

LETTERS



## *Kachemak Bay Wilderness Lodge*

July 29, 1994

Mr. Jim Ayers, Director  
Trustee Council  
645 G-Street  
Anchorage, AK 99501

Post-It™ brand fax transmittal memo 7671		# of pages » 1
To <i>Trustee Council</i>	From <i>McBride</i>	
Co.	Co.	
Dept.	Phone #	
Fax # <i>1-276-7178</i>	Fax # <i>235-8911</i>	

Dear Mr. Ayers and Trustee Council members,

We wish to say thank you for the work that is ongoing, moving towards habitat restoration. We are especially thankful for the Kachemak Bay State Park buyback, and Afognak Island Seal Bay restoration appropriations.

We feel it is important to make large purchases, not fragmented acreage, to keep an ecosystem intact. The timber rights for the Eyak area is an example. Buying the timber rights in crucial areas like Sheep Bay, Rude River, Port Gravina, and Simpson Bay will help small businesses continue to develop tourism and commercial fishing - which we feel could be the future backbone of Alaska's economy. Please look at this in a large comprehensive, long-term plan.

We hope that Governor Hickel and Commission Sandor will agree that this protection of large areas will be the most profitable for Alaska in the long term.

Sincerely,

*Shannon-McBride*

Dear Sim Ayers,

We first want to say thank-you for all the progress that you and the Trustees are making in the Trustee Council's attempt to buy Egak land again. The importance of the acquisition cannot be overstated.

However we wish to urge you and the other Trustees to try to make a comprehensive deal for all of Egak's timber rights. It is vital to buy the timber rights in such critical areas as Rude River, Simpson Bay, Sheep Bay, and Port Gravina.

If we can acquire the Egak's timber rights we can ensure the health of the ecosystem which in turn will guarantee the development of a strong tourism industry in the Sound, while protecting the health of the commercial fishing industry.

Sincerely,

Mitchell & Hope Clark

Box 344, Talkeetna, AK 99674  
7/18/94

RECEIVED  
JUL 25 1994

Dear Jim Ayers, Director  
Trustee Council

EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL

The EVOS Trustee Council  
is making important progress  
regarding habitat acquisition.

However, I want to request  
that the Council support a  
comprehensive deal for all  
of EVAK's timber rights.

It is better for watershed  
quality, fish & game habitat,  
tourism & recreation to  
protect the whole ecosystem.

Timber rights purchase should  
be bought for critical areas  
such as Gude River,  
Simpson Bay, Sheep Bay &  
Port Chavina.

Thanks for listening

Becky Long

# Sierra Club

Alaska Field Office

241 E. Fifth Avenue, Suite 205, Anchorage, Alaska 99501

(907) 276-4048 • FAX (907) 258-6807



May 27, 1994

Members of the Exxon Valdez Oil Spill Trustee Council:

James A. Wolfe  
Director, Engineering & Aviation  
U.S. Forest Service

Bruce M. Botelho/Craig Tillery  
Attorney General/Trustee Rep.  
Alaska Dept. of Law

George T. Frampton, Jr.  
Assistant Secretary  
U.S. Department of Interior

Steven Pennoyer  
Director, Alaska Region  
Nat. Marine Fisheries Service

Carl L. Rosier  
Commissioner  
Alaska Dept. of Fish & Game

John A. Sandor  
Commissioner  
Alaska Dept. of Conservation

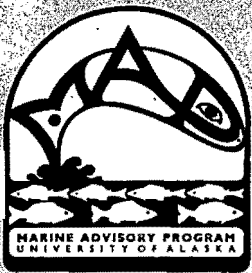
Gentlemen:

On behalf of the Sierra Club, and as Environmental Representative on the Public Advisory Group, I would like to extend my sincere thanks for your efforts towards restoration of oil spill injured resources through purchase of commercial timber rights from the Eyak and Sherstone Corporations. We applaud your resolution of May 3 to purchase a general moratorium on commercial logging and related road building until March 1, 1995, along with commercial logging rights in perpetuity on 2,052 acres. We understand that it has been a difficult and time consuming process for all of you, for your staff, and for the representatives of the Eyak and Sherstone Corporations to come to this agreement. We greatly appreciate your dedication.

It is of the utmost importance for restoration of the Prince William Sound ecosystem and for well-being of the community of Cordova that the Trustee Council and the Eyak and Sherstone Corporations reach an agreement for perpetual and comprehensive protection of Eyak and Sherstone's forest. A comprehensive protection package must include all of Sheep Bay, Simpson Bay, Nelson Bay, the Rude River drainage, and any parcels which might be selected but not yet conveyed in this area. This forest is prime wildlife habitat for many species and is vital to the overall ecosystem health. It would be a tragic error to acquire only small parcels in a piecemeal fashion, when comprehensive protection of the Eyak area is possible.

Sincerely,

Pamela Brodie  
Associate Alaska Representative



**Sea Grant Marine  
Advisory Program**

University of  
Alaska Fairbanks

School of Fisheries and  
Ocean Sciences

**Program Offices**

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Petersburg, Alaska 99833  
(907) 772-3381  
FAX (907) 772-4431

1297 Seward Avenue  
Sitka, Alaska 99835  
(907) 747-3988

May 26, 1994

Jim Ayers, Executive Director  
EVOS Trustee Council  
645 G Street, 4th Floor  
Anchorage, AK 99501

Dear Jim:

I just wanted to offer a brief but very genuine bit of appreciation for the recent progress made by the Trustee Council on the Eyak Habitat Acquisition negotiations. I know this has been a complex and difficult endeavor for all involved and the Council is to be commended for their continued resolve to come to closure on a truly comprehensive acquisition protection deal for Eyak lands. People in the spill region can now glimpse the light at the end of the spilled long tunnel.

Once you have closed the Eyak deal and the other deals in your comprehensive acquisition package, and have mapped out a focused monitoring and research program, and when the private litigation is resolved, folks in the region will then and only then be able to return to lives with some semblance of normalcy.

The Council's many years of planning and hard work are about to pay off in a huge way, and rest assured it will not go unnoticed. Thanks. Have an enjoyable Memorial Day weekend.

Sincerely,

*Rick Steiner* /BHM  
Rick Steiner, Associate Professor  
Marine Advisory Program, Cordova

rs:bhm

Faxed: 5/26/94

RECEIVED

JUN 03 1994

EXXON VALDEZ OIL SPILL  
TRUSTEE COUNCIL