11.23.03 Official -

Exxon Valdez Oil Spill Trustee Council

Teleconference meeting

Tuesday, March 27, 2012

9:30 – 11:00 A.M.

1.800.315.6338 – code 8205

Womac, Cherri G (EVOSTC)

From: Womac, Cherri G (EVOSTC)
Sent: Friday, March 23, 2012 2:43 PM
To: Craig O'Connor (Craig R O'Connor@noaa gov), Jim Balsiger (jim balsiger@noaa gov), Kim Elton (kim_elton@ios doi gov), Larry Hartig (larry hartig@alaska.gov), Schorr, Jennifer L (LAW), Steve Zemke (szemke@fs fed us), Terri Marceron (chugach_supervisor@fs fed.us); Terri Marceron (tmarceron@fs fed us); Tom Brookover (tom brookover@alaska.gov), Pat Pourchot (Pat_Pourchot@ios doi gov), Peter Hagen (Peter Hagen@Noaa.gov), Tom Brookover (tom brookover@alaska.gov), Dawn Collinsworth (Dawn Collinsworth@ogc usda gov), Elise M Hsieh (elise hsieh@alaska gov); Erika Zimmerman; Gina Belt (regina belt@usdoj gov); Jennifer Schorr (DOL), Joe Darnell, Ronald McClain (Ronald McClain@usda gov), Catherine Boerner (catherine boerner@alaska gov), Dede Bohn (Dede_Bohn@usgs gov), Elise M Hsieh (elise hsieh@alaska.gov), Samantha Carroll (samantha carroll@alaska gov); Veronica Varela (Veronica_Varela@fws gov)
Cc: Claire Fishwick-Leonard (claire fishwick@alaska gov); Latarsha McQueen (Latarsha mcqueen@noaa gov); Lesia Monson (Lesia_Monson@ios doi gov), Mary Goode, Pat Kennedy , Rachael Lesslie, Carrie Holba (carrie@arlis org), Cherri Womac (cherri womac@alaska gov), Holba, Carrie A (EVOSTC); Hsieh, Elise (EVOSTC); John Wojtacha - Superior Computer Solutions, John Wojtacha (john wojtacha@alaska gov); Linda Kilbourne (linda kilbourne@alaska gov)
Subject: Recent update RE Agency Manager for Seward Vessel Project
Attachments: 3-23 draft motion sheet 03-27-2012 (2) doc

Hello All,

Apologies for the late update. DEC and ADF&G have recently notified me that they are continuing to work on the appropriate agency funding mechanism for the Seward Vessel Wash Down Project. Currently, the thinking is to leave the project at ADF&G, but transfer it to PWSRCEED to allow a simplified grant contract, with ADEC continuing to lend their expertise for project management.

Due to these ongoing discussions, I recommend the Council motion to delegate the assignment of an agency for management of this project to the Executive Director. That will allow us the flexibility to work with the state agencies to tailor a solution with allows for ease of funding and the experienced oversight of DEC.

A revised motion sheet is attached.

Thank you,
Elise

Hsieh, Elise M (EVOSTC)

From: Womac, Cherri G (EVOSTC)
Sent: Friday, March 23, 2012 10 35 AM
To: Craig O'Connor (Craig R O'Connor@noaa gov), Jim Balsiger (jim balsiger@noaa gov), Kim Elton (kim_elton@ios doi gov), Hartig, Lawrence L (DEC), Schorr, Jennifer L (LAW), Steve Zemke (szemke@fs fed us), Terri Marceron (chugach_supervisor@fs fed us), Terri Marceron (tmarceron@fs fed us), Brookover, Thomas E (DFG), Pat Pourchot (Pat_Pourchot@ios doi gov), Peter Hagen (Peter Hagen@Noaa gov), Brookover, Thomas E (DFG), Boerner, Catherine (EVOSTC sponsored), Dede Bohn (Dede_Bohn@usgs gov), Hsieh, Elise M (EVOSTC), Carroll, Samantha J (DNR), Veronica Varela (Veronica_Varela@fws gov), Dawn Collinsworth (Dawn Collinsworth@ogc usda gov), Hsieh, Elise M (EVOSTC), Erika Zimmerman, Gina Belt (regina belt@usdoj gov), Schorr, Jennifer L (LAW), Joe Darnell, Ronald McClain (Ronald McClain@usda gov)
Cc: Fishwick, Claire (DEC), Latarsha McQueen (Latarsha mcqueen@noaa gov), Lesia Monson (Lesia_Monson@ios doi gov), Mary Goode, Pat Kennedy , Rachael Lesslie, Carrie Holba (carrie@arlis org), Womac, Cherri G (EVOSTC), Holba, Carrie A (EVOSTC), Hsieh, Elise (EVOSTC), John Wojtacha - Superior Computer Solutions, Wojtacha, John (EVOSTC sponsored), Kilbourne, Linda L (EVOSTC)
Subject: revised meeting materials for Mar 27 teleconference
Attachments: PortGrahamBenefitsReport2012_3 21 pdf, 03-22-2012 Draft Agenda TC mtg Mar 27 2012.pdf, 3-22-2012 draft motion sheet TC mtg Mar 27 2012 pdf, Draft Feb 1, 2012 Trustee Council Meeting notes 03-21-2012 pdf, Draft Resolution 12-03 Port Graham 3-22-2012 pdf, Draft Resolution 12-04 moving expenses-3-17-2012 pdf, DRAFT Resolution 12-05 Investor Contract 3-23-2012 pdf, MapPortGraham2012 pdf

Steve, Larry, Tom, and Jen: your notebooks contain the updated materials.

Following is a summary of the revisions to previously sent meeting materials. Please replace the documents I sent earlier with the attached materials.

Please contact me if you have any questions.

Cherri

1. Updated Revised Draft Agenda:

   -Addition to Executive Director's report: The Seward Vessel Wash Down project was originally assigned to ADF&G last fall. Through coordination between ADF&G and ADEC, it is currently being managed by ADEC, as they are the agency with the appropriate expertise for the project. To facilitate an official transfer of the project management for this project, we will be asking the Council to motion their approval of the official transfer for FY 2013. This does not approve funding for FY 2013, which will be reviewed at the September 2012 Council meeting. The motion would, however, allow the state agencies to adjust their capital budgets appropriately and in a timely fashion.

   - Addition to Habitat: DOI Solicitor Joe Darnell will provide an update on the Koniag Conservation Easement.

2. Updated Draft Motion Sheet:

   -Added request for $7,085 to reauthorization request in Resolution 12-03 (Port Graham parcel), based on recent information from DOI/NPS regarding costs of updating appraisal and due diligence activities.

-Decreased request in Resolution 12-04 (moving expenses).

-Added a motion under Executive Director's report to transfer project management of Seward Vessel Wash Down Project from ADFG to ADEC.

3. Revised Feb 1, 2012, meeting notes: correcting meeting date from Feb 3 to Feb 1, and designation of Feb 1 meeting chairman from J. Schorr to Tom Brookover.

4. Updated Port Graham Benefits Reports and Map: The descriptive language has been refined. The request for reauthorization revised to include DOI/NPS request for $7,085 needed updating the appraisal.

5. Revised Draft Resolution 12-03 regarding Port Graham parcel: Revised to include DOI/NPS request for $7,085 needed updating the appraisal and due diligence activities.

6. Revised Draft Resolution 12-04 regarding moving expenses: Revised to reduce the request for relocation funds from $21,800 to $12,000 and noting ADF&G as the managing agency.

7. Draft Resolution 12-05 regarding Investment Advisory Services Contract with Callan Associates: included for your review.

From:	Womac, Cherri G (EVOSTC)
To:	Craig O"Connor (Craig.R.O"Connor@noaa.gov); Jim Balsiger (jim.balsiger@noaa.gov); Kim Elton (kim_elton@ios.doi.gov); Larry Hartig (larry.hartig@alaska.gov); Schorr, Jennifer L (LAW); Steve Zemke (szemke@fs.fed.us); Terri Marceron (chugach_supervisor@fs.fed.us); Terri Marceron (tmarceron@fs.fed.us); Tom Brookover (tom.brookover@alaska.gov); Pat Pourchot (Pat_Pourchot@ios.doi.gov); Peter Hagen (Peter.Hagen@Noaa.gov); Tom Brookover (tom.brookover@alaska.gov); Dawn Collinsworth (Dawn.Collinsworth@ogc.usda.gov.); Elise M. Hsieh (elise.hsieh@alaska.gov); Erika Zimmerman; Gina Belt (regina.belt@usdoj.gov); Jennifer Schorr (DOL); Joe Darnell; Ronald McClain (Ronald.McClain@usda.gov); Catherine Boerner (catherine.boerner@alaska.gov); Dede Bohn (Dede_Bohn@usgs.gov); Elise M. Hsieh (elise.hsieh@alaska.gov); Samantha Carroll (samantha.carroll@alaska.gov); Veronica Varela (Veronica_Varela@fws.gov)
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Subject:	Updated information re office relocation expenses
Date:	Monday, March 19, 2012 9:24:25 AM
Attachments:	3-17 draft motion sheet 03-27-2012.pdf Draft Resolution 12-04 moving expenses-3-17-2012.pdf

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Hello All,

The request for office relation expenses will be $12,000, and not $21,800,which was noted in Friday's email. This amount is an estimate of expenses related to office relocation, which involves moving the office furniture and effects, as well as some equipment. Bids for the work may not be complete by the time of the March 27th meeting, so this request is based on estimates. A revised motion sheet and Resolution 12-04 are attached.

Thank you,

Elise

From:	Womac, Cherri G (EVOSTC)
To:	Craig O"Connor (Craig.R.O"Connor@noaa.gov); Jim Balsiger (jim.balsiger@noaa.gov); Kim Elton (kim_elton@ios.doi.gov); Larry Hartig (larry.hartig@alaska.gov); Schorr, Jennifer L (LAW); Steve Zemke (szemke@fs.fed.us); Terri Marceron (chugach_supervisor@fs.fed.us); Terri Marceron (tmarceron@fs.fed.us); Tom Brookover (tom.brookover@alaska.gov); Pat Pourchot (Pat_Pourchot@ios.doi.gov); Peter Hagen (Peter.Hagen@Noaa.gov); Tom Brookover (tom.brookover@alaska.gov); Dawn Collinsworth (Dawn.Collinsworth@ogc.usda.gov.); Elise M. Hsieh (elise.hsieh@alaska.gov); Erika Zimmerman; Gina Belt (regina.belt@usdoi.gov); Jennifer Schorr (DOL); Joe Darnell; Ronald McClain (Ronald.McClain@usda.gov); Catherine Boerner (catherine.boerner@alaska.gov); Dede Bohn (Dede_Bohn@usgs.gov); Elise M. Hsieh (elise.hsieh@alaska.gov); Samantha Carroll (samantha.carroll@alaska.gov); Veronica Varela (Veronica_Varela@fws.gov)
Cc:	Carrie Holba (carrie@arlis.org); Cherri Womac (cherri.womac@alaska.gov); Holba, Carrie A (EVOSTC); Hsieh, Elise (EVOSTC); John Wojtacha - Superior Computer Solutions; John Wojtacha (john.wojtacha@alaska.gov); Linda Kilbourne (linda.kilbourne@alaska.gov); Claire Fishwick-Leonard (claire.fishwick@alaska.gov); Latarsha McQueen (Latarsha.mcqueen@noaa.gov); Lesia Monson (Lesia_Monson@ios.doi.gov); Mary Goode; Pat Kennedy ; Rachael Lesslie
Subject:	Mar 27 2012 TC teleconference meeting materials
Date:	Friday, March 16, 2012 3:20:05 PM
Attachments:	Mar 27 2012 mtg materials.zip

Attachments within the zip file:

Draft Motion sheet

Draft Mar 27, 2012 Agenda

Draft Feb 1, 2012 meeting notes

Boufadel status update

Callan Proposal

Lease Info
Resolution 12-04 re moving expenses

PG reauthorization - Resolution 12-03
PG benefits report/map
Resolution 08-06 re Port Graham

Hello All,

We look forward to your joining us for the Trustee Council meeting on March 27th, at 9:30 - 11:00 a.m.

It is telephonic and the call-in number is 1-800-315-6338, code 8205, though we encourage those in Anchorage to attend in person.

An updated Agenda is attached. Below is information regarding the meeting. Related documents are attached, as well as the Boufadel Pilot Project status report, which was requested at the last Council meeting.

1. Recommendation to add an Investment Advisor to the Investment Working Group (IWG)

Also as noted in the earlier email to you, we have been revising the Investment Policies, in coordination with the Alaska Department of Revenue and legal counsel. ADOR recommends the Council add an independent investment advisor to its IWG and has specifically recommended Callan Associates.

Callan Associates has provided investment advice to assist the State with investments for the Alaska Permanent Fund Corp and Mental Health Trust, and the Retirement Management Board, as well as the Trustee Council since 2000.

Their proposal, which has been reviewed by ADOR, is attached. The cost is $11,990 including GA for service and $2,725 including GA for travel for a total of $14,715.

2. Port Graham Hatchery, partially-funded by Council in 1998, to change ownership

One of our PAC members, Gary Fandrei, who is the Executive Director of the Cook Inlet Aquaculture Association (CIAA), was recently approached by the Port Graham Hatchery Corporation regarding CIAA assuming ownership of the Port Graham Hatchery. The Port Graham Hatchery Corporation has several loans from the State's Fisheries Enhancement Loan program that are in default. Under the State's Fisheries Enhancement Loan program, the Port Graham Hatchery Corporation has been encouraged to offer ownership and future operations of the hatchery to CIAA.

Council Funding:

In 1998 the Council funded approximately $780,000 to rebuild the burned down hatchery. The total cost of the hatchery was approx. $2.2 million; there was also an additional $2 million cannery to be built that the Council was not involved with. The funding appears to have been included in an annual budget with a few requirements regarding funds to be used for only the hatchery (and not the associated cannery), carrying full insurance (in case it burned down again) and not requesting any future Council funding.

The Council's meeting notes indicate that they were supporting the hatchery so that ADF&G could have annual management programs that included: an otolith marking program, an in-season sampling program to determine wild/hatchery proportions and another looking at renumeration of wild escapement in the river system. Due to the Council's original emphasis on fulfilling ADFG goals, I asked ADFG whether these programs worked out at the hatchery and whether they were ongoing or useful to protect wild stocks. Their response is below:

The Port Graham hatchery (PGH) has not been operated for several years. It is a pink salmon hatchery and is also used as a remote release site (saltwater imprinting) for English Bay Lakes stock sockeye salmon from the Trail Lakes Hatchery. The Port Graham Hatchery Association approached the

Cook Inlet Aquaculture Association (CIAA) last year and asked them if they would take over the operation since they have not been able to provide consistent operation and resultant financial stability and common property contribution. PNP Hatchery Permits are not transferrable so the PGH has to go through the permitting process again. CIAA is in the beginning stages of the permitting process, which will ultimately include the drafting of a Basic Management Plan (BMP), Regional Planning Team (RPT) review and a public hearing and public comment period. It is expected by all that 100% otolith marking will be a condition of the permit and this tool will allow for various evaluations of the program including determination of proportion in mixed stock fisheries, determination of homing fidelity, determination of migration corridors and harvest opportunities, harvest contribution, and total survival, through in-season sampling efforts.

In addition to a PNP Hatchery Permit, the operator will also require Fish Transport Permits (FTP), approved Annual Management Plans (AMP) and annual reporting. This project has provided common property fishery contribution in the past and it is anticipated that this will only improve with more professional management of the facility. The hatchery is expected to develop its own broodstock return from eggs collected at the Port Graham River. The Port Graham River, at the head of Port Graham, is the closest significant stock of pink salmon which is why that stock will be used as the ancestral stock (donor stock) for the hatchery; strays from the hatchery into Port Graham River will be of the same genotype and so should pose little genetic concern. This project appears to have much community support and the support of lower Cook Inlet commercial fishermen. It is anticipated to provide approximately 2 million fish for harvest at full capacity. At current prices, this equates to approximately $2.4 million ex-vessel value, and significantly more when expanded for total economic impact.

Information from Gary Fandrei:

The CIAA BOD made a decision to pursue ownership of the facility at its February 18th meeting. However, we need to look into a number of issues before finalizing any agreement with Port Graham. One of the issues is the funding sources for the hatchery building - we want to know if and what conditions may still be in place from this funding. Another, is ADF&G's permitting requirements. We have already initiated discussions with the Department and are aware of the otolith marking requirements (It's a standard requirement for all hatchery programs and one we have been doing at our other facilities since 1991.) I have no problem waiting for the Council to meet before receiving any direction from the EVOSTC.

Feedback from USDOJ and ADOL Legal counsel:

Jen Schorr of ADOL and Gina Belt of USDOJ respond: unless the $780,000 of TC funding was given to an agency that entered into a contract with the recipient hatchery entity that would preclude this, I don't see a legal impediment to the change in ownership. I would think that the Trustee Council would be happy to know that the hatchery will be back in use, rather

than left to decay.

The EVOSTC office has reviewed the construction project file and meeting notes from the December 15, 1998, meeting at which the Port Graham Hatchery was discussed, and has relied on the information therein regarding the interests of the Council and ADF&G. Staff also reviewed the official record, the files from the prior Community Involvement Coordinator position, both of which did not yield any information, and for a project close out folder, which was not found.

3. Office Space Opportunity

As noted in the Feb. 28th email to you, USGS has recently requested that we transfer our location to their Alaska Pacific University Grace Hall building in Anchorage. Since 2001, USGS has administrated the lease for Council office space. Our current lease, which has cancellation rights, expires in 2013 at which time our expenses, location and agency sponsorship would be uncertain. Moving to the USGS building allows for a long-term MOA with established expenses, shared co-location services and a reduction of costs. We will also be yet again reducing our office space as this new arrangement allows us access to a variety of APU and USGS conference rooms and meeting areas, and thus we anticipate annual lease and administrative savings. To take advantage of this opportunity, we would need to sign an MOA by April 1 and move into the new space this summer.

The USGS building offers an excellent, permanent home for the Council and results in additional savings and the many administrative advantages of being collated with a trust agency. In addition, if we do not accept this transfer, we will likely have to seek new trust agency sponsorship of our lease, a prospect that has not received great interest from the other agencies, when I have inquired over the last two years, and would likely come at an additional expense.

Procedurally, the Council approves an annual budget narrative, which does not note a location, only an authorized amount for funding. We have not yet located any specific Resolutions or agenda items in past meetings where the Council specifically addressed a lease, except to authorize funding in the annual budget for USGS to administrate. We recommend a motion at the meeting authorizing the Executive Director to enter into negotiations and a formalized agreement with USGS for leased space, not to exceed $14,500 through Sept. 30, 2012. The formalized agreement may not exceed five years with an option to renew and shall include cancellation rights with 120 days notice in writing after the five years. There are no GA expenses because we have funded GA for 2012. The move would also require $7,300 in moving and other related expenses.

There has been some discussion regarding the cancellation clause which applies to the current lease. GSA had some subsequent revisions to their contracts and policies after the negotiation of this lease but before the

lease period commenced. This topic is for GSA to sort out, and is not a contract to which the TC is a party and thus lengthy discussion of the contract or clause at the TC meeting would not be productive. We recommend approving this transition to the USGS building, though the timeline may have to be altered if a different cancellation provision applies.

4. Port Graham Small Parcel

As noted in the prior email to you:

In March 2008, the Council approved $32,700 to support due diligence expenses for the Port Graham parcel, located on the southeast coastline of the Kenai Peninsula, within Kenai Fjords National Park. See attached Resolution 08-06, which includes the benefits analysis and a breakdown of due diligence costs. Some of these funds were spent before the authorization expired Sept. 30, 2009. DNR is requesting reauthorization of the remaining funds, $12,500, to update the appraisal.

We look forward to your participation in the upcoming meeting. Please let me know if you have any questions or would like additional information.

Elise

From: Womac, Cherri G (EVOSTC)

To: Mitchell, Bob G (DOR); "Craig O"Connor (Craig.R.O"Connor@noaa.gov)"; "Jim Balsiger (jim.balsiger@noaa.gov)"; "Kim Elton (kim_elton@ios.doi.gov)"; "Larry Hartig (larry.hartig@alaska.gov)"; Schorr, Jennifer L (LAW); "Steve Zemke (szemke@fs.fed.us)"; Terri Marceron (chugach_supervisor@fs.fed.us); Terri Marceron (tmarceron@fs.fed.us); Tom Brookover (tom.brookover@alaska.gov); "Pat Pourchot (Pat_Pourchot@ios.doi.gov)"; Peter Hagen (Peter.Hagen@Noaa.gov); "Tom Brookover (tom.brookover@alaska.gov)"; Catherine Boerner (catherine.boerner@alaska.gov); "Dede Bohn (Dede_Bohn@usgs.gov)"; Elise M. Hsieh (elise.hsieh@alaska.gov); Samantha Carroll (samantha.carroll@alaska.gov); "Veronica Varela (Veronica_Varela@fws.gov)"; "Dawn Collinsworth (Dawn.Collinsworth@ogc.usda.gov.)"; "Elise M. Hsieh (elise.hsieh@alaska.gov)"; "Erika Zimmerman"; "Gina Belt (regina.belt@usdoj.gov)"; "Jennifer Schorr (DOL)"; "Joe Darnell"; "Ronald McClain (Ronald.McClain@usda.gov)"

Cc: "Claire Fishwick-Leonard (claire.fishwick@alaska.gov)"; Latarsha McQueen (Latarsha.mcqueen@noaa.gov); "Lesia Monson (Lesia_Monson@ios.doi.gov)"; "Mary Goode"; "Pat Kennedy "; "Rachael Lesslie"; Carrie Holba (carrie@arlis.org); Cherri Womac (cherri.womac@alaska.gov); Holba, Carrie A (EVOSTC); Hsieh, Elise (EVOSTC); "John Wojtacha - Superior Computer Solutions"; John Wojtacha (john.wojtacha@alaska.gov); Linda Kilbourne (linda.kilbourne@alaska.gov)

Subject: FW: Teleconferenced Council Meeting Re: Preliminary Meeting Information

Date: Tuesday, February 28, 2012 1:41:00 PM

Attachments: Resolution 0806 PG w signatures w attachements.pdf
Draft TC Agenda Mar 2012.doc

Hello All,

We will be sending out a doodle poll for a teleconference around March 22 – 29. The draft agenda is attached. This teleconference is to review an excellent opportunity that has emerged regarding our office space and to review a reauthorization for the Port Graham small parcel and a services agreement with investment consultants.

1. Callan Associates, Investment Consultants:

We have been working with our legal counsel and the Alaska Department of Revenue to update our Investment Policies. ADOR has recommended that we include an investment consultant in our Investment Working Group. ADOR has specifically recommended Callan Associates, which provides investment consulting services for ADOR. Their work has assisted ADOR with providing guidance to many state programs, including the Trustee Council and the Permanent Fund. We will forward additional information as to the specific services requested and amount proposed.

2. Council Office Space:

Since 2001, USGS has graciously sponsored the Council office space. Last week, USGS requested that we transfer our location to their Alaska Pacific University Grace Hall building. Our current lease, which has cancellation rights, expires in 2013 at which time our expenses, location and agency sponsorship would be uncertain. Moving to the USGS building allows for a long-term MOA with established expenses, shared collocation services and a reduction of costs. We would also be yet again reducing our office space, as this new arrangement allows us access to a variety of APU and USGS conference rooms and meeting areas, and thus we anticipate annual lease and administrative savings.

The USGS building offers an excellent, permanent home for the Council and results in additional savings and the many administrative advantages of being collated with a trust

agency. In addition, if we do not accept this transfer, we will likely have to seek new trust agency sponsorship of our lease, a prospect which has not received great interest from the other agencies, when we have inquired over the last two years, and would likely come at an additional expense.

To take advantage of this opportunity, we would need to sign an MOA with USGS by April 1 and move into the new space later this summer. We may be able to cover moving expenses through our savings from the reduced lease and administrative costs.

We will forward additional information before the meeting regarding the comparative costs and savings as soon as these calculations are complete.

3. Port Graham Small Parcel:

In March 2008, the Council approved $32,700 to support due diligence expenses for the Port Graham parcel, located on the southeast coastline of the Kenai Peninsula, within Kenai Fjords National Park. See attached Resolution 08-06, which includes the benefits analysis and a breakdown of due diligence costs. Some of these funds were spent before the authorization expired Sept. 30, 2009. DNR is requesting reauthorization of the remaining funds, $12,500, to update the appraisal.

Update on some of the Trustee Council activities as of late:

Website and IT updates: The Council website is also going to be migrated to the ADF&G system, which will add stability and support to our infrastructure. We are also upgrading our outdated computer and network systems and would like to thank the ADF&G IT department and our contractor, John Wojtacha, for all their work on this project, as well as for organizing our IT support with ADF&G. We are also working to update the content of the website, including posting all Council resolutions and updating information on current activities. See, for example, http://www.evostc.state.ak.us/events/news.cfm.

Official/Public Record and office files: Staff continue to work on updating the EVOSTC official record and the public version of the record housed at ARLIS, and are exploring options for digitizing select EVOS files for ease of retrieval, to facilitate web access where appropriate, save office/storage space and ensure long-term preservation of information.

Annual Status Reports: After noting that past annual reports gave conflicting figures for total spending of the Council, we have been reviewing all past Council resolutions and court notices. We anticipate being able to post annual reports for 2010 and 2011 next month which will have the same traditional, broad spending totals, but will have a slightly more detailed narrative regarding the historic spending of the funds and identifying where the categories overlap.

Boufadel Pilot Project Update: By March 15th, Michel Boufadel will be submitting an interim report on his work from last summer. We will circulate this report to you when we receive it.

Long-Term Programs: The long-term programs will submit their FY 2013 proposals June 1. As these programs were only recently funded, these proposals will be largely consistent with those approved last September. The Council Science Panel will review them and give us any additional feedback they may have. We also hope to start discussions and review of future synthesis efforts and schedules.

We will be forwarding additional information and detail, as noted above. In the interim, please let me know if you have any questions.

Elise

Motion Sheet

DRAFT 3/23/2012

Draft Motions for March 27, 2012 Trustee Council meeting

Agenda Item 2, March 27, 2012 Agenda and February 1, 2012 Meeting Notes:
I move we approve the March 27, 2012 meeting agenda.
I move we approve the February 1, 2012 Trustee Council meeting notes as prepared.

Agenda Item 4

Callan Associates Services Contract:
I move we authorize the EVOSTC Executive Director to enter into a contract with Callan Associates in the amount of $11,990, which includes applicable GA, for investment advisor services to serve as an independent investment adviser to the Investment Working Group. In addition, $2,725, which includes applicable GA, for travel costs for a total of $14,715 added to the EVOSTC Administrative Budget.

Port Graham Hatchery/Cook Inlet Aquaculture:
We have no objections to the Cook Inlet Aquaculture Association's purchase of the Port Graham Hatchery.

EVOSTC Lease/Moving Expenses:
I move we authorize the EVOSTC Executive Director to enter into negotiations and a formalized agreement with the United States Geological Survey for leased office space, in an amount not to exceed $14,500, through September 30, 2012. The Council does not need to authorize any new funds for the office space, since funding for office space has already been provided in the 12120100 Administrative Budget. The formalized agreement may not exceed five years, with an option to renew, and shall include cancellation rights with 120 days notice in writing after the five years.

In order to relocate the office, I move we approve Resolution 12-04 authorizing $12,000 in additional funds, which includes applicable GA, for Project 12120100 EVOSTC Administrative Budget – relocation expenses.

Project 12120115 Seward Vessel Washdown:
I move we delegate the assignment of an agency project manager to the Executive Director for Project 12120115, Vessel Wash Down and Wastewater Facility at the Seward Marine Industrial Center

Agenda Item 5, Habitat - Port Graham Parcel PTG 01:
I move we approve Resolution 12-03 reauthorizing the funds remaining from Resolution 08-06, plus an additional $7,085, which includes applicable GA, to the Department of Interior, National Park Service for due diligence activities for Port Graham Parcel PTG 01.

Agenda

DRAFT 3/22/2012

Exxon Valdez Oil Spill Trustee Council

441 W 5th Ave , Suite 500 • Anchorage, AK 99501-2340 • 907 278 8012 • fax 907 276 7178

AGENDA
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
March 27, 2012, 9 30-11 00 a m.
Anchorage, Alaska

Trustee Council Members

JEN SCHORR
Trustee Alternate/Attorney General
Alaska Department of Law

LARRY HARTIG
Commissioner
Alaska Department of
Environmental Conservation

CORA CAMPBELL
Commissioner
Alaska Department of Fish and Game

JAMES BALSIGER
Administrator, Alaska Region
National Marine Fisheries Service
U S Department of Commerce

KIM ELTON
Senior Advisor to the Secretary for
Alaska Affairs
Office of the Secretary
U S. Department of the Interior

STEVE ZEMKE
Trustee Alternate
Chugach National Forest
U.S Department of Agriculture

Meeting in Anchorage, Trustee Council Office 441 West 5th Avenue, Suite 500
Teleconference number 800 315.6338 Code. 8205
Federal Chair: _____

1. Call to Order – 9 30 a m.

2. Consent Agenda
   - Approval of Agenda*
   - Approval of Meeting Notes*
     February 1, 2012

3 Public comment – 9 45 a m. (3 minutes per person)

4	Executive Director's Report *(35 min.)*	Elise Hsieh, EVOSTC Executive Director
	- Boufadel status update	
	- Callan Associates Services Contract*	
	- Port Graham Hatchery/Cook Inlet Aquaculture*	
	- Seward Vessel Wash Down*	
	- EVOS Lease/Moving Expenses*	Dede Bohn, US Geological Survey Linda Kilbourne, EVOSTC staff
5	Habitat *(20 min.)*	
	- Port Graham reauthorization*	Samantha Carroll Alaska Dept of Natural Resources
	- Koniag Conservation Easement Update	Joe Darnell, Counsel US Dept of Interior Solicitor's Office
6	Executive Session, as needed	

Adjourn – by 11:00 a.m.

* Indicates action items

**There is no PAC report, the July 26, 2011 PAC meeting was reported on at the Sept. 15, 2011 Trustee Council meeting

Feb 1 2012 meeting
notes

Draft 3/21/2012

Exxon Valdez Oil Spill Trustee Council

441 W. 5th Ave., Suite 500 • Anchorage, AK 99501-2340 • 907 278 8012 • fax 907 276 7178

TRUSTEE COUNCIL MEETING NOTES

Anchorage, Alaska
February 1, 2012

Chaired by: Tom Brookover
Trustee Council Member

Trustee Council Members Present:

Steve Zemke, USFS *
Kim Elton, USDOI
Jim Balsiger, NOAA
Jennifer Schorr, ADOL ***
• Tom Brookover, ADF&G **
Lynn Kent, ADEC ****

• Chair
* Steve Zemke alternate for USFS
** Tom Brookover alternate for Cora Campbell
*** Jennifer Schorr alternate for Rick Svbodney
**** Lynn Kent alternate for Larry Hartig

The meeting convened by teleconference at 9:30 a.m., February 1, 2012 in Anchorage at the EVOS Conference Room.

1. Approval of the Agenda

APPROVED MOTION: Motion to approve the February 1, 2012 agenda.

Motion by Schorr, second by Kent

2. Approval of September 15, 2011 meeting notes

APPROVED MOTION: Motion to approve the September 15, 2011 meeting notes as prepared.

Motion by Zemke, second by Schorr

Public comment opened at 9 40 a m

No public comments were made.

Public comment closed at 9.45 a m.

3 Amended Resolution 11-12

APPROVED MOTION — Motion to approve amending Resolution 11-12 recognizing the funds were set aside in Resolution 11-14 regarding the 2012 Work Plan.

Motion by Kent, second by Schorr

4. General Operating Procedures

APPROVED MOTION: — Motion to approve the General Operating Procedures January 24, 2012 draft, including any minor revisions and formatting to be made by the Executive Director

Motion by Schorr, second by Zemke

5 Financial Operating and Reporting Procedures

APPROVED MOTION — Motion to approve the Financial Operating Procedures January 4, 2012 draft and Reporting Procedures January 12, 2012 draft, including any minor revisions and formatting to be made by the Executive Director.

Motion by Zemke, second by Kent

6 2012-2014 term PAC Charter renewal

APPROVED MOTION — Motion to approve the 2012-2014 Public Advisory Committee Charter

Motion by Kent, second by Schorr

7 Amendment to Boufadel PJ 11100836-B

APPROVED MOTION — Motion to approve additional funding for Boufadel PJ 11100836-B Pilot Studies and Bioremediation of the *Exxon Valdez* Oil in Prince William Sound Beaches up to $1,199,218 which includes General Administration

Motion by Schorr, second by Kent

8 Habitat – Chokwak II

APPROVED MOTION — Motion to reauthorize the purchase of small parcel KAP 3001 (Chokwak II) totaling $160,000 the funds which were previously disbursed and authorized under Resolution 07-04 and 09-08 This funding shall terminate if a purchase agreement is not executed by February 1, 2013

Motion by Schorr, second by Kent

9. Adjourn — Motion to adjourn

Motion by Zemke, second by Kent

Off the record 10:50 a m.

FINAL REPORT
Submitted to the Exxon Valdez Trustee Council

Project: Pilot Studies of Bioremediation of the *Exxon Valdez* Oil in Prince William Sound Beaches

Michel C. Boufadel, PhD, PE, Brian A. Wrenn, PhD,

Center for Natural Resources Development and Protection
Department of Civil & Environmental Engineering
Temple University
Philadelphia, PA 19122

Exxon Valdez Trustee Council
Contract No. 11100836

Introduction

The 1989 *Exxon Valdez* oil spill polluted around 800 km of intertidal shorelines within Prince William Sound (PWS), Alaska (Neff and Stubblefield, 1995; Neff et al., 1995). Studies conducted by scientists from the National Oceanic and Atmospheric Administration (NOAA) estimated that between 60 and 100 tons of subsurface oil persists in many initially-polluted beaches in Prince William Sound (PWS) (Short et al., 2004; Short et al., 2006). The persistence of oil was also noted by other studies (Hayes and Michel, 1999; Michel and Hayes, 1999; Page et al., 2008; Taylor and Reimer, 2008; Li and Boufadel, 2010). The lingering oil contains relatively high concentrations of polycyclic aromatic hydrocarbons (PAH; Short et al., 2004), which are known to be toxic to intertidal organisms (Carls et al., 2001), and sea otters and harlequin ducks may be exposed to subsurface lingering oil while foraging on the beaches of northern Knight Island (Short et al., 2006).

Previous research showed that the persistence of oil from the *Exxon Valdez* oil spill was correlated with specific geomorphic and hydrological characteristics of the beaches, and a probabilistic model of the distribution of lingering oil was developed (Michel et al., 2010) By investigating five beaches that are contaminated with moderate to heavy oil residue (MOR to HOR), Temple University scientists showed that contaminated beaches consist of an upper high-permeability layer that is underlain by a lower layer that is two to three orders of magnitude less permeable (Li and Boufadel, 2010; Bobo et al., 2010; Xia et al., 2010; Guo et al., 2010). On these beaches, the lingering *Exxon Valdez* oil was located a few inches (0.10 m) below the interface of the two layers (Fig. 1). Oil-contaminated sediments were anoxic (DO < 1 mg/L and low nitrate concentration), whereas similar oil-free sediments were oxic (DO > 3 mg/L and high nitrate concentrations), suggesting that oil biodegradation may be oxygen limited in sediments that are contaminated with lingering oil. In addition, the concentrations of available nutrients in contaminated sediments (<0.5 mg N/L; <0.04 mg P/L; Boufadel et al., 2010; Sharifi et al., 2011) were lower than the concentrations that are required to support maximal rates of oil biodegradation ($\geq$ 2 mg N/L and N:P ratio of about 10:1; Atlas and Bartha, 1973; Venosa et al., 1996; Smith et al., 1998; Boufadel et al., 1999; Du et al., 1999; Garcia-Blanco, 2004). Although some have suggested that the poor biodegradability is responsible for persistence of the lingering oil in Prince William Sound shoreline sediments (Atlas and Bragg, 2009a,b), a recent study

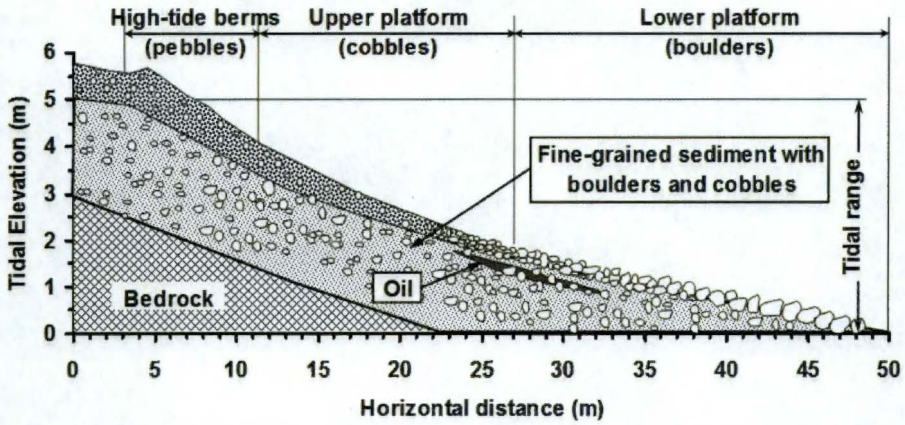

Figure 1: Persistence of oil in the lower layer of beaches in Prince William Sound. (From Li and Boufadel, 2010; Copyright Nature Publishing Group).

showed that this was not the case, and that even highly weathered oil was amenable to extensive biodegradation (Venosa et al., 2010). Therefore, this study was conducted to determine whether bioremediation of lingering oil could be stimulated by injection of nutrients into the contaminated subsurface.

Sites

The locations of four beaches used in this study are shown in Figure 2: EL056C (Northwest

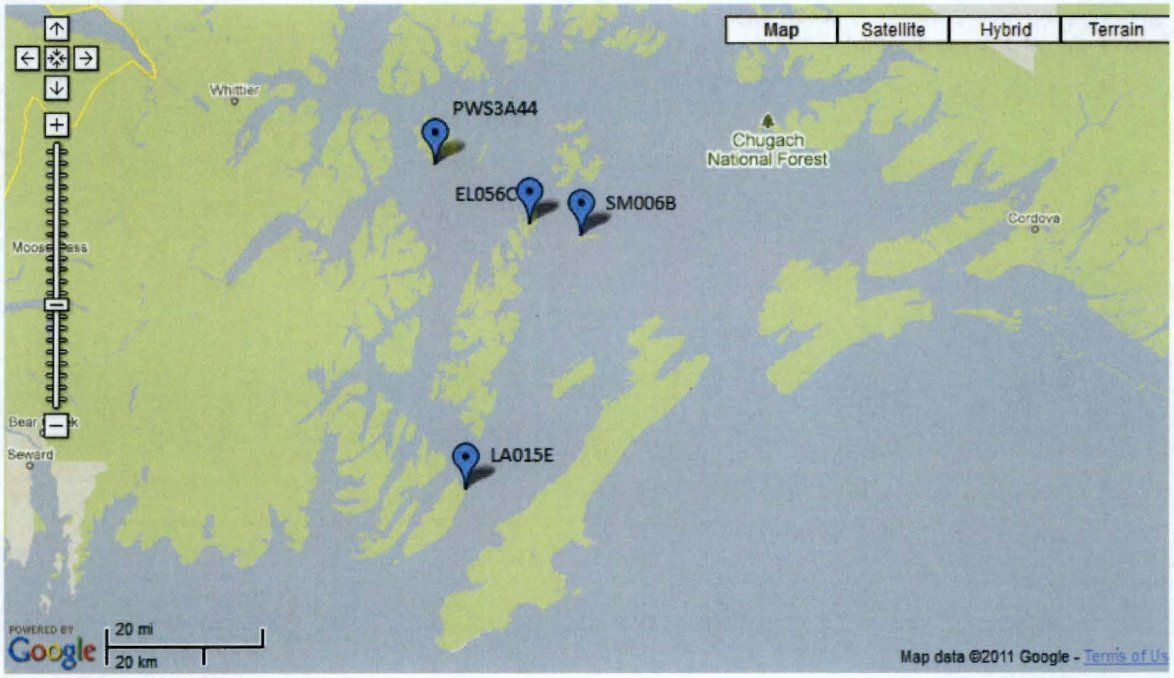

Figure 2: Locations of beaches used for bioremediation pilot studies.

Bay on Eleanor Island; 60°33'45.6"N/147°34'17.4"W), SM006B (Smith Island; 60°32'39.1"N/147°23'6.4"W), PWS3A44 (Mears Point, Perry Island; 60°39'24.2"N/147°55'54.8"W), and LA015E (Latouche Island; 60°03'34.7"N/147°49'01.7"W). Two of the beaches (EL056C and SM006B) were used in a previous Temple University study to investigate hydrodynamic limitations of the oil bioremediation rate.

Bioremediation Approach

With the exception of the zone near the high tide line, the net movement of pore water applied onto the beach surface is seaward in any beach subjected to tide (Boufadel et al., 2006, Li et al., 2007, Brovelli et al., 2007). Therefore, solutions applied onto the beach surface would tend to be washed out to sea. Due to the two-layer structure of contaminated beaches in PWS, where the upper layer has a permeability that is 100 to 1,000 times that of the lower layer, solutions applied onto the surface tend to dilute and wash out to sea much more rapidly than they can be transported into the contaminated layer. This was described by Xia et al. (2010), who found—based upon numerical simulations using hydraulic characteristics measured at a contaminated beach—that the nutrient concentration in the oil-contaminated sediments would be only 1% of the concentration applied to the beach surface. Therefore it is unlikely that surface application of nutrients would be effective except in situations where the oil layer is very shallow and the nutrient solution is applied directly to the oil patch. Direct injection of a conservative tracer into the lower layer of two-layer beaches, on the other hand, resulted in much less dilution (Bobo et al., in press). Therefore, subsurface delivery of nutrients was expected to be superior to surface application and was selected for use in this study.

Nutrients were injected into the lower layer using one of two injection methods: high pressure injection (HPI) and ambient pressure release (APR). HPI is intended for use on beaches for which the depth to bedrock is greater than one meter, whereas APR is intended for use on beaches for which 0.8 m or less of sediments overlie bedrock. For the purpose of this study, the depth to "bedrock" was considered to be the depth to which a pit could be dug. This depth was often limited by the presence of a layer of boulders rather than true bedrock. The HPI injection method was used at EL056C and involved a single row of three injection wells spaced at 2-m intervals (Fig. 3). The APR method was used at SM006B, PWS3A44, and LA015E, and it used two rows of four injection wells spaced about one meter from each other (Fig. 4). The design flow rate for HPI was 1.0 L/min/well, and the design flow rate for APR was 0.2 L/min/well.

The injection wells were constructed using 2-in PVC pipe with 1-ft prepack well screens. The bottoms of the injection wells at EL056C were at depths ranging from 1.0 m (I-R) to 1.3 m (I-L) below the beach surface. The depth of injection well I-R was limited by a large subsurface boulder or bedrock at the well location; the depth of well I-L was limited by a clay layer beginning at a depth of about one meter below the beach surface. A cross-sectional diagram of the injection wells at EL056C is shown in Figure 5. The bottoms of the injection wells installed at SM006B were at depths ranging from 0.8 m to 0.9 m below the beach surface, and the well screens were horizontal to the beach surface (Fig. 6). The wells at PWS3A44 were installed to a depth of about 0.8 m, and the screens were installed vertically (Fig. 7). The wells at LA015E were installed to depths ranging from 0.6 to 0.8 m below the beach surface, but the well screens were horizontal to the beach surface (Fig. 8).

Nutrients were pumped into the injection wells using a 24-VDC diaphragm pump (Shurflo Model No. 800-151-296), and the flow was controlled using rotameters equipped with needle

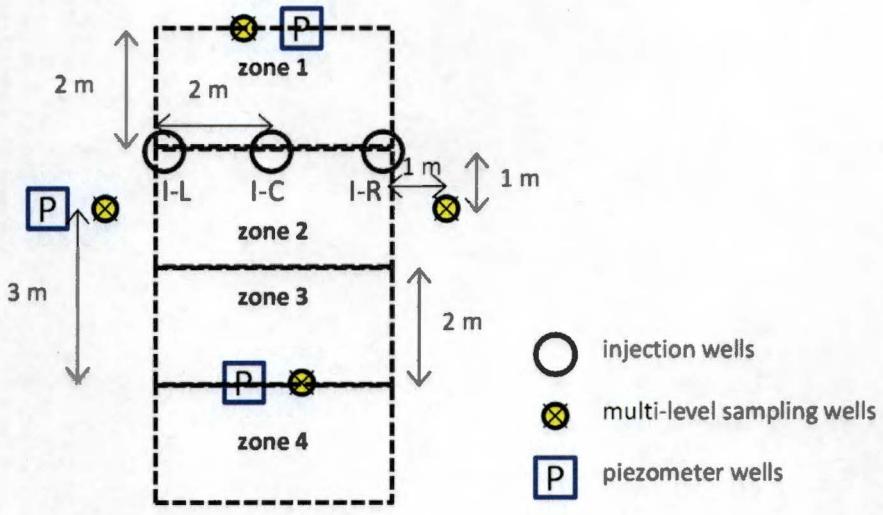

Figure 3: Plot layout for the high-pressure injection (HPI) system that was used at EL056C. The top of the diagram corresponds to the landward direction and the bottom is seaward. Sediment samples were collected from predetermined locations within zones 1-4.

valves (Dwyer Instruments, Model No. RMB-83D-SSV). Every injection well at EL056C and SM006B was connected to its own rotameter, but the injection wells installed at PWS3A44 and LA015E were connected to manifolds (one manifold for each row of four wells; see Figs. 7 and 8). So, the flow rates were controlled separately to each well at EL056C and SM006B, but they were controlled to a row of injection wells at PWS3A44 and LA015E. The injection pump, rotameters, nutrient solutions, and other power, control, and pumping equipment were installed in small wooden buildings that were placed on each beach. The nutrient solutions—hydrogen peroxide, lithium nitrate, and sodium tripolyphosphate (STPP)—were injected into flowing seawater using 12-VDC metering pumps (LMI Milton Roy, Model No. JD54D). The seawater was collected from the lower intertidal zone of the beach being treated during high tides and stored in a 1500-gal tank next to the treatment building.

Hydrogen peroxide was provided as the source of oxygen for this study because it is an efficient, water-soluble oxygen source that decomposes to oxygen and water as the only products (Pardieck et al., 1992). Hydrogen peroxide has been widely used to provide oxygen to support bioremediation of hydrocarbon-contaminated groundwater and subsurface sediments (Pardieck et al., 1992). Although hydrogen peroxide decomposition can be catalyzed by common minerals and enzymes that are likely to be present in the beach subsurface, it is reasonably stable in the absence of sediments (Lawes, 1990). Hydrogen peroxide was provided as a concentrated (35%, w/w) solution. A concentrated nutrient solution was prepared by dissolving lithium nitrate and STPP in freshwater to concentrations of 100 g $LiNO_3$/L and 8 g STPP/L.

The injected concentrations of nutrients were: 100 mg/L as hydrogen peroxide, 20 mg N/L as lithium nitrate ($LiNO_3$), and 2 mg P/L as STPP ($Na_5P_3O_{10}$). The concentration of nitrate that was used should be sufficient to support high rates of hydrocarbon biodegradation, and the N:P ratio has been shown to support rapid biodegradation of phenanthrene (Smith et al., 1998;

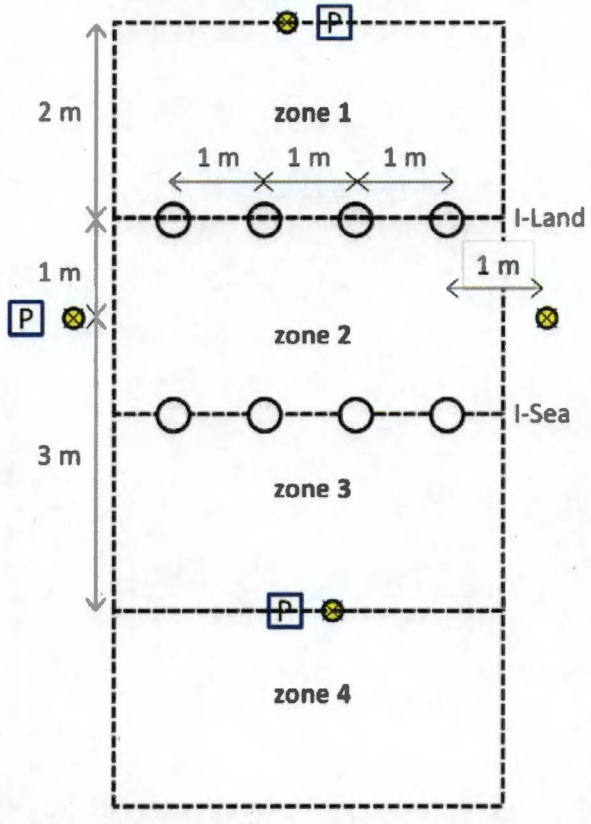

Figure 4: Plot layout for the ambient-pressure release (APR) systems that were used at SM006B, PWS3A44, and LA015E. I-Land and I-Sea indicate the landward and seaward rows of injection wells, respectively. Symbols have the same meaning as those used in Figure 3.

Garcia-Blanco, 2004). The hydrogen peroxide concentration was limited by the maximum solubility of oxygen in seawater (about 40 mg/L at 15 °C; Metcalf and Eddy, 1991): higher concentrations could lead to the formation of bubbles of oxygen gas that could reduce the permeability of the formation (Spain et al., 1989; Fiorenza and Ward, 1997). The lithium that was provided with lithium nitrate was used as a conservative tracer to estimate the amount of dilution that occurred due to turbulent diffusion and mixing with seawater (from tides) or freshwater (from infiltration of rain or seaward flow of groundwater).

Sample Collection and Analysis

Performance of the bioremediation systems was monitored using sediment samples and groundwater samples. Sediment samples were collected from each of the four 2-m by 4-m treatment zones that are shown in Figures 3 and 4. Two samples were collected from predetermined locations in each treatment zone three times during the project. The initial (i.e., pretreatment) samples were collected after the injection wells were installed but before the systems were turned on, and the posttreatment samples were collected after the systems had been operating for about one (August) and two (September) months. Sediment samples were collected by digging pits at the predetermined locations to depths of about 0.6 m below the

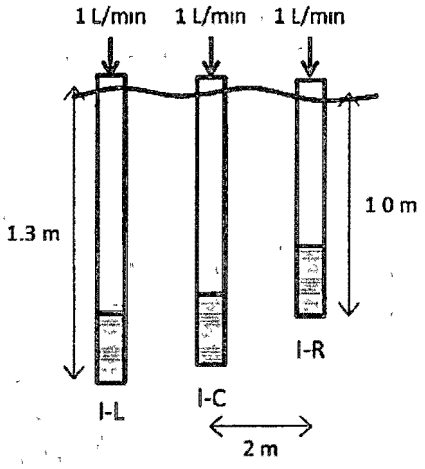

Figure 5: Injection wells at EL056C

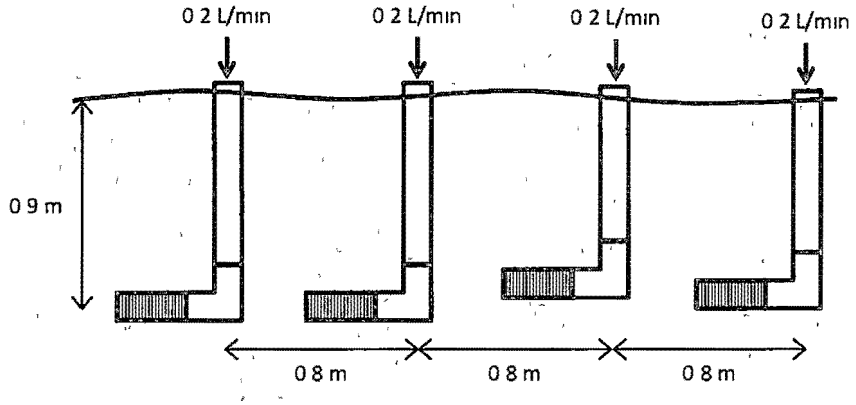

Figure 6: Injection wells at SM006B

ground surface or to the maximum depth that could be achieved, whichever was deeper. The depth of maximum oil contamination was identified visually, and sediment samples were collected from the walls of the pit. Separate samples were collected for analysis of oil, microbial community composition, and nutrients. Oil samples were collected in 125-ml glass sample bottles that had been cleaned according to EPA procedure 1 for semivolatiles. Oil samples were frozen as soon as practical after collection, and they were kept frozen during storage and shipment. Oil samples were analyzed by NOAA's Auke Bay Lab using GC-MS and Iatroscan. The microbiology samples were collected using aseptic technique (e.g., sterile sample containers, alcohol-rinsed and flamed spatulas, alcohol-rinsed vinyl gloves), and sediments were processed as soon as possible, usually within a few hours. (In two cases, several days elapsed between when the samples were collected and when they were processed. In those cases, the samples were refrigerated until they could be processed.) The composition of the microbial community was characterized by enumerating heterotrophic bacteria, alkane-degrading bacteria, and PAH-degrading bacteria using 96-well plate most-probable-number (MPN) procedures (Wrenn and Venosa, 1996).

Water samples were collected from multilevel sample wells, which were installed at the locations shown in Figures 3 and 4, and single-level wells, which were installed at the locations

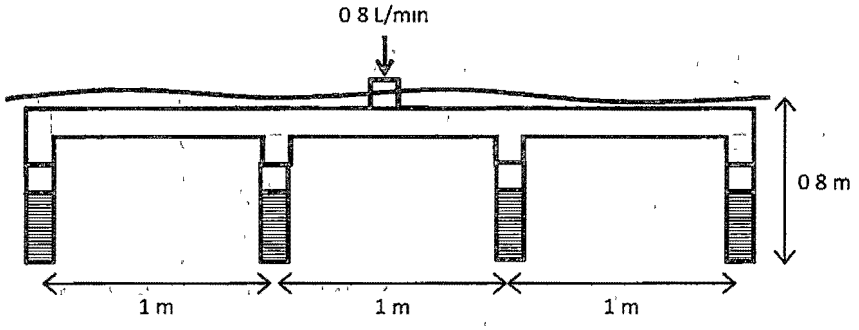

Figure 7: Injection wells at PWS3A44

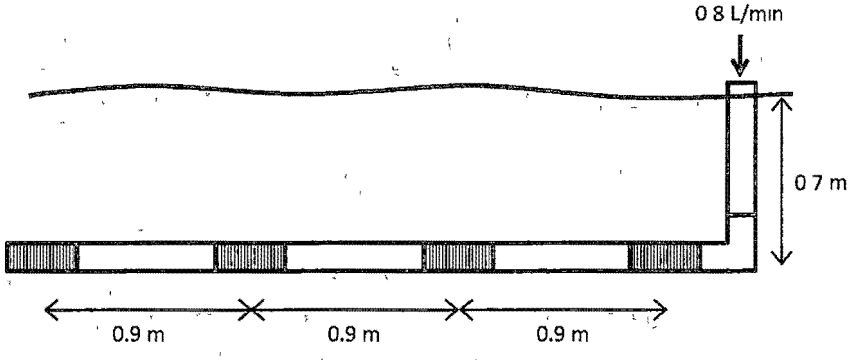

Figure 8: Injection wells at LA015E

from which the initial sediment samples were collected. The multilevel wells had sample ports at several depths below the beach surface, and so, they provide a three-dimensional picture of the distribution of nutrients. The multilevel wells, however, were installed at the edges of the expected treatment zone. The single-level wells, on the other hand, were installed within the plots at the depth at which the maximum amount of oil was observed. Eight single-level wells were installed in each plot: two wells were installed in each of the four sediment-sampling zones (Figs. 3 and 4).

Water samples were collected using disposable 60-ml polypropylene syringes (Becton Dickinson, Franklin Lakes, NJ) and used for measurement of nutrients, lithium (conservative tracer), and dissolved oxygen. The sample-collection procedure involved purging the wells by filling the syringe twice and discarding the water. The syringes were filled a third time, and the water was used to rinse the 125-ml polyethylene sample bottle. (The sample bottles were acid washed, rinsed with deionized water, and air dried before use.) The fourth syringe volume was the nutrients sample. Nutrient samples were frozen as soon as possible, and kept frozen during storage and shipment. Each syringe was filled one more time and then sealed by closing a two-way valve. The fifth syringe volume was used to measure the dissolved oxygen concentration using the Hach High-Range DO assay (Hach Company, Loveland, CO). The DO samples were analyzed as soon as possible after collection, usually within about 2-3 hours of being collected.

Nutrients were measured colorimetrically using an AutoAnalyzer3 (Seal Analytical, Mequon, WI; Grasshoff et al., 1999). The frozen samples were defrosted and stored at 4 °C until they were analyzed. Before analysis, the samples were shaken by hand for 15 s, and filtered through 0.45-μm PTFE membrane filters (Puradisc,Whatman, Florham, NJ) into the

AutoAnalyzer3 cups. Ammonia in seawater was measured using the Berthelot reaction, and the colored reaction product was measured at 660 nm. Nitrate in the samples was reduced to nitrite by a copper-cadmium reactor column, and the nitrite reacted with sulfanilamide under acid condition to form a purple azo dye that was analyzed at 550 nm. Phosphate was measured using the ascorbate-antimony-molybdate method (Murphy and Riley, 1962). The blue complex was analyzed at 880 nm wavelength. The lithium concentration was measured using atomic absorbance spectrometry (AAS).

Results

Startup and Operation

The bioremediation pilot-scale test plots were set up from May 23-June 8, 2011. This included installation of the injection and monitoring wells, construction of the buildings that housed the power and control equipment, connection of the pumps to the wells, and installation of the seawater-intake pumps and storage tanks. Due to delays in permitting, the systems installed at the three sites located in the Chugach National Forest (EL056C, SM006B, and PWS3A44) were not turned on immediately. Instead, Temple University received permission to install the bioremediation systems but not to turn them on. The permit was issued on June 28, but due to the generator issues described below, the systems were not started for another three weeks (PWS3A44, July 19, 2011; EL056C and SM006B, July 21, 2011).

The system at LA015E was located on property owned by the Chenega Corporation. Because the permit for this site was obtained before beginning work, system operation began immediately after installation (May 29, 2011). Unfortunately, the generator that was used to charge the batteries burned out almost immediately (discovered on June 6 and replaced on June 9). The second generator also burned out within a week of installation (discovered on June 16). We concluded that the problem was most likely due to overheating caused by the design of the boxes in which the generators were housed. The generator boxes were redesigned and rebuilt, and no further generator problems occurred. The system at LA015E was restarted on July 6, 2011.

Weather and equipment problems caused system shutdowns at all four sites at some time during the course of the study. So, the results reported here reflect a much shorter treatment time than was originally envisioned (about 6 weeks of actual operation vs. 12 weeks planned). For example, storm damage was discovered at PWS3A44 on August 7 and the system was repaired and restarted by August 10. All of the systems had been damaged by storms prior to collecting the last samples (i.e., between September 8 and September 14). This damage probably occurred during severe storms that occurred during the first week of September.

Oil Degradation

Sediment samples were collected from two locations in each of four zones (Figs. 3 and 4) three times during this study: immediately after installing the injection wells (initial), about 3 weeks after starting the bioremediation systems (August), and about 7 weeks after system startup (September). The total concentration of oil in every sample was estimated based on the mass of oil extracted, and the average concentrations measured in each zone at the four sites are shown in Figure 9. These data show that the average concentration of oil was highest at SM006B (5.9 ± 7.1 g oil/kg sediment) followed by EL056C (3.6 ± 3.8 g oil/kg sediment). Substantially lower concentrations were observed at LA015E (1.2 ± 1.2 g oil/kg sediment) and PWS3A44 (0.7 ± 0.9

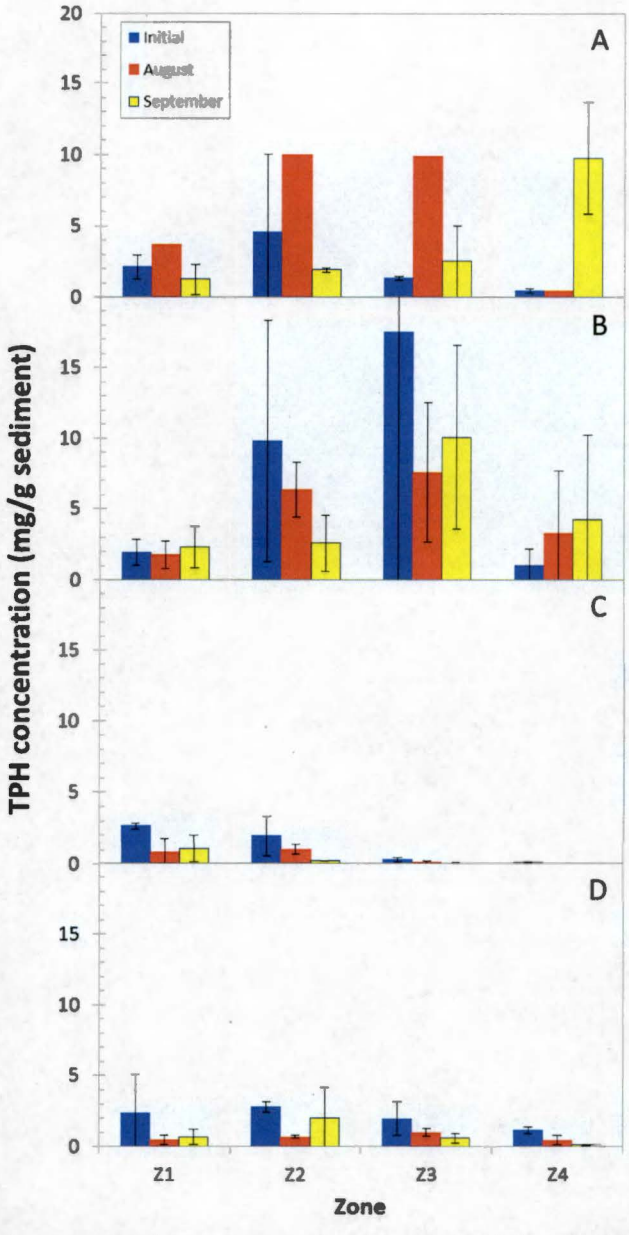

Figure 9: Average oil concentrations observed at (A) ELO56C, (B) SM006B, (C) PWS3A44, and (D) LA015E during the pilot-scale bioremediation study. Z1, Z2, Z3, and Z4 refer to the zones shown in Figs. 3 and 4.

g oil/kg sediment). As the standard deviations reported above and the data shown in Figure 9 suggest, the observed total oil concentrations varied from sample to sample, probably due to the patchy nature of the residual oil and the relatively small sample size (about 100 g). This variability would have made it difficult to identify significant treatment effects based on total oil concentration. Also, much of the concern regarding the lingering effects of oil can be attributed to the polycyclic aromatic hydrocarbons (PAH) that are present because these compounds can be toxic, mutagenic, and bioaccumulative. Therefore, the data were analyzed by first normalizing

the observed PAH concentrations using the observed concentration of C2-chrysene, which has been shown to be lost slowly relative to other PAHs in artificial weathering studies (Short and Heintz, 1997). This normalization procedure allows changes in the concentrations of components of interest to be evaluated without confounding due to variability of the concentration of oil in the sample.

In addition to the quasi-random variability that was observed in the oil concentration data, the oil observed in samples collected from the far-left side of the plot at EL056C (nodes 12 and 24) appeared to be more weathered than was the oil in samples collected from the center-and-right side of the plot (nodes 4, 11, 19, 28, and 31; Fig. 10). The data shown in Fig. 10 is presented as the sum of the concentrations of 48 PAH that were measured by GC-MS, and the

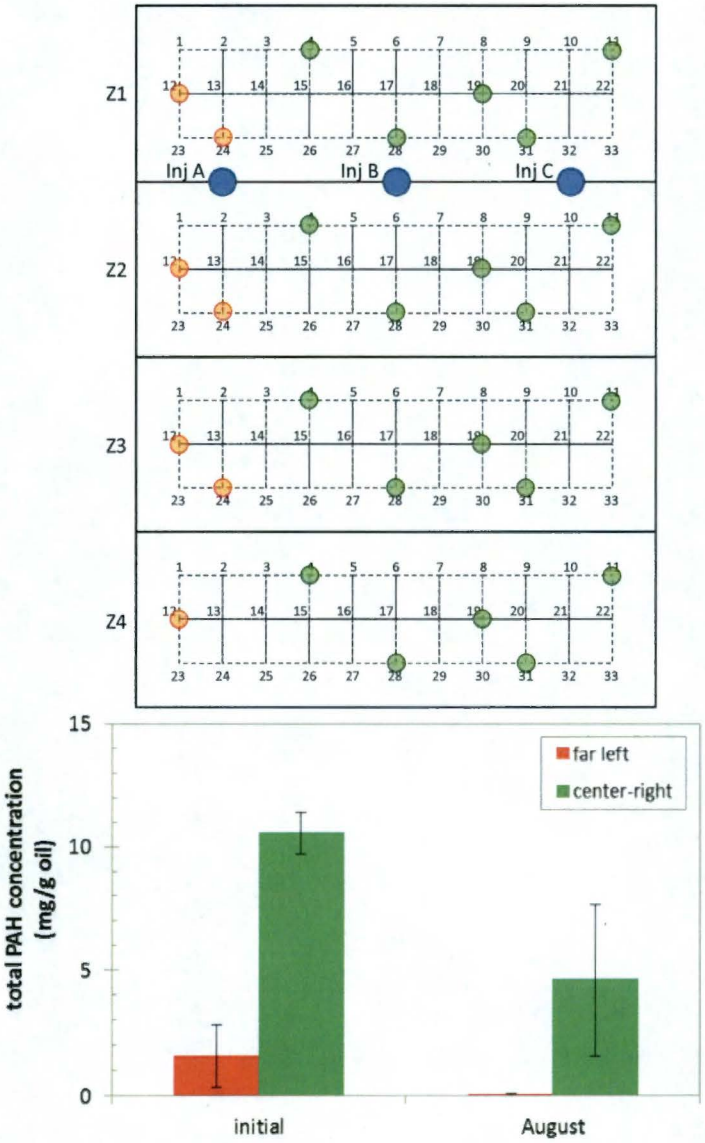

Figure 10: Top: location of sediment samples collected at EL056C; Bottom: average total PAH concentrations observed in May ("initial") and August 2011.

concentrations were normalized to the gravimetric oil concentration rather than to the concentration of C2-chrysene. C2-chrysene normalization was not used in this analysis because the C2-chrysene concentration was below the method detection limit in three of the seven samples collected from the left side of the plot. Figure 10 shows that the total concentration of PAH was smaller on the far left side of the plot than in the rest of the plot at both time points ($P = 0.0002$, where P is the probability that the total PAH concentration was the same at both locations; $P = 1$ indicates 100% probability that the concentrations at the two locations were the same). Note that normalization of the PAH concentrations to C2-chrysene instead of TPH did not change this conclusion, but due to the smaller number of samples available for the left side of the plot, the probability that the concentrations were the same at both locations increased to 0.002 (0.2% probability that the average concentrations were the same). Note that the concentrations of important components (esp., dissolved oxygen and salinity) were significantly different in initial groundwater samples collected from the multiport well on the left side of the plot and those collected at other locations (Table 1). Most importantly, the salinity was much lower on the far-left side of the plot and the dissolved oxygen was much higher, suggesting that the greater weathering observed on the far-left side of the plot may have been due to subsurface flow of freshwater from the stream on the left side of the beach. Because the oil in samples collected on the far-left side of the plot at EL056C was much more weathered than oil from the rest of the plot, those samples were treated separately in the following analysis

Table 1: Groundwater characteristics at EL056C before bioremediation system startup

parameter	far left side	rest of plot
salinity (g/L)	3	27.1 ± 2.4
dissolved oxygen (mg/L)	7.5	2.1 ± 1.7
nitrate (mg N/L)	0.10	0.21 ± 0.25
ammonia (mg N/L)	0.04	0.18 ± 0.13

Biodegradation of lingering oil due to operation of the bioremediation systems at the four pilot-scale test sites is shown in Figures 11 and 12. The significance of observed changes in the total normalized PAH concentrations were analyzed using two-way analysis of variance (ANOVA) treating each site separately. Time and treatment zone were used as the independent treatment factors The criterion for rejecting the null hypothesis for any treatment effect or interaction was set at $P = 0.013$ for each site to maintain a global Type 1 error rate of 5%. When significant treatment effects were identified, Tukey's Honestly Significant Difference (HSD) was used to identify means that were significantly different. Time effects were only compared within specific treatment zones (i.e., the concentration observed in zone Z2 at EL056C in August was compared to the initial concentration in Z2 but not to the initial concentrations in zones Z1, Z3, or Z4).

Figure 11 shows the plot average C2-chrysene-normalized total PAH concentration before system startup (initial), after three weeks of operation (August), and about 7 weeks after startup (September). The normalized plot average concentrations decreased significantly from the initial values at EL056C and PWS3A44 ($P < 0.05$) but were unchanged at SM006B and LA015E. At both locations exhibiting significant biodegradation, the biggest change occurred shortly after

system startup. Note that, although four weeks elapsed between the August and September samples, none of the bioremediation systems were operational when the final samples were collected due to storm damage that is thought to have occurred during the first week of September.

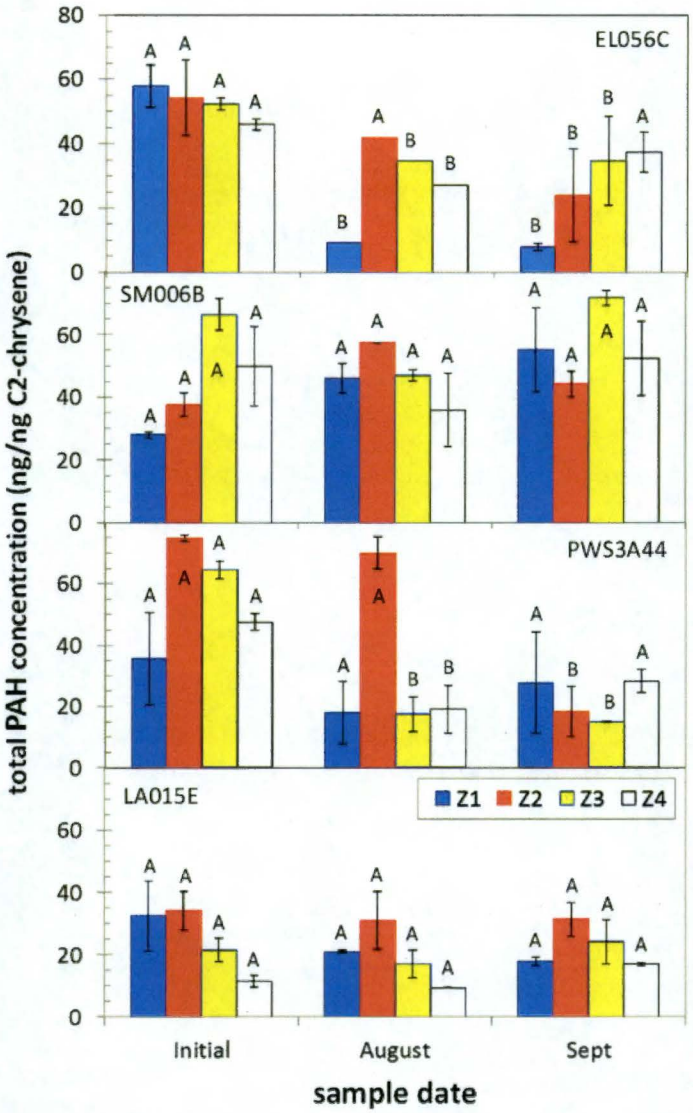

Figure 12: Concentrations of total PAH normalized to the concentration of C2-chrysene in the four treatment zones at the beaches at which pilot-scale bioremediation was tested. Bars labeled with the same letter are not significantly different from each other. Values are compared only within a specific site and treatment zone.

the initial concentration. Bars labeled with the same letter are not significantly different from each other. Values are compared only within a specific site.

Figure 12 shows the performance in each treatment zone as a function of time. For the beaches at which significant treatment effects were observed (i.e., EL056C and PWS3A44), significant effects were more likely to be observed close to the injection wells than far from them. The absence of consistent temporal trends in zone Z4 at both sites probably reflects patchiness and suggests that this was beyond the zone of influence of the injection wells. Significant treatment effects in zone Z1, which was landward of the injection wells, at EL056C,

is consistent with the results of a tracer study that was conducted at this site in 2009, which showed that a conservative tracer was observed within about 20 hours at a sample well located 1.6 m landward of an injection well that was operated using the high-pressure injection (HPI) method, as was used at EL056C in this study (Boufadel and Bobo, 2011). Treatment effects were not observed in zone Z1 at PWS3A44, which used the ambient pressure release (APR) injection method. A summary of the initial total normalized PAH concentrations and the removal percentages that were observed in each treatment zone is given in Table 2 for all of the pilot-scale bioremediation test sites

Table 2: Normalized total PAH concentrations and removal percentages

Site	Zone	initial PAH_{tot} concentration (ng/ng C2-chrysene)	percentage reduction† August	percentage reduction† September
EL056C	Z1	57.8 ± 4.7	84%*	86%*
	Z2	54.2 ± 8.3	23%	56%*
	Z3	52.5 ± 1.4	34%*	34%*
	Z4	45.9 ± 1.2	41%*	19%
SM006B	Z1	28.0 ± 0.9	-64%	-97%
	Z2	37.6 ± 3.8	-52%	-17%
	Z3	66.6 ± 5.0	29%	-8%
	Z4	50.0 ± 12.7	28%	-5%
PWS3A44	Z1	25.6 ± 15.1	49%	22%
	Z2	74.9 ± 1.0	6%	76%*
	Z3	64.6 ± 2.9	73%*	77%*
	Z4	47.6 ± 2.7	60%*	40%
LA015E	Z1	32.4 ± 11.2	35%	45%
	Z2	34.1 ± 6.2	9%	8%
	Z3	21.5 ± 3.7	21%	-12%
	Z4	11.4 ± 2.0	18%	-48%

†positive reductions indicate that the concentration decreased relative to the initial values; negative reductions indicate that the concentration increased

*concentration changes are significant at the 95% confidence level

Nutrient Concentrations

Water samples were collected from four stainless steel multiport sampling wells (MP-Land, MP-Left, MP-Right, and MP-Sea) that were located around the edges of the test plots (see Figs. 3 and 4) and eight single-point sampling wells at each site. Water samples were collected before system startup (initial) and about 3 weeks (August) and 7 weeks (September) after startup. As

noted previously, none of the systems were operating when the September samples were collected due to storm damage. The water samples were frozen and shipped overnight to Philadelphia where the nutrient concentrations (nitrite/nitrate, ammonia, phosphate) were measured. Additional water samples were collected and the dissolved oxygen (DO) concentration was measured on site.

The measured dissolved oxygen concentrations are shown in Figure 13 for all sample-well locations. The data for the multiport wells is shown as location averages (i.e., averaged over all depths), and the concentrations tended to be higher close to the surface. In addition, the data collected from the two single-point wells in each treatment zone was also averaged, and the variability in dissolved oxygen within a treatment zone (i.e., between the two single-point wells) was also relatively high. This variability could be due to preferential flow paths through the treatment zone or channeling of water from the beach surface to the well point. As a result, few statistically significant differences resulting from operation of the bioremediation system can be discerned. At some locations, high DO concentrations were observed in September, when the system was not operating, suggesting that the wells were influenced by surface seawater or freshwater flow from an oxygen rich freshwater source (e.g., stream or pond).

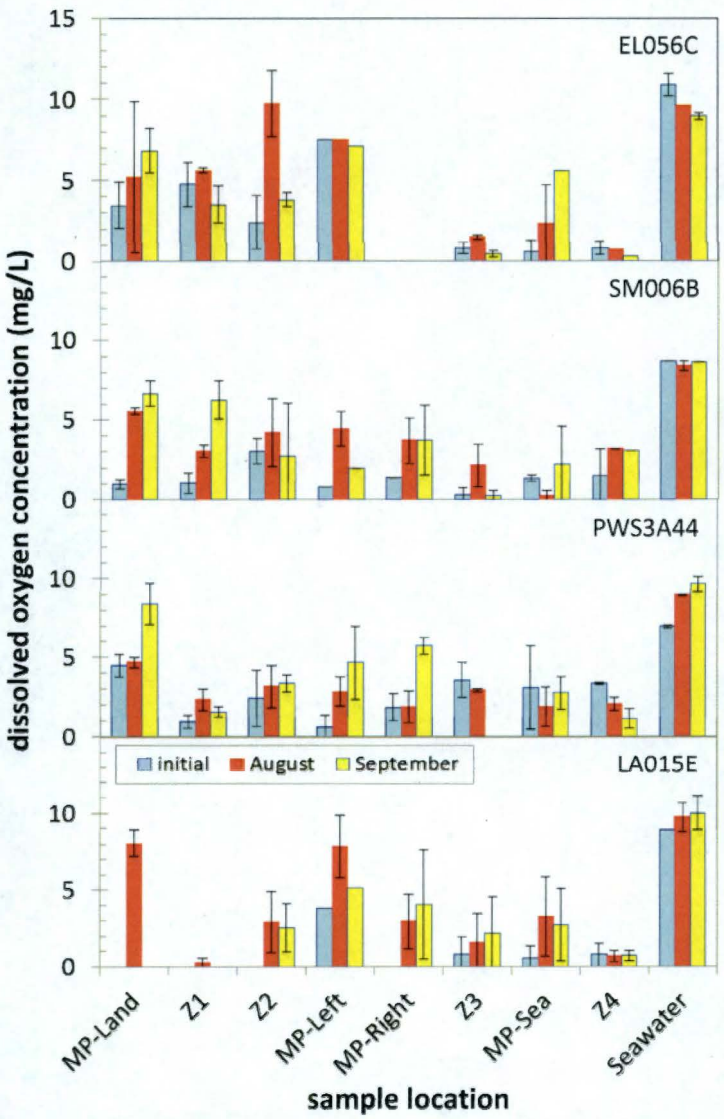

Figure 13: Dissolved oxygen concentrations observed at multiport (MP) and single-point wells at the bioremediation test sites. Sample locations on the left are most landward and on the right are most seaward.

The nutrient concentrations that were measured in pore water samples are shown in Figures 14 (nitrate), 15 (ammonia), and 16 (phosphate). As described above, nitrate and tripolyphosphate were injected into the subsurface in the treatment zone to stimulate bioremediation. At EL056C, the concentrations of nitrate measured in August—three weeks after starting nutrient injection—were higher than the background levels in treatment zones Z1 and Z2 and in multiport wells MP-Land and MP-Sea. The largest increase in the nitrate concentration occurred in Z2, which was just downgradient of the injection wells, and the amount of increase decreased with distance from the injection wells. Although it seems as if no increase was observed in treatment zone Z3 after starting nutrient injection, the relatively high concentration observed in that zone before starting the injection system was due to one sample location (Z3-4), whereas the second sample location in zone Z3 had an initial nitrate concentration that was more similar to other background concentrations. The smaller standard

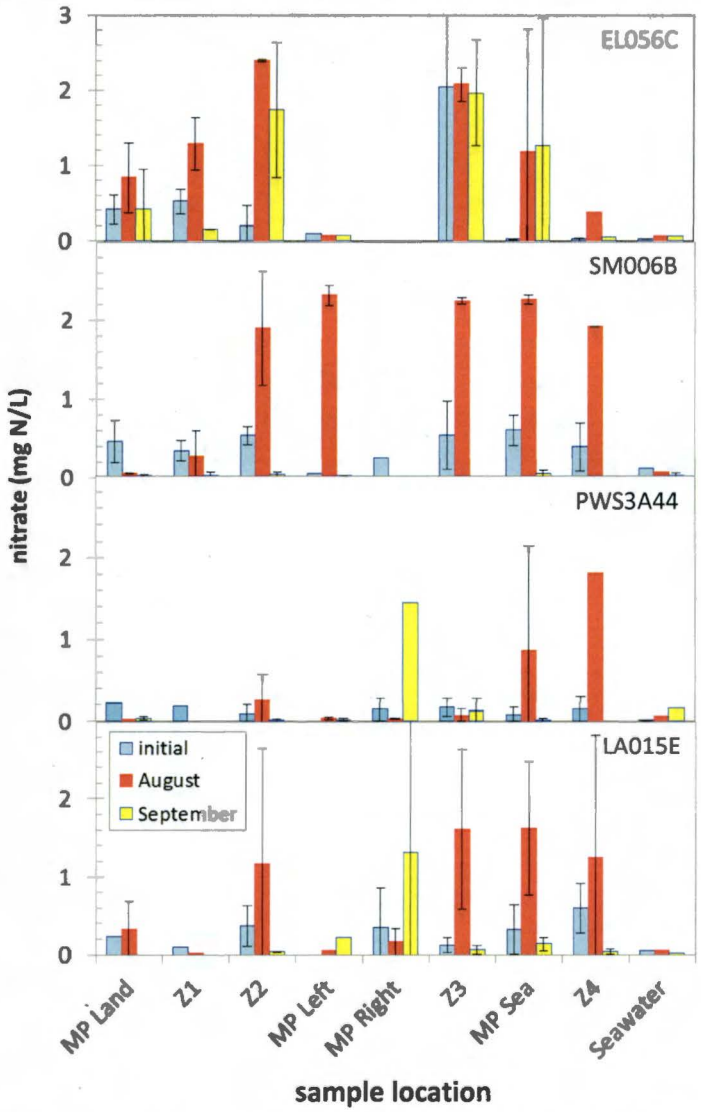

Figure 14: Nitrate concentrations observed at multiport (MP) and single-point wells at the bioremediation test sites. Sample locations on the left are most landward and on the right are most seaward.

deviation observed in August indicates that operation of the bioremediation system resulted in a more uniform distribution of nutrients. The relatively large error bars associated with samples collected from MP-Land and MP-Sea in August reflects higher concentrations near the beach surface at those locations. Surprisingly, the nutrient concentrations remained elevated in September at several locations downgradient of the injection wells at EL056C despite the fact that the injection system was not operating. This may reflect relatively slow washout of the nutrients from this part of the beach. (Note that we don't know when the bioremediation system stopped operating at this site. It could have been shortly before our arrival to collect samples.)

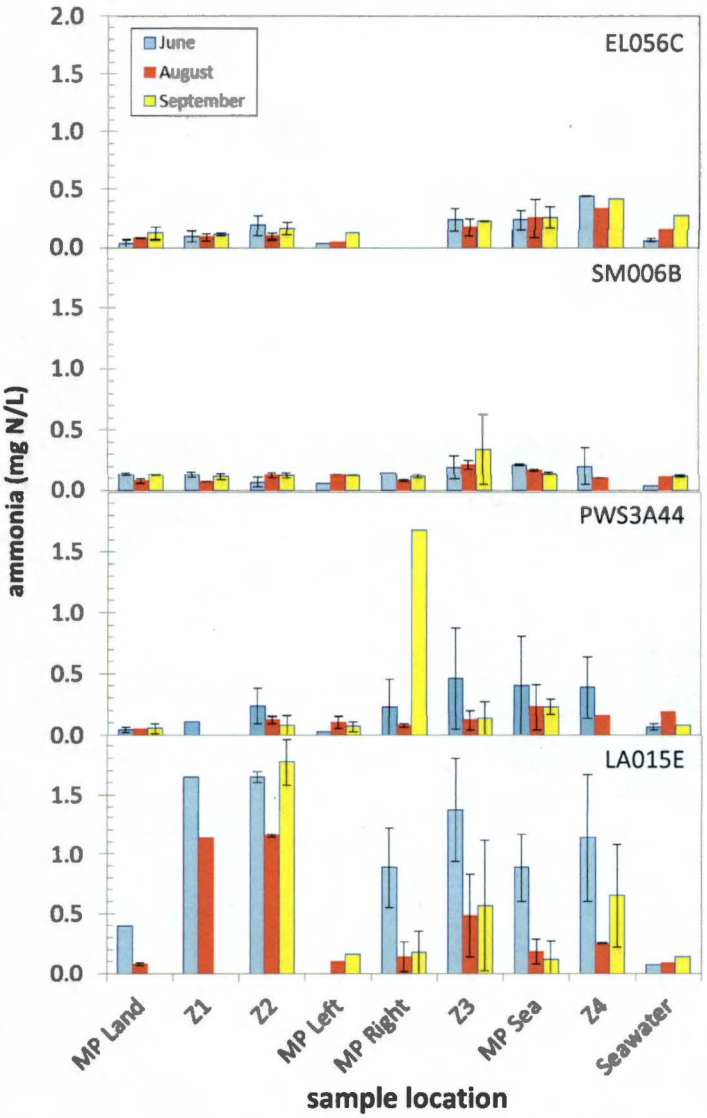

Figure 15: Ammonia concentrations observed at multiport (MP) and single-point wells at the bioremediation test sites. Sample locations on the left are most landward and on the right are most seaward. Note that ammonia was not added by the bioremediation system.

Higher nitrate concentrations were also observed downgradient of the injection wells at SM006B and LA015E in August. In general, the largest effects were observed relatively close to the injection wells (i.e., in zones Z2 and Z3 and at MP-Sea). A similar increase was not observed at PWS3A44, despite evidence of increased PAH biodegradation rate at this site. This difference almost certainly reflects the much higher groundwater flow rate that characterized this site.

The ammonia-nitrogen concentrations were not affected by operation of the bioremediation system. Note that the background concentrations of ammonia were significantly higher at LA015E, which had a relatively large amount of fine, organic-rich sediment mixed among the cobble and boulders. The hydraulic conductivity of LA015E was relatively low.

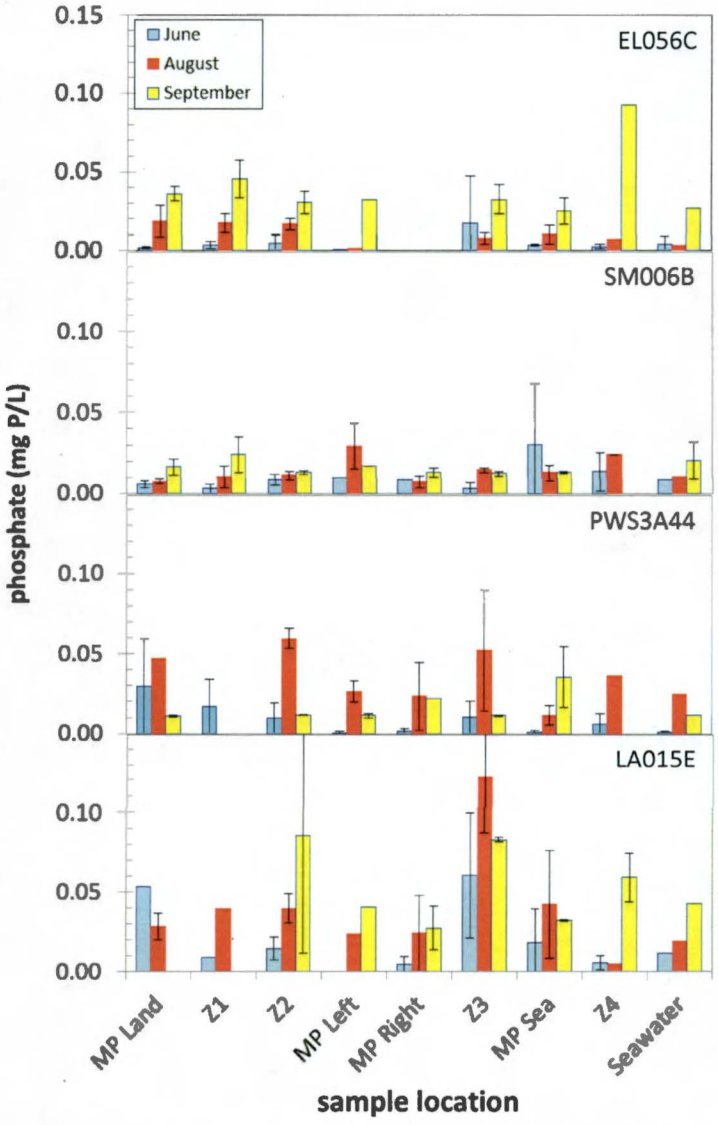

Figure 16: Phosphate concentrations observed at multiport (MP) and single-point wells at the bioremediation test sites. Sample locations on the left are most landward and on the right are most seaward.

Elevated phosphate concentrations were observed at EL065C, PWS3A44, and LA015E as a result of operation of the bioremediation systems. In general, phosphate transport was much slower than was transport of nitrate (i.e., the effects were observed only close to the injection wells), which is consistent with its lower solubility in seawater and greater tendency to adsorb to sediments. Phosphate concentration changes not observed at SM006B, probably reflecting stronger phosphate-binding capacity at this site. The phosphate concentrations observed in September at EL056C and LA015E remained high, and in some cases were higher than those observed in August. This may reflect either slow accumulation of phosphate due to the longer operation of the bioremediation system or release of phosphate from the sediments due to the sediment becoming anoxic with subsequent reduction of iron oxides in the sediments (iron oxides are known to strongly bind phosphates in sediments; Tiyapongpattana et al., 2004; Oxmann et al., 2008).

The salinity is shown in Figure 17. Although the salinity was not affected by operation of the bioremediation systems, it varied between sites and with location and time within a site. The relatively low salinity observed at PWS3A44 in August and September probably reflected the flow of fresh groundwater from a large pond that was present behind the storm berm at this site. This rapid groundwater flow probably drove rapid washout of nitrate, which made it impossible to observe increased nitrate concentrations resulting from nutrient injection. Lower salinity was also observed at some LA015E sample locations in September, probably due to extensive rainfall that occurred before and during collection of these samples. The large error bars associated with the salinity values measured at these sites illustrates the spatial variation (e.g., as a function of depth and horizontal location) at these sites. The salinity at SM006B, on the other hand, was relatively consistent, demonstrating that groundwater flow at this site was primarily tidally driven.

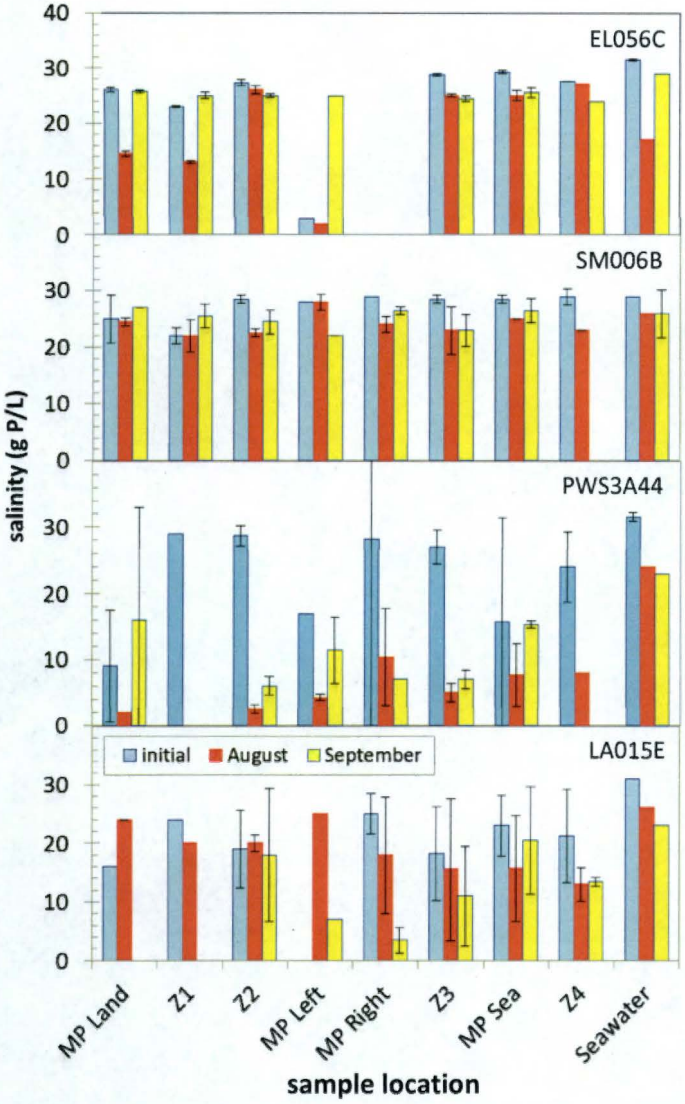

Fig. 17: Salinity observed at multiport (MP) and single-point wells at the bioremediation test sites. Sample locations on the left are most landward and on the right are most seaward.

Conclusions:

Pilot-scale bioremediation systems were installed at four sites in Prince William Sound, Alaska, where lingering oil from the *Exxon Valdez* oil spill was known to persist. Three of these sites (SM006B, PWS3A44, and LA015E) were characterized as shallow-bedrock beaches, meaning that it was not possible to install injection wells to a depth of one meter or greater below the beach surface. Nutrients were injected into the contaminated subsurface under very low pressure and low flow rates ($\leq$0.2 L/min) at these sites. The fourth site (EL056C) was considered to be a deep-bedrock beach, and higher pressures and flow rates (about 1 L/min) were used. These bioremediation systems were operated for less than 7 weeks.

Enhanced biodegradation of PAH compounds was observed at two of the test sites—EL056C and PWS3A44—by comparison of the normalized PAH concentrations observed before

and after startup of the bioremediation systems. The PAH concentrations were normalized to C2-chrysene, a slowly biodegradable PAH that is present at relatively high concentrations in Alaska North Slope crude oil. Reductions in normalized PAH concentrations on the order of 50% were observed at both sites. No effect of bioremediation could be discerned at SM006B or LA015E. It is likely that the relatively slow rates of nutrient injection and slow groundwater flow rates at these sites limited the zone of influence around the injection wells.

This study demonstrated that bioremediation is a feasible response alternative for the lingering oil from the *Exxon Valdez* oil spill, but the extent of remediation that can be achieved and the physical or geomorphological restrictions on the beaches that are amenable to bioremediation must still be defined.

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Callan Proposal

Dear Elise,

Re: Proposal to Provide Investment Consulting Services

On behalf of Callan Associates Inc , I am pleased to provide a proposal to provide expert assistance in developing an asset allocation plan for the EVOS Investment Fund

We envision a three step process and have structured our proposal to minimize your costs and maximize your flexibility to control associated expenses The steps are outlined below

1) Planning support – we will work with staff and your legal counsel to confirm those asset categories appropriate for use within the investment fund. We then will develop capital market projections for appropriate asset categories (i e those considered eligible for investment). These projections will include estimates of expected return, volatility and correlations among those believed to be suitable for consideration.
2) Presentation of findings – we will prepare a background paper and presentation materials for discussion with the Investment Committee. We envision a presentation in your offices in April at a time of your convenience. If the timing of that meeting can be coordinated with other travel to Alaska, there will be no associated reimbursement sought for travel related expenses
3.) Post meeting follow-on assistance – we do not anticipate any additional work beyond #2 and would only undertake such work after first providing a written estimate of the time and expenses associated with your request and receiving your approval.
4) Manager evaluation – Should EVOS wish to retain Callan to provide third party continuing evaluation of the investment vehicles provided through the Department of Revenue, we would be pleased to provide such ongoing service for an annual fee of $5000 per year billable annually in arrears. Your decision on this option does not affect the items 1-3 above in any way.

Our proposed fee for elements 1 and 2 above is a total of $6000 plus reimbursement for travel expenses per Alaska policy I do not believe that a special trip is necessary since I travel regularly to Anchorage and generally can coordinate with other client meetings

The daily rate for any services provided under #3 above is $ 2000 per day (billed in half day increments) with your prior written approval

As noted in number 4 above, the option offering on-going periodic evaluation, is simply that, an option provided for your information

Callan

Michael J. O'Leary, CFA | Executive Vice President
Fund Sponsor Consulting

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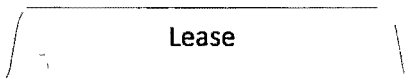
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United States Department of the Interior

U.S. GEOLOGICAL SURVEY
OFFICE OF THE REGIONAL EXECUTIVE – ALASKA AREA
4210 University Drive
Anchorage, AK 99508
http://alaska.usgs.gov

March 13, 2012

To: Elise Hsieh
Executive Director
Exxon Valdez Oil Spill Trustee Council

From: Leslie Holland-Bartels
USGS Regional Executive – Alaska Area

Re. Transmittal of Proposal for the Collocation of *Exxon Valdez* Oil Spill Trustee Council Staff on the USGS Consolidated Campus

The U.S. Geological Survey (USGS) has prepared a proposal for consideration by the *Exxon Valdez* Oil Spill Trustee Council regarding the collocation of their staff on the USGS Consolidated Campus. As you know, USGS administers the Council's existing GSA lease, which expires 30 September 2013. Actions must be taken in the near future to either renegotiate this GSA lease or make alternate arrangements. We have concluded that one such arrangement, the collocation of the Council staff on the USGS Consolidated Campus, will result in reductions in space and cost that benefit both organizations.

I understand that the information needs to be transmitted to members of the Council before your upcoming meeting and I would appreciate your assistance in seeing that the Council receives this proposal for their review and approval. We are available to discuss the proposal and answer any questions at your convenience.

EVOS Restoration Office Building Space Costs

3/14/2012

Federal Fiscal year	sq footage	Total cost, lease+mandatory Dept Homeland Security fees	additional costs	comments
FY 2006	6112	$172,175		
FY 2007	6112	$172,687		Began new 5-year lease
FY 2008	6112	$172,216		
FY 2009	6112	$172,765		
FY 2010	6112/3859	$133,372+	$30,242 remodeling fee to downsize office space	
FY 2011	3859	$110,527		Building sold, renegotiated costs
FY 2012				
option 1, stay	3859	$120,133		
option 2, move	3859/2275	$113,843+	TBD moving expenses, $267 support services	10 months at current location, 2 months at new location
FY 2013				
option 1, stay	3859	$125,984		Lease expires Sept 30, 2012
option 2, move	2275	$82,659+	TBD remodeling expenses, TBD support services	5-year MOA with option to renew

NOTE. GA of 9% has not been included in the costs shown above.

103
44
120
267

PROPOSAL FOR THE COLLOCATION OF *EXXON VALDEZ* OIL SPILL TRUSTEE COUNCIL STAFF ON THE USGS CONSOLIDATED CAMPUS

March 13, 2012

SUMMARY

The U.S Geological Survey (USGS) is required to renegotiate the lease it administers for the *Exxon Valdez* Oil Spill Trustee Council, as the existing GSA lease for this space terminates 30 September 2013. The timing of this renegotiation, in support of a strategic partner, with whom USGS Alaska Area Regional Executive Leslie Holland-Bartels acts as a representative on behalf of the Secretary of the Interior, has resulted in a positive opportunity to collocate with USGS staff, while realizing actual reductions in space and cost. These savings will benefit the Council, as well as enable USGS to meet DOI and OMB real property cost savings and space management directives.

BACKGROUND

In August 2011, USGS Associate Director Karen Baker issued a bureau-wide memo entitled, "OMB Facilities/Space Cost Savings/Avoidance and Space Management Policy." This memo communicated recent DOI and OMB requirements related to real property cost cutting strategies As a result, all space actions are to be closely scrutinized, including occupancy agreement renewals, for cost savings measures, such as collocations with other government offices or reducing overall space requirements by improving utilization. In addition, cost and square footage reductions were identified government-wide.

As part of the required 20-month lead time for GSA lease renewals, in February 2012, USGS re-examined the Council's current occupancy agreement, and in light of the new space management policies, identified an opportunity to reduce square footage and costs by collocating Council staff on the USGS Consolidated Campus (specifically Grace Hall), on the campus of Alaska Pacific University.

In terms of square footage, the Council currently occupies 3,859 square feet in the GSA-leased Chamber of Commerce Building (representing 3% of the total USGS footprint) Based on initial discussions with Council staff about their estimates of future space needs, USGS is prepared to provide a block of 2,275 square feet to the Council for its offices

The cost savings that would be realized through this space reduction are significant Currently, the Council is slated to pay $120,133 and $125,984 for FY2012 and FY2013, respectively, for 3,859 square feet in the Chamber of Commerce building. By occupying 2,275 square feet in Grace Hall, the cost would be $82,389 and $82,659 annually, for FY2012 and FY2013 The amount actually due for FY2012 will be determined by the agreed upon move-in date; pro-rated amounts for both locations will be due at that time (see Action Item 2 below for current estimate). Furthermore, Council out-year costs following FY2013 for occupancy of the Chamber of Commerce building are currently unknown. However, one could estimate an initial increase in FY2013 based on the current Anchorage market values, followed by increases that "will continue to escalate at about 2% per year." (OMB Guidance). For Grace Hall, however, the occupancy agreement has already been negotiated through April 2028,

with an annual increase of less than 1% per year. Thus, collocation with USGS staff in Grace Hall could also provide certainty in terms of cost planning.

There is a benefit to the USGS as well. This proposed collocation action would join a series of other actions taken by the USGS to reduce its space utilization by 20%, in line with Bureau and OMB targets. USGS will have achieved this overall target in Alaska primarily through increased collocations with strategic partners since FY2010 and through implementing reduced utilization standards (180 square feet per person) and other space efficiencies These space efficiencies have been or are being accomplished concurrently through new space design in the Glenn Olds Hall Addition (now under construction), modification of other Grace Hall space, and with closure of USGS occupancy of the space inefficient Gould Hall.

Finally, collocation also provides advantages in terms of the Council joining a campus with other Federal partners Once located on the USGS Campus, the Council would be in proximity to the Department of the Interior Office of the Solicitor – Alaska Region, the USGS Office of the Regional Executive – Alaska Area, and the USGS Alaska Science Center, facilitating discussions among these strategic partners. Sharing the campus with USGS, the Council would also have access to a number of small (5 people capacity) to large (100 people capacity) conference rooms to use when meeting with other partners and the public. The availability of these conference rooms will be provided at no additional cost to the Council, although access may be limited by previously scheduled USGS meetings and events. Additional non-facilities costs may also be negotiated with USGS.

ACTIONS NEEDED

1. USGS must provide GSA with 120-days written notice that it plans to vacate the Chamber of Commerce building, which the Council currently occupies

2. The USGS ASC and the Council will sign a Memorandum of Agreement and an annual collocation agreement (template attached) negotiating the facilities and other costs for the remainder of FY2012. Based on the Council moving into Grace Hall by 1 August 2012, for FY2012 the Council would owe $100,111 for 10 months at the Chamber of Commerce building and $13,732 for 2 months in Grace Hall, totaling $113,843. If the Council accepts all the suggested collocation costs (such as sharing mail and copier costs), they would be responsible for an additional $1,199 for FY2012.

3. Based on lead time needed to establish telecommunications and computer servers, the Council's IT staff, in coordination with USGS ASC IT staff, may begin work in Grace Hall as early as 1 May 2012 Access to the building's telephone closet, as well as individual offices for wiring and other needs will be available at this time. Telecommunications and computer network costs will be the responsibility of the Council.

4. Modifications to the space in Grace Hall will need to be coordinated through USGS and GSA. For the initial occupancy by the Council, the space will remain as is currently laid out, including 6

private offices and 1 locking suite door. When modifications are negotiated, the costs will be paid by the Council.

5 The Council will contract with a local moving company to transport their office furniture, equipment, and contents from the Chamber of Commerce building to Grace Hall This will be at the expense of the Council.

U.S. GEOLOGICAL SURVEY
MEMORANDUM OF AGREEMENT
BETWEEN
Alaska Science Center
AND
The Exxon Valdez *Oil Spill Trustee Council*

I. PURPOSE

The purpose of the Memorandum of Agreement (MOA) is to establish areas of common agreement and specify specific responsibilities and rights between the parties regarding the sharing of facilities in the ***Alaska Science Center***.

II. SCOPE

This MOA applies to the respective organizations that share facilities in the ***Alaska Science Center***. It is intended to identify the responsibilities of the Host Cost Center (***Alaska Science Center***) and the Parent Cost Center (**Exxon Valdez** ***Oil Spill Trustee Council***) with respect to the level of service and expectations on the part of both parties (also referred to below as Cost Centers). It is not intended to direct or interfere in the scientific activities of either organization.

III. POINT OF CONTACT

Final authority for this MOA resides with the Center Director for the ***Alaska Science Center*** and the Executive Director for the **Exxon Valdez** ***Oil Spill Trustee Council***.

For the ***Alaska Science Center***, day- to-day responsibility for implementation and administration is the Administrative Officer.

For the **Exxon Valdez** ***Oil Spill Trustee Council***, day-to-day responsibility for implementation and administration is the Administrative Officer.

IV. RESPONSIBILITIES

Alaska Science Center

A ***Alaska Science Center*** will be the lead organization for obtaining space. The ***Alaska Science Center*** will provide the **Exxon Valdez** ***Oil Spill Trustee Council*** with information and assistance in decisions affecting total staff. The ***Alaska Science Center*** will be the lead organization for obtaining repairs and

building support when needed (Space allocations will be determined through joint dialogue of both organizations and documented in a Business Case Analysis workbook to show the cost-benefit analyses performed to support the facilities change.)

B. ***Alaska Science Center*** will provide common office support to **Exxon Valdez *Oil Spill Trustee Council*** employees that include the same level of service as ***Alaska Science Center*** employees, providing normal office supplies, reproduction machines, and US postage. See attached Co-Location Request Form for specifics.
C. ***Alaska Science Center*** will assist **Exxon Valdez *Oil Spill Trustee Council*** employees in obtaining parking spaces. See attached Co-Location Request Form for specifics.
D. These responsibilities shall not preclude management staff agreeing to provide or assist in any other endeavor or action, which is mutually agreeable to both parties.

Exxon Valdez *Oil Spill Trustee Council*

A. **Exxon Valdez *Oil Spill Trustee Council*** will identify specific office, storage and warehouse needs to ***Alaska Science Center***. This includes times when additional **Exxon Valdez *Oil Spill Trustee Council*** personnel, not normally supported, will need space or assistance.
B. **Exxon Valdez *Oil Spill Trustee Council*** personnel will provide their own computer systems, configured to their needs. Computer networking and telecommunications needs will also be the direct responsibility of the **Exxon Valdez *Oil Spill Trustee Council.***
C. These responsibilities shall not preclude research and management staffs from agreeing to support or assist in other endeavors or actions, which are mutually agreeable to both parties.

Common

A. Each organization will provide maintenance for their commonly used items.
B. Each organization will be responsible for obtaining and renewing their mission-specific software maintenance requirements.
C. Each organization will apprise the other of planned training or presentations and shall allow both organizations to attend mutual scientific project, safety, and facilities issues. If there is a per person cost for attendance, each organization will be responsible for their own costs.
D. Each organization will coordinate when hosting meetings and conferences, particularly when such meetings will be longer than one day.
E. ***Alaska Science Center*** and **Exxon Valdez *Oil Spill Trustee Council*** will review the MOA annually.

Exceptions

A Each organization will maintain their own vehicles.
B. Each organization will provide their own support for any service or need not mentioned in this MOA such as editing, GIS, payroll, property accountability, travel vouchers, personnel and procurement.

V. FINANCIAL MANAGEMENT

The Cost Centers will use the Co-Location Request form (attached) to document the support and facilities costs agreed upon between the ***Alaska Science Center*** and the **Exxon Valdez *Oil Spill Trustee Council*** and will follow the Co-Location Memorandum and the FOP Chapter 6.7 for procedures. The ***Alaska Science Center*** will be reimbursed for both support and facilities expenses by the **Exxon Valdez *Oil Spill Trustee Council***.

IV. LENGTH OF AGREEMENT

This agreement will remain in force for up to five years from date signed, with the option to renew if mutually agreed, or until one or both Cost Centers stipulate in writing their desire to terminate (120 days notice required). Actual termination of the agreements shall be at the wishes of the Cost Centers subject to approval in writing from the Regional Executive. Facilities policy for the USGS at this time requires that the withdrawal of one Cost Center would transfer the space cost liability to the other.

This agreement may be modified or rewritten at any time with the mutual consent of the cost centers.

VII. APPROVALS

Mark Shasby

Digitally signed by Mark Shasby
DN cn=Mark Shasby, o=USGS, ou=Director-Alaska Science Center, email=shasby@usgs gov, c=US
Date 2012 03 13 14 40 19 -08'00'

Alaska Science Center Director _____ Date _____

Exxon Valdez Oil Spill Trustee Council Executive Director _____ Date _____

Co-Location Request Form

Please fill in the blanks and complete the appropriate entries for the space requirements and the support services provided by the

USGS Alaska Science Center (GGWAWB0000), Anchorage, Alaska

Host Cost Center Name and Number, Location (City, State)

Space/Support Services Provided for.

Exxon Valdez Oil Spill Trustee Council

Name of Person(s) Being Co-located

August 1, 2012 - September 30, 2012

Period of Coverage

N/A

Parent Cost Center Name and Number

Parent Cost Center Financial Point of Contact

Name

Phone/Fax #

Host Cost Center Financial Point of Contact:

Katherine Wheeler

Name

(907) 786-7074 / (907) 786-7150

Phone/Fax #

Account Numbers to be Charged/Reimbursed:

GX12WB11REN0200 $13,732

WBS for **Facilities Costs** Total Part A Below

GX12WB11REN0200 $1,199

WBS for **Support Costs** Total Part B Below

PART A: FACILITIES COSTS **COST**

Space required:	General Office Space	Sq ft 2,275	$13,414
	Storage	Sq ft	

DHS:	$266
Rent Total:	$13,680
OMC Total:	$52
Total Part A (Must Match FBA if following Option 1):	$13,732

Facilities Option (select one) Option 1 _____ Option 2 X

PART B: SUPPORT SERVICES	**COST**
Travel Support:	N/A
Use of Vehicle: How Often: _____	N/A
Parking: Shared spots on APU campus	$0
Use of Office Supplies:	$103
Use of Office Equipment (fax, copier, scanner, etc):	$44
IT Support:	N/A
Clerical Support:	N/A
Network Telecom:	N/A
Computer reimbursement:	N/A
Phone cost reimbursement:	N/A
In-kind services (Specify): _____	N/A
Special Needs (Specify): Postage	$120
Other (Specify): Safety program	$932
Total Part B:	$1,199
AGREEMENT TOTAL:	$14,931

APPROVALS

Mark Shasby

Host Cost Center Director Signature/Date

Parent Cost Center Director Signature/Date

PTG 01 (Revised 2012), Aialik Bay

Owner:	Port Graham Corporation
Physical Location:	These parcels are located on the eastern shore of Aialik Bay within the boundaries of Kenai Fjords National Park
Acreage:	2265 acres
Brief Description:	Head of Aialik Bay
Agency Sponsor:	U.S. Department of the Interior, National Park Service
Appraised Value:	$2,000,000 (in 2009)

History of Trustee Council Consideration:
Through Resolution 08-06, on March 17, 2008, the Trustee Council (TC) approved and dispersed due diligence funds to the National Park Service (NPS) for the Port Graham Project 01 (PTG 01). However, today the project has been scaled back from the original scope approved in TC Resolution 08-06 (see attached map of the subject properties)

As originally approved, this project included both tracts currently under consideration but also contained an additional two tracts: a 2250 acre tract on the west side of Aialik Bay owned by the Port Graham Corporation (PGC), as well a 4.8 acre parcel owned by Alaska Wildland Adventures (AWA). However, neither party is interested in selling those tracts at this time. The original project proponents were not satisfied with the values set by the 2009 appraisal and the landowners began to re-consider their options. Today PGC, under new leadership, has expressed great interest in assessing the current market values of the two parcels in the revised PTG 01.

Parcel Description. These parcels are comprised of two tracts (2,242 acres and 428 acres) owned by PGC (2265 acres combined as determined by NPS acreage calculations) and are located between Coleman Bay and Aialik Glacier on the east shore of Aialik Bay within the boundaries of Kenai Fjords National Park. Both parcels are in a natural undeveloped state at this time, with the exception of an NPS cabin on a 5-acre parcel that the NPS leases from PGC to provide for public use. The parcels contain rugged cliffs, coastal temperate rainforest, and tidally influenced shoreline Pocket areas above the mean high tide mark contain beach grass communities.

PGC lands within the park were designated as the first priority for fee simple acquisition in the 1988 NPS Land Protection Plan because these lands "are important in terms of scenic qualities, wildlife habitat, cultural resources and visitor uses." The Plan points out that the lands are surrounded by NPS land in "the heart of the Kenai Fjords."

Linkage to Restoration

Restoration Benefits

As identified by the TC, injured species that are not recovering and will benefit from acquisition of these parcels include Pacific Herring.[1] Injured species with unknown recovery status that will benefit from acquisition of these lands include Marbled and Kittlitz's Murrelets Injured species still recovering that will benefit include intertidal communities, Barrow's Goldeneyes, Black Oystercatchers, Harlequin Ducks, Sea Otters, and Mussels. The Aialik Bay area, including these parcels, is also used by Bald Eagles, River Otters, Common Murres, Common Loons, Cormorants, Harbor Seals, Killer Whales, Pink Salmon, Sockeye Salmon, and Dolly Varden char.

The area supports recreational use by kayakers, nature viewers, fishers, birdwatchers and hikers. The majority of visitors to Kenai Fjords National Park (approximately 55,000 people annually) tour Aialik Bay and observe the untrammeled natural beauty and wildlife of these parcels. Much of these parcels are prominently visible to park visitors on tour boats or kayaks in Aialik Bay.

Additionally, the Aialik Bay Public Use Cabin is located on the PGC parcel. The NPS currently leases 5 acres containing the cabin for rental to the public. The popular cabin is heavily used by recreational visitors throughout the summer (approximately 400 user nights annually).

The parcels also have significant cultural values, including several archeological sites containing prehistoric elements in relatively pristine condition.

Potential Threats

Under private ownership, uses that would be incompatible with the NPS management are allowable. Such uses include subdivision, development, limited timber cutting, hunting, and denial of public use and access. These uses would significantly change the character of the Park and would adversely affect natural resources and visitor experiences.

The PGC and AWA jointly developed a lodge on another PGC parcel within Aialik Bay in 2009 and closed surrounding private lands to public use except lodge guests At the time the 4.8 acre parcel was purchased by AWA, the real estate listings promoted it as a site suitable for development as a lodge If listed on the real estate market, it is possible that the parcels would be marketed in a similar manner.

Proposed Management

Upon acquisition, these parcels will be managed by the NPS as part of Kenai Fjords National Park, consistent with applicable federal laws and policy. The purpose of the Park, as defined in the Alaska National Interest Lands Conservation Act, is to "maintain unimpaired the scenic and environmental integrity of ...coastal fjords and islands in their

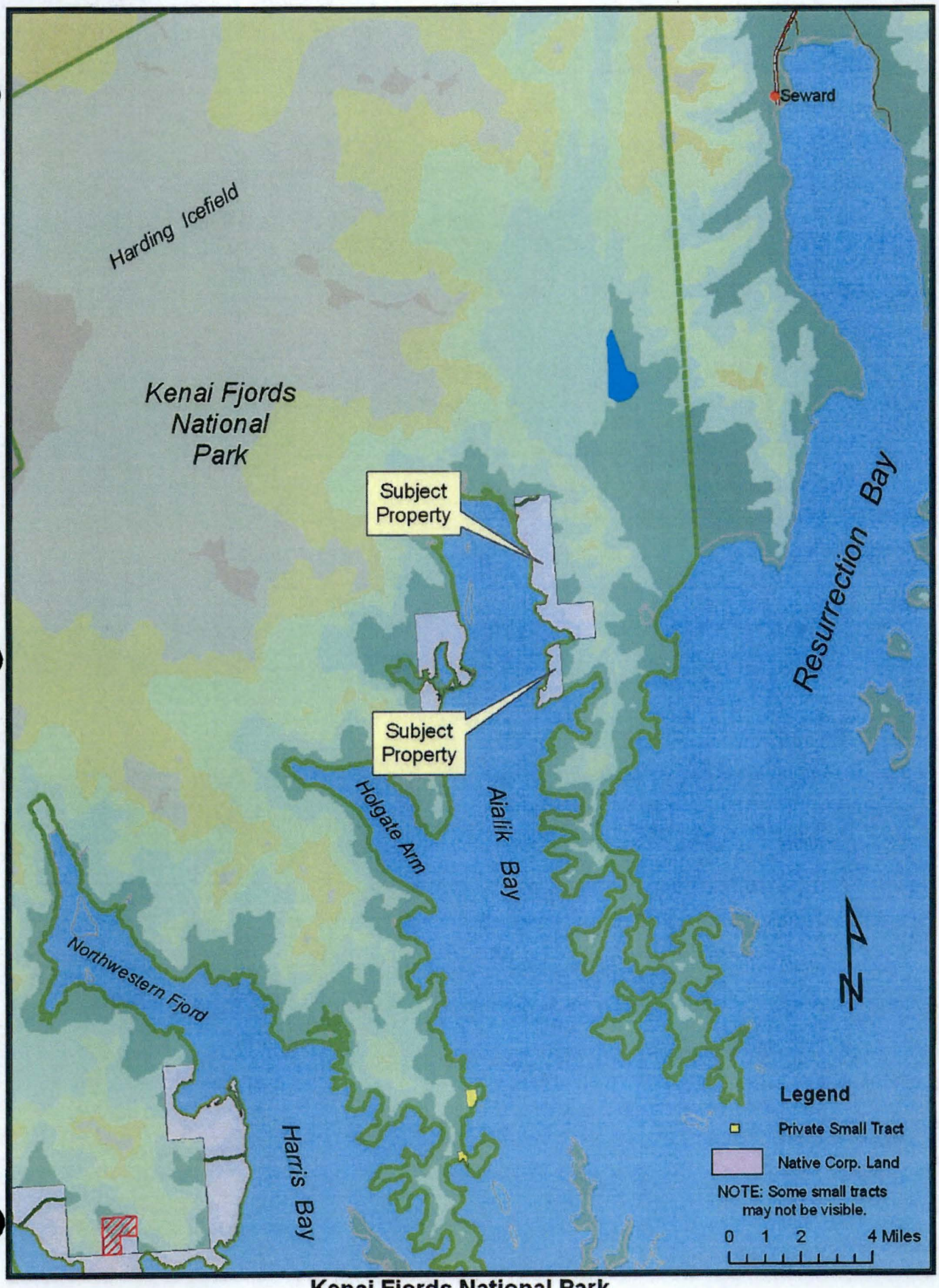
[1] *See* 2010 Injured Resources & Services Update, *Exxon Valdez* Oil Spill Trustee Council, available at http //www evostc state ak us/Recovery/status cfm.

natural state and to protect seals, sea lions, other marine mammals, and marine and other birds…"

Request

Request the TC reauthorize use of due diligence funds in the amount of $12,500, which were disbursed to the NPS in 2008. In addition, request an additional $6,500 for the NPS for due diligence activities for Port Graham PTG 01.

Attachment: Map of Subject Properties



Kenai Fjords National Park

Restoration Benefits Report for Habitat Acquisition
Port Graham Corporation
Parcels PTG 01 through 07

Region and Locale

Kenai Peninsula. Parcels are located on the southeast coastline of the peninsula within Kenai Fjords National Park.

Proposed Acquisition Description

Port Graham (PTG) parcels 01 through 07 are located along the deep water fjords of Kenai Fjords National Park. The park is characterized by a highly indented coastline, interspersed protected waters and extremely scenic . uplands. The fjords support tide-water glaciers, many that have receded dramatically this century. Upland slopes are predominately steep, though there are relatively flat areas; soils are generally shallow. Coastal parts of the parcels are covered by a temperate rainforest dominated by Sitka spruce and western hemlock Under story vegetation is typical of that found with this forest type. More inland parts of the parcels are covered with shrub and tundra vegetation types. Parcels PTG 05 and PTG 01 contain Delight, Desire and Addison Creeks that support commercial red and pink salmon fisheries.

Kenai Fjords National Park provides the most dramatic fjord system in the United States that is protected as a national park Waters adjacent to the park are teeming with marine life and are often occupied with harbor seals, sea otters, Northern sea lions, porpoises and Minke, Humpback, Orca and Gray whales. Several species of salmon, including pink salmon and red salmon injured by the Exxon Valdez Oil Spill (EVOS), are supported by the park's upland habitat Numerous species of marine and other birds, including harlequin ducks, marbled and Kittlitz's murrelets, pigeon guillemots, black oystercatchers, cormorants, common loons and bald eagles injured by the EVOS, are found throughout the area and use park uplands The park is a birder's paradise. Upland areas also support black bear, moose, mountain goat, river otter, mink, marten, wolverine, coyote, snowshoe hare, and porcupine.

Although the park was established amidst great controversy in 1980, it is now the major attraction for the city of Seward's booming tourism economy. A 1996 MOU signed by the City, NPS, USFS, State Parks and the Chamber of Commerce supports the construction of an interagency, cooperatively run Visitor Center/Administrative Offices/Conference Center on City-owned land near the Seward Small Boat Harbor. Numerous businesses, related to the park, have been created in the city since that time. Several businesses, such as Kenai Fjords Tours, Major Marine Tours, and Mariah Charters, have matured into companies of significant size. Because of increased demand, companies are still adding capacity to carry more visitors to see the park, its magnificent landscape, and its wildlife. The Anchorage Daily News runs daily advertisements throughout the year for several commercial companies providing boat tours of the park. The Alaska Railroad runs daily summer trains to Seward, which are scheduled to connect to these tours. National magazines carry monthly

advertisements for guided trips to the park. Large cruise ship companies have discovered Seward (110 dockings in 1996) and their passengers fill the park's visitor center as they disembark into town and seek out points of interest. Many of the cruise ship tourists take flight-seeing tours of the park and have helped stimulate yet more jobs. Half the park's 1994 commercial use licenses were for flight-seeing businesses.

The parcels in this package contain most of the resources and services injured from the oil spill. By protecting the habitat upon which these resources depend, the Trustee Council's goal of providing restoration benefits through protective measures can be accomplished on the Kenai Peninsula

Parcel Acreage and Ratings. All parcels have been appraised Combined, the parcels total 46,621 acres, more or less. Parcels have been evaluated by the Trustee Council's Habitat Work Group (1993 & 1994) and score from high to low. High and moderate parcels comprise about 29,000 acres; low rated parcels comprise 18,000 acres.

Other Information

Most of these parcels were conveyed to Port Graham Corporation in 1995 and 1996 under the authority of the Alaska Native Claims Settlement Act. Port Graham's remaining acreage entitlement of 4,290 acres is scheduled to be conveyed in future years. All future conveyances will be within Kenai Fjords National Park. Habitat protection would include conveyed lands and future conveyances. The Port Graham Corporation has expressed willingness to negotiate sale of some or all of their lands within the park on a fee simple basis. The subsurface estate of these parcels has or will be conveyed to the Chugach Alaska Corporation. This subsurface estate has been appraised, but an offer will not be presented at this time

A number of additional parcels have been rated by the Trustee Council's staff on the Kenai Peninsula near the villages of Port Graham and English Bay. Ratings were from moderate to low value Lands within the boundaries of Kenai Fjords National Park represent the best potential to acquire lands which have the highest potential to contribute to the Trustee Council's restoration goals.

Restoration Benefits

Injured Resources and Services. Sixteen of the 19 listed injured resources and services used to rate the parcels are present on or directly associated with the lands in this package. The following list contains those rated by the Trustee Council staff as having high or moderate potential to benefit restoration.[1] Injured resources on or immediately adjacent to these lands include. spawning pink salmon, spawning red salmon, feeding and likely

[1]Rating done by the Habitat Protection Work Group (HPWG), "Comprehensive Habitat Protection Process: Large Parcel Evaluation & Ranking," as presented to the Council November 30, 1993, The list of injured resources and services has been expanded to 30 as of the Trustee Council meeting on 8/29/96

spawning Dolly Varden, spawning Pacific herring, nesting bald eagles, feeding black oystercatchers, feeding and haulout areas for harbor seals, molting harlequin ducks, intertidal & subtidal biota (including some dense mussel beds, kelp and eelgrass areas), probable nesting marbled murrelets, feeding and probable nesting pigeon guillemots, high use areas and latrine sites for river otters, and feeding sea otters. Public services provided by these lands include: nationally known and advertised recreation and tourism destinations, pristine wilderness settings, and several archaeologic and historic cultural resource sites. Additionally, commercial pink and red salmon fisheries are supported by Delight and Desire Creeks in PTG 05 and Addison Creek in PTG 01. Furthermore, these lands and adjacent coastal waters provide habitat for clams, common loons, cormorants, killer whales, Kittlitz's murrelets, mussels, rockfish, sediments, and passive use, injured resources and services added since the original ratings.

Acquisition of this package will result in habitat protection for not only the lands acquired, but for a much larger area These lands are within the designated boundaries of Kenai Fjords National Park, an area comprised of 669,000 acres As such, adding these lands back into park status will ensure that the thousands of acres of protected habitat in the park are not fragmented by various man-made developments and extractive activities. Both the lands acquired, and the lands in the park will provide protection for injured resources and services injured by the oil spill.

Currently, this area is receiving steadily increasing recreational visitation. Both large commercially-operated and small privately-owned boats ply the fjords in greater numbers. The area is well known by sport fishermen who seek out salmon and halibut. Kayakers, campers, photographers and birders from around the world have discovered the park and use it regularly. Flight-seeing is increasingly popular, and a growing number of tourists see the park in this way. The number of commercial users in the park is on a steady upward trend; between 1995 and 1996 the number of businesses operating in Kenai Fjords with a Park Service commercial use license increased from 34 to 43.

Park management will maintain habitat acquired in its natural condition, thereby protecting injured resources and services from further injury. Park rangers, other park staff and volunteers in the park will regularly patrol the park to ensure a high level of compliance with park regulations and Trustee Council restoration goals. At the same time, services like recreation and tourism can continue to occur and increase, in balance with restoration needs. The park already provides some remote visitor cabins. Cultural sites of particular importance to the Native community will be protected consistent with state and federal laws. The commercial red and pink salmon fisheries associated with Delight, Desire and Addison Creeks will be maintained by protection of spawning and rearing habitat

Should the parcels not be acquired, private management would determine the nature and rate of change to the land. Development could take many forms. While the unspoiled and wild landscape of the park provides protection for injured resources and services and is a prime visitor attraction, the same landscape could be severely altered with lodges, cabins and docks in bays with

greatly increased boat and aircraft traffic. Developed parcels would fracture habitat into smaller blocks, and protection for injured resources and services would be diminished. Most biologists agree that large, protected natural areas provide better habitat for populations of animals, such as those injured by the EVOS, than parcels interrupted by human developments.

In future years forested areas of the park could be logged. Logging would begin to impact the habitat of injured resources and services on lands logged and possibly on surrounding lands. Even small logging operations would severely impair the scenic, wilderness and recreational qualities of the otherwise undisturbed area.

Proposed Management Structure. Lands acquired would be managed by the National Park Service pursuant to the National Park Service's Organic Act, 16 USC 1, and the Alaska National Interest Lands Conservation Act (ANILCA), 16 USC 3101. These two laws provide the key legislative mandates for management. For Kenai Fjords National Park, ANILCA section 201 (5) says,

> Kenai Fjords National Park... shall be managed for the following purposes, among others: To maintain unimpaired the scenic and environmental integrity of the Harding Ice Field, its outflowing glaciers, and coastal fjords and islands in their natural state; and to protect seals, sea lions, other marine mammals, and marine and other birds and to maintain their hauling and breeding areas in their natural state, free of human activity which is disruptive to their natural processes....

These mandates from Congress mesh well with the Trustee Council's restoration goals for the injured resources and services. The very core of the Park Service mission is both protection and use. On the one hand, most areas will be left in their natural state thus providing undisturbed habitat for the many species that will benefit from such protection. On the other hand, services like recreation and tourism can continue to occur. People from Alaska, from the rest of the USA, and from around the world could visit the park, marvel at its scenery, and learn about its natural resources.

Terms and Conditions

Fee simple acquisition of all parcels

Sources of Revenue. Civil restoration fund monies.

Recommendation

Fee simple acquisition of all parcels.

RESOLUTION 08-06 OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
REGARDING PORT GRAHAM HABITAT PROTECTION

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council do hereby certify that, in accordance with the Memorandum of Agreement and Consent Decree entered as settlement of United States of America v. State of Alaska, No. A91-081 Civil, U.S. District Court for the District of Alaska, and after public meetings, unanimous agreement has been reached to expend funds received in settlement of State of Alaska v. Exxon Corporation, et al., No. A91-083 CIV, and United States of America v. Exxon Corporation, et al., No. A91-082 CIV, U.S. District Court for the District of Alaska, for necessary Natural Resource Damage Assessment and Restoration activities for fiscal year 2007, as described in Attachment A.

This resolution authorizes the distribution of $32,700 of FY 08 funding for due diligence expenses in support of Port Graham Habitat Protection Efforts focusing on parcel PTG 01, as described in Attachment A, to be distributed according to the following schedule:

Department of Interior, National Park Service	$32,700
TOTAL APPROVED FOR DISTRIBUTION	**$32,700**

Authorization of the approved funding shall run from March 17, 2008 to September 30, 2009.

By unanimous consent, we hereby request the Alaska Department of Law and the Assistant Attorney General of the Environmental and Natural Resources Division of the United States Department of Justice to take such steps as may be necessary to make funds available in the amount of $32,700 from the appropriate account as designated by the Executive Director.

Approved by the Council at its meeting of March 17, 2008, held in Anchorage, Alaska, as affirmed by our signatures affixed below:

Joe L. Meade
Forest Supervisor
Forest Service Alaska Region
U. S. Department of Agriculture

Talis J. Colberg
Attorney General
Alaska Department of Law

Randall Luthi
Director
Minerals Management Service
U.S. Department of Interior

HANS NEIDIG For
Randall Luthi

James Balsiger
Administrator, Alaska Region
National Marine Fisheries Service
U.S. Department of Commerce

Denby S. Lloyd
Commissioner
Alaska Department of Fish and Game

Larry Hartig
Commissioner
Alaska Department of Environmental Conservation

Attachment A – Port Graham Estimate of Due Diligence Costs; Port Graham Benefits Report 1994; Parcel Maps

ATTACHMENT A

Port Graham
Estimate of Due Diligence Costs

Initial Costs	
Appraisal	$20,000
Appraisal review	$3,000
Hazmat	$4,250
Subsurface Assessment	$2,000
Preliminary Commitment for Title Insurance	$750
Total Estimated Initial Costs	**$30,000**

Budget Summary

Budget Category	FY 08-09
Personnel	$0.0
Travel	$0.0
Contractual	$30,000
Commodities	$0.0
Equipment	$0.0
Subtotal	$30,000
General Administration	$2,700
Total Request	$32,700

Restoration Benefits Report for Habitat Acquisition
Port Graham Corporation
Parcels PTG 01 through 07

Region and Locale

Kenai Peninsula. Parcels are located on the southeast coastline of the peninsula within Kenai Fjords National Park.

Proposed Acquisition Description

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Kenai Fjords National Park provides the most dramatic fjord system in the United States that is protected as a national park. Waters adjacent to the park are teeming with marine life and are often occupied with harbor seals, sea otters, Northern sea lions, porpoises and Minke, Humpback, Orca and Gray whales. Several species of salmon, including pink salmon and red salmon injured by the Exxon Valdez Oil Spill (EVOS), are supported by the park's upland habitat. Numerous species of marine and other birds, including harlequin ducks, marbled and Kittlitz's murrelets, pigeon guillemots, black oystercatchers, cormorants, common loons and bald eagles injured by the EVOS, are found throughout the area and use park uplands. The park is a birder's paradise. Upland areas also support black bear, moose, mountain goat, river otter, mink, marten, wolverine, coyote, snowshoe hare, and porcupine.

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boat tours of the park. The Alaska Railroad runs daily summer trains to Seward, which are scheduled to connect to these tours. National magazines carry monthly advertisements for guided trips to the park. Large cruise ship companies have discovered Seward (110 dockings in 1996) and their passengers fill the park's visitor center as they disembark into town and seek out points of interest. Many of the cruise ship tourists take flight-seeing tours of the park and have helped stimulate yet more jobs. Half the park's 1994 commercial use licenses were for flight-seeing businesses.

The parcels in this package contain most of the resources and services injured from the oil spill. By protecting the habitat upon which these resources depend, the Trustee Council's goal of providing restoration benefits through protective measures can be accomplished on the Kenai Peninsula.

Parcel Acreage and Ratings. All parcels have been appraised. Combined, the parcels total 46,621 acres, more or less. Parcels have been evaluated by the Trustee Council's Habitat Work Group (1993 & 1994) and score from high to low. High and moderate parcels comprise about 29,000 acres; low rated parcels comprise 18,000 acres.

Other Information

Most of these parcels were conveyed to Port Graham Corporation in 1995 and 1996 under the authority of the Alaska Native Claims Settlement Act. Port Graham's remaining acreage entitlement of 4,290 acres is scheduled to be conveyed in future years. All future conveyances will be within Kenai Fjords National Park. Habitat protection would include conveyed lands and future conveyances. The Port Graham Corporation has expressed willingness to negotiate sale of some or all of their lands within the park on a fee simple basis. The subsurface estate of these parcels has or will be conveyed to the Chugach Alaska Corporation. This subsurface estate has been appraised, but an offer will not be presented at this time.

A number of additional parcels have been rated by the Trustee Council's staff on the Kenai Peninsula near the villages of Port Graham and English Bay. Ratings were from moderate to low value. Lands within the boundaries of Kenai Fjords National Park represent the best potential to acquire lands which have the highest potential to contribute to the Trustee Council's restoration goals.

Restoration Benefits

Injured Resources and Services. Sixteen of the 19 listed injured resources and services used to rate the parcels are present on or directly associated with the lands in this package. The following list contains those rated by the Trustee Council staff as having high or moderate potential to benefit restoration.[1] Injured resources on or immediately adjacent to these lands

[1]Rating done by the Habitat Protection Work Group (HPWG),

include: spawning pink salmon, spawning red salmon, feeding and likely spawning Dolly Varden, spawning Pacific herring, nesting bald eagles, feeding black oystercatchers, feeding and haulout areas for harbor seals, molting harlequin ducks, intertidal & subtidal biota (including some dense mussel beds, kelp and eelgrass areas), probable nesting marbled murrelets, feeding and probable nesting pigeon guillemots, high use areas and latrine sites for river otters, and feeding sea otters. Public services provided by these lands include: nationally known and advertised recreation and tourism destinations, pristine wilderness settings, and several archaeologic and historic cultural resource sites. Additionally, commercial pink and red salmon fisheries are supported by Delight and Desire Creeks in PTG 05 and Addison Creek in PTG 01. Furthermore, these lands and adjacent coastal waters provide habitat for clams, common loons, cormorants, killer whales, Kittlitz's murrelets, mussels, rockfish, sediments, and passive use, injured resources and services added since the original ratings.

Acquisition of this package will result in habitat protection for not only the lands acquired, but for a much larger area. These lands are within the designated boundaries of Kenai Fjords National Park, an area comprised of 669,000 acres. As such, adding these lands back into park status will ensure that the thousands of acres of protected habitat in the park are not fragmented by various man-made developments and extractive activities. Both the lands acquired, and the lands in the park will provide protection for injured resources and services injured by the oil spill.

Currently, this area is receiving steadily increasing recreational visitation. Both large commercially-operated and small privately-owned boats ply the fjords in greater numbers. The area is well known by sport fishermen who seek out salmon and halibut. Kayakers, campers, photographers and birders from around the world have discovered the park and use it regularly. Flight-seeing is increasingly popular, and a growing number of tourists see the park in this way. The number of commercial users in the park is on a steady upward trend; between 1995 and 1996 the number of businesses operating in Kenai Fjords with a Park Service commercial use license increased from 34 to 43.

Park management will maintain habitat acquired in its natural condition, thereby protecting injured resources and services from further injury. Park rangers, other park staff and volunteers in the park will regularly patrol the park to ensure a high level of compliance with park regulations and Trustee Council restoration goals. At the same time, services like recreation and tourism can continue to occur and increase, in balance with restoration needs. The park already provides some remote visitor cabins. Cultural sites of particular importance to the Native community will be protected consistent with state and federal laws. The commercial red and

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"Comprehensive Habitat Protection Process: Large Parcel Evaluation & Ranking," as presented to the Council November 30, 1993, The list of injured resources and services has been expanded to 30 as of the Trustee Council meeting on 8/29/96.

pink salmon fisheries associated with Delight, Desire and Addison Creeks will be maintained by protection of spawning and rearing habitat.

Should the parcels not be acquired, private management would determine the nature and rate of change to the land. Development could take many forms. While the unspoiled and wild landscape of the park provides protection for injured resources and services and is a prime visitor attraction, the same landscape could be severely altered with lodges, cabins and docks in bays with greatly increased boat and aircraft traffic. Developed parcels would fracture habitat into smaller blocks, and protection for injured resources and services would be diminished. Most biologists agree that large, protected natural areas provide better habitat for populations of animals, such as those injured by the EVOS, than parcels interrupted by human developments.

In future years forested areas of the park could be logged. Logging would begin to impact the habitat of injured resources and services on lands logged and possibly on surrounding lands. Even small logging operations would severely impair the scenic, wilderness and recreational qualities of the otherwise undisturbed area.

Proposed Management Structure. Lands acquired would be managed by the National Park Service pursuant to the National Park Service's Organic Act, 16 USC 1, and the Alaska National Interest Lands Conservation Act (ANILCA), 16 USC 3101. These two laws provide the key legislative mandates for management. For Kenai Fjords National Park, ANILCA section 201 (5) says,

> Kenai Fjords National Park... shall be managed for the following purposes, among others: To maintain unimpaired the scenic and environmental integrity of the Harding Ice Field, its outflowing glaciers, and coastal fjords and islands in their natural state; and to protect seals, sea lions, other marine mammals, and marine and other birds and to maintain their hauling and breeding areas in their natural state, free of human activity which is disruptive to their natural processes....

These mandates from Congress mesh well with the Trustee Council's restoration goals for the injured resources and services. The very core of the Park Service mission is both protection and use. On the one hand, most areas will be left in their natural state thus providing undisturbed habitat for the many species that will benefit from such protection. On the other hand, services like recreation and tourism can continue to occur. People from Alaska, from the rest of the USA, and from around the world could visit the park, marvel at its scenery, and learn about its natural resources.

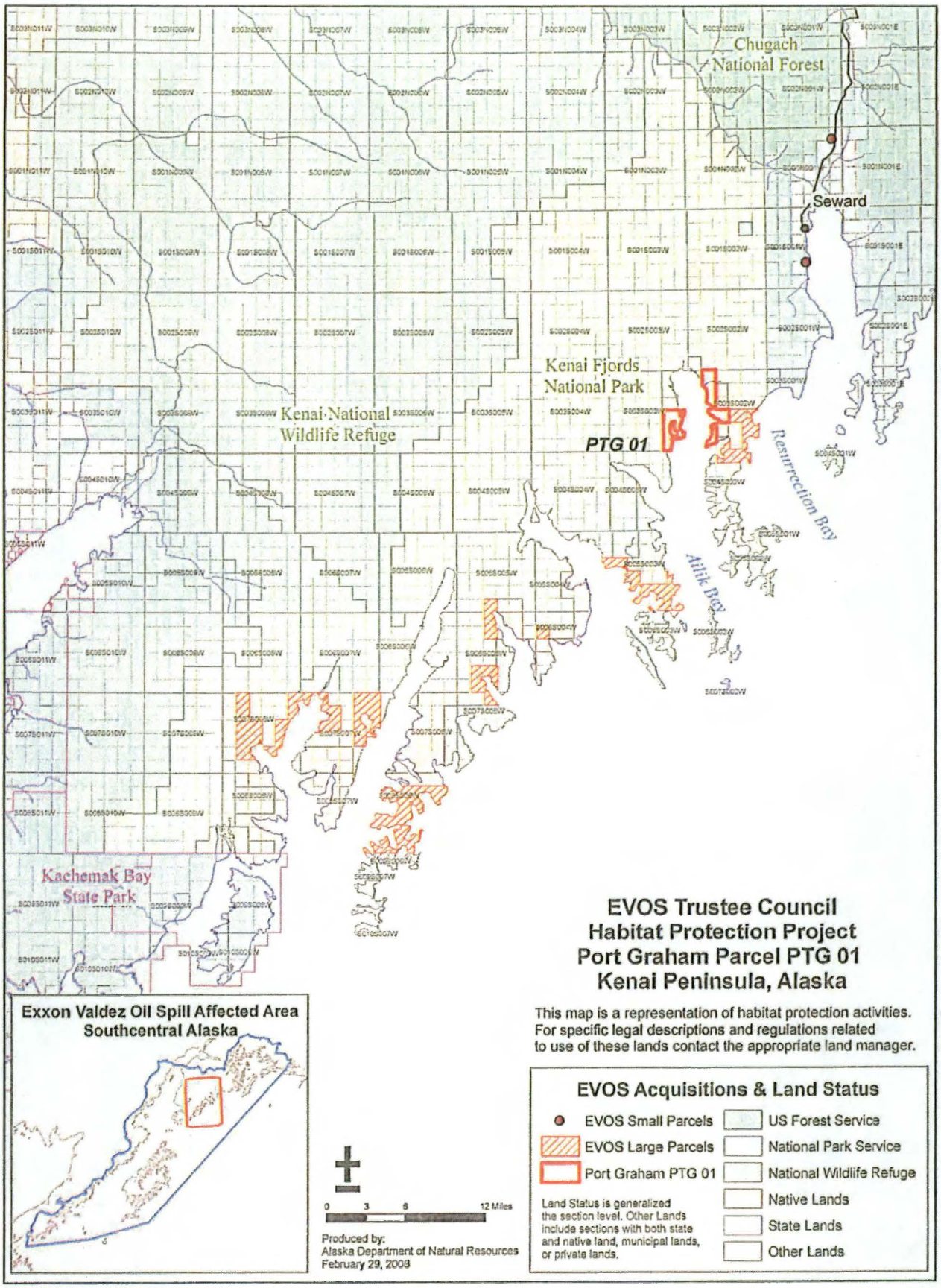
Terms and Conditions

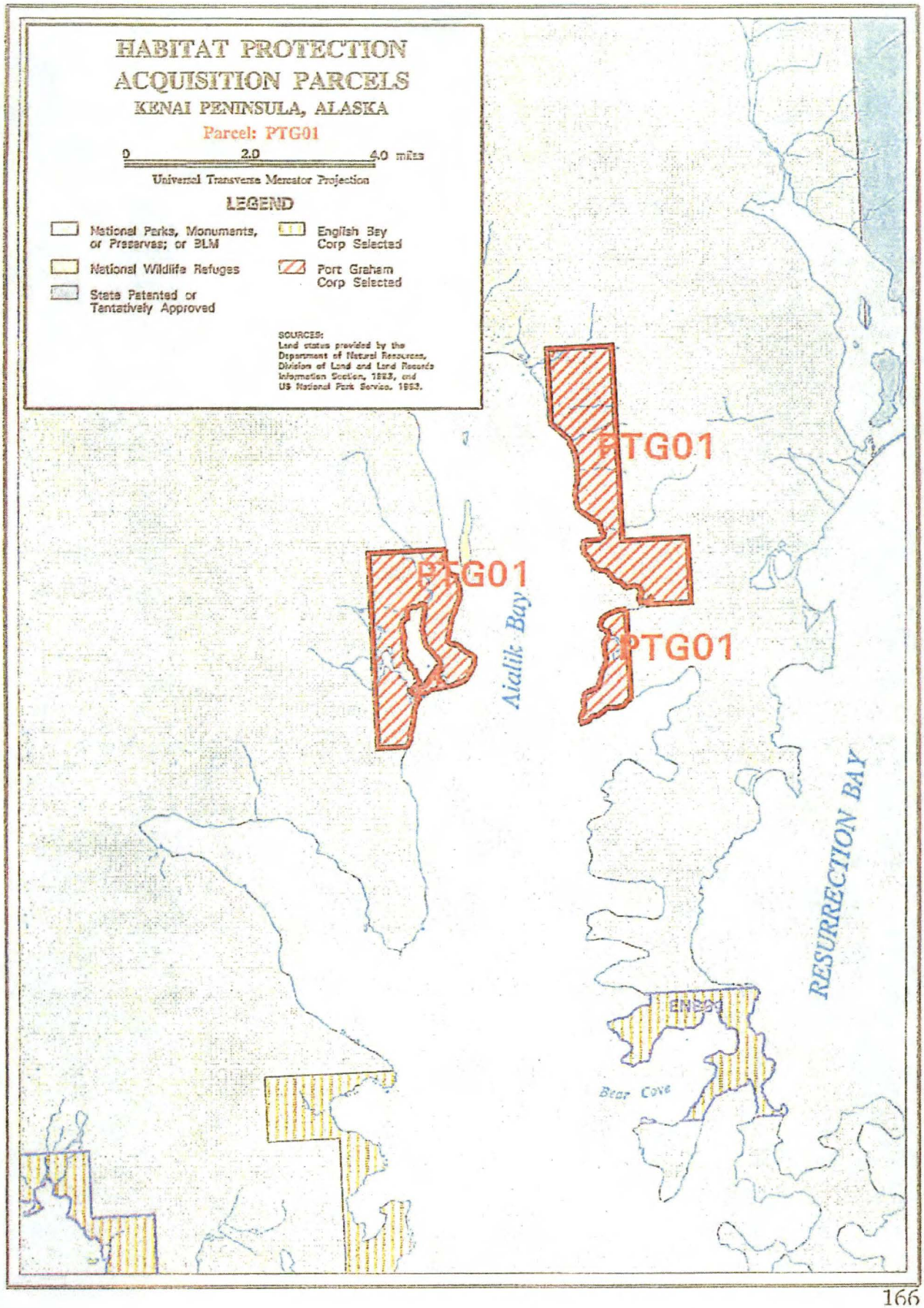
Fee simple acquisition of all parcels.

Sources of Revenue. Civil restoration fund monies.

Recommendation

Fee simple acquisition of all parcels.


Chugach
National Forest
Seward
Kenai Fjords
National Park
Kenai National
Wildlife Refuge
PTG 01
Resurrection Bay
Aialik Bay
Kachemak Bay
State Park
Exxon Valdez Oil Spill Affected Area
Southcentral Alaska
0 3 6 12 Miles
Produced by:
Alaska Department of Natural Resources
February 29, 2008
EVOS Trustee Council
Habitat Protection Project
Port Graham Parcel PTG 01
Kenai Peninsula, Alaska
This map is a representation of habitat protection activities.
For specific legal descriptions and regulations related
to use of these lands contact the appropriate land manager.
EVOS Acquisitions & Land Status
EVOS Small Parcels
EVOS Large Parcels
Port Graham PTG 01
Land Status is generalized
the section level. Other Lands
include sections with both state
and native land, municipal lands,
or private lands.
US Forest Service
National Park Service
National Wildlife Refuge
Native Lands
State Lands
Other Lands


HABITAT PROTECTION
ACQUISITION PARCELS
KENAI PENINSULA, ALASKA
Parcel: PTG01
0 2.0 4.0 miles
Universal Transverse Mercator Projection
LEGEND
National Parks, Monuments, or Preserves; or BLM
National Wildlife Refuges
State Patented or Tentatively Approved
English Bay Corp Selected
Port Graham Corp Selected
SOURCES:
Land status provided by the Department of Natural Resources, Division of Land and Land Records Information Section, 1993, and US National Park Service, 1993.
PTG01
PTG01
PTG01
Aialik Bay
RESURRECTION BAY
ENGLISH
Bear Cove

RESOLUTION 12-03 OF THE *EXXON VALDEZ* OIL SPILL TRUSTEE COUNCIL REGARDING PORT GRAHAM HABITAT PROTECTION, PTG 01

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council (Council) after extensive review and after consideration of the views of the public, find as follows:

On March 17, 2008, the Council resolved through Resolution 08-06 to provide $32,700 in funding to the U.S. Department of Interior National Park Service (National Park Service) for due diligence expenses in support of Port Graham Habitat Protection Efforts focusing on the PTG 01 project. A portion of the funds, $20,200, was spent before the authorization's September 30, 2009 expiration. The National Park Service is requesting reauthorization of the remaining funds, $12,500, to update the appraisal.

In addition, we authorize an additional $7,085, which includes applicable GA, to the National Park Service for due diligence activities for Port Graham PTG 01.

United States Department of Interior, National Park Service	$7,085
TOTAL APPROVED FOR ADDITIONAL FUNDING:	**$7,085**

Authorization of the approved funding shall run from March 27, 2012, to September 30, 2013.

By unanimous consent, we hereby request the Alaska Department of Law and the Assistant Attorney General of the Environmental and Natural Resources Division of the United States Department of Justice to take such steps as may be necessary to make funds available in the amount of $7,085 from the appropriate account as designated by the Executive Director.

Approved by the Council at its meeting of March 27, 2012, held in Anchorage, Alaska, as affirmed by our signatures affixed below:

STEVE ZEMKE
Trustee Alternate
Chugach National Forest
U.S. Department of Agriculture

MICHAEL C. GERAGHTY
Attorney General
Alaska Department of Law

KIM ELTON
Senior Advisor to the Secretary
for Alaska Affairs
Office of the Secretary
U.S. Department of the Interior

JIM BALSIGER
Administrator, Alaska Region
National Marine Fisheries Service
U.S. Department of Commerce

CORA CAMPBELL
Commissioner
Alaska Department of Fish and Game

LARRY HARTIG
Commissioner
Alaska Department of Environmental
Conservation

Attachment A – Resolution 08-06 and Attachments; Port Graham Benefits Report 1994, Parcel Map
Attachment B – Port Graham Benefits Report (Revised 2012), Parcel Map

PTG 01 (Revised 2012), Aialik Bay

Owner:	Port Graham Corporation
Physical Location:	These parcels are located on the eastern shore of Aialik Bay within the boundaries of Kenai Fjords National Park
Acreage:	2265 acres
Brief Description:	Head of Aialik Bay
Agency Sponsor:	U S. Department of the Interior, National Park Service
Appraised Value:	$2,000,000 (in 2009)

History of Trustee Council Consideration:
Through Resolution 08-06, on March 17, 2008, the Trustee Council (TC) approved and dispersed due diligence funds to the National Park Service (NPS) for the Port Graham Project 01 (PTG 01). However, today the project has been scaled back from the original scope approved in TC Resolution 08-06 (see attached map of the subject properties)

As originally approved, this project included both tracts currently under consideration but also contained an additional two tracts: a 2250 acre tract on the west side of Aialik Bay owned by the Port Graham Corporation (PGC), as well a 4.8 acre parcel owned by Alaska Wildland Adventures (AWA) However, neither party is interested in selling those tracts at this time. The original project proponents were not satisfied with the values set by the 2009 appraisal and the landowners began to re-consider their options. Today PGC, under new leadership, has expressed great interest in assessing the current market values of the two parcels in the revised PTG 01.

Parcel Description. These parcels are comprised of two tracts (2,242 acres and 428 acres) owned by PGC (2265 acres combined as determined by NPS acreage calculations) and are located between Coleman Bay and Aialik Glacier on the east shore of Aialik Bay within the boundaries of Kenai Fjords National Park Both parcels are in a natural undeveloped state at this time, with the exception of an NPS cabin on a 5-acre parcel that the NPS leases from PGC to provide for public use. The parcels contain rugged cliffs, coastal temperate rainforest, and tidally influenced shoreline. Pocket areas above the mean high tide mark contain beach grass communities.

PGC lands within the park were designated as the first priority for fee simple acquisition in the 1988 NPS Land Protection Plan because these lands "are important in terms of scenic qualities, wildlife habitat, cultural resources and visitor uses." The Plan points out that the lands are surrounded by NPS land in "the heart of the Kenai Fjords."

Linkage to Restoration

Restoration Benefits

As identified by the TC, injured species that are not recovering and will benefit from acquisition of these parcels include Pacific Herring [1] Injured species with unknown recovery status that will benefit from acquisition of these lands include Marbled and Kittlitz's Murrelets. Injured species still recovering that will benefit include intertidal communities, Barrow's Goldeneyes, Black Oystercatchers, Harlequin Ducks, Sea Otters, and Mussels. The Aialik Bay area, including these parcels, is also used by Bald Eagles, River Otters, Common Murres, Common Loons, Cormorants, Harbor Seals, Killer Whales, Pink Salmon, Sockeye Salmon, and Dolly Varden char.

The area supports recreational use by kayakers, nature viewers, fishers, birdwatchers and hikers. The majority of visitors to Kenai Fjords National Park (approximately 55,000 people annually) tour Aialik Bay and observe the untrammeled natural beauty and wildlife of these parcels. Much of these parcels are prominently visible to park visitors on tour boats or kayaks in Aialik Bay

Additionally, the Aialik Bay Public Use Cabin is located on the PGC parcel. The NPS currently leases 5 acres containing the cabin for rental to the public. The popular cabin is heavily used by recreational visitors throughout the summer (approximately 400 user nights annually).

The parcels also have significant cultural values, including several archeological sites containing prehistoric elements in relatively pristine condition.

Potential Threats

Under private ownership, uses that would be incompatible with the NPS management are allowable. Such uses include subdivision, development, limited timber cutting, hunting, and denial of public use and access. These uses would significantly change the character of the Park and would adversely affect natural resources and visitor experiences.

The PGC and AWA jointly developed a lodge on another PGC parcel within Aialik Bay in 2009 and closed surrounding private lands to public use except lodge guests. At the time the 4.8 acre parcel was purchased by AWA, the real estate listings promoted it as a site suitable for development as a lodge If listed on the real estate market, it is possible that the parcels would be marketed in a similar manner.

Proposed Management

Upon acquisition, these parcels will be managed by the NPS as part of Kenai Fjords National Park, consistent with applicable federal laws and policy. The purpose of the Park, as defined in the Alaska National Interest Lands Conservation Act, is to "maintain unimpaired the scenic and environmental integrity of ...coastal fjords and islands in their

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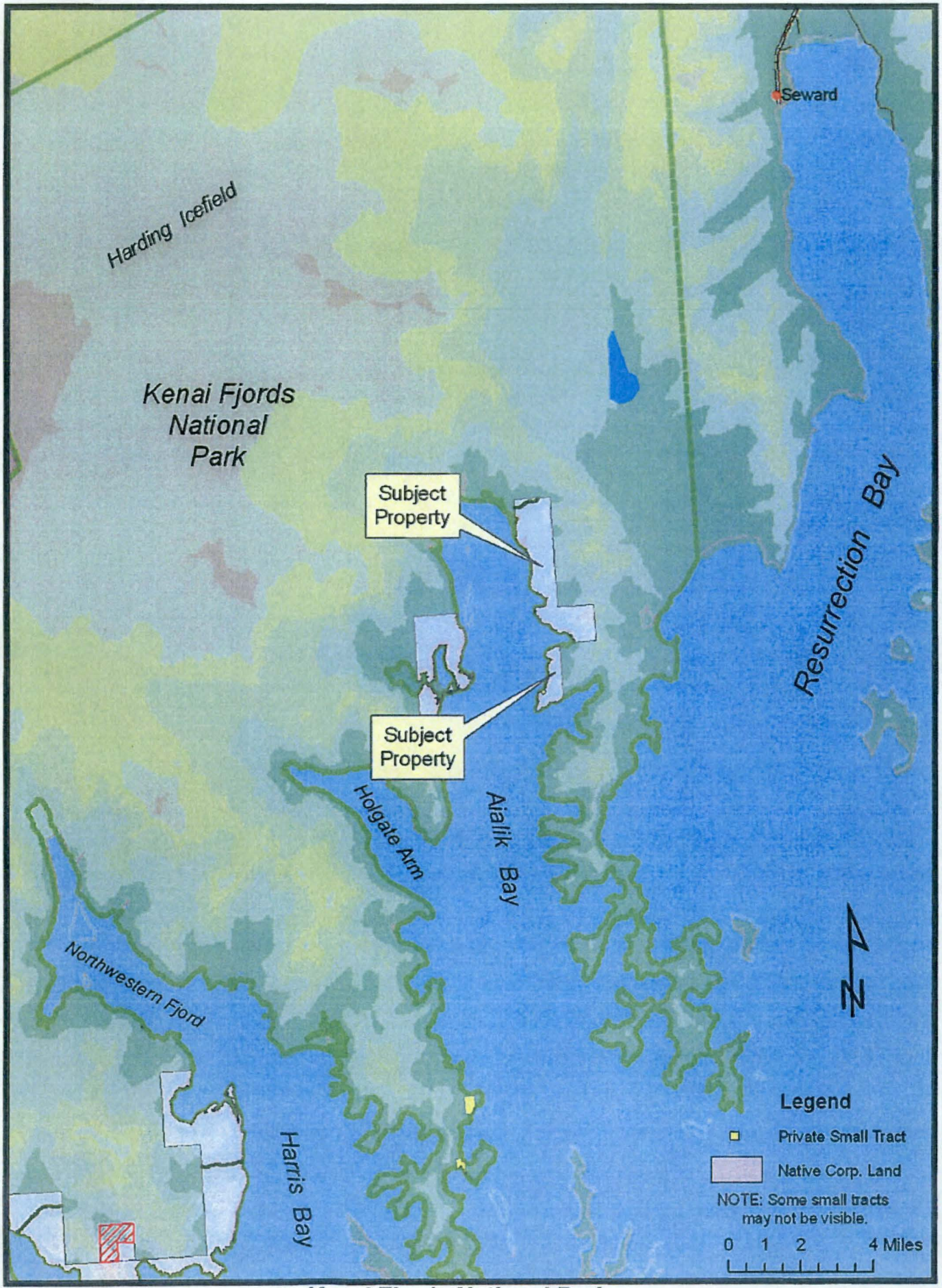
[1] *See* 2010 Injured Resources & Services Update, *Exxon Valdez* Oil Spill Trustee Council, available at http://www evostc state ak us/Recovery/status cfm

natural state and to protect seals, sea lions, other marine mammals, and marine and other birds..."

Request

Request the TC reauthorize use of due diligence funds in the amount of $12,500, which were disbursed to the NPS in 2008 In addition, request an additional $6,500 for the NPS for due diligence activities for Port Graham PTG 01.

Attachment: Map of Subject Properties



Kenai Fjords National Park

DRAFT 3/17/2012

RESOLUTION 12-04 OF THE *EXXON VALDEZ* OIL SPILL TRUSTEE COUNCIL REGARDING AUTHORIZATION FOR ADDITIONAL FUNDS FOR PROJECT 12120100 EVOSTC ADMINISTRATIVE BUDGET- RELOCATION EXPENSES

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council do hereby certify that, in accordance with the Memorandum of Agreement and Consent Decree entered as settlement of *United States of America v. State of Alaska* No. A91-081 Civil, U.S. District Court for the District of Alaska, and after public meetings, unanimous agreement has been reached to expend funds received in settlement of *State of Alaska v. Exxon Corporation, et al.,* No. A91-083 CIV, and *United States of America v. Exxon Corporation, et al.,* No. A91-082 CIV, U.S. District Court for the District of Alaska, for necessary natural resource damage assessment and restoration activities for federal fiscal year 2012 in the amount of $12,000, for expenses associated with relocation of the Council's Restoration Office. This amount includes applicable General Administration (GA). There are no project management fees. The monies are to be distributed according to the following schedule:

Alaska Department of Fish and Game (includes 9% GA)	$12,000
TOTAL TO State of Alaska	$12,000
TOTAL APPROVED	**$12,000**

By unanimous consent, we hereby request the Alaska Department of Law and the Assistant Attorney General of the Environmental and Natural Resources Division of the United States Department of Justice to take such steps as may be necessary to make available additional funds for relocating the Exxon Valdez Oil Spill Trustee Council's Restoration Office from the appropriate account designated by the Executive Director.

Approved by the Council at its meeting of March 27, 2012 held in Anchorage, Alaska as affirmed by our signatures affixed below.

STEVE ZEMKE
Alternate Trustee
Chugach Nation Forest
U.S. Department of Agriculture

MICHAEL C. GERAGHTY
Attorney General
Alaska Department of Law

KIM ELTON
Senior Advisor to the Secretary
for Alaska Affairs
U.S. Department of the Interior

JAMES BALSIGER
Administrator, Alaska Region
National Marine Fisheries Service
U.S. Department of Commerce

CORA CAMPBELL
Commissioner
Alaska Department of Fish and Game

LARRY HARTIG
Commissioner
Alaska Department of Environmental
Conservation

Attachments:
- Proposal for the Collocation of EVOSTC Staff on the USGS Consolidated Campus
- USGS MOA between Alaska Science Center and EVOSTC

United States Department of the Interior

U.S. GEOLOGICAL SURVEY
OFFICE OF THE REGIONAL EXECUTIVE – ALASKA AREA
4210 University Drive
Anchorage, AK 99508
http://alaska.usgs.gov

March 13, 2012

To: Elise Hsieh
Executive Director
Exxon Valdez Oil Spill Trustee Council

From: Leslie Holland-Bartels
USGS Regional Executive – Alaska Area

Re: Transmittal of Proposal for the Collocation of *Exxon Valdez* Oil Spill Trustee Council Staff on the USGS Consolidated Campus

The U.S. Geological Survey (USGS) has prepared a proposal for consideration by the *Exxon Valdez* Oil Spill Trustee Council regarding the collocation of their staff on the USGS Consolidated Campus. As you know, USGS administers the Council's existing GSA lease, which expires 30 September 2013. Actions must be taken in the near future to either renegotiate this GSA lease or make alternate arrangements. We have concluded that one such arrangement, the collocation of the Council staff on the USGS Consolidated Campus, will result in reductions in space and cost that benefit both organizations.

I understand that the information needs to be transmitted to members of the Council before your upcoming meeting and I would appreciate your assistance in seeing that the Council receives this proposal for their review and approval. We are available to discuss the proposal and answer any questions at your convenience.

PROPOSAL FOR THE COLLOCATION OF *EXXON VALDEZ* OIL SPILL TRUSTEE COUNCIL STAFF ON THE USGS CONSOLIDATED CAMPUS

March 13, 2012

SUMMARY

The U S. Geological Survey (USGS) is required to renegotiate the lease it administers for the *Exxon Valdez* Oil Spill Trustee Council, as the existing GSA lease for this space terminates 30 September 2013. The timing of this renegotiation, in support of a strategic partner, with whom USGS Alaska Area Regional Executive Leslie Holland-Bartels acts as a representative on behalf of the Secretary of the Interior, has resulted in a positive opportunity to collocate with USGS staff, while realizing actual reductions in space and cost These savings will benefit the Council, as well as enable USGS to meet DOI and OMB real property cost savings and space management directives

BACKGROUND

In August 2011, USGS Associate Director Karen Baker issued a bureau-wide memo entitled, "OMB Facilities/Space Cost Savings/Avoidance and Space Management Policy." This memo communicated recent DOI and OMB requirements related to real property cost cutting strategies As a result, all space actions are to be closely scrutinized, including occupancy agreement renewals, for cost savings measures, such as collocations with other government offices or reducing overall space requirements by improving utilization. In addition, cost and square footage reductions were identified government-wide.

As part of the required 20-month lead time for GSA lease renewals, in February 2012, USGS re-examined the Council's current occupancy agreement, and in light of the new space management policies, identified an opportunity to reduce square footage and costs by collocating Council staff on the USGS Consolidated Campus (specifically Grace Hall), on the campus of Alaska Pacific University.

In terms of square footage, the Council currently occupies 3,859 square feet in the GSA-leased Chamber of Commerce Building (representing 3% of the total USGS footprint) Based on initial discussions with Council staff about their estimates of future space needs, USGS is prepared to provide a block of 2,275 square feet to the Council for its offices

The cost savings that would be realized through this space reduction are significant Currently, the Council is slated to pay $120,133 and $125,984 for FY2012 and FY2013, respectively, for 3,859 square feet in the Chamber of Commerce building. By occupying 2,275 square feet in Grace Hall, the cost would be $82,389 and $82,659 annually, for FY2012 and FY2013. The amount actually due for FY2012 will be determined by the agreed upon move-in date; pro-rated amounts for both locations will be due at that time (see Action Item 2 below for current estimate). Furthermore, Council out-year costs following FY2013 for occupancy of the Chamber of Commerce building are currently unknown However, one could estimate an initial increase in FY2013 based on the current Anchorage market values, followed by increases that "will continue to escalate at about 2% per year " (OMB Guidance). For Grace Hall, however, the occupancy agreement has already been negotiated through April 2028,

with an annual increase of less than 1% per year. Thus, collocation with USGS staff in Grace Hall could also provide certainty in terms of cost planning.

There is a benefit to the USGS as well. This proposed collocation action would join a series of other actions taken by the USGS to reduce its space utilization by 20%, in line with Bureau and OMB targets USGS will have achieved this overall target in Alaska primarily through increased collocations with strategic partners since FY2010 and through implementing reduced utilization standards (180 square feet per person) and other space efficiencies These space efficiencies have been or are being accomplished concurrently through new space design in the Glenn Olds Hall Addition (now under construction), modification of other Grace Hall space, and with closure of USGS occupancy of the space inefficient Gould Hall

Finally, collocation also provides advantages in terms of the Council joining a campus with other Federal partners. Once located on the USGS Campus, the Council would be in proximity to the Department of the Interior Office of the Solicitor – Alaska Region, the USGS Office of the Regional Executive – Alaska Area, and the USGS Alaska Science Center, facilitating discussions among these strategic partners. Sharing the campus with USGS, the Council would also have access to a number of small (5 people capacity) to large (100 people capacity) conference rooms to use when meeting with other partners and the public. The availability of these conference rooms will be provided at no additional cost to the Council, although access may be limited by previously scheduled USGS meetings and events Additional non-facilities costs may also be negotiated with USGS.

ACTIONS NEEDED

1. USGS must provide GSA with 120-days written notice that it plans to vacate the Chamber of Commerce building, which the Council currently occupies

2. The USGS ASC and the Council will sign a Memorandum of Agreement and an annual collocation agreement (template attached) negotiating the facilities and other costs for the remainder of FY2012. Based on the Council moving into Grace Hall by 1 August 2012, for FY2012 the Council would owe $100,111 for 10 months at the Chamber of Commerce building and $13,732 for 2 months in Grace Hall, totaling $113,843 If the Council accepts all the suggested collocation costs (such as sharing mail and copier costs), they would be responsible for an additional $1,199 for FY2012.

3. Based on lead time needed to establish telecommunications and computer servers, the Council's IT staff, in coordination with USGS ASC IT staff, may begin work in Grace Hall as early as 1 May 2012. Access to the building's telephone closet, as well as individual offices for wiring and other needs will be available at this time. Telecommunications and computer network costs will be the responsibility of the Council.

4 Modifications to the space in Grace Hall will need to be coordinated through USGS and GSA For the initial occupancy by the Council, the space will remain as is currently laid out, including 6

private offices and 1 locking suite door. When modifications are negotiated, the costs will be paid by the Council.

5. The Council will contract with a local moving company to transport their office furniture, equipment, and contents from the Chamber of Commerce building to Grace Hall. This will be at the expense of the Council.

U.S. GEOLOGICAL SURVEY
MEMORANDUM OF AGREEMENT
BETWEEN
Alaska Science Center
AND
The Exxon Valdez *Oil Spill Trustee Council*

I. PURPOSE

The purpose of the Memorandum of Agreement (MOA) is to establish areas of common agreement and specify specific responsibilities and rights between the parties regarding the sharing of facilities in the ***Alaska Science Center***.

II. SCOPE

This MOA applies to the respective organizations that share facilities in the ***Alaska Science Center*** It is intended to identify the responsibilities of the Host Cost Center (***Alaska Science Center***) and the Parent Cost Center (**Exxon Valdez *Oil Spill Trustee Council***) with respect to the level of service and expectations on the part of both parties (also referred to below as Cost Centers). It is not intended to direct or interfere in the scientific activities of either organization.

III. POINT OF CONTACT

Final authority for this MOA resides with the Center Director for the ***Alaska Science Center*** and the Executive Director for the **Exxon Valdez *Oil Spill Trustee Council***.

For the ***Alaska Science Center***, day- to-day responsibility for implementation and administration is the Administrative Officer.

For the **Exxon Valdez *Oil Spill Trustee Council***, day-to-day responsibility for implementation and administration is the Administrative Officer.

IV. RESPONSIBILITIES

Alaska Science Center

A. ***Alaska Science Center*** will be the lead organization for obtaining space. The ***Alaska Science Center*** will provide the **Exxon Valdez *Oil Spill Trustee Council*** with information and assistance in decisions affecting total staff. The ***Alaska Science Center*** will be the lead organization for obtaining repairs and

building support when needed (Space allocations will be determined through joint dialogue of both organizations and documented in a Business Case Analysis workbook to show the cost-benefit analyses performed to support the facilities change.)

B. ***Alaska Science Center*** will provide common office support to **Exxon Valdez *Oil Spill Trustee Council*** employees that include the same level of service as ***Alaska Science Center*** employees, providing normal office supplies, reproduction machines, and US postage. See attached Co-Location Request Form for specifics.
C. ***Alaska Science Center*** will assist **Exxon Valdez *Oil Spill Trustee Council*** employees in obtaining parking spaces. See attached Co-Location Request Form for specifics.
D. These responsibilities shall not preclude management staff agreeing to provide or assist in any other endeavor or action, which is mutually agreeable to both parties.

Exxon Valdez *Oil Spill Trustee Council*

A. **Exxon Valdez *Oil Spill Trustee Council*** will identify specific office, storage and warehouse needs to ***Alaska Science Center***. This includes times when additional **Exxon Valdez *Oil Spill Trustee Council*** personnel, not normally supported, will need space or assistance.
B. **Exxon Valdez *Oil Spill Trustee Council*** personnel will provide their own computer systems, configured to their needs. Computer networking and telecommunications needs will also be the direct responsibility of the **Exxon Valdez *Oil Spill Trustee Council.***
C. These responsibilities shall not preclude research and management staffs from agreeing to support or assist in other endeavors or actions, which are mutually agreeable to both parties.

Common

A. Each organization will provide maintenance for their commonly used items.
B. Each organization will be responsible for obtaining and renewing their mission-specific software maintenance requirements.
C. Each organization will apprise the other of planned training or presentations and shall allow both organizations to attend mutual scientific project, safety, and facilities issues. If there is a per person cost for attendance, each organization will be responsible for their own costs.
D. Each organization will coordinate when hosting meetings and conferences, particularly when such meetings will be longer than one day.
E. ***Alaska Science Center*** and **Exxon Valdez *Oil Spill Trustee Council*** will review the MOA annually.

Exceptions

A. Each organization will maintain their own vehicles.
B. Each organization will provide their own support for any service or need not mentioned in this MOA such as editing, GIS, payroll, property accountability, travel vouchers, personnel and procurement.

V. FINANCIAL MANAGEMENT

The Cost Centers will use the Co-Location Request form (attached) to document the support and facilities costs agreed upon between the ***Alaska Science Center*** and the **Exxon Valdez *Oil Spill Trustee Council*** and will follow the Co-Location Memorandum and the FOP Chapter 6.7 for procedures The ***Alaska Science Center*** will be reimbursed for both support and facilities expenses by the **Exxon Valdez *Oil Spill Trustee Council.***

IV. LENGTH OF AGREEMENT

This agreement will remain in force for up to five years from date signed, with the option to renew if mutually agreed, or until one or both Cost Centers stipulate in writing their desire to terminate (120 days notice required). Actual termination of the agreements shall be at the wishes of the Cost Centers subject to approval in writing from the Regional Executive. Facilities policy for the USGS at this time requires that the withdrawal of one Cost Center would transfer the space cost liability to the other.

This agreement may be modified or rewritten at any time with the mutual consent of the cost centers.

VII. APPROVALS

Mark Shasby

Digitally signed by Mark Shasby
DN cn=Mark Shasby, o=USGS, ou=Director-Alaska Science Center, email=shasby@usgs.gov, c=US
Date 2012.03 13 14:40:19 -08'00'

Alaska Science Center Director _____ Date _____

Exxon Valdez Oil Spill Trustee Council Executive Director _____ Date _____

Co-Location Request Form

Please fill in the blanks and complete the appropriate entries for the space requirements and the support services provided by the

USGS Alaska Science Center (GGWAWB0000), Anchorage, Alaska

Host Cost Center Name and Number, Location (City, State)

Space/Support Services Provided for.

Exxon Valdez Oil Spill Trustee Council

Name of Person(s) Being Co-located

August 1, 2012 - September 30, 2012

Period of Coverage

N/A

Parent Cost Center Name and Number

Parent Cost Center Financial Point of Contact:

Name

Phone/Fax #

Host Cost Center Financial Point of Contact:

Katherine Wheeler

Name

(907) 786-7074 / (907) 786-7150

Phone/Fax #

Account Numbers to be Charged/Reimbursed:

GX12WB11REN0200 $13,732

WBS for **Facilities Costs** Total Part A Below

GX12WB11REN0200 $1,199

WBS for **Support Costs** Total Part B Below

PART A: FACILITIES COSTS **COST**

Space required:	General Office Space	Sq ft 2,275	$13,414
	Storage	Sq ft	

DHS	$266
Rent Total	$13,680
OMC Total·	$52
Total Part A (Must Match FBA if following Option 1):	$13,732

Facilities Option (select one) Option 1 _____ Option 2 X

PART B: SUPPORT SERVICES	**COST**
Travel Support:	N/A
Use of Vehicle. How Often: _____	N/A
Parking: Shared spots on APU campus	$0
Use of Office Supplies:	$103
Use of Office Equipment (fax, copier, scanner, etc)	$44
IT Support·	N/A
Clerical Support	N/A
Network Telecom:	N/A
Computer reimbursement:	N/A
Phone cost reimbursement	N/A
In-kind services (Specify): _____	N/A
Special Needs (Specify)· Postage	$120
Other (Specify). Safety program	$932
Total Part B:	$1,199
AGREEMENT TOTAL:	$14,931

APPROVALS

Mark Shasby Digitally signed by Mark Shasby DN: cn=Mark Shasby, o=USGS, ou=Director-Alaska Science Center, email=shasby@usgs.gov, c=US Date: 2013.05.13 14:51:00 -08'00'

Host Cost Center Director Signature/Date

_____

Parent Cost Center Director Signature/Date

DRAFT 3/23/2012

RESOLUTION 12-05 OF THE *EXXON VALDEZ* OIL SPILL TRUSTEE COUNCIL AUTHORIZING AN INVESTMENT ADVISOR SERVICES CONTRACT

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council do hereby certify that, in accordance with the Memorandum of Agreement and Consent Decree entered as settlement of *United States of America v. State of Alaska* No. A91-081 Civil, U.S. District Court for the District of Alaska, and after public meetings, unanimous agreement has been reached to expend funds received in settlement of *State of Alaska v. Exxon Corporation, et al.,* No. A91-083 CIV, and *United States of America v. Exxon Corporation, et al.,* No. A91-082 CIV, U.S. District Court for the District of Alaska, for necessary natural resource damage assessment and restoration activities in the amount of $11,990 which includes applicable General Administration (GA), to Callan Associates to participate as an independent investment advisor on the Council's Investment Working Group. Additionally, $2,725, which includes applicable GA, will be added to the EVOSTC Administrative Budget, PJ 12120100, for travel costs. Project management fees are not applicable to the investment advisor services contract. The monies are to be distributed according to the following schedule:

Alaska Department of Fish and Game (includes 9% GA)	$14,715
TOTAL APPROVED	**$14,715**

By unanimous consent, we hereby request the Alaska Department of Law and the Assistant Attorney General of the Environmental and Natural Resources Division of the United States Department of Justice to take such steps as may be necessary to make available funds for an investment advisor services contract from the appropriate account designated by the Executive Director.

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Approved by the Trustee Council at its meeting of March 27, 2012 held in Anchorage, Alaska as affirmed by our signatures affixed below.

STEVE ZEMKE
Alternate Trustee
Chugach Nation Forest
U.S. Department of Agriculture

MICHAEL C. GERAGHTY
Attorney General
Alaska Department of Law

KIM ELTON
Senior Advisor to the Secretary
for Alaska Affairs
U.S. Department of the Interior

JIM BALSIGER
Administrator, Alaska Region
National Marine Fisheries Service
U.S. Department of Commerce

CORA CAMPBELL
Commissioner
Alaska Department of Fish and Game

LARRY HARTIG
Commissioner
Alaska Department of Environmental
Conservation