Exxon Valdez Oil Spill Trustee Council

January 11, 2017

800.315.6338, code: 72241

Womac, Cherri G (EVOSTC)

From: Womac, Cherri G (EVOSTC)
Sent: Tuesday, January 03, 2017 1:06 PM
To: 'James Balsiger (jim.balsiger@noaa.gov)'; greg_siekaniec@fws.gov; 'Terri Marceron (tmarceron@fs.fed.us)'; 'Hartig, Lawrence L (DEC)'; Mulder, Steven E (LAW); Rogers, David E (DFG)
Cc: Hsieh, Elise M (EVOSTC)
Subject: EVOSTC Meeting: Jan. 11

Hello Trustees,

We look forward to meeting with you at the Trustee Council meeting on *January 11, 2017 at 10:00 – 11:00 a.m.* We welcome Trustees to join us in person at the Dr. Glenn A. Olds Conference Room. For those who cannot attend in person, we welcome telephonic participation; the call in number is: 800.315.6338, code 72241.

Below is additional background information from FWS Realty regarding the Kasilof Parcel KEN 4006.

Please let us know if you have any questions or would like additional information.

Thank you,

Elise

The Kasilof Watershed contains lands and waters with special biological and habitat significance, and substantial recreational values: The Kasilof River is the second most productive freshwater fishery on the Peninsula. The Kasilof Watershed is a short driving distance from most of Southcentral Alaska's major population centers (180 miles from Anchorage) creating many readily available commercial, personal use fishing and passive use opportunities and services for thousands of Alaskans and visitors including boating, hunting, beachcombing, wildlife viewing, picnicking and camping. Several public use sites are located in the Kasilof watershed, providing Services injured by the spill, include the Crooked Creek State Recreation Site, Johnson Lake State Recreation Area and the Kasilof River State Recreation Site. The watershed supports both freshwater and sea-run Dolly Varden char; and both freshwater rainbow trout and sea-run steelhead trout and Pacific salmon. One hundred and twenty-three bird species have been documented in the Kasilof River Watersheds including Harlequin Duck, Common Loons, Bald Eagles, Common Loons, Canada, Tule and lesser snow geese; Sandhill cranes; and numerous other species of waterfowl and shorebirds. This area is an important wildlife movement corridor for black bear and moose that travel between the adjacent uplands and the Kasilof River Flats.

A continuous public access easement exists on the bed and 100 feet upland of and along the ordinary high water mark of the Kasilof River: In addition, there is a 15 foot wide public access easement "for ingress and egress each side of common interior lot lines." Although the easement along the riverbank provides 100 feet of habitat protection, conservation and protection from development of the remaining five plus acres of KEN 4006 are beneficial to fish and wildlife. The parcel would contribute to an intact anadromous stream corridor with great intrinsic ecological, economic and cultural values. The existing 100' conservation easement does provide some conservation benefits, but is not sufficient to

fully maintain the myriad of ecosystem services, wildlife movement and community benefits associated with a fully-functioning riparian corridor. Protecting this parcel will help maintain stream function and habitat connectivity benefiting the overall ecological health of the Kasilof watershed, other EVOSTC investments in this watershed, as well as passive uses, fishing, recreation and other services injured by the Spill. Anadromous fish, spawning salmon in particular, make an important contribution to marine, freshwater and forest ecosystems of the Kenai Peninsula, interacting with mammals, birds, and fish. Increased biocomplexity and species resilience to urban development and climate stressors is more fully realized when riparian corridors are intact.

Unfragmented riparian ecosystems: Continuous riparian areas are known to be generally higher in species richness and higher in soil productivity, partly because of the allochthonous energy carried down the river but also, in an anadromous system, because of the marine-derived nutrients carried up rivers by returning salmonids and dispersed as much as 1600 feet away from streams by bears, eagles, and other predators and scavengers. Species and services injured (and recovering) by EVOS are likely to have a direct reliance on the annual pulse of nutrients and energy delivered via anadromous fish. For example, Dolly Varden often follow salmon returning to freshwater to feed on MDN transferred by salmon as they complete their life history. Additionally, streams and their vegetated riparian edge tend to be natural movement corridors for wildlife and dispersal routes for native plants. Conserving anadromous riparian corridors provides habitat benefits for juvenile salmonids and other aquatic species, maintaining hydrology, providing for wildlife movement, and helping to maintain a contiguous and linear green infrastructure for recreation and access. Together, maintaining these ecological services and functions also help to sustain economic opportunities benefiting local residents and businesses.

From:	Womac, Cherri G (EVOSTC)
To:	"James Balsiger (jim.balsiger@noaa.gov)"; "Terri Marceron (tmarceron@fs.fed.us)"; Michael Johnson; "Hartig, Lawrence L (DEC)"; Mulder, Steven E (LAW); Rogers, David E (DFG)
Cc:	Hsieh, Elise M (EVOSTC)
Subject:	January 11, 2017 Council Meeting Materials
Date:	Friday, December 09, 2016 11:47:00 AM
Attachments:	Jan 11 2017 Meeting Materials.zip

Hello Trustees,

As noted in the November Council meeting, there has been continued work on the Kodiak Island Habitat Enhancement Proposal: Buskin River Watershed and the proposal is now ready for review ahead of the 2017 field season. USFWS has also brought forward two small parcels for review.

We look forward to meeting with you at the Trustee Council meeting on January 11, 2017 at 10:00 – 11:00 a.m. We welcome Trustees to join us in person at the Dr. Glenn A. Olds Conference Room. For those who cannot attend in person, we welcome telephonic participation; the call in number is: 800.315.6338, code 72241. Cherri will prepare and distribute meeting binders with all the meeting materials for you by mid-week next week.

There is also an informal habitat meeting on Dec. 12, 10:30-11:30 a.m. to review the two USFWS parcels. Please see below for information.

If you would like additional information, have any questions or would like a pre-meeting briefing, please contact me.

Thank you,
Elise

Attached please find materials for the Jan. 11th Council meeting:

1. Draft Agenda

2. Kodiak Island Habitat Enhancement Proposal: Buskin River Watershed: The Alaska Department of Fish and Game, the National Oceanic and Atmospheric Administration, the U.S. Coast Guard and the US Fish and Wildlife Service are working with the three landowners in the Buskin River watershed on Kodiak Island, to implement a watershed-scale project to restore aquatic connectivity and natural ecosystem processes to the entire watershed (26 square miles). There are currently 20 culverts and associated historical debris in the Buskin River watershed that block adult and juvenile fish movements to quality spawning and rearing habitats and or negatively impact aquatic ecosystem processes such as water temperature and flow, sediment

transport that maintains aquatic habitats, and marine-derived nutrient delivery to the freshwater and terrestrial ecosystem. The project would replace and remove existing culverts to restore access to 6 miles of stream habitat and 53 acres of lakes.

This project directly supports sockeye salmon and Dolly Varden, two EVOS-affected fish species. Juvenile and adult salmon of all species also play a broader role in ecosystem functions, such as providing a direct food source for fish, birds, and marine mammals. Thus, increased salmon abundance in the Buskin River and associated nearshore marine waters will benefit other EVOS-affected species in the area that utilize salmon as a direct source of food and nutrients. This project will also help restore EVOS-affected services, specifically the important subsistence salmon fishery at the mouth of the Buskin River, recreation throughout the watershed, and the commercial fishery in Chiniak Bay.

The EVOSTC funding request is for $4.5 million.

3. Benefit Reports for two small parcels submitted by USFWS are attached: KEN 4006: Kasilof River Parcel ($165,000) and KAP 4007: Spiridon Bay ($180,000). KEN 4006 is a Kasilof River parcel near to those approved by the Council at the Nov. 3rd meeting, allowing for a bundling of appraisal and due diligence work, if approved, with the prior-approved parcels.

   There is an informal meeting at the EVOSTC offices on Monday, December 12, 10:30 – 11:30 to review these parcels. Participants include: from ADF&G: Trustee Designee David Rogers and Mark Fink; from USFWS: David Wigglesworth, Michael Daigneault, Susan LaKomski and April Dent; Sylvia Kreel from ADNR; GLT staff; Chuck Gilbert from NPS and Joe Darnell from the solicitor's office. To participate telephonically, please call: 800-315-6338, code 72241.

4. FY17 EVOSTC Annual Budget – Habitat Protection Program: ADNR Realty Services: $51,320 with GA increase: We anticipate a heavy workload in FY17 for ADNR Realty Services; this funding will support ADNR in facilitating EVOSTC habitat program transactional documents. This increase will bring the FY17 ADNR budget back up to FY16 levels.

5. TC Meeting Notes from Nov. 3, 2016 for review and approval.

6. Draft Motions: The Executive Director will have draft motions at the meeting (and emailed to those participating telephonically) for the Council to use or revise, as desired.

Draft 01.05.17

Exxon Valdez Oil Spill Trustee Council

4210 University Drive • Anchorage, AK 99508-4626 • (907) 278-8012 • fax (907) 276-7178

AGENDA
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
January 11, 2017
10:00 to 11:00 a.m.
Anchorage, Alaska

Trustee Council Members

STEVEN E. MULDER
Alternate for Attorney General
Jahna Lindemuth
Alaska Department of Law

LARRY HARTIG
Commissioner
Alaska Department of Environmental Conservation

DAVID E. ROGERS
Alternate for Commissioner Samuel Cotten
Alaska Department of Fish and Game

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

TERRI MARCERON
Forest Supervisor
Chugach National Forest
U.S. Department of Agriculture

MICHAEL JOHNSON
Senior Advisor to the Secretary for
Alaska Affairs
Office of the Secretary
U.S. Department of the Interior

Meeting in Anchorage: USGS Alaska Pacific University Campus;
Dr. Glenn A. Olds Hall Conference Room, 4210 University Drive
Teleconference Number: 800.315.6338. Code: 72241#

/// /// ///

Draft 01.05.17

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1. Call to Order

2. Consent Agenda
   - Approval of Agenda*
   - Approval of November 3, 2016 Meeting Notes*

3. Public Comment (3 minutes per person)

4. Executive Director's Report — Elise Hsieh, EVOSTC Executive Director

5. Kodiak Island Habitat Enhancement Buskin River Watershed*
   Project 17170119 — Erika Ammann, NOAA; Heather Hanson, USFWS

6. Habitat Parcels
   -KEN 4006, Kasilof River, Kenai* — Susan LaKomski, USFWS Realty
   -KAP 4007, Spiridon Bay, Kodiak* — April Dent, USFWS Realty

6. FY17 EVOSTC Annual Budget — Elise Hsieh
   - ADNR Realty Services*

Adjourn by 11:00

*Potential Action Item

Draft 12.14.16

Exxon Valdez Oil Spill Trustee Council

4210 University Drive • Anchorage, AK 99508-4626 • (907) 278-8012 • fax (907) 276-7178

AGENDA
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
January 11, 2017
10:00 to 11:00 a.m.
Anchorage, Alaska

Trustee Council Members

STEVEN E. MULDER
Alternate for Attorney General
Jahna Lindemuth
Alaska Department of Law

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

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Forest Supervisor
Chugach National Forest
U.S. Department of Agriculture

DAVID E. ROGERS
Alternate for Commissioner Samuel Cotten
Alaska Department of Fish and Game

GREOGORY SIEKANIEC
Regional Director, Alaska Region
U.S. Fish and Wildlife Service

Meeting in Anchorage: USGS Alaska Pacific University Campus;
Dr. Glenn A. Olds Hall Conference Room, 4210 University Drive
Teleconference Number: 800.315.6338. Code: 72241#

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Draft 12.14.16

1. Call to Order

2. Consent Agenda
   - Approval of Agenda*
   - Approval of November 3, 2016 Meeting Notes*

3. Public Comment (3 minutes per person)

4. Executive Director's Report — Elise Hsieh, EVOSTC Executive Director

5. Kodiak Island Habitat Enhancement Buskin River Watershed*
   Project 17170119 — Erika Ammann, NOAA; Heather Hanson, USFWS

6. Habitat Parcels
   -KEN 4006, Kasilof River, Kenai* — Susan LaKomski, USFWS Realty
   -KAP 4007, Spiridon Bay, Kodiak* — April Dent, USFWS Realty

6. FY17 EVOSTC Annual Budget — Elise Hsieh
   - ADNR Realty Services*

Adjourn by 11:00

*Potential Action Item

DRAFT 1/09/17

Draft Motions for January 11, 2017 Trustee Council meeting

Agenda Item 2: January 11, 2017 Agenda and November 3, 2016 Meeting Notes
I move we approve the January 11, 2017 draft meeting agenda.
I move we approve the November 3, 2016 draft Trustee Council meeting notes.

Agenda item 5: Kodiak Island Habitat Enhancement Buskin River Watershed Project 17170119
I move we approve $4,535,533, which includes GA, for authorization of the Kodiak Island Habitat Enhancement Buskin River Watershed Project 17170119, dated December 1, 2016. This authorization is valid until July 11, 2018.

Agenda Item 6: Habitat Protection
I move we approve funding for the protection of the following parcels with purchases of interests in land to be at the fair market value established by an approved appraisal and the total cost of which, including due diligence and closing costs, does not exceed the amount noted for each parcel:

A. Parcel KEN 4006, Kasilof River Parcel (Lot 31), Kenai: $165,000;

B. Parcel KAP 4007, Spiridon Bay, Kodiak National Wildlife Refuge: $180,000;

These purchases are further conditioned upon:

1. due diligence reports, which are acceptable to the Alaska Department of Natural Resources, U.S. Department of Interior Solicitor's Office and the Alaska Department of Law; and

2. provided that the EVOSTC Executive Director, in consultation with the Alaska Department of Natural Resources, U.S. Department of Interior Solicitor's Office and Alaska Department of Law, determines that it is in the interest of the Council to move forward with purchase of the interests in the Parcels.

Authorization for funding for the purchase of interests in the Parcels shall terminate if purchase agreements are not executed by July 11, 2018.

Agenda Item 7: Revised FY17 EVOSTC Annual Budget, Project 17120100
I move we approve an addition of $51,230 for ADNR Realty Services, which includes GA, to the FY17 Annual Budget previously approved by the Council in Resolution 16-02.

As needed: Executive Session: I move we go into executive session to discuss (legal/habitat/personnel) issues. No action will take place during the executive session. [We will adjourn from the executive session without coming back to the public meeting.]

Draft 11.18.16

Exxon Valdez Oil Spill Trustee Council

4210 University Drive • Anchorage, AK 99508-4626 • 907 278 8012 • fax 907 276 7178

TRUSTEE COUNCIL MEETING NOTES

Anchorage, Alaska
November 3, 2016

Chaired by: Steve Mulder
Trustee Council Member

Trustee Council Members Present:

Terri Marceron, USFS	•Steve Mulder, ADOL **
Michael Johnson, USDOI	David Rodgers, ADF&G *
Jim Balsiger, NMFS	Larry Hartig, ADEC

- • Chair
- * David Rodgers alternate for Samuel Cotten
- ** Steve Mulder alternate for Jahna Lindemuth

The meeting convened at 9:35 a.m., November 3, 2016 on the USGS Alaska Pacific University Campus, Dr. Glenn A. Olds Hall Conference Room, 4210 University Drive, Anchorage.

1. Approval of the November 3, 2016 meeting agenda

APPROVED MOTION: Motion to approve the November 3, 2016 draft meeting agenda adding an Executive Director's report before Item 6 Investment.

Motion by Hartig, second by Johnson

2. Approval of the November 12, 2015 meeting notes

APPROVED MOTION: Motion to approve the November 12, 2015 draft Trustee Council meeting notes.

Motion by Hartig, second by Marceron

Public Comment: **Fourteen public comments were offered.**

3. Approval of Investment Fund Annual Asset Allocation

APPROVED MOTION: Motion to approve the following Asset Allocation for FY17: Domestic Equities 40% +/- 7%, International Equities 27% +/- 7%, Domestic Bonds 33% +/- 5% and Cash Equivalents 0% + 10%/- 0%.

Motion by Hartig, second by Johnson

4. EVOSTC Policy Updates

APPROVED MOTION: Motion to rescind the Sample Destruction Policy, and adopt the Data and Reporting Policies, dated August 15th and 29th, 2016, respectively.

Motion by Rogers, second by Hartig

5. Approval of FY17 EVOSTC Annual Budget, Project 17120100

APPROVED MOTION: Motion to approve $2,138,604, which includes GA, for funding of the FY17 EVOSTC Annual Budget Project 17120100, dated September 12, 2016.

Motion by Rogers, second by Hartig

6. Approval of Kenai Peninsula Aquatic Ecosystem Restoration, Project 15150123

APPROVED MOTION: Motion to approve $2,725,000, which includes GA, for reauthorization of the Kenai Peninsula Aquatic Ecosystem Restoration Project, 15150123. Release of any funding for each individual project is conditioned upon the EVOSTC Executive Director determining there are commitments for full funding of the individual project, including any leveraging, as detailed in the August 2016 Update of the Kenai Peninsula Restoration projects table. This authorization is valid until May 1, 2018.

Motion by Hartig, second by Marceron

7. Approval of State Parks Riverbank Restoration and Protection, Project 17170116

APPROVED MOTION: Motion to approve $2,214,444, which includes GA, for the State Parks Riverbank Restoration and Protection project, 17170116, dated August 15, 2016. This approval is for the funding requested by the Project, except for the Kenai River Flats Project, for which the Council is approving up to $327,000, which includes GA, as that Project potentially may receive federal funds. This authorization is valid until May 1, 2018.

Motion by Hartig, second by Rogers

8. Approval of Habitat Parcels

APPROVED MOTION: Motion to approve funding for the protection of the following parcels with purchases of interests in land to be at the fair market value established by an approved appraisal and the total cost of which, including due diligence and closing costs, does not exceed the amount noted for each parcel:

A. Parcel KAP 4000, Portage Lake, Afognak Island: $8,500,000;
B. Parcel KEN 4001, Gull Island, China Poot Bay Spit & Barrier Islands, and 3 sections – Rocky River, Kachemak Bay: $1,500,000;
C. Parcel KAP 4002, Thorsheim Drainage parcels, Afognak Island: $7,000,000;
D. Parcel KAP 4003, Chief Cove, Kodiak: $620,000; and
E. Parcels KEN 4004 and KEN 4005 on the Kasilof River, Kenai Peninsula: $165,000.

These purchases are further conditioned upon:

1. due diligence reports, which are acceptable to the Alaska Department of Natural Resources, U.S. Department of Interior Solicitor's Office and the Alaska Department of Law; and
2. provided that the EVOSTC Executive Director, in consultation with the Alaska Department of Natural Resources, U.S. Department of Interior Solicitor's Office and Alaska Department of Law, determines that it is in the interest of the

Council to move forward with purchase of the interests in the Parcels.

Authorization for funding for the purchase of interests in the Parcels shall terminate if purchase agreements are not executed by May 1, 2018.

Motion by Johnson, second by Marceron

9. Approval of PWS Herring Research and Monitoring Program, Herring Research and Monitoring, Project 17120111

APPROVED MOTION: Motion to approve funding of $1,252,900, which includes GA, for FY17 funding of the Herring Research and Monitoring Project 17120111, dated August 12, 2016.

Motion by Rogers, second by Marceron

10. Approval of EVOSTC Long-Term Monitoring Program (Gulf Watch Alaska), Long-Term Monitoring of Marine Conditions and Injured Resources and Services, Project 17120114

APPROVED MOTION: Motion to approve funding of $2,278,750, which includes GA, for FY17 funding of the Long-Term Monitoring of Marine Conditions and Injured Resources and Services Project 17120114, dated August 24, 2016.

Motion by Hartig, second by Rogers

11. Approval of Data for Long-Term Programs, Project 17120113

APPROVED MOTION: Motion to approve $218,000 for FY17 for Project 17120113.

Motion by Johnson, second by Marceron

12. Approval of Pigeon Guillemot Restoration Research in Prince William Sound, Project 17100853

APPROVED MOTION: Motion to approve funding of $149,778, which includes GA, for FY17 funding of the Pigeon Guillemot Restoration Research in Prince William Sound, Alaska Project 17100853, dated April 6, 2016 and as requested in the amended budget dated August 24,

2016.

Motion by Marceron, second by Mulder

13. Approval of Lingering Oil - Immunological Expressions of PAH Exposure in Fish, Project 17170115

APPROVED MOTION:	Motion to approve $217,968, which includes GA, for FY17 funding of the Lingering Oil Proposal Immunological Expressions of PAH Exposure in Fish, 17170115, dated August 24, 2016.
	Motion by Rogers, second by Johnson
Adjourn at 2:55	Unanimous consent, no motion.

12.01.2016

Kodiak Island Habitat Enhancement Proposal
Buskin River Watershed

Photo: Buskin Lake with Chiniak Bay in background, Kodiak, Alaska, by Franklin Dekker

Kodiak Soil and Water Conservation District

NATIVES OF KODIAK

Project Background

The Kodiak Archipelago is an Exxon Valdez Oil Spill (EVOS) affected geographic area and its injured resources and services have received past and ongoing EVOS Trustee Council (EVOSTC) habitat restoration support. For example, the EVOSTC is currently considering new conservation easements on Kodiak Island for protection of habitats, species and services affected by the EVOS such as herring, harbor seals, salmon and fishing opportunities. In this proposal the Alaska Department of Fish and Game (ADF&G), the National Oceanic and Atmospheric Administration (NOAA), and the U.S. Fish and Wildlife Service (USFWS) propose a watershed-scale, on the ground restoration effort that will similarly benefit Kodiak's habitat, species, and services affected by the spill. The Buskin River Watershed has been identified as the highest priority for restoration because its salmon fishery is Kodiak's most important and widely used for subsistence and recreation users. Also, landowners in the watershed are supportive and willing to contribute funding and time to complete the project. We propose to restore fish passage at 20 barriers, 10 through removal and 10 through replacement, in partnership with three supportive landowners, the U.S. Coast Guard (USCG), Alaska Department of Transportation and Public Facilities (ADOT&PF) and the Natives of Kodiak. The projects chosen will restore access to over 6 miles of upstream habitat and 53 acres of lakes in the 26 square mile Buskin River drainage. There is no agency or landowner requirements to address these fish passage barriers, and without this funding and partnership restoration of this watershed would not progress. By restoring unimpeded movement for salmon and trout species and reconnecting fragmented natural processes, the productivity of the Buskin River watershed and greater Women's Bay and Chiniak Bay areas will be improved. The proposed restoration work in Kodiak will bolster and enhance ecosystem function for a productive watershed and provide additional opportunity for impacted species populations to recover and improved opportunities for commercial, recreational and subsistence fishing.

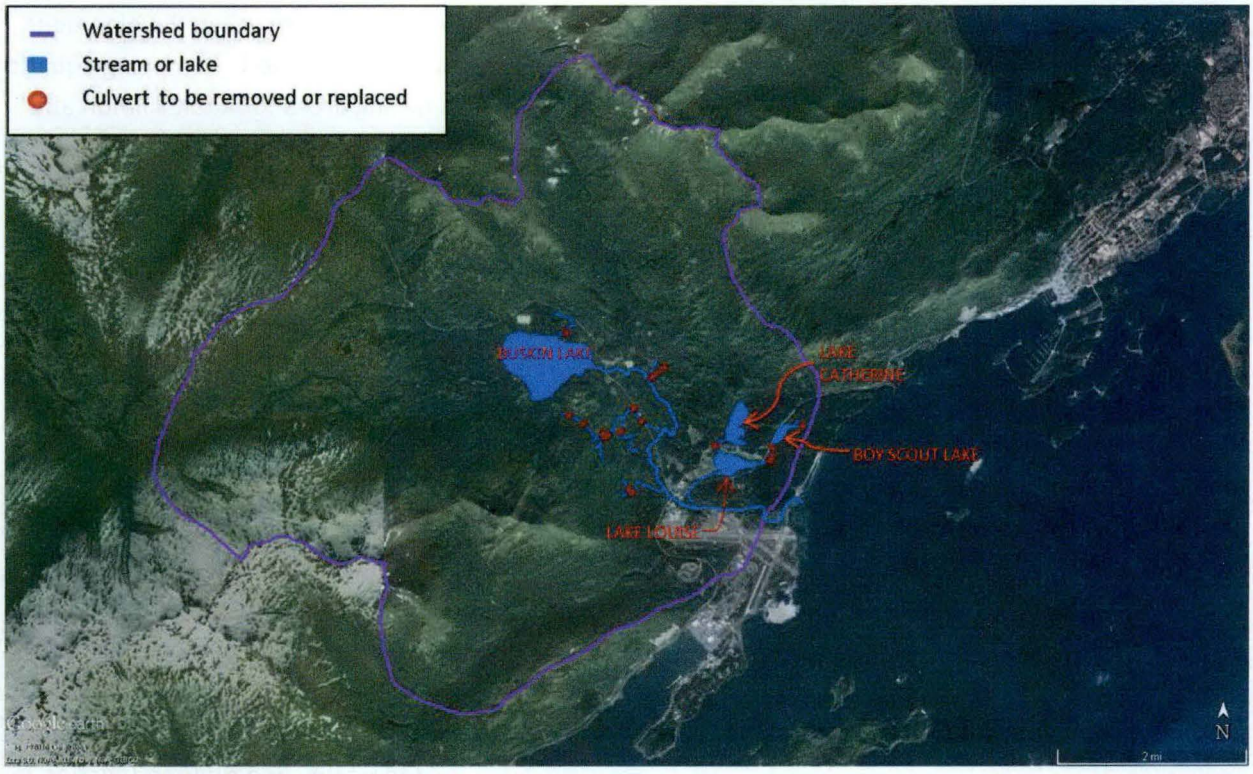

FIGURE 1: BUSKIN WATERSHED & CULVERT LOCATION MAP

Project Narrative

This restoration proposal focuses on improving connectivity and ecological processes for injured EVOS species and services within the Buskin River watershed by removing or replacing 20 culverts identified by ADF&G as barriers to the free movement of fish including salmonids, trout and other native species (see figure 1 for map). These 20 culverts include both total and partial fish passage barriers that impede the upstream movement of adult and juvenile salmon and native fish as well as contribute to local channel degredation, scour and other impacts.

Photo 1: Perched culvert on a Battery Creek tributary

Unrestricted fish access to spawning, rearing, and overwintering habitats is essential to maintaining salmonid production as well as healthy populations of resident trout and other fish (Jackson 2003). Barriers to fish passage also degrade riparian and instream ecosystem function. Natural processes such as sediment transport, water flow, water temperature regimes and the transfer of marine derived nutrients beneficial to mammals, birds, and fish species in the watershed are all affected the lack of

connectivity caused by barriers. Increased biocomplexity and species resilience to urban development and climate stressors is more fully realized when aquatic species passage is provided. Removing aquatic species passage barriers is expected to allow access to additional spawning areas for adult salmon and allow access to additional feeding, rearing, and overwintering areas for juvenile salmonids and other species resulting in better survival. Fish distribution and presence throughout the Buskin Watershed and in adjacent marine waters will be improved.

Returning salmon make an important contribution to marine, freshwater, and forest ecosystems of Kodiak, interacting with mammals, birds, and fish. Pacific salmon (*Oncorhynchus spp.*) are a direct food source for a variety of marine, terrestrial, and avian species. Salmon also deliver large amounts of marine-derived nutrients (MDN) to freshwater ecosystems through their eggs, excretion, or carcasses, whichimproves the productivity of the wider Kodiak ecosystem. Species and habitats affected by EVOS are likely to have a direct reliance on the annual pulse of returning salmon and the nutrients they deliver. For example, marine mammals follow the movements and timing of migrating salmon to feed on this rich resource. Also, Dolly Varden follow salmon returning to freshwater and feed directly on salmon eggs and decaying carcasses; further, Dolly Varden benefit from the salmon-transferred MDN that improve overall aquatic ecosystem productivity. Implementing this project will restore habitat connectivity and riparian function in the Buskin River watershed, benefiting the overall watershed ecological health and in turn contributing benefits to injured and recovering species as well as subsistence fishing, sport fishing, recreation, and other services injured by the spill.

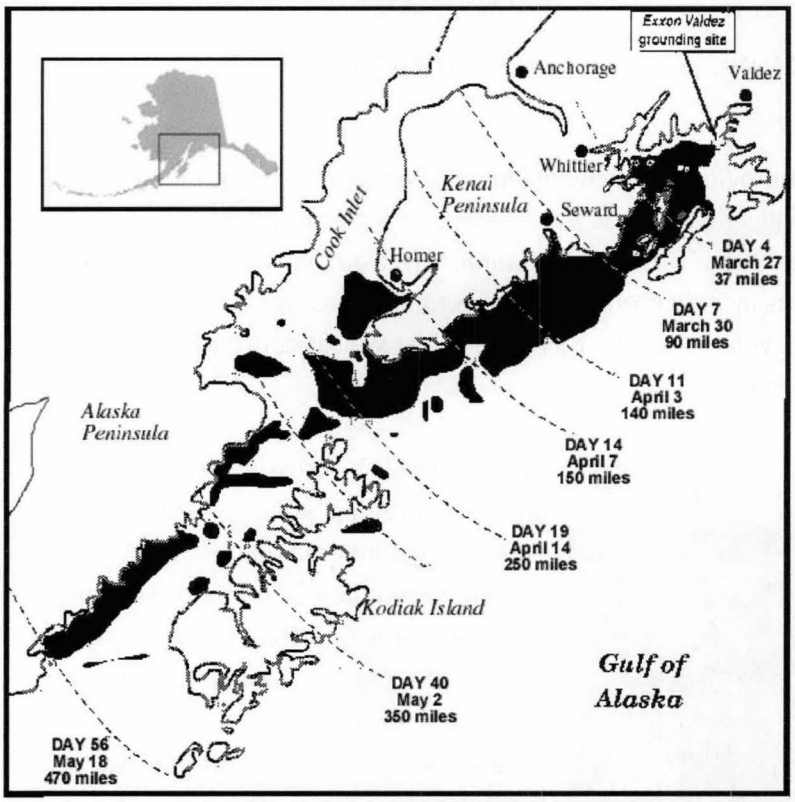

FIGURE 2: EXXON VALDEZ AFFECTED AREA

To focus the restoration efforts in areas of concern to the EVOSTC, queries were run in the USFWS Information for Planning and Conservation (IPaC) database and in the NOAA Environmental Response Management Application (ERMA) to provide a summary of coastal resources that are at risk, including important biological resources, sensitive shorelines, and human-use

resources. From these queries habitat restoration in the Buskin River system was identified as a priority because of the importance to the trust resources of EVOS and the supporting agencies (NOAA, USFWS, ADF&G), willingness of the landowners, and opportunities for in kind support.

The projects chosen will restore access to over 6 miles of upstream habitat and 53 acres of lakes in the Buskin River drainage. By restoring unimpeded movement for salmon and trout species and reconnecting fragmented natural processes, the productivity and resilience of the Buskin River watershed and greater Women's Bay and Chiniak Bay areas will be improved.

This project complements other conservation efforts in the Kodiak Archipelago, adding greater natural diversity and improving environmental resiliency in the face of climate change. At 10 sites, the existing road crossing culvert will be removed entirely by the US Coast Guard. At the other 10 sites, the existing culvert will be replaced with a bridge or larger diameter embedded culvert or bottomless arch culvert, following the United States Forest Service (USFS) stream simulation methodology (USFS 2008). Large historical debris from old culverts failures have been observed throughout the system. This debris is detrimental to water quality and fish passage and will be removed where possible. Where necessary, adjacent stream banks will be re-vegetated with native vegetation and stream channels restored to the natural slope and hydraulic capacity. In addition to improving fish passage, installing correctly-sized stream simulation culverts will greatly reduce the likelihood of catastrophic road failures in the future (Cafferata et al. 2004) and enhance aquatic habitat quality in the area adjacent to the road crossings for all aquatic organisms, especially for juvenile salmonids.

Injured resource Benefits:

Species Benefits: The IPaC report identifies the Buskin River and drainage as critical habitat for Steller's eider, Northern Sea Otter, and Steller Sea Lion. The area is also deemed year round habitat for Bald Eagle, Black Oystercatcher, Kittlitz's Murrelet, Marbled Murrelet, Pelagic Cormorant and Red-faced Cormorant. ADF&G identifies Dolly Varden, pink, coho, and sockeye salmon in the system. Salmon are an important part of the food chain for the Steller Sea Lion and Killer Whales commonly seen feeding in the marine outfall of the Buskin River. Because the work proposed will enhance the entire watershed the ecological benefits will encompass the surrounding area through improved sediment transfer and nutrient transfer in the system and its surrounding terrestrial habitat.

Service Benefits: The Buskin River is one of the most productive fisheries on the road system in Kodiak. This important accessibility makes it vital to the community's commerce and subsistence.

Recreation: The restoration projects proposed are upstream of the Alaska State Parks Buskin River Recreation Site. This area is well used by recreational fishers, campers, and hikers. ADF&G estimates 12,808 sport fishing days by 2,921 anglers on the Buskin River in 2015. In the past decade, recreational fishing effort on the Buskin River has represented 33% of total annual freshwater recreational fishing effort in the Kodiak Management Area (Polum 2014).

Subsistence: The Buskin River supports a subsistence fishery for sockeye and coho salmon. Because of accessibility and the presence of desired species, this is the most important road-accessible subsistence fishery in the Kodiak Archipelago. ADF&G estimates from 2004-2012 indicate and average 5,524 sockeye and in 2008 estimate 1,232 coho caught in the subsistence fishery.

Commercial: The Buskin River system contributes to the Chiniak Bay s salmon fishery which is a small but vital fishery to the region.

Description of Work

Photo 2: USFWS has funded design for this USCG culvert on

There are a total of 20 culverts in the Buskin River drainage that block aquatic organism (AOP) and fish passage to quality spawning and rearing habitats and negatively affect natural watershed processes. (See table 1 for a complete list). These culverts are known barriers identified through ADF&G's Fish Passage Program , rankings of red indicate the culvert has been fully assessed through ADF&G fish passage program as inadequate for fish passage, black and grey culverts listed have since been

determined to block passage and have been identified as priorities for restoration through various prioritization efforts by USFWS and ADF&G. Barriers on Anton Larson Road above Buskin Lake and Devil's Creek were not included in this proposal because ADF&G biologists determined the streams did not have high quality habitat. Addressing the suite of 20 priority culverts through one coordinated project will collectively restore the Buskin River watershed to a natural condition, promoting and enhancing the recovery of many EVOS-impacted species and services. The success of this project is predicated on partnerships. ADF&G, NOAA, and USFWS agree that the Buskin River watershed is a priority restoration opportunity in the Kodiak Archipelago.

The three landowners in the project area (i.e., the US Coast Guard (USCG), the Alaska Department of Transportation and Public Facilities (ADOT&PF), and the Natives of Kodiak are committed to the restoration work under their respective jurisdictions. The current alignment of resource agencies and landowners cannot be overstated. Past efforts to replace individual barriers and restore connectivity in the Buskin watershed have not been able to progress until now . Thus, with the commitment of all parties involved, it is important that we capitalize on the timing and opportunity to take a watershed-scale approach to restoring aquatic connectivity and natural processes in the Buskin River.

CULVERT LOCATION AND OWNERSHIP					
Stream Name	Road Name	ADFG Rating	ADFG Number	Ownership	Solution
Tributary to Battery Creek	USGS Battery Road	Black	10103248	USCG	AOP Replace
Tributary to Battery Creek	Gunnery Drive	Black	10103253	USCG	AOP Replace
Tributary to Battery Creek	Shooting Range	Black	10103254	USCG	AOP Replace
Tributary to Battery Creek	Gunnery Drive	Black	10103255	USCG	AOP Replace
Tributary to Battery Creek	Magazine Access Road	Black	10103256	USCG	AOP Replace
Tributary to Battery Creek	Magazine Access Road	Black	10103259	USCG	AOP Replace
Tributary to Battery Creek	Burma Road	Black	10103260	USCG	Remove
Tributary to Battery Creek	Access Road	Red	10103261	USCG	Remove
Battery Creek	Anton Larsen Bay Road	Red	20700785	DOT	AOP Replace
Battery Creek	US Coast Guard Access Road	Red	20700786	USCG	AOP Replace
Tributary to Lake Louise	Tom Stiles Road	Gray	20700877	USCG	AOP Replace
Tributary to Buskin Lake	Old Military Road	Black	20703436	USCG	Remove
Tributary to Buskin River	Old Military Road	Black	20703437	USCG	Remove
Tributary to Buskin River	Old Military Road	Red	20703438	USCG	Remove
Tributary to Buskin River	Old Military Road	Red	20703439	USCG	Remove
Tributary to Buskin River	Old Military Road	Black	20703439a	USCG	Remove
Boy Scout Lake Outlet	Old Military Road	Red	20703440	Natives of Kodiak	AOP Replace
Genivieve Creek	Abandoned	Black	20703470	USCG	Remove
Tributary of Genivieve Creek	Abandoned	Black	20703470a	USCG	Remove
Tributary to Boy Scout Lake	Abandoned	Black	20703471	Natives of Kodiak	Remove
Instream Debris Removal	System Wide			Various	Remove

Table 1: List of Culverts

USCG owned sites: 17 culverts on USCG property have been identified, 9 of these culverts will be removed and the channel restored by the USCG and 8 culverts will be removed and replaced using the requested funds from EVOSTC. This work will mainly take place in tributaries to the Buskin River in the upper watershed of the Buskin Drainage. These tributaries provide several miles of spawning, rearing, and wetland habitat and benefit the larger watershed via sediment flow that recharges downstream habitats. The culverts on USCG land are primarily WWII era culverts that are in very poor condition and heavily impact aquatic organism passage, aquatic connectivity, and stream habitat. Several are made of creosote treated wood. They are located on unpaved roads and tracks, some of which are no longer used. The USCG has committed to this project by allocating construction funds to conduct removal of the culverts located on unused roads and lightly used tracks. Requested funds would be used to replace culverts on roads that are still in use. All work will be conducted under direction of the USFWS, ADF&G, NOAA, and local participation by partners at Kodiak Soil and Water Conservation District. The work conducted under direction of these agencies will abide by all environmental regulations dealing with in water work and contamination.

In addition to culvert work, a previously ditched section of a Battery Creek tributary will be restored to its historical channel allowing for reconnection to groundwater sources and improving the thermal regime of the Buskin watershed (See Photo 3).

Photo 3: Groundwater in historical channel

AKDOT owned site: AKDOT is the owner of one red culvert in the Buskin system on Anton Larsen Bay Road and Battery Creek. This is a large crossing located on a heavily used paved road near the mouth of Battery Creek. A water line also crosses the road at this location. The current culvert is permitted and there is no obligation by AKDOT to replace it. All action on replacing this culvert would be above and beyond what is required of AKDOT. Restoration of this culvert is crucial to fish passage upstream in Battery Creek as it is the lowest culvert in the system. AKDOT will manage the permitting and construction of this culvert and EVOSTC funds are requested to fund the design and construction. This removal and restoration is one of the larger projects on a second order stream, allowing for habitat access in the larger system and access to side channel rearing.

Natives of Kodiak: The remaining two barriers are located on land owned by Natives of Kodiak. During a site visit in September of 2016, adult Chinook and coho salmon were observed attempting to leap into the culvert at the Boy Scout Lake outlet and all failed repeatedly. (See Photo 4; Video is available

Photo 4: A coho salmon failing to pass a perched culvert at Boy Scout Lake outlet

at: https://vimeo.com/185348321). At this site, the options for restoration are either to replace the culvert or to build a pedestrian bridge. The Natives of Kodiak have agreed to both of these options even though a pedestrian bridge would limit access of vehicles on this road. The site will require construction of a water control structure and a longer meandering channel to provide fish passage due to a 4'-7' difference in lake and stream elevation. An alternatives analysis will be performed and the most economical structure that provides for fish passage will be used at this site. The other culvert, located upstream of Boy Scout Lake, will be removed and the stream function will be restored. EVOSTC funds are requested for both of these projects. The Natives of Kodiak land and trails in the Boy Scout Lake area are currently open to the public for recreational use. The Natives of Kodiak personnel support these barrier removal projects and have stated they have no intention to restrict public access to this area. Further, Kodiak Regional Aquaculture Association (KRAA) operates a salmon enhancement project on Boy Scout Lake and has provided a letter of support for these barrier removals.

Estimated Cost & Schedule:

The EVOSTC request for this work is $4.5 million. (See Table 1 below). Leveraging for this project has already included a $100,000 investment by the USFWS for survey, design and geotechnical investigations. Work by the United States Coast Guard (USCG) to remove culverts is estimated to be a $200,000 match for construction, permitting and contract administration. AKDOT will provide contract administration and permitting; they have requested $80,000 to cover these costs. The USFWS, ADF&G and NOAA have invested approximately $60,000 dollars in staff and travel costs to survey the culverts,

assess the fish habitat, discuss the projects with the landowners, and provide permitting, design and construction oversight for the removals that have already started on USCG land.

Cost Estimate: Design, Construction, and Contract Administration		
TASK	**MATCH**	**EVOSTC Request**
Direct Project Costs	$292,221	$4,161,039
ADF&G, NOAA & FWS Staff Time & Travel to date	$60,000	
GA @ 9%		$374,494
Total Cost	$352,221	$4,535,533

Table 2: Cost Estimate

The cost estimate was developed by USFWS fish passage engineer, Heather Hanson, P.E. based on historical cost data for construction of culverts on Kodiak. Ms. Hanson has been an Alaska licensed civil engineer since 1999 and is trained in stream simulation methods for aquatic organism passage at culverts through the US Forest Service. The USFWS have made several site visits and carried out surveys as necessary to provide this cost estimate. USFWS will serve as the primary fiscal agent; through cooperative agreements, USFWS will provide EVOSTC funds to KSWCD (Appendix 1) and ADF&G, for design & construction through a competitive bid process. AKDOT will also conduct the bid process for the work on Anton Larson Bay Road.

Schedule:

USCG Culverts:

November 2016: USFWS and the KSWCD awarded geotechnical investigation and design for a culvert on USCG land near the outlet of Battery Creek ADFG #20700786 (USFWS funds). Also included in this award are geotechnical investigations at three other sites: #20700785 owned by AKDOT, #20700877 owned by the USCG and #20703440 owned by Natives of Kodiak. Fall 2016-Spring 2017: The USCG will remove 9 culverts and do channel work as necessary to restore connectivity (USCG funds)
Summer 2017: Begin survey and design of remaining 8 culverts (EVOSTC funds)
Jan-March 2018: Complete design (fund source – EVOSTC)
Spring- Fall of 2018-2019: USFWS and KSWCD award construction contracts for culvert replacements (EVOSTC funds)

AKDOT:

August 2017: USFWS and the ADF&G develop and release an RFP for design for the culvert on Battery Creek at Anton Larsen Bay Road ADFG# 20700785 (EVOSTC funds)
September 2017: USFWS and ADF&G award the design contract for culvert #20700785.
Jan-Dec 2018: Complete design (fund source – EVOSTC)
Spring- Fall of 2019: ADF&G transfers funds to AKDOT to award a construction contract for culvert replacement (AKDOT & EVOSTC funds)

Natives of Kodiak:

August 2017: USFWS and the Natives of Kodiak develop and release an RFP for design of the Boy Scout Lake outlet culvert #20703440 and removal of culvert #20703471 at the tributary to Boy Scout Lake (EVOSTC funds)
September 2017: USFWS and KSWCD award the design contract for culvert #20703440 and #20703471
Jan-March 2018: Complete design (fund source – EVOSTC)
Spring- Fall of 2018-2019: USFWS and KSWCD award a construction contract for culvert replacement of #20703440 and removal of #20703471 (EVOSTC funds)

References;

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United States Forest Service (USFS). 2008. "Stream Simulation: An Ecological Approach to providing passage for aquatic organisms at road-stream crossings." United States Forest Service Stream-Simulation Working Group in partnership with the US Dept of Transportation, Federal Highway Administration Coordinated Federal Lands Highway Technology Implementation Program, National Technology and Development Program, San Dimas, CA.

Sun'aq Tribe of Kodiak

October 18, 2016

Exxon Valdez Trustee Council
c/o Elise Hsieh
4210 University Drive
Anchorage, Alaska 99508-4626

RE: Buskin River Habitat Enhancement Project Proposal by USFWS, NOAA and ADF&G

Dear Exxon Valdez Trustee Council,

Sun'aq Tribe of Kodiak is pleased to provide this letter of support for the Buskin River Habitat Enhancement Project. Buskin Watershed is located five miles southwest of the city of Kodiak. This watershed is the nearest location for many user groups to partake in subsistence and sport fishing, along with other recreational activities. Buskin Watershed supports one of the largest subsistence salmon fisheries in the Kodiak/Aleutian Islands Federal Subsistence Region. On average, 4,800 salmon are harvested annually for subsistence use from Buskin River.

The health of Buskin Watershed is extremely important for the watershed itself, along with the surrounding habitat and marine interface which provide multiple ecosystem services. By allowing for fish passage through the system, nutrient transport will benefit the native species on land, air, freshwater, and saltwater.

In 2010, Sun'aq Tribe of Kodiak (STK) signed Resolution 2010-35 to make a commitment to preserving and proactively promoting Alaska Native subsistence activities. In recent years, STK has built natural resources management capabilities from development of a Tribal Wildlife Grant to enrich subsistence coho salmon populations within the Buskin Watershed. Additionally, STK has received funding from the Bureau of Indian Affairs to survey for invasive signal crayfish (*Pacifastacus leniusculus*) within Buskin Watershed.

Buskin Watershed is vital to the community of Kodiak. This proposed project advocates for the health and subsistence resources of Buskin Watershed. Please consider this letter an indication of our commitment to preserve the subsistence activities of Buskin Watershed. We look forward to hearing of the project award and working with project partners to benefit the project.

Sincerely,

Thomas Lance
Natural Resources Director

312 West Marine Way
Kodiak, Alaska 99615
Phone: 907.486.4449
Fax: 907.486.3361

U.S. Department of Homeland Security

United States Coast Guard

Commanding Officer
United States Coast Guard
Base Kodiak

P. O. Box 195025
Kodiak, AK 99619
Staff Symbol: fe
Phone: (907) 487-5170 x6698

5090
EV-17003

NOV 3 0 2016

NOAA Fisheries
222 West 7th Ave
Anchorage, AK 99513
Attn: Erika Ammann

Dear Ms. Ammann,

Thank you for informing me of the "Kodiak Island Habitat Enhancement Proposal, Buskin River Watershed" (Proposal) prepared by the U.S. Fish and Wildlife Service, NOAA Fisheries, and the Alaska Department of Fish and Game (Parties), which seeks the removal or replacement of 16 old culverts on Coast Guard Base Kodiak, to aid salmon and Dolly Varden in fish passage and ecosystem health. The Proposal specifies eight culverts for Base Kodiak to remove, with another 8 on our property to be removed by the Parties.

As to the eight culverts that the Parties seek to remove or replace, the Coast Guard is willing to grant a no-cost temporary right of access on terms and conditions to be established by our respective real property staffs, subject, of course, to completion of the Coast Guard's required environmental impact analysis prior to granting a license or permit to enter CG property.

Regarding the eight culverts the Proposal identifies as a Coast Guard responsibility, Coast Guard policy provides units such as Base Kodiak with the discretion to take an active approach to reconnect existing habitats on our base on the theory that larger blocks of habitat are better than smaller blocks in accordance with *CG Natural Resources Management Manual*, COMDTINST M5090.3, section 3.D.4.a. As Commanding Officer of Base Kodiak, I must be mindful of funding and other resource constraints. However, I am able to express my intent to undertake the actions the Proposal allocates to the Coast Guard, and my intent to continue to work with the Parties. The Buskin River system provides a valuable fishery and recreational space in the Kodiak area. I am not able to provide an ironclad guarantee that they will be undertaken by a specific date.

We look forward to working with the Parties to improve the freshwater habitat of the Buskin River system and ensure that connectivity through US Coast Guard land allows for fish passage, sediment transport and sustainability of the important fisheries that depend on the Buskin River.

My local point of contact for this matter is Mr. Robert Gray, the Base Kodiak Environmental Division Chief; Mr. Gray can be reached at (907) 487-5320, extension 6698, for follow-up actions or ensuing questions.

Sincerely,

J. C. WESTLING
Captain, U.S. Coast Guard
Commanding Officer, Base Kodiak

THE STATE of ALASKA
GOVERNOR BILL WALKER

Department of Natural Resources
DIVISION OF PARKS AND OUTDOOR RECREATION
1400 Abercrombie Drive
Kodiak, AK 99615
Main: 907.486.6339
Fax: 907.486.3330

Exxon Valdez Trustee Council
c/o Elise Hsieh
4210 University Drive
Anchorage, Alaska 99508-4626

November 19, 2016

Dear Exxon Valdez Trustee Council,

I would like to send this letter in support of the Buskin River Habitat Enhancement Project. Alaska State Parks manages the Buskin River State Recreation Site, which supports camping, sport fishing, biking, hiking, wildlife viewing, berry picking and beach combing as the predominate activities for the area. The State Recreation site is at the nexus of the freshwater and marine environment and provides visitors from around the world as a very popular location for sockeye and coho fishing. The Buskin River is extremely important for the health of the entire river system as well as its surrounding habitat and marine interface. Improving and re-establishing fish passage through the system will allow for improved sustainable habitat and nutrient transport that will benefit the whole watershed ecosystem for numerous terrestrial, marine and avian species.

The Buskin River drainage is important to the community of Kodiak for its ecological and economical benefits due to the proximity and accessibility on the limited Kodiak road system. As the Kodiak District Ranger II/manager, I support the overall general project, partnerships and the environmental benefit this enhancement project will provide to the natural river system as well as the community and visitors that rely on it for recreation, enjoyment, and subsistence.

Respectfully,

Preston Kroes
Alaska State Parks – Kodiak Area Park Ranger II
1400 Abercrombie Dr.
Kodiak, AK 99615
907-486-6339
preston.kroes@alaska.gov

Exxon Valdez Trustee Council

C/o Elise Hsieh

4210 University Drive

Anchorage, Alaska 99508-4626

Dear Exxon Valdez Trustee Council,

I would like to send this letter in support of the Buskin River Habitat Enhancement Project. On behalf of the Natives of Kodiak. The Buskin system is very popular site for sockeye and Coho fishing and allows for fishing that is easily accessible on Kodiak Island. The health of the Buskin River is extremely important for the river as well as its surrounding habitat and marine environment. The proposed work will allow for juvenile salmon to move through the system and find overwintering habitat and productive areas for growth within the freshwater system. The passage improvements will also allow for sediment transport, returning the river to a more natural environment throughout the system. We value the health of this system and will work with partners NOAA, USFWS and ADF&G to conduct these habitat improvements.

Sincerely,

David A. Anderson
Natives of Kodiak
V.P. Natives of Kodiak

Kodiak Island Borough

OFFICE of the MANAGER

710 Mill Bay Road, Room 126
Kodiak, Alaska 99615
Phone (907) 486-9301 Fax (907) 486-9374
E-mail: mpowers@kodiakak.us

November 7, 2016

Exxon Valdez Trustee Council
c/o Elise Hsieh
4210 University Drive
Anchorage, Alaska 99508-4626

Re: Support for Buskin River Habitat Enhancement Project

Dear Exxon Valdez Trustee Council:

On behalf of the Kodiak Island Borough, I am submitting this letter of support for the Buskin River Habitat Enhancement Project. The Borough recognizes the importance of healthy fisheries to a full spectrum of community interests including subsistence, recreational and commercial fisheries. We will work diligently with the project partners on this proposal, including the U.S. Fish & Wildlife Service; Alaska Department of Fish & Game; NOAA Fisheries; and the Kodiak Soil and Water Conservation District.

We are mindful that this project will also have collateral benefit to other wildlife and natural resources in the Buskin river drainage, as well as improve this area of the Borough for human use as well. We value the health of this river eco-system for fish habitat as well as improvements to water passage that can result in benefits to human uses of the river system and to public safety.

Sincerely,

Michael Powers, Manager
Kodiak Island Borough

Cc: Mayor and Assembly
Community Development Department
Engineering and Facilities Department
Parks and Recreation Committee
Resource Management Office

A letter of recommendation from AKDOT is currently awaiting review from signing officials but should be provided prior to EVOS trustee council meeting

THE STATE of ALASKA
GOVERNOR BILL WALKER

Department of Transportation and Public Facilities

SOUTHCOAST REGION
DESIGN & ENGINEERING SERVICES
Preconstruction

6860 Glacier Highway
PO Box 112506
Juneau, Alaska 99801-2506
Main: (907) 465-4444
Toll free: (800) 575-4540
Fax: (907) 465-8485

January 9, 2017

Elise Hsieh
Exxon Valdez Trustee Council
4210 University Drive
Anchorage, Alaska 99508-4626

Dear Trustees,

The Alaska Department of Transportation and Public Facilities (DOT&PF), Southcoast Region, has been involved in discussions regarding fish passage issues on Kodiak Island for the past several months. We are aware of the proposal to conduct fish passage and transportation improvements to culverts along the DOT&PF right-of-way (ROW) on Anton Larsen Bay road near Kodiak.

We also understand that the work in the DOT&PF ROW at the Battery Creek crossings would be conducted as part of a larger Buskin River watershed initiative in association with the U.S. Coast Guard, Natives of Kodiak, U.S. Fish and Wildlife Service, Alaska Department of Fish and Game, National Oceanic and Atmospheric Administration Fisheries, and Kodiak Soil and Water Conservation District.

We support this effort and look forward to working with the US Fish and Wildlife Service and their partners to ensure that this valuable work will both improve fish passage as well as maintain safe roads for the community.

Please feel free to contact me at 907-465-4504 or via email at john.barnett@alaska.gov if any questions arise.

Sincerely,

John Barnett
Southcoast Region Environmental Manager

cc:
Mike Stevens, DOT&PF Southcoast Region Hydraulic Engineer
Randy Davis, Acting DOT&PF Southcoast Region ROW Chief

Kasilof River Parcel (Lot 31)

Prepared by U.S. Fish and Wildlife Service

December 2, 2016

Property Name:	Kasilof River Parcel (Lot 31) No. KEN 4006
Parcel Size:	5.86 acres
Owner:	Private owner
Agency Sponsor	U.S. Fish and Wildlife Service
Appraised Value	To be determined
Funding Request	To be determined upon completion of appraisal – Not to exceed $165,000 (total estimate including land cost, due diligence and closing costs)

Overview:

This project is comprised of one unimproved lot (parcel) containing 5.86 acres. The parcel is situated on the Kasilof River and can be accessed by boat. It is not on the road system. The parcel is adjacent to the Kenai National Wildlife Refuge (Kenai NWR) and in the immediate vicinity of two other small parcels (KEN 4004 and 4005) approved for purchase by the Trustee Council on 11/03/2016 (see attached map) If acquired, the U.S. Fish and Wildlife Service (Service) can process a minor boundary adjustment for the inclusion of this property into the Kenai NWR and the parcel would be managed as national refuge lands. The parcel is currently listed for sale on the open real estate market. This proposed acquisition is fee simple (including both surface and subsurface estates). Although the mineral estate was reserved to the State of Alaska in the original conveyance out of the public domain, mineral development would not be commercially viable and is highly unlikely. The Kasilof River is outside the boundary of this small parcel and would remain outside the Kenai NWR and under the State of Alaska's ownership and control regardless of the purchase. The fair market value of the parcel will be determined by an appraisal prepared to EVOSTC, USPAP and UASFLA appraisal standards. The appraisal report will be reviewed and approved by an Office of Valuation Services (U.S. Department of Interior) review appraiser.

Property Description and Habitat:

This unimproved land contains valuable riverine and upland habitat, including kettle and riparian wetlands. The Kasilof River runs along the northwestern boundary of the parcel. In addition to the riverbank and wetland habitats, the upland habitat contains wooded areas with birch and spruce trees, blueberries, alders and other native plant species.

The Marbled murrelet is an EVOS-affected species designated as 'not recovering'[1]. The parcel and surrounding area contain Marbled murrelet nesting habitat, and the species does nest in the

[1] The recovery status was taken from the Injured Resources and Services, 2014 Update.

area. The parcel and surrounding area also contain habitat that supports Bald eagles, Dolly Varden, river otters and sockeye salmon, all of which are EVOS-affected species.

Some other notable wildlife species found in the area of the Kasilof River and estuary include sandhill cranes, Hudsonian godwits, various shorebirds, Bonaparte's gulls, mew gulls, herring gulls, Arctic terns and snow buntings.

The Kasilof River flows northeasterly from its headwaters at the outlet of Tustumena Lake, and the river is a significant contributor to Cook Inlet area commercial, recreation, subsistence and personal use salmon fisheries. The parcel includes riverbank vegetation important for sockeye salmon migration and is a part of the Kasilof River complex, which contains a spectacular, varying wetlands landscape. The parcel is ranked "high" on the habitat prioritization mapping report completed by Great Land Trust for the Trustee Council in 2014. The purchase of this parcel containing valuable riparian and wildlife habitat is also considered to be a high priority acquisition for the U.S. Fish and Wildlife Service and the national refuge system. This purchase would also extend the protection along the Kasilof River corridor that was funded by the Trustee Council's recent approval of the KEN 4004 and 4005 small parcels.

Restoration Benefits:

The conservation of the parcel would provide permanent habitat protection for Marbled murrelets (EVOS-affected species not recovering) and benefit several other EVOS-affected species, including Bald eagles, Dolly Varden, river otters and sockeye salmon, thereby assisting the EVOSTC in maintaining the protection of these species and their habitat. It would ensure conservation and protection of the land and its wildlife in perpetuity. It would significantly contribute to a larger effort and strategy of the *Kenai Mountains to Sea* partnership to ensure that a riparian corridor and connectivity is maintained along the Kasilof River, between its mouth and where refuge lands start near the mouth of the Tustumena Lake. Moreover, it would provide protection for an undeveloped riverine corridor for wildlife movement, including foraging flights by Marbled murrelets. In addition to the benefits afforded to wildlife and its habitat, this acquisition would also assist with the designated recovering human services affected by EVOS, including commercial fishing, recreation and tourism and subsistence.

Potential Threats:

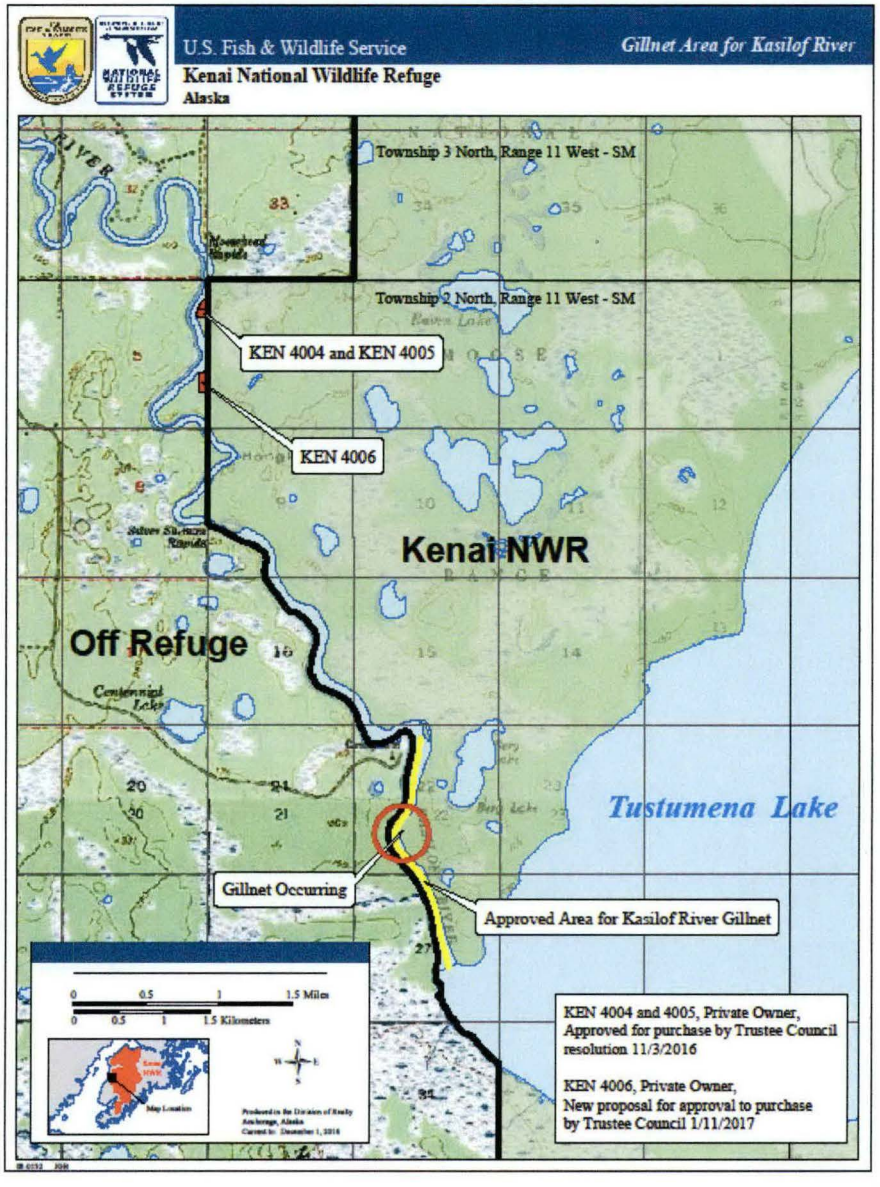
The parcel is listed on the open market presently and will likely be purchased for development incompatible with habitat protection if it is not acquired through EVOSTC funding. The purchase and conservation of this parcel would eliminate a number of threats to birds, fish and wildlife and their habitat, including potential development causing habitat loss, blocking wildlife corridors and connectivity of the river system corridor, resulting in fragmentation of habitat and restriction of wildlife movement. These restrictions can result in decreased genetic diversity, decreased ability of the wildlife populations to adapt to changes in the environment, and can prevent access to required resources necessary for healthy populations.

Proposed Management:

U.S. Fish and Wildlife Service, Kenai NWR

Funding Request:

The amount of the final purchase price required to acquire the parcel will be determined upon completion of an approved appraisal report, but it is expected that it will not exceed $165,000, including due diligence and closing costs. The Trustee Council is asked to approve up to $165,000 for the completion of this purchase.



Spiridon Bay Acquisition Protection Project – Kodiak National Wildlife Refuge
Prepared by U.S. Fish & Wildlife Service
December 2, 2016

Property Name:	Spiridon Bay, Kodiak National Wildlife Refuge, Parcel No. KAP 4007
Parcel size:	7.54 acres ±
Owner:	Private Owner
Agency Sponsor:	United States Fish and Wildlife Service, National Wildlife Refuge System
Appraised Value:	To be determined
Funding Request:	To be determined upon completion of appraisal – Not to exceed $180,000 (total estimate for parcel including due diligence and closing costs)

Overview:

This project will protect natural resources and their habitats through fee acquisition of one parcel totaling 7.54 +/- acres located on the northwest coast of Kodiak Island. The property is situated in Spiridon Bay, within the Kodiak National Wildlife Refuge acquisition boundary and is located within the Exxon Valdez Oil Spill area. No roads access this remote property, but it is accessible by float plane and boat. The attached map shows the parcel as one lot surrounded by existing Refuge lands except for a small portion of its southern boundary which borders a native allotment (The native allotment shown as red on the area map is within the Alaska Maritime National Wildlife Refuge and is not part of this proposed purchase.) If acquired, the property would be managed by the U.S. Fish & Wildlife Service as part of the Kodiak National Wildlife Refuge. The fair market value of the property will be determined by an appraisal prepared to EVOSTC, USPAP and UASFLA appraisal standards. The appraisal report will also be reviewed and approved by an Office of Valuation Services (Department of the Interior) review appraiser.

Property Description and Habitat:

The parcel is in private ownership and consists of a total of 7.54 +/- acres of remote land, plus improvements. The land area is one lot that is oceanfront with Refuge lands on all sides except the southernmost boundary adjoining a native allotment. Access is by float plane or boat. A spring is reported on the site and a water rights report will be conducted on the property. The topography is rolling with a few level areas. Improvements will be acquired with the property. There is a 480 sq. ft. cabin that includes bunks for six, a kitchen, and an outhouse. The property does not have a well or septic tank and the cabin is powered by a 2000 KW Honda generator. As shown in the attached photo, the property contains high-value coastal and terrestrial wetlands. The terrestrial vegetation on the property is more open with less shrub and brush habitats compared to surrounding areas. The shoreline of the parcel consists of gravel and mixed sand/gravel beaches, salt and brackish water marshes, and exposed rocky shores. The parcel has over 1,950 feet of ocean frontage along Spiridon Bay.

Environmental Site Assessment: There will be a Level One Environmental Site Assessment completed later in the acquisition process.

Restoration Benefits:

The parcels provide many benefits to a large number of the natural resources and services impacted by the Exxon Valdez Oil Spill. Healthy habitats are essential for oil spill recovery. Therefore, the acquisition of this parcel will benefit future recovery efforts. The coastal wetland environment contains sea otter forage areas in the intertidal areas as well as harbor seal haul out and pupping habitat. The properties are immediately adjacent to documented seabird nesting colonies occupied by Arctic Tern, a known sea bird in decline, Black-legged Kittiwake, Glaucous-winged Gull, and Black Oystercatchers. Purchase of this parcel would help ensure protection of these valuable marine habitats.

Great Land Trust EVOS Habitat Prioritization: Great Land Trust was consulted for the determination of the property value classification, based on the 2014 EVOS Habitat Prioritization Report completed on behalf of the Trustee Council. The preliminary classification value is ranked as "Medium High" value for multiple injured resources and services.

Other Natural Resources and Services Benefitted: There are additional attributes of this parcel that represent great value to natural resources and the recreational and subsistence services dependent on them.

- The ocean waters adjacent to and the shorelines of the parcel are designated critical habitat for the southwest Alaska distinct population segment of the northern sea otter, which is listed as threatened under the federal Endangered Species Act.[1] The waters are also identified as "sea otter concentration area" in spill response contingency plans.[2,3]
- The ocean waters adjacent to and the shorelines of the parcel are designated critical habitat for the Steller sea lion, which is listed as endangered under the federal Endangered Species Act.[1]
- The ocean waters adjacent to the parcel are identified as Pacific herring spawning area.[4]
- The ocean adjacent to and the shorelines of the parcel are identified as "waterfowl concentration area" during the winter.[5]
- The ocean adjacent to and the shorelines of the parcel are identified as areas providing subsistence uses of marine resources such as crabs and intertidal invertebrates.[6]

[1] U.S. Fish and Wildlife Service. Critical Habitat for Threatened & Endangered Species (http://ecos.fws.gov/crithab).
[2] Alaska Response Team. 2010. Kodiak Subarea Contingency Plan (http://dec.alaska.gov/spar/ppr/plans/scp_ki/ki_2010_D-SensitiveAreas.pdf). Map titled "KIB Sensitive Areas - Marine Mammals - Sea Otters" (http://www.asgdc.state.ak.us/maps/cplans/kod/kib_sens/map07-layout1.pdf).
[3] Kodiak Island Borough. 1997. *Sensitive Areas Identification Project Report.*
[4] Alaska Response Team. 2010. Kodiak Subarea Contingency Plan. Map titled "KIB Sensitive Areas - Fishery Resources - Herring Spawning, Pollock Spawning, Pollock, Juvenile Rearing, Anadromous Fish Streams" in Kodiak Subarea Contingency Plan. (http://www.asgdc.state.ak.us/maps/cplans/kod/kib_sens/map01-layout1.pdf)
[5] Alaska Response Team. 2010. Kodiak Subarea Contingency Plan. Map titled "KIB Sensitive Areas - Waterfowl - Ducks, Geese & Swans" (http://www.asgdc.state.ak.us/maps/cplans/kod/kib_sens/map11-layout1.pdf).
[6] Alaska Response Team. 2010. Kodiak Subarea Contingency Plan. Map titled "KIB Sensitive Areas - Subsistence - Marine" (http://www.asgdc.state.ak.us/maps/cplans/kod/kib_sens/map14-layout1.pdf).

EVOS List of Injured Resources and Services: Protection of the parcels would benefit many marine and terrestrial species on the EVOS Injured Resources List and the services dependent on them.

The species and services specifically identified on the EVOS List of Injured Resources and Services that would benefit from this habitat protection project are listed below.

Bald Eagles	Barrow's Goldeneye
Black Oystercatchers	Clams
Cormorants	Harbor Seals
Harlequin Ducks	Intertidal Communities
Mussels	Pacific Herring
Sea Otters	Sediments
Subtidal Communities	Passive Use
Recreation and Tourism	Subsistence

U.S. Fish & Wildlife Service Interest in the Property. Purchase of the parcel is a high priority for the Fish and Wildlife Service due to the habitat values of the parcel, its location surrounded by currently managed Refuge lands, the abundance of coastline and biological resources, and the excellent wetland conservation values. Purchasing this parcel will create a large continuous tract of protected habitat, keeping the existing natural ecosystem of this area intact for wildlife and recreational and subsistence uses. Among other factors the Service considered with respect to this parcel:

1) Spiridon Bay is a highly desirable and sought after area in the remote Kodiak real estate market. The property is located in an area that has good access for both boat moorage and floatplane landings. This feature makes this parcel particularly appealing for a variety of potential uses in the private and commercial sector market. The Service would like to protect the property and the surrounding habitat from further development. Purchasing this parcel would ensure that the land remains open to the public and free of additional development.
2) The parcel borders existing National Wildlife Refuge land, is within the approved Refuge acquisition boundary, and upon acquisition, would become part of the Refuge.

Potential Threats:

As noted above, the acquisition and protection of this parcel would eliminate a number of significant threats to birds, fish and wildlife, and their habitats, including the threat of more intensive private development and use, which would result in significant habitat loss, degradation, fragmentation of presently intact systems, and disturbance of resources during the most critical portions of their lifecycles. These restrictions can result in decreased wildlife diversity and decreased ability of populations of fish and wildlife to utilize resources necessary for their survival and to enable them to adapt to changes in their environment.

Proposed Management:

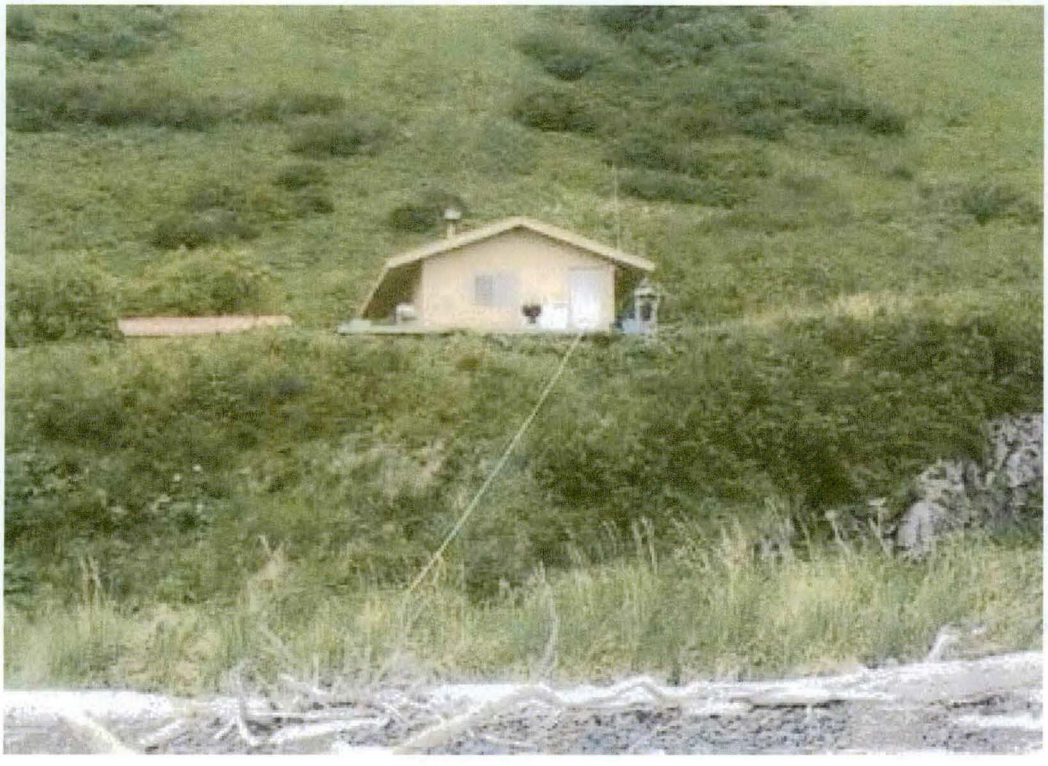
If acquired, the property will become part of the Kodiak National Wildlife Refuge and will be managed as such. The Kodiak National Wildlife Refuge is characterized by a diverse range of habitats within a relatively compact geographic area. Because of this, the Refuge supports some of the highest densities of brown bears, nesting bald eagles, and spawning salmon found anywhere on North America. More than 240 species of birds have been recorded in the Kodiak Archipelago. With a total resident population of bald eagles estimated at 2,250, more than 500 pairs of eagles nest on the Refuge. As

many as two million seabirds inhabit the Refuge shoreline and adjacent bays and inlets. At least 150,000 ducks and geese also winter along the shoreline areas of the Refuge. In addition, seabird nesting colonies exist in close proximity to the Refuge and are home to the Arctic Tern, a known seabird in decline, Black-legged Kittiwake, Glaucous-winged Gull, and Black Oystercatcher. The Refuge is also important to subsistence uses by local residents. Some of these important marine and island habitats are those associated with this subject parcel, and would be protected as part of the Kodiak National Wildlife Refuge once acquired. If consistent with EVOSTC requirements for management of EVOS-acquired lands, the existing cabin is expected to be removed due to the management plan to use the Chief Cove cabins (location shown on map - recently approved for funding through EVOSTC) for public and administrative use.

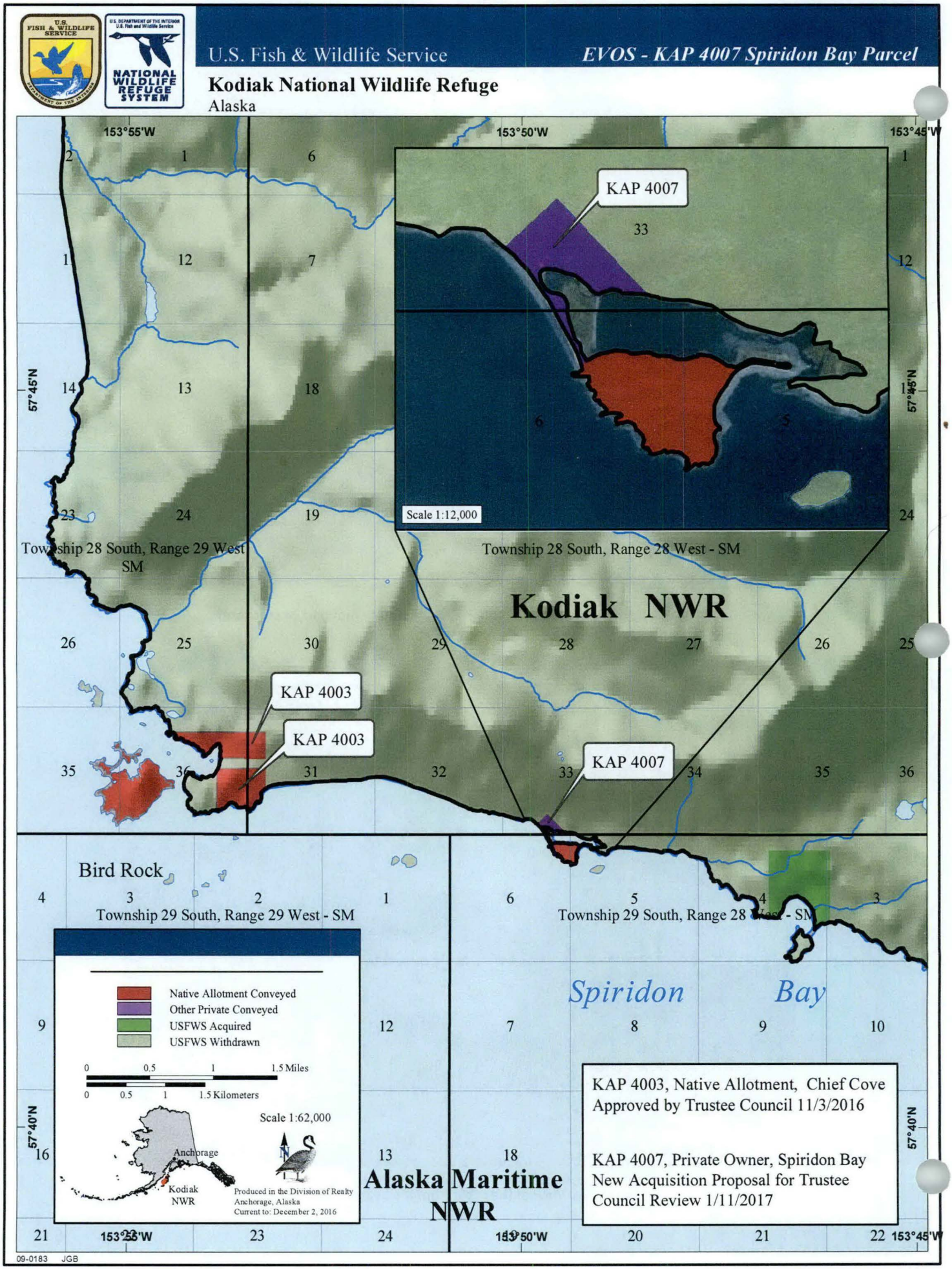
Funding Request:

The final purchase price required to acquire the property will be determined upon completion of an approved appraisal report, but it is expected that it will not exceed $180,000, including due diligence and closing costs. The Trustee Council is asked to approve up to $180,000 for the completion of this purchase.

Looking from the cabin toward the Native Allotment (not part of purchase)



View of the cabin from the beach


U.S. Fish & Wildlife Service
EVOS - KAP 4007 Spiridon Bay Parcel
Kodiak National Wildlife Refuge
Alaska
153°55'W
153°50'W
153°45'W
57°45'N
57°40'N
KAP 4007
KAP 4003
KAP 4003
KAP 4007
Scale 1:12,000
Township 28 South, Range 29 West SM
Township 28 South, Range 28 West - SM
Kodiak NWR
Bird Rock
Township 29 South, Range 29 West - SM
Township 29 South, Range 28 West - SM
Spiridon Bay
Native Allotment Conveyed
Other Private Conveyed
USFWS Acquired
USFWS Withdrawn
0 0.5 1 1.5 Miles
0 0.5 1 1.5 Kilometers
Scale 1:62,000
Anchorage
Kodiak NWR
Produced in the Division of Realty
Anchorage, Alaska
Current to: December 2, 2016
Alaska Maritime NWR
KAP 4003, Native Allotment, Chief Cove
Approved by Trustee Council 11/3/2016
KAP 4007, Private Owner, Spiridon Bay
New Acquisition Proposal for Trustee
Council Review 1/11/2017
09-0183 JGB