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PROCEEDINGS

MR. BARTON: Let me call this meeting of the Trustee Council to order. We're still missing one representative, the NOAA representative. The rules under which we operate we all six need to be represented in the case of any decisions to be taken, but perhaps there's some procedural mishmash we can get out of the way while Don Collinsworth is coming, he was on the plane with me; I'm not sure what happened between here and the airport. But I apologize for the late start, Alaska Airlines crew needed crew rest and they are well rested at this point.

So, with that, let me just identify the representatives present. On my far left is Charles Cole, Attorney General for the State of Alaska; Commissioner John Sandor, Department of Environmental Conservation, Trustee for the State of Alaska; on my immediate right is Carl Rosier, Commissioner of Fish & Game for the State of Alaska, Trustee for the State of Alaska; Curt McVee of the Department of the Interior, the Secretary of Interior's representative on the Trustee Council; and I'm Mike Barton representing the Department of Agriculture on the Trustee Council.

Let me ask are there any corrections or changes to the Agenda that anybody wants to make?

MR. SANDOR: I move approval of the Agenda.

MR. ROSIER: Second.

MR. BARTON: It's moved and seconded.

MR. GIBBONS: Excuse me, Mr. Chairman.

MR. BARTON: Go ahead.

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MR. GIBBONS: I have a change. Is this on?

UNIDENTIFIED VOICE: Yeah.

MR. GIBBONS: Okay. Item 3(d), the Trailer Vans and Carcass Disposal will not be discussed today; some recent developments in the last several days requires additional Staff work.

MR. BARTON: So we just delete that.

MR. GIBBONS: Just delete that.

MR. BARTON: Is there any objections to deleting 3(d)? So moved or so done. Any other changes? Any objection to the adoption of the Agenda? The Agenda's adopted.

Why don't we begin with the meeting overview, and if we need to we'll call a halt later in the morning to await

Commiss- -- or Mr. Collinsworth if we need to. Go ahead, Dave.

MR. GIBBONS: Just some quick notes on how the meeting -- we hope the meeting to run. We were aiming for a one-day meeting here, I'm not sure we're going to make that but that's hopefully still our aim. We have reserved tomorrow in case we don't get through the Agenda today and we'll continue. We're going to hopefully take a break around noon for lunch, an hour break, and then reconvene at 1:00. We have a public comments section tonight from 5:00 to 8:00, we'll hook in 13 sites -- teleconference sites for comments as well as comments

from Anchorage. We'll take an afternoon break, and this one at 3:00, probably 15 minutes to stretch our legs.

And the package -- run through the package which you have in front of you here so people can follow along. The first part of the package is the Agenda. The second part of -- the next thing in the package is the financial review material which will be discussed next on the Agenda. Following that would be -- is a summary of the proposed 1992 activities, separated into three blocks; the first block is Dr. Spies and the Restoration Team combined recommendation to the Trustee Council. The second section is a block of studies which Dr. Spies did not comment on but the Restoration Team reviewed again. And the third block is two studies that need further discussion; we could not reach agreement, we had a short time frame to deal with those two studies.

The following -- those spreadsheets is a budget summary sheet that has a summation of the budget, where we are with the remaining balance of funds from the 36.5 million that's available this year. Following that, we have a generic charter for the Public Advisory Group, and we'll be talking about three options -- possible options for the formation of a Public Advisory Group. Following that is we have a couple of pages on some -- the Trustee Council requested that we -- to look in to holding these meetings at the Court chambers -- Supreme Court chambers, and we have a couple of pages of discussion on that

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item.

We have, following that, some operating procedures for the Restoration Team; this was in the package that was presented last week. We have some additional comments by -- we've received additional comments, we've incorporated some of those into the document and this is another version. And the large portion of the package are three-month detailed budget summary sheets; these were requested by the Trustee Council to clearly identify what costs would be incurred in the period from March 1st to May 31st. Those, by the way, are broken into the three tiers as the spreadsheets are so that they match up. They're arranged alphabetical and numerically so you can find it easier that way.

MR. BARTON: Any questions of Doc Gibbons? Is the next item a decision item, Dave? At that point, we need to wait for Mr. Collinsworth.

MR. COLE: Mr. Chairman.

MR. BARTON: Is there other business that we could take up?

MR. COLE: Mr. Chairman. As we go through on some of these studies and recommendations of Dr. Spies, you will recall that there was some policy decisions to be made by the Council. I'm wondering whether it might not be advisable limited public comment on these policy issues before decisions are made. I didn't raise any comment on this subject when we adopted the

Agenda, but it seems to me that having public comment after critical decisions are made is sort of like -- I don't know -- getting the horse in the barn too late. I wonder if we couldn't talk about that just a little bit.

MR. BARTON: Surely.

MR. COLE: And get views of the other members of the Council. I wouldn't, you know, propose that people have an opportunity to speak for, you know, 20 minutes on some of these things, but if we could just confine it to say no more than three minutes per speaker on some of these policy issues it might be a good idea. I would like to hear what people generally have to say on some of these critical policy decisions before we make the decisions. So

MR. BARTON: Curt.

MR. McVEE: Mr. Chairman. I think that we're really all interested in public comment, but as I understood it what we would be doing today here would be approval of the '92 work activities to go forward for public comment. I guess I was assuming that we would some time later on, at the end of that comment period, have to reconvene. I guess I don't have any problem with the Attorney General's proposal, but I guess maybe just trying to clarify where we were headed in the next 30 days or so.

MR. COLE: Mr. Chairman

MR. BARTON: Mr. Cole.

MR. COLE: It's sort of a mild rebuttal. If we decide not to submit one of these projects for public comment, then we don't get public comment. And you know, there's just -- I don't know -- four or five issues here where Dr. Spies has asked for policy decisions, and if we make a negative policy decision on one of those, well then it doesn't go out to public comment. That's what I sort of had in mind, but I don't have strong views, I do solicit the views of other members of the Council.

MR. BARTON: Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. Yeah. I certainly concur with the latter statement there that I think when we go forward with the public package, I think we want to be sure that everything that should be included is included. I, for one, would certainly appreciate the input from the public on a couple of those policy calls.

MR. BARTON: Let the record show that Mr. Collinsworth has just joined us, and all the Council Members are now here.

MR. McVEE: Mr. Chairman.

MR. BARTON: Curt.

MR. McVEE: I guess maybe kind of thinking ahead to where -- or what we would put out for public comment, just one thought would be to also put out those projects which we had not approved. It may be -- it could be interesting from the public in knowing what was not approved at this time.

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MR. BARTON: Other comments? Mr. Sandor.

MR. SANDOR: I guess just to make sure I understood that last comment, then the suggestion is is that for those projects not approved, those would also go out for public review, is that what you were suggesting?

MR. McVEE: That was the idea.

MR. SANDOR: Yeah.

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MR. McVEE: It was just a thought.

MR. COLE: It seems like -- Mr. Chairman.

MR. BARTON: Mr. Cole.

MR. COLE: Well, haven't we decided not to put out for public comment the score or scores of projects which we had decisions not recommended. I mean I think we're sort of past lot of these. My view, Commissioner Sandor, was that these critical policy decisions where we did not get a firm recommendation from Dr. Spies that we hear today before the decision is made briefly, and I want to briefly hear from interested groups on those issues. And, you know, I'd rather postpone the decisions 'til 5:00 to 8:00 tonight rather than, you know, make critical decisions and then hear people complain about our decisions made six hours earlier. And it just seems to me the policy doesn't quite fit, so I leave it at that. Thank you.

MR. BARTON: Is there a motion?

MR. SANDOR: I'll stick my neck out. I think the

Attorney General makes a good point. And in that segment that Dr. Spies did not deal with because they were primary policy issues as opposed to scientific issues, I believe it would be desirable to have some public input. And so Mr. Chairman, I would move that we not have the public participation during the course of this daytime meeting on all those issues in which Dr. Spies and the Restoration Team agreed to, but in those issues in which the Chief Scientist did not make a recommendation and our policy issues that we provide for public involvement or participation limited either — during this afternoon's session or whenever we get to that or defer our actions on those until after our public participation session this evening.

I'd defer the actual decision of which route to go until we hear Dr. Spies. That's a long motion but I move it.

MR. COLE: Would you care to restate that?

MR. SANDOR: In other words, we provide for public participation before a decision on those items that Dr. Spies has not made a recommendation on.

MR. BARTON: Is there a second?

MR. COLE: I'll second.

MR. BARTON: Okay. Is there objection?

UNIDENTIFIED VOICE: No objection.

MR. BARTON: We'll do it that way. Dr. Spies, I don't see him here but I'm sure -- there he is.

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DR. SPIES: I'm hiding back here, Commissioner.

MR. BARTON: Okay. Perhaps, at that time, you could identify for us the specific policy questions which you had outlined in your correspondence that we need to address that we're seeking public comment on.

Moving back to the Agenda, Financial Group Review.

MR. GENTRY: Mr. Chairman, for the record, my name is David Gentry, I'm with the State Office of Management & Budget in Juneau. I'll be presenting today an overview of discussions within the Financial Group that's worked with the Restoration Team, agreement has been reached on these broad outlines. There are two documents that you have at the table here, the audience has just one set. First, before the meeting, I handed out a one page summary with about five points, I'd like to go through those initially; these are the concepts that underlie the detailed process and principles that are laid out in the longer document in the original packet which, again, the audience has.

First, these principles and processes that -- I was wondering if I had done something. The -- what we're going to be talking about today is the long-run process and procedures. In the short-run, the next six, nine, twelve months, we're going to fit a round peg into a square hole here. So again, I want to make clear at the outset that this is the long-run process, short-run will, in fact, be somewhat different

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(indiscernible).

First, making a distinction between two types of budgets leading up to a specific point. The distinction is between budgets for standing committees, the Restoration Team, there is representation on the Restoration Team; essentially, those folks are representatives of agencies that the Trustees come from. So, there is a legitimate interest in having, again, representatives of Trustees on these Staff working groups, funds from the settlement passing to the Trustee Council can legitimately be used to pick up those costs.

The other type of budget is project budget. Some work that needs to be done around the state. And I want to make one thing clear, that we view the body that carries out that work as a contractor. The agency that's best suited for carrying out that work should do the work, and there's no divvying up of the pie for certain types of projects or in certain areas among State and Federal agencies. And the principle here that we've adopted in viewing the organization carrying out these projects as a contractor, it carries through to procedures.

The second point, existing agency staff, financial systems and procedures will be used to the maximum extent possible. It's in no one's interest to create a new set of organizations -- set of rules and procedures and staff and so on, we don't want to do that; it's expensive, it's cumbersome and it's not effective. Federal and State agencies will

account for, report and audit expenditures in the same budget units that the Trustees approve. In other words, when you folks give your approval to a certain set of expenditures it will be reported in the same block. We want to make it clear that you can match authorized expenditures and the expenditures, in fact, were carried out; we'll make that as easy as possible. And again, we're not going to reinvent the wheel, audit procedures, accounting procedures and so on that already exist in the agencies will be used to the maximum extent possible.

Number 3, methods for calculating budget costs, in particular for administrative costs. This is an awkward issue for everyone as to how to quantify those. That the rules adopted apply to both State and Federal agencies consistently.

Four. The State and Federal governments will adopt whatever review and notification procedures that they feel are necessary when a State agency or a Federal agency is carrying out work for the Trustee Council. The State rules, if there are any adopted, will not apply to Federal agencies and viceversa. And those are still being discussed now and will be made available to the Trustee Council when they are decided.

Fifth. We'll use the Federal fiscal year to present these budgets and prepare project budgets. State agencies are familiar with the Federal fiscal year. It'll be easier to have State agencies change their normal way of doing things than to

have the Federal agencies do that. What we would very much like to do is get away from the so-called oil spill fiscal year, March 1st throughout; that doesn't match with anybody's way of thinking. And what we're trying to do is use existing institutions and ways of doing business as much as possible; it's what the public is used to, it's what we're used to.

That's the overview of the basic principles that lie behind the process. If you come away with anything from this presentation, remember these concepts use the detailed outline that, again, is in the packet as a reference document. When we go to that, briefly I'll just go through it and highlight some of the points that we feel are important. Commissioner.

MR. BARTON: Commissioner Sandor.

MR. SANDOR: Question. Yeah. Mr. Gentry, the question I had with -- I guess none on these points, but when there were studies or activities that were funded by the regular agency programs, Federal or State, and then these studies, of course, came along. As we're phasing back into -- or closing out studies and phasing into a continuation of studies that have gone on before. And I presume it's fairly easy to keep track of funds that came from the Exxon Settlement Funds, say 30% or 50% or 75%, and mingle these with State and Federal funds that came from regular appropriated sources, is -- how do you deal with that?

MR. GENTRY: I think it can be dealt with quite easily.

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 And that is both State and Federal agencies can identify today expenditures that they have incurred for a specific project.

Any use of Settlement Funds, criminal or civil, that have come to the State or Federal agencies can go into the kitty, essentially, rather than track dollar for dollar, money coming in and tracking one single dollar came from this source and was spent in this project, no. Money comes into a pot, it loses its identity and then it goes out again.

So to answer to your question, the civil or criminal portion, depending on how the State and Federal governments decide to use it, would simply go into the general fund on the State side, our chronology (ph), and cover expenditures that have already occurred to date. I don't know if I've been clesson that or not. Think of it again as not tieing dollar for dollar, dollar revenue has been clearly identified as an expenditure. In fact, the dollars would come in, lose their identity in a big pool, like a big checking account, and then going out.

Again, have I answered your question?

MR. SANDOR: Well, partly, I was thinking more of the future of this in year -- in phasing out and in this year's program. There's no problem is there in setting the

MR. GENTRY: That's the short answer, no problem.

MR. SANDOR: Yeah. Okay.

MR. BARTON: We like short answers.

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UNIDENTIFIED VOICE: Yeah.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

MR. COLE: I have a question about the second paragraph in Item Number 1 which reads as follows: State and Federal agencies represented on the Trustee Council have the right, but not the obligation, to use Exxon settlement funds to pay the costs associated with executing the responsibilities of the Trustee Council. What does that mean?

MR. GENTRY: Well, it wasn't intended to be a legal document, terribly precise. The basic idea was, again, John Sandor, for example, or yourself, you may have staff working for you as Trustees to help you in your work as Council Members, as Trustees. And those people could help you within your own offices, in your own organizational setup; they could be members of the Restoration Council. This are unwilling advisors to Trustees to carry out the work of each and every Trustee.

I want to distinguish that again between projects being carried by a State agency. And that Settlement Funds should be used -- can be used to support you in your work as a Council Member. And again, it becomes much more ambiguous as to -- or flexible, if you will, on the projects, who's going to carry out the projects and why.

To put it a different way, John Sandor or Commissioner

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810 N STREET (907) 277-0572 OR (907) 277-0573 FAX (907) 274-8982 1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 Rosier -- again I'm from the State side so I use State exampl here, those departments represented by those two Commissioners can carry out projects. There's no obligation that the Trustee Council has to give those agencies a new project. There is an obligation for the Trustee Council to at least make available funds so that Carl Rosier and John Sandor can carry out their work as Trustees. That's the answer.

MR. COLE: I must say I'm still a little unsettled about that. When we say they have the right because I think any right that the State or Federal agencies have has to flow from decisions of the Trustee Council. And when we have this statement that the State and Federal agencies represented on the Trustee Council have the right, that -- you know, that seems to me a fairly blunt statement.

MR. BARTON: Let me -- I understood this was being submitted for Council action, so in fact, we will be giving ourselves that right, Mr. Cole; is that not correct?

MR. GENTRY: You folks would approve budgets for your staff, and they would all be presented before you, at least, on an annual basis.

MR. BARTON: Well, but I'm talking about the documents we have in front of us today and not the budget but what you just sat down (ph). Are there further questions?

MR. COLE: Someone -- Mr. Chairman. Someone suggested that maybe the use of the work "option" is better suited there

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than the "right". I don't know. I would like to see the management group -- Financial Management Group take another look at that particular paragraph. To me it's muddy and somewhat distressing. I really just have problems with "right".

MR. GENTRY: Perhaps that too strong.

MR. BARTON: But the intent that this is permissible not necessarily mandatory, isn't that what you're trying to get across?

MR. GENTRY: The more important point here is the leading up to, again, the project side of things. To make the basic point that, again, the State Department of Fish & Game and the State Department of Environmental Conservation don't have a claim on any of the project money coming through.

That's the real point of this Item Number 1.

MR. COLE: Well, that's what we should just simply say, you know, in my view of things.

MR. GENTRY: All right.

MR. COLE: Let me raise one thing. Also Number 2: To the maximum extent, I mean that just means that probably we won't use any other procedure because the maximum extent would permit that -- State and Federal agencies to be used all the time. That's a little troubling concept, too.

MR. GENTRY: All right. Well maybe rather than the maximum extent possible, maximum extent feasible.

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1 MR. COLE: That's just nicely done. Thank you. I should have cleared this with your 2 MR. GENTRY: office beforehand. 3 MR. COLE: It's just that, you know, one of the 4 No. problems is I must say is when we get these things so late, you 5 know, I mean like the day before or the night before and we get 6 7 this mass of reading material, it's a little hard to be 8 adequately prepared I must say. I know everybody's worked hard on these things, but it's just quite burdensome to stay up all 9 night to read it, you know. 10 11 MR. GENTRY: I sympathize. 12 MR. BARTON: I have a suggestion, if I might, for the second paragraph problem if we're going to sit here and word 13 smith this thing. How about State and Federal members 14 15 represented -- or State and Federal members of the Trustee 16 Council may use Exxon Settlement Funds? Is that your problem? 17 MR. COLE: That's much better. 18 MR. BARTON: All right. 19 MR. COLE: Thank you. 20 MR. GENTRY: That was the second paragraph of the first item. 21 Now, that we've totally derailed 22 MR. BARTON: Yeah. 23 your presentation, why don't you continue. MR. GENTRY: Quite all right. If there are any more 24 25 questions, though, I'd -- okay, we'll go on then to the more

detailed document that again was in the packet the audience has. I'm not going to go through it line by line, but again, basically to highlight the concepts throughout so that folks have a sense of what the process will look like.

Starting with the first page, they aren't page numbered unfortunately, so I'll use whatever headers are obvious on the pages to help identify. Starting at the top, Financial Management Framework, this is an introduction; these concepts really are covered in the discussion we just had.

The Annual Budget, again, to reiterate, will follow the Federal fiscal year; there will be annual budgets. There will be -- although I've made the distinction between two types before, here in fact, we're making three, with the addition here of being a standing administrative office very specific to the Trustees, one that Dave Gibbons right now is the interim direction. And these are budgets then that you will see annually.

General Administrative Costs. Again, the problem is, of course, that it's hard to see what those support costs are; they're slippery to quantify. What we've decided to do and if agreeable to all parties is, in the middle of the second page, for projects 15% of staff costs and up to seven percent of any contracts issued as part of that project; that will be up to seven percent per contract within that project. And those relate to project overhead expenditures or administration

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 overhead expenses. That will simply be a percentage that goes to that agency and again will disappear in their general support budget.

Restoration Team, again, the standing working group staff associated with each of the Trustee Council Members. There will be a five percent administrative cost associated with, again, agency folks attached to those standing groups. Similarly with the Administrator Director's Office and what Dave Gibbons now is seeing a five percent administrative costs on the staff, using that as a base. These are modest administrative support costs. We have every intention to make them lower if we can. We're going to start out with this and go by experience.

Budget Formula Process, third page. There will be two phases of the process and as a time line for public participation first to propose projects, second of all to comment on the projects after a draft plan has been adopted by the Trustee Council. A short presentation as to how we wanted to make it clear to match money with the agency implementing a given project.

Federal and State Review and Notification at the bottom of that page. I mentioned earlier that, again, the State government and the Federal government each are going to have to work out how to integrate funding from the Trustee Council for work done by State and Federal agencies for the Trustee

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Council, how to integrate that into their normal processes -their processes, their budget review comment, their accounting
procedures and so on.

Top of the next page, that'll be Page 4, Transfer of Exxon Settlement Funds from the Court Registry. This is just simply how to deliver the funds from court to the State and Federal government. Again, falling back on the idea of these projects implementers (ph), if you will, the agencies involved in carrying out the projects as contractors, any money that is provided by the court to pay those costs, if that money is provided up front, that that money belongs to the court and the Trustee Council even though it might reside unspent yet in the State Treasury or in the Federal agency account.

Accounting and Reporting. It simply reiterates here what I mentioned earlier about using State agency and Federal agency accounting, auditing procedures. We will -- well we propose to report expenditures for approved projects quarterly; it will be provided to the Administrative Director's office for appropriation to the Trustee Council. If a project is carried out jointly by a State and Federal agency, then those expenditures will be consolidated so you folks don't -- just simply as possible for you folks to see them (ph).

And the last item relates to audits and using existing procedures for audits. Should the Trustee Council want more oversight, certainly the Trustee Council can do so in terms of

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hiring an outside audit firm.

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Appendices, I won't go through all of them. I think the important one is the Appendix C, the flow chart. Really it's Chart A with Page C-1 in the upper right-hand corner, that's the important one for this group at this time. It outlines in very gross, general terms in input from the public coming to the Trustee Council. The far right -- excuse me, far left block News Media and so on, the block at the bottom, the PAG or Public Advisory Group and so on, these are coming together to develop projects and proposals for review by the Trustee Council. And, again, to the far right, the 30-day notice relating to comment after a draft plan has been prepared.

That's the conclusion of what I'd like to say, I'll be happy to answer any questions.

MR. BARTON: Are there questions? I have one question. Page C-1, on the right side of the diagram, the pitchfork package for State review, package for Federal review; those packages are really one package of projects and budget requirements for those projects for which there's a State need (ph) and similarly for the Federal. They're not the same package?

MR. GENTRY: That's right.

MR. BARTON: Okay.

MR. GENTRY: That's exactly right.

MR. BARTON: Other questions? Should we adopt these, I guess that's the question or the intent. How do we want to proceed? Mr. Chairman. MR. COLE: MR. BARTON: Mr. Cole. MR. COLE: I'm not prepared to adopt them because I haven't had an opportunity to read them. I received them, you know, either last night or this morning, and I don't feel comfortable, you know, adopting or voting to approve something I've never read; I did that once and had to make a public apology, I don't want to do it again. MR. COLLINSWORTH: Mr. Chairman. MR. BARTON: Mr. Collinsworth. MR. COLLINSWORTH: On the table you just referred to, C-1, there's a dark arrow, decision there from the RT to the TC in the middle, that might more appropriately be instead of a decision arrow to an input arrow, be not dark but gray. All right. UNIDENTIFIED VOICE: MR. GENTRY: I don't think we were following

MR. GENTRY: I don't think we were following conventions on flow charts. We did intend as written there that it's a recommendation.

MR. BARTON: And it's so identified but the color of the arrow isn't consistent.

MR. GENTRY: I understand. And relating to the Attorney General, one thing I would like to (indiscernible -

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background coughing) is on the arrow going to the top, the 1 2 State review, clearly that doesn't imply anything in terms of what the State plans to do. 3 MR. BARTON: Well, how should we proceed to handle this 4 5 package? Would others want some time to review this package as well as Mr. Cole? 6 7 MR. SANDOR: Question. Is there any problem in deferring this -- final action on this until the next Trustee 8 9 Council meeting, giving interim approval but reserving final 10 approval until the next Trustee Council meeting? 11 MR. BARTON: Are you aware of any, Mr. Gentry? 12 MR. GENTRY: I am not aware of any. 13 MR. BARTON: Mr. Gibbons? Are you moving that we do 14 that? 15 MR. SANDOR: Yeah. Is that what I heard? Is there a second? 16 MR. BARTON: MR. McVEE: Second. 17 MR. BARTON: Is there objection? Okay. We'll bring 18 the Financial Management Framework up for decision at the next 19 20 Trustee Council meeting. In the meantime, then each of us will review the information here and convey that to -- our comments 21 22 to you, Mr. Gibbons? Okay. We'll do that in time so that we can get a finished package to look at at the next meeting. 23 24 Do you have anything further, Mr. Gentry?

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Thank you, Mr. Chairman.

MR. GENTRY:

No.

MR. BARTON: Mr. Gibbons, Item 3.

MR. GIBBONS: Yes. I'd like to make some opening comments before we dive into the '92 Work Activities and maybe I'll set the stage for them.

The last package we presented to you on February 5th and 6th, the package was prepared under the guidance -- under the Restoration Team guidance that if there was an injury to a life stage that constituted injury to the species. We have revisited this package based on another point of view, and that is that there has to be documentation of population injury in that the injury to the life stage does not necessarily lead to a population injury. And that was -- it's a change in philosophy, it led to the package we've got before you today.

The priorities in the package today in relation to the previous package are the fir- -- the highest priority the Restoration Team gave for projects was damage assessment closeout. And this is due to the fact that we wanted to see the projects finalized, the material reach the public and provide a basis for a sound restoration program; and that was the basis for that -- putting that Priority Number 1.

The second priority that we had that the package is based on is the damage assessment continuation. We don't have a clear picture of what the injury is out there presently, we should do a little bit more work and wrap that up into a package so that's clearly understood what the injury is.

And the last priority we gave was of that to providin further insight and information concerning habitat protection for injured species; be it Marbled Murrelets or Harlequin Ducks or whatever it is. We felt we needed more information in this area to provide a basis for sound decision making.

The next step we would see in this process would be the package approved here today, or by the Trustee Council, would be prepared into a 1992 Work Plan and this would be presented to the public for review. We would collect and analyze the public comments and prepare a final draft of the 1999 -- 1992 Work Plan to the Trustee Council for review and approval on the appropriate parts.

Today, it is our recommenda- -- the recommendation of the Restoration Team to the Trustee Council to (1) accept the combined Restoration Team and Dr. Spies' recommendations as a block, and that's -- if you'll turn to your book, that's this title Restoration Team and Chief Scientist Recommendations 1992 Project Proposals. And secondly, we'd like to recommend that the Trustee Council accept the next block of studies as a basis, and those are projects that received recommendations from the Trustee Council -- excuse me, from the Restoration Team only, we did not have the Chief Scientist review.

We have a third set of -- there's two studies that we need further discussion on, but we're recommending that the two blocks, the first block combined Dr. Spies and the Restoration

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Team and the Restoration Team only block, be approved by the Trustee Council.

MR. COLLINSWORTH: Question, Mr. Chairman.

MR. BARTON: Mr. Collinsworth.

MR. COLLINSWORTH: Dave, the first point you made was a change in philosophy in determining what damage -- how you define damage from impact or affect on some life stage versus population. Can you briefly tell me why, what -- I mean what was the reasoning?

MR. GIBBONS: It was a basis -- it's a complicated -I'm sure as you're aware, it's a complicated process to
identify an injury say to an egg stage of a species that have
management complications on top of that, either harvesting or
other influences affecting the number of individuals and
reaching to adult stage. It's also based on some discussions
with Dr. Spies on this point.

MR. COLLINSWORTH: Follow-up question. You mentioned, you know, the three categories; is there a category or is it subsumed into one of the categories, taking the damage assessment work that has been carried on for whatever period of time and chronicling the work and doing completion reports, is that part of the process?

MR. GIBBONS: Yeah. Yeah. That's the damage assessment closeout. That's closing out the damage assessment study and producing a final report.

1	MR. COLLINSWORTH: And that is going to be done in
2	every case?
3	MR. GIBBONS: Pardon?
4	MR. COLLINSWORTH: That is proposed to be done in every
5	case?
6	MR. GIBBONS: There's one question we could run
7	through there that we've omitted humpback whales. The work
8	was done in 1989 on that and no further work, we've omitted
9	that one; we have a question on coastal habitat.
10	MR. COLLINSWORTH: Okay. Thank you.
11	MR. BARTON: Other comments or questions?
12	(Pause)
13	MR. BARTON: Is there a motion?
14	MR. McVEE: Mr. Chairman.
15	MR. BARTON: Mr. McVee.
16	MR. McVEE: Yes. I move we give approval to this
17	listing of projects that have the recommendation of the
18	Restoration Team and the Chief Scientist to go forward for
19	public review.
20	MR. BARTON: Is there a second? Is there a second?
21	MR. SANDOR: I wonder if Mr. Chairman.
22	MR. BARTON: Mr. Sandor.
23	MR. SANDOR: Has the motion been seconded?
24	MR. BARTON: No.
25	MR. SANDOR: I'll second the motion just for the

purpose of discussion, but I'd like to really defer the vote on it until after Dr. Spies' presentation. Is there a problem with that? I guess I'd like to hear what he has to -- I've read his report, it's excellent, but it might be worthwhile actually

MR. BARTON: Perhaps it'd be appropriate before we proceed any further to ask Dr. Spies to give us the benefit of any thoughts he might have that would be appropriate and relevant to the motion.

(Pause)

DR. SPIES: What I've essentially done in my analysis that's contained in this memo, and that'll be available shortly after lunch to the public at large at the meeting, was to review the damage assessment closeout, review the proposed restoration — most of the proposed restoration projects, except for those which I had a policy question or it dealt with habitat, and make recommendations. Then I met with the Restoration Team for several days last week, and we had further input from the Restoration Team, from the principal (ph) investigators and also have gone back to the peer reviewers in many cases to get some clarification of their points of view in order to try to make a fair and balanced judgment on what I would be recommending to the Trustee Council.

In the area of damage assessment closeout studies, the original budget was approximately five million dollars, and

we've gone through that, and I've gone through it with the help of the Restoration Team and have asked some questions and polled the PIs into what exactly they had planned and whether - what sort of resources were needed to finish and what sort of analyses were going to be done.

And on the basis of that, I'm recommending the package that's in my memo, with the exception I think that the coastal habitat project because it is so large and complex it needs to be looked at again with the help of the Restoration Team and consulting with the investigators from the University of Alaska. We'd like to get some further options on that because we think there could be some more progress made on those lines. So with that exception, I'm recommending that the package as (proposed go forward to you.

In the second area, I have a very general philosophy that I have followed relative to recommending proposals in the area of restoration, and it is connected, again, to the damage assessment closeout. I think it's very apparent from the closeout budget that was originally submitted of over five million dollars that we're -- in fact, have been gathering -- doing studies and gathering data for litigation for fear of losing the field season. But we've been gathering data at a rate faster than we can analyze it in-depth and evaluate it and come to some conclusions.

And my general recommendation would be that we slow

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down, do a good job of wrapping up damage assessment, take this year to plan further and only go into the field with work that we absolutely have to have. And there's a few studies that I think we need, absolutely have to have fieldwork this coming year. And that we take this year to essentially wrap-up damage assessment and figure out a monitoring program that makes sense in terms of the resources out there. Those are for things that need to be monitored.

So that's the philosophy that I have adopted in recommending a package for restoration. And many of the resources that have been proposed to be studied over the next year are for rest- -- are for monitoring the populations to see how well they're recovering. And so we will have a situation, hopefully, where we'll be able to proceed in a little bit more studied and deliberate fashion after having the full benefit of having the damage assessment finished, completed, available then to the public hopefully soon on all the details so that we can get public input to this process.

MR. BARTON: Questions for Dr. -- are you finished?

I'm sorry. Were you finished?

DR. SPIES: I could go into the details of the -- what I am proposing to do in restoration -- what I'm recommending to you for restoration if you wish.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

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MR. COLE: Would it not be well to just address these 1 as Dr. Spies goes through them so we don't lose the continuity 2 of his thought. For example, we could decide whether to accept 3 his recommendations in Paragraph A, the damage assessment closeout, at this time if the Council wanted to address those 5 Is that the motion that's now pending? 6 subjects. Well the motion that's now pending would 7 MR. BARTON: adopt the entire package for which there is joint support with 8 9 the Restoration Team and the Chief Scientist. That's -- what 10 you're suggesting subdivides the motion on the floor. 11 MR. COLE: I would move to amend the motion so that we act upon now Paragraph A damage assessment closeout 12 13 recommendations with the exception of CH1A, the coastal habitat study to which we deferred until later in the meeting. 14 MR. McVEE: I would second that motion. 15 Any discussion on the move to amend the MR. BARTON: 16 17 main motion? Is there objection? No objection. 18 UNIDENTIFIED VOICE: Hearing none, the motion has now been 19 MR. BARTON: amended, and we'll deal with these section by section; is that 20 21 the gist of your motion, Mr. Cole? MR. COLE: Yes, sir. 22 23 MR. BARTON: So, let us address Group A, Damage 24 Assessment Closeout.

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Do you want to move onto the next category?

DR. SPIES:

1 MR. BARTON: No. DR. SPIES: 2 No. 3 MR. BARTON: Not yet. DR. SPIES: 4 Okay. MR. BARTON: We're still -- as I understand where we 5 are in the process, we're examining now the damage assessment 6 7 closeout group of studies, Item A. 8 MR. COLLINSWORTH: I move for approval. MR. BARTON: Is there a second. 9 MR. McVEE: 10 Second. 11 MR. COLE: With the exception of, as I said earlier, CHIA, the coastal habitat study by the University of Alaska. 12 And I believe that is not -- as I 13 MR. BARTON: understand it, I believe that's the way of the document -- what 14 15 the documents reflect now. Is there discussion. 16 MR. COLLINSWORTH: Mr. Chairman. MR. BARTON: Mr. Collinsworth. 17 MR. COLLINSWORTH: What are your plans and procedures 18 for breaking for lunch? The reason I ask is that I would like 19 to have -- before we proceed to a vote, I mean I'm perfectly 20 happy to have discussion, debate on the motion, but before we 21 22 proceed to a vote, I could certainly benefit from spending a 23 few moments during the lunch recess with Staff. Not having 24 planned to attend this meeting until 4:00 o'clock yesterday 25 afternoon, I have some -- and I didn't plan then, I was told to

attend the meeting, I would benefit from having an opportunity to talk with Staff before we vote. So, I'm perfectly happy to continue discussion but

MR. BARTON: All right. Is there more discussion on these -- on this sweep (ph) of studies, Group A? In view of -- frankly, I have no plans for lunch, to answer your question. We could break, I suppose, at this point, and you could caucus with your folks or we could go through and not vote on this motion on, continue on through

MR. COLLINSWORTH: That's fine with me, too.

MR. BARTON: for discussion purposes, and then come back and vote after -- then break for lunch and come back and vote then. What -- is there any desires one way or the other on the part of the Council. Mr. Cole.

MR. COLE: Let me ask a question. Dr. Spies, how far have you commented upon these proposed projects, have you gone through B and C, have you, and D?

DR. SPIES: B -- C is in there, I haven't really reviewed C, Restoration Technical Support; D I have, E and F I have not, and G I have not and H I have not.

MR. COLE: Well, Mr. Chairman, to get --

DR. SPIES: Well some of H. Excuse me, some of H. Yeah.

MR. COLE: get this on the floor, I'll move the adoption of the recommendations of the Restoration Team for

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1 Items B and D as well. That would be A, B and D. 2 MR. BARTON: 3 MR. COLE: I'm omitted C because Dr. Spies said he did 4 not comment upon that. 5 MR. BARTON: Mr. Gibbons. MR. GIBBONS: Excuse me, Mr. Chair. Bob, I think this 6 7 is -- we can visit at lunch too, I think this is the combined 8 package that we sat down, and the blanks in the package reflect 9 that you have not commented on them and we've dealt with those 10 in another area. 11 DR. SPIES: Right. MR. GIBBONS: 12 But 13 DR. SPIES: There's a second portion attached that is 14 those that the Restoration Team has commented on but I have not 15 reviewed; they're recommended. MS. RUTHERFORD: I think that there are -- I think some 16 17 of the Trustee Council might be looking at your document that you set out via fax, Bob, whereas the one in the packet 18 19 actually is the one that's combined and has -- it's a little 20 clearer I think as to where the Restoration Team and Bob are 21 aligned. 22 DR. SPIES: There were some changes yesterday 23 MS. RUTHERFORD: Right. 24 DR. SPIES: as I was coming up here I think. 25 Um-hum.

1	MS. RUTHERFORD: Yeah. That you guys discussed and
2	agreed to this morning I understand.
3	DR. SPIES: Right.
4	MS. RUTHERFORD: Okay.
5	UNIDENTIFIED VOICE: Mr. Chairman.
6	MR. BARTON: Is there some way of identifying which
7	package is which now that I've mixed them up?
8	DR. SPIES: Attached to my memo is the version that's
9	two days old 'cause I didn't have time yesterday to revise
10	this; it's kind of a moving target here. And the in your
11	package that was out on the table, it's the thick one with the
12	Agenda on top, I believe is the second version that the
13	Restoration Team has revised.
14	MR. BARTON: Okay. And that is the version that you're
15	using and discussing at the moment?
16	DR. SPIES: That's that version I should be using.
17	MR. BARTON: That's what I'm asking.
18	MR. BRODERSON: Mr. Chairman.
19	MR. BARTON: Yes.
20	MR. BRODERSON: The way you can identify the difference
21	between packages is the one that now truly represents joint
22	agreement has subtotals in it, and the one that does not have
23	subtotals in it is a couple days old.
24	MR. BARTON: Okay. Now
25	MR. BRODERSON: So look for subtotals.

Yeah. And the first subtotals can be MR. BARTON: 1 2 found on Page 3. MR. MORRIS: Also, the heading says Recommendations of 3 the Restoration Team and the Chief Scientist at the top of each 4 of those pages. 5 MR. BARTON: All right. Thank you. 6 7 MR. COLE: Mr. Chairman. MR. BARTON: 8 Mr. Cole. The intent of my motion was to move the 9 MR. COLE: approval of all actions jointly agreed upon by Dr. Spies and 10 the Restoration Team. So in the block form. 11 12 MR. BARTON: In the entire package? MR. COLE: Yes. 13 14 MR. BARTON: Okay. That's Then if we have that on the floor before MR. COLE: 15 16 lunch we can MR. BARTON: We have a motion on the floor that you're 17 wanting to amend at this point, and as I understand the 18 19 amendment, the amendment is to endorse or approve for sending out to the public all those projects which have the joint 20 endorsement of the Restoration Team and the Chief Scientist; is 21 22 that your motion? MR. COLE: Yes. 23 Is there a second? Is there a second? MR. BARTON: 24 I'll second it. 25 MR. McVEE:

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1	MR. BARTON: Okay. Now, Mr. Collinsworth does not want
2	to vote until he has a chance to caucus, is that correct?
3	MR. COLLINSWORTH: That's correct.
4	MR. BARTON: And I would suggest we break and you go
5	caucus.
6	MR. COLLINSWORTH: Okay.
7	MR. BARTON: How much time do you think you need to
8	caucus?
9	MR. COLLINSWORTH: Ten minutes.
10	MR. BARTON: Then I'd suggest we recess for 10 minutes,
11	come back and finish this off and then we'll figure out lunch,
12	is that (indiscernible - interrupted)
13	MR. COLLINSWORTH: Thank you for your indulgence.
14	MR. BARTON: We stand recessed for 10 minutes.
15	(Off record)
16	(On record)
17	MR. BARTON: When we recessed, there'd been it had
18	been moved and seconded that we would approve for sending out
19	for public review all those projects that had joint support
20	from the Restoration Team and the Chief Scientist. Is there
21	discussion? Mr. Rosier.
22	MR. ROSIER: Mr. Chairman. I had just as a point of
23	clarification, it's not clear to me how far we are going, is it
24	the entire package that is now included in the motion?

MR. BARTON: It is.

MR. ROSIER: Everything through Item H?

MR. BARTON: Every -- A, B, C, D, E, F, G and H on the first five pages of

MR. ROSIER: Okay.

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MR. BARTON: the package in our handout, the heading being Restoration Team and Chief Scientist

Recommendations for '92 Project Proposals.

MR. ROSIER: Mr. Chairman, while I have no problem with how far the Restoration Team and the Chief Scientist have in fact gone on some of these projects, in the case of the -- under Item H, the pink salmon project, R60AB and the R73 harbor seals, these are items that I would like to see further discussion on. I have no problem with them going forward at this time for public review, but there are -- we are talking add-ons here, and I would like to find out how we would proceed in terms of those add-ons.

MR. BARTON: Are you amending the motion then?

MR. ROSIER: That's what I would like to do, but I'm interested in being sure that we do go forward with these projects to the public. But in both cases, I think that we've got additional information that we would certainly like to present to the Council on this. And with your concurrence then I would move that the budgets and the projects and the projects in those two cases be reviewed before the package goes forward to the public.

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MR. BARTON: All right. So you -- would it be appropriate then to remove those two projects and put them in the package entitled Project Proposals Requiring Additional Consideration?

MR. ROSIER: I believe at this time, Mr. Chairman, I would -- again, if we will have the opportunity to review these budgets, you know, I'm prepared to at least let this go forward at the present time.

MR. BARTON: Well in that case, there would be no motion -- or no amendment necessary but you just would like an understanding. As I understand it, the entire package will come back to the Council for final approval following public comment, so we would have another opportunity at that point; if that right, Mr. Gibbons?

MR. GIBBONS: That's correct.

MR. BARTON: Does that

MR. ROSIER: Well, that's -- I think that that is part of it, but on the other hand, I believe before we get out of here and out of this meeting that from the standpoint of the dollars that go forward for public review, I would certainly like to see those dollars -- the actual dollar amounts of those projects included when we go forward to the public.

MR. BARTON: I see. All right.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

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MR. COLE: I would consent to amendment of the motion 1 to placing these two items, Number 60AB and Number 73, into the 2 class of studies requiring additional review by the Trustee 3 Council. MR. BARTON: Is there a second? 5 6 MR. COLE: And then have those examined later today. 7 MR. BARTON: Does the second agree to that change? 8 Mr. McVee, did you second that? 9 MR. McVEE: Yes. Is that satisfactory? 10 MR. BARTON: 11 MR. McVEE: Yes, that's satisfactory. MR. BARTON: Okay. Further discussion. 12 Is -- are we 13 ready? The motion now before us is to adopt all those projects for which there is joint support from the Restoration Team and the Chief Scientist, approve those for all those projects for 15 16 sending out for public review with the exception of Project Is there objection? The motion's adopted. 17 R60AB and R73. 18 Mr. Gibbons, I quess that brings us to the Restoration Team Recommendations For '92 Without Recommendations From The 19 Chief Scientist. 20 21 MR. GIBBONS: That's correct. The second package consisting of three 22 MR. BARTON: 23 pages. 24 MR. GIBBONS: I think we need the Chief Scientist to 25 return and maybe discuss, you know, where he sees there --

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810 N STREET (907) 277-0572 OR (907) 277-0573 FAX (907) 274-8982 1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 perhaps, some policy questions here or why there was no recommendation in some of these studies.

MR. BARTON: Dr. Spies.

(Pause)

DR. SPIES: There's a variety of issues that came up that I felt were policy issues, and I highlighted some of those in my memo. To give you an example and, perhaps, one of the largest issues for me was the studies being proposed under restoration for salmon studies projects of various descriptions. And the basis of the two largest groups of studies are those that deal with the consequences of the overescapement of red salmon, sockeye salmon to Upper Cook Inlet systems, particularly the Kenai River. And the second group of studies relate to the pink salmon studies that are being proposed to be carried forward.

And in the first case, the overescapement Upper Cook
Inlet systems, particularly the Kenai River, very briefly, as
most of you are probably aware already, but there was -- the
escapement goal is about 600,000 fish to the Kenai River. In
1987, because of the Glacier Bay spill, there was a closure of
the fishery and a large number of fish went up that system. In
1988, there was unnaturally high escapement and about 1.5
million, if I recall correctly; it's either 1.2 or 1.5; went up
the system.

The -- when the Exxon Valdez spill occurred in the

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spring of '89, the fishery was once again closed and another large run went up that system. The result, apparently, has been a very low smolt production from those and other systems; and we have the most information, of course, on the Kenai River system. And there's -- Fish & Game feels that -- justifiably so, that the impact of a low smolt production is going to be a very reduced run of sockeye salmon to that system in '94, '95 and perhaps there may be even further repercussions in the population as a result of this low smolt production years.

It's very difficult scientifically to dissect out what contribution the Exxon Valdez spill made to the total problem, but there are overescapement years involved here and that's the issue that I'm raising to the Trustee Council policy, whether Settlement Funds should be used to implement all the sockeye salmon studies that are being proposed. I'd say generally the peer reviewers have been supportive of most of those studies scientifically.

MR. COLE: What numbers?

DR. SPIES: The pink -- do you want me to -- I could review the pink salmon one.

MR. COLE: Well, what numbers are those studies, could we have that?

MR. MONTAGUE: I can tell you that, Attorney General.
We're off the first section and we're looking at these
remaining three pages. And the ones that would apply here for

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the Kenai system are R117 and for Kodiak/Red Lake system R114 . 1 2 MR. BARTON: Those are sockeye only, Jerome? That's early (ph). And R113 also deals 3 MR. MONTAGUE: with restoration of Red Lake and Kodiak. 4 5 MR. COLE: So, it's R13, 14 and 17? MR. MONTAGUE: Correct. 6 7 MR. McVEE: Mr. Chairman. MR. BARTON: Mr. McVee. 8 I thought it was R 9 MR. MCVEE: MR. MONTAGUE: And FS27, excuse me. 10 FS27, I thought it was also R53 and 59. 11 MR. McVEE: 12 MR. BARTON: Well, all right, wait a minute here. 13 FS27. That is correct. MR. MONTAGUE: 14 MR. BARTON: And what were the others? 15 16 MR. MONTAGUE: Okay. We'll just start from the 17 beginning again and go through them; FS27 on the first page, on the second page R113, R114, and on the third page R117, R53 and 18 19 R59. MR. BARTON: And these all relate to the same policy 20 issue that Dr. Spies suggested we address, is that correct? 21 22 MR. MONTAGUE: Well, first of all, the Kodiak system only had an overescapement in '89. And if we could indulge the 23 24 Council for a minute, I think it would be worthwhile to have

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Dana Schmidt give us a little bit more clarity on what exactly

1	happened on the Kenai system. And I'm not sure that well,
2	the fashion that it was presented I don't think is truly
3	correct, and I would like Dana Schmidt to address that issue.
4	MR. BARTON: My question was do these relate to this
5	all the projects relate to this policy question that Dr. Spies
6	has laid before us.
7	MR. MONTAGUE: In my opinion only the Kenai River ones
8	relate to it.
9	MR. BARTON: Okay. And then, could you identify those
LO	for us?
11	MR. MONTAGUE: Okay. What I'll do is just tell you
L2	which ones apply to Kodiak.
L3	MR. BARTON: However we can identify them.
L4	MR. MONTAGUE: Okay. R113.
L5	MR. BARTON: Is Kodiak?
L6	MR. MONTAGUE: Yeah. And R114.
L7	MR. BARTON: So and then the ones that relate to the
18	policy question are FS27, 117, 53 and 59?
۱9	MR. MONTAGUE: That is correct.
0 2	MR. BARTON: Is there discussion, more questions or
21	comments?
22	MR. COLE: Where are we at the moment, what are we
23	doing?
24	MR. BARTON: Well, we need to address well, we need
25	to decide if we want to address the policy issue that Dr. Spies
H	

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has laid before us, and if we do, then we need to address it.

And I assume this is one of those items, Mr. Cole, that you thought we ought to have the benefit of the public's thoughts on it.

MR. COLE: I do. Why don't we do that after lunch.

Are there anything -- well, should we go through the rest of these? Are there any other policy questions in this category that Dr. Spies would like to comment upon?

MR. BARTON: Dr. Spies.

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Well, yeah, the pink salmon I think also DR. SPIES: come in as a policy issue. What's been proposed is -- has been carried to a large extent in the last three years is quite a few studies relating to pink salmon, and it's a very complex system and to try to understand whether it may have been a population level affect of the spill on pink salmon, there have been a lot studies that have been carried out. To put it in a nut shell and maybe the Department of Fish & Game might want to have -- you know, present their of view in this as well. the way I see the problem is that the wild stock pink salmon were declining before the spill, there may be some relationship to hatcheries production there, it's not entirely clear. The spill occurred, we've got some indications of a number of different sorts of damages to pink salmon. The -- whether we have a population level impact in my mind is still uncertain, but we're being asked to continue some of these studies that

help better management of pink salmon on the basis of the 1 injuries that we have. And I think the policy the Council 2 needs to decide whether the spill Settlement Funds should be 3 used for this sort of activity. 4 And which of these projects relate to that 5 MR. BARTON: policy question? 6 7 MR. MONTAGUE: Yes, Mr. Chairman. On Page -- on the first page, FS28, the second project, that's the only one on 8 9 these three pages. MR. COLLINSWORTH: Mr. Chairman. 10 DR. SPIES: Isn't FS30, the database management? 11 12 MR. MONTAGUE: FS30 deals with approximately 22 projects, it's technical support the same as GIS, Geographic 13 Information Systems, and the Restoration Team has decided it's 14 15 not a project in its own, it's support for other projects and certainly not just Prince William Sound pink salmon projects. 16 17 DR. SPIES: Those data are in that database, though? MR. MONTAGUE: 18 Yes. 19 DR. SPIES: Right. 20 MR. MONTAGUE: They are. 21 MR. BARTON: I have MR. COLLINSWORTH: Mr. Chairman. 22 Mr. Collinsworth. 23 MR. BARTON: MR. COLLINSWORTH: All of these projects on these pages 24 are without recommendation of the Chief Scientist, and I'd like

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to kind of systematically get short remarks on the reason why he did not comment, whether it was a policy issue or there was some other reason; and maybe we could do it systematically and just kind of run down the list.

MR. BARTON: Dr. Spies.

DR. SPIES: All right. On the GIS question, there's a very active subcommittee that I have not really had time to participate, it's reviewing the GIS needs in restoration, and so that was one reason I have not commented on the appropriateness of the budget for the GIS activities; that would be TS3.

We've discussed already -- let me back up to Category A there. The archeology studies have been -- have oversight from archeological steering committee, and I have been very marginally involved in those; I'm not an archeologist and it's somewhat out of my purview. So I've not had time -- I've not been requested, I have not had time to get involved in the archeological damage assessment and proposed restoration projects.

The run reconstruction, FS28, is we just covered that under pink salmon.

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Under Part B, GIS mapping, I just covered that; it's been handled by a subcommittee and is still under review. Sockeye policy question.

FS30, in my mind, is a policy question still, but I understand the point of view of Fish & Game there.

R92, another GIS product, that's under Part C.

Part E, the Montague Island chum salmon project is -falls under habitat alteration, doing things on the field. And
I haven't -- doing things on the ground for restoration of
resources and it's related to the habitat question; I have not,
in general, reviewed those sort of proposals. Likewise with
the in-stream survey, R105, I haven't been involved in
reviewing the habitat portions of the restoration program.

The R37 and R41 under Part F, again, are like the chum salmon study — the chum salmon project, they are on the ground alterations that are being proposed, and I have not generally reviewed those either. The R113 is — and R114, again, relate to sockeye salmon. R116 to pink salmon. R117 to pink salmon. R47 and R96 to habitat evaluation.

R52 is -- in my mind raises a somewhat similar policy question, and my understanding is that the proposal is for the Department of Fish & Game to develop a rockfish management plan mainly for Prince William Sound. There was a change in the fishing activity in Prince William Sound to rockfish in the summer of '89 because of the closure of the pink salmon

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810 N STREET (907) 277-0572 OR (907) 277-0573 FAX (907) 274-8982 1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 fishery. Now, there is increasing pressure on rockfish, it's long-lived species, and Fish & Game feels they need a better management plan to do better management since the spill. And I think this raises a policy question, whether the Council wants to support that sort of activity.

R53 and 59 are sockeye salmon. R104 is an archeological study. Again, I haven't reviewed those. Excuse me, 104A and B are both archeological studies. And R106 is similar to the rockfish plan somewhat in it's development of a dolly varden cut-throat trout (ph) management plan for Prince William Sound as a result of their -- somewhat of the affect of the spill and the secondary affect of changing -- restricting and moving the fishing pressure around Prince William Sound to other parts that is a management action that's been taken.

And, it's felt by Fish & Game they need to develop a management plan for dolly varden cut-throat trout.

And that would cover all of the projects that I have not reviewed and very briefly the reasons I have not reviewed those.

MR. BARTON: Thank you, Dr. Spies. Other questions for Dr. Spies? How do we wish to proceed? We could deal with those projects in this package for which there are no policy calls to be made now, or we could break for lunch now or we could do most anything we want I guess. What's the pleasure of the Council?

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MR. McVEE: Mr. Chairman. 1 MR. BARTON: Mr. McVee. 2 3 MR. McVEE: It seems to me like we should deal with the policy issues, I'm not discounting it might be an opportune 4 time to stop for lunch, but it might be a good -- it might be 5 well to deal with the policy issues because it could affect our 6 7 decision on some of the others also. MR. BARTON: 8 Okay. 9 MR. McVEE: So we start to approach this from a different perspective. 10 MR. BARTON: Why don't we break for lunch, come back, 11 we'll open the floor for 30 minutes of public comment on those 12 three policy questions. And perhaps, after lunch, Dr. Spies 13 14 could enumerate those one more time for us so we're all clear on what we want to address. Is that -- somebody move that. 15 16 MR. ROSIER: I would so move. Could somebody second that? 17 MR. BARTON: MR. SANDOR: Second. 18 Let's break for lunch and be back at 1:45. 19 MR. BARTON: (Off record) 20 21 (On record) come back to order. MR. BARTON: When we broke 22 for lunch, we were about ready to discuss the policy questions 23 that Dr. Spies laid before us, and entertain public comment on 24 those issues before the Council dealt with them. 25 If I could

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ask Dr. Spies to articulate those questions again for us.

DR. SPIES: I'll do the best I can. Can you hear me?

I'll do the best I can. Can everybody hear me?

I raised three issues with the salmon -- with the pink salmon and the red -- sockeye salmon. With the pink salmon, there are potentially other causes of problems with wild stocks other than the oil spill. And the question I raised, the perspective I had in this is whether the Settlement Funds should be used to manage that fishery -- as wholly (ph) settlement funds used to develop manage (indiscernible) -- the fishery as a means to the restoration.

With the sockeye salmon, particularly in the Kenai system, and I realize that it's different for the Kodiak system, the Kenai system there were three years in a row of high escapement and it was only the Exxon Valdez that contributed that one last year of high escapement -- overescapement. And so we have other contributing causes besides the Exxon Valdez, probably, due to the problems we see in smolt production (indiscernible - voice lowers).

And the other issue is some secondary affects, for instance, the rockfish management, development of the rockfish management plan. There was a change in fishing pattern as a result of the spill, and there's a need to manage the fishery — the rock fishery much closer since the spill since there's a bigger take of rockfish.

MR. BARTON: Any questions for Dr. Spies from the Council? Okay. At this time, could I get a show of hands of how many in the audience would like to speak to one or all of those issues but only those issues? We'd like to save other comments for the public comment period that will begin at 5:00 o'clock. One, two. All right. Why don't we proceed with that. Do you want to go ahead, sir? Please identify yourself.

MR. MATTHEWS: Mr. Chairman, my name is Theo Matthews, I'm from Kenai, Alaska; I'm here representing the United Cook Inlet Drift Association, we represent about 350 of the 585 drift permit holders in Cook Inlet. And since I assume people off-line, like Cordova, won't be able to comment, I'll take the liberty of talking for

MR. BARTON: Those people will be able to comment

MR. MATTHEWS: On this issue?

MR. BARTON: on -- not on this issue.

MR. MATTHEWS: All right.

MR. BARTON: No, we're not set up for that. But

MR. MATTHEWS: All right. So I think I can safely address the concerns of Prince William Sound also. We clearly feel that the policy calls should be made even though it is not conclusive that every bit of damage was done by the spill, that these monies should be used for these purposes. And it's very clear to us in Cook Inlet that we had a very large escapement in '89, the fry were in the lakes, the smolts did not come out.

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If we're not allowed to manage and monitor these systems, we risk over harvesting our future resource, and that's -- we're very concerned with that, and we think these dollars are appropriate. And I would say the same thing is equivalent to the Prince William Sound pink problem. So that's my comments, basically.

MR. BARTON: Thank you. Any questions from Council? Thank you. Ma'am.

MS. MILLER: My name is Pam Miller, I'm with the Wilderness Society here in Alaska. And I will address the same point of Dr. Spies that we're concerned that even if the Exxon Valdez isn't the sole factor that may be resulting in damage and impacts that restoration funds should be used for that purpose. And we don't see it an issue that could potentially just affect these three salmon -- or fish issues in terms of how the restoration funds get spent. So we're very concerned that you do go forward and consider that if there are complicating factors beyond the Exxon Valdez spill that we still can grant restoration funds for those types of projects.

I'm also concerned about a policy statement that

Dr. Spies made earlier concerning how injury is defined, and

that was not brought before the Trustees and the public before.

I think it's a major issue that could affect the long-term

restoration planning. And if all of these projects were

evaluated based on that there were population level affects

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seen, you're ignoring injury to a life stage or to habitat in preference to what's happening to populations, and I think that's an oversight in the process that should be rectified and we hope doesn't continue throughout the restoration planning process.

Finally, in this packet that we're looking at,
Dr. Spies said he did not review the habitat questions because
he was not intimately involved with that. So, it's a policy
question in a way because you're looking at a set of documents
with Dr. Spies recommendations, the Restoration Team's
recommendations. And my question is what does Project
Number R96, Habitat Evaluation, refer to; and does this mean if
it's unfunded as is currently listed on your plan, that there
would be no habitat acquisition monies other than for streams
looked at in this year. Thank you.

MR. BARTON: Any questions for Ms. Miller.

MR. COLE: Yes, I have a question.

MR. BARTON: Mr. Cole.

MR. COLE: Or comment. You understand now that to the extent that we spend money on these salmon projects, the pink salmon and these others, that that will be less money available for the acquisition of habitat.

MS. MILLER: I understand that. And I

MR. COLE: I mean it's not me (ph), you know, it's just

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1135 WEST EIGHTH AVENUE (907) 272-3022 MS. MILLER: I believe that the level of funding for the fish work may be excessive, but I think there's a critical question that doesn't just address how much funding each of these projects gets this year but what we're doing over the long-term about restoration. And I hate to see both the earlier change in policy about what constitutes injury and does Exxon Valdez have to be the sole factor that you're weighing what projects could go forward.

Now, I think there is quite a lot of money, disproportion amount, to those fish projects. And especially when we don't have any money for habitat acquisition, it appears, yes, there may be a problem there, and I hope you'll discuss it.

MR. COLE: But let me say to the extent that we make decisions to spend money on salmon restoration studies that we therefore, at the end of the day, have less money for the acquisition of habitat. I mean -- and that's the -- so we -- as we go through this, these are the calls and it's not either/or both, it's how much here and how much there; and that is the issue in which I think we need guidance.

MS. MILLER: Well, I guess since you're not getting guidance from the Chief Scientist on the habitat acquisition parts, you're not getting that level of peer review on how you're balancing how much to spend on management and how much to spend on preparing to do the actual acquisition. Now, if

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you can just walk down the street and acquire land tomorrow without spending any money, great.

MR. COLE: See, here's what I'm getting at. To the extent we take -- accept Dr. Spies definition of what money should be spent on restoration projects where there is a direct relationship to spill, that means we have more money available for the acquisition of habitat; and you understand that I'm sure.

MS. MILLER: Right. And it's

MR. COLE: Just so we know where the calls are and how difficult they are, because we get people who say acquire habitat and then we say well, fold in (ph) studies. So you know, to the extent we limit the broad-ranging studies and require them to have a relationship to injury in the population, we have more money available for habitat. I mean am I right on that?

MS. MILLER: Unless your

MR. COLE: I think so.

MS. MILLER: Unless you're changing the terms upon which you're willing to acquire habitat, and if you're only considering population level affects and not other injury, including habitat injury, then you may run into problems. And so while fish, if you add up all -- there's enough money in the overhead for some of the fish projects to entirely fund some of the acquisition work or the amount that you've already gotten

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for the work that was done last year.

MR. COLE: Thank you.

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MS. MILLER: So I'll conclude here and speak later.

MR. COLE: Thank you.

MR. BARTON: Is there anybody else in the audience that wishes to address these three policy questions that are before us? Okay. Thank you. We'll close the public comment period then on those three policy questions. Discussion amongst the Council Members on how we resolve them. Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. In the case of both pink salmon and sockeye, these are two species that are actively managed in both the Prince William Sound area -- in fact, in all three areas; in Prince William Sound, Cook Inlet and Kodiak areas. Pink salmon is the same. We've got major programs within the State program at the present time that addresses the management needs of these particular species. In both cases, we do have linkage to damage to these resources directly attributable to the Exxon Valdez oil spill.

We would, perhaps, have responded to these with State money had we -- you know, had we not had a settlement, but on the other hand, we do have a settlement. And with that linkage, in my mind, due to the importance of these particular species to the economy of the areas, I think that's part of what the settlement was about was the rebuilding of the affected services and supporting the economies of the areas

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that were impacted by the oil spill. These are two key species that are involved in the economies of those areas. They are species that are being actively managed. It's not a case of just being able to go out and decide that you're going to close a fishery, there's longstanding fisheries in all of these areas; it's a matter of, in fact, standing -- trying to manage to permit people to continue to make a living after the -- in the face of further adversity, I guess is the best way to put it, that been brought about as a result of the Exxon Valdez.

It just seems illogical to me that we would, in fact, move away from these species as one of the -- as two of the target species associated with restoration. We know that we've got certain levels of knowledge, certain levels of information about these two species virtually all of the areas. In the long run, when it's all said and done, perhaps, the cheapest restoration that we can come by is the improvement of the information base upon which we, in fact, manage these particular species.

I'm not sure what else we could do in terms of these species. Do we can build a hatchery? Do we -- you know, do we do something else other than what's being proposed here? But we heard today that the pink salmon were on the decline in Prince William Sound prior to '89, that's not so. The situation in the Sound was a typical situation as far as pinks were concerned. We had fluctuations in the population there,

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 we had fluctuations in pink salmon populations everywhere. So I think that, you know, don't be mislead as the Council as a result of that type of information.

I think in the case of reds, red salmon in Cook Inlet, specifically the Kenai Peninsula, is really the heart of the red salmon fishery in Cook Inlet. If we reach the point where we -- for whatever reason that we cannot, in fact, conduct a fishery in Cook Inlet because of Kenai River failure, then we've got a major, major disaster on our hands, and we simply cannot live with that.

We know that -- from the '87 and the '88 that there were large numbers of fish got in there, we don't know exactly what the impacts were or what the affects of those problems were in the Kenai system those years. But at least in the case of the '87 run, despite the fact that we did have a large number of fish in there, we got out a pretty good smolt production, a very large smolt production. In 1988, the same thing; it was declining, I'll grant you that, but we don't know what all of the inter-specific (ph) actions were that, in fact, caused that further decline in 1988. We do know, though, that following '89 when we put those fish in there that we had a major drop in terms of production out of that system, and that we are, in fact, faced with a significant decline in the population as a result of that. How long that's going to continue remains to be seen, but we know at the present time

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that based on the smolt production out of that '89 parent year that we're looking a major disaster in the Cook Inlet fishery and on the Kenai River. It's not just confined to the commercial fishermen either, those species are, in fact, shared by recreational fishermen basically from all over the state and from out of the state as well and that the need to, in fact, provide for that human use of those resources as a part of this restoration program I think is critical.

Move ahead. Whether it's 10%, whether it's 50%, whether it's a hundred percent tied to Exxon Valdez, I think that we need to move ahead with those programs. Thank you.

MR. BARTON: Other comments.

MR. McVEE: Yes.

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MR. BARTON: Mr. McVee.

MR. McVEE: Mr. Chairman. I guess I may have a question to start with. And that is relative to the production -- smolt production of '89, we have data that indicates that that is reduced. But these projects that are proposed would be designed, as I understand it, to just get more data that would be used for management purposes; they would not do anything in terms of -- speaking of the Kenai projects specifically, they would not do anything in terms of trying to increase that recovery.

MR. BARTON: Mr. Rosier.

MR. ROSIER: Mr. Chairman. The key to managing in the

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face of those reduced runs, of course, is better information.

And of course, the programs that we're talking about here

would, in fact, insure the information base or at least improve

the information base upon which to better manage those

resources. And there will be opportunities from other systems

that were not adversely affected to impact (ph) fish, but the

heart of it is the Kenai River and how quickly you bring that

back on-line. And from our standpoint, the beginning of that

is the information base on which we manage within the Inlet.

MR. McVEE: Mr. Chairman.

MR. BARTON: Mr. McVee.

MR. McVEE: I might follow that up I guess. It's a sticky problem and it certainly is -- I guess will be contentious, I realize that. But you know, I guess I feel like first, you know, we looked -- we have to look at injured resources and attend to their recovery, and those that have had some direct relationship with the oil spill, were impacted by the oil itself. And if the damage linkage -- and in this case I guess that's what I would see is a linkage as a result of a management decision not as a direct impact, so that then becomes the policy question; do we use the dollars where -- restoration dollars where as a result of a management decision as a result of the spill secondary or two step -- or I guess two phase impacts, do we use those dollars, you know, for projects. You know, I might be very conservative in this

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respect, and -- but I guess that's the problem that I have with the Kenai project.

Well, maybe the answer to that -- or maybe one option there is as Carl may have suggested that it's, you know, for partial funding from the spill dollars; however, you don't still get -- you're still talking about what I call secondary impacts.

MR. BARTON: Other comments, questions.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

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MR. COLE: Is this going to be a multi-year's study proposal or is it just going to be wound up this year?

MR. MONTAGUE: Mr. Chairman.

MR. BARTON: Mr.

MR. MONTAGUE: If I could address that. There's a number of projects in here and I'm not exactly sure which ones you refer to. But in terms of those designed to better manage the fishery and, you know, to provide a fishery while protecting the stocks, we envision some funding forum until the Kenai has recovered, and we do not know when that will happen.

MR. COLE: Well, I mean are we talking about -- well, specifically, are we talking about FS27 and 28? I guess that's the two I was questioning. Are those multi-year studies and are we looking at -- let's see -- 650,000 each year for three, four, five years, one or two or what?

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In the case of FS28, is just the MR. MONTAGUE: Okav. data management of which maybe five percent would be in one or But FS27, it's the primary project that two sockeye projects. tries to determine what exactly -- what were the conditions in the lake prevented the fry from surviving to the smolt stage and also documenting the outflow of smolts. And there's a rather expensive portion of the project that is to measure the outflow of smolts that we think our fry enumeration systems in the lakes within a year or two will suffice so that we can drop the more expensive smolt enumeration portion. So, we would anticipate within a year or two that one dropping by about 40% in its cost.

And the reason why that particular project is so necessary, you know, right now we have very low smolt counts from '91 so we know that we're going to have probably very low returns in '94. But next year, we're going to be looking at the smolts that are going to return in '95, so next year, if it's also another low year, then we know that we've got a potential collapse of the fishery on our hands. And without that smolt enumeration, we can't -- could not address that.

MR. BARTON: Mr. Cole.

MR. COLE: Did I get yet an answer about how many years we could look for? Once we start down this road, you know, we shouldn't cut it off, we have to follow through and get the complete project. So, how much -- how long are we really

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MR. MONTAGUE: Okay. Well, if '92 showed very good smolt production, then we would be quite a bit more relieved and actually, might not even need to do that project in '93 and beyond. And you know, if '92 shows poor smolt production, then we do have to do it in '93 and so on.

MR. COLE: Mr. Chairman, I have another question.

MR. BARTON: Mr. Cole.

MR. COLE: Did Dr. Spies -- did someone say that one of the causes for this may have been and was (ph) caused by the Glacier Bay accident?

MR. BARTON: Is Dr. Spies here?

UNIDENTIFIED VOICE: He left the room for a few moments.

MR. BARTON: Is that what he said? I don't recall.

MR. COLE: Is that what he said? Why don't we use some of the Glacier Bay natural resource recovery monies to fund this program if that's the case?

MR. BARTON: It would seem logical. I'm not sure we can spend somebody -- some other Trustee Council's money but I'd be delighted.

(Off record comments)

MR. MONTAGUE: Mr. Chairman, if I may address the Council further on the comment of the relationship to the '87 spill and the overescapement that year. That first of all, we

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think the factors that contribute to the decline in smolts from overescapement results from lake temperature, nutrient levels, sunshine and a cloud cover for that year, as well as the timing of which certain prey species reached the stage that they are a choice food by the fry and smolts in the lake. And that as an example, Red Lake colla- -- I don't know if collapse is the right word but lost its smolt production in a single overescapement, whereas the '87 overescapement in the Kenai did not cause the same thing that Red Lake had.

So, what we're trying to say is that the conditions in the lakes in '89 very likely would have resulted in low smolt production from an overescapement whether there'd been an '87 escapement or not. So, we're not saying that there probably isn't some contribution from '87 but we're reasonably comfortable that it's far smaller than the natural conditions in the lake. Thank you.

MR. BARTON: This -- whether really how -- the real question in my mind is how directly the injury has to be tied or needs to be tied to the oil spill. And I don't think anybody questions the importance of either one of those fisheries to the economy and to the people that live in the area. But it really gets back, in my mind, to whether it's an appropriate use of these monies versus some other source of monies, perhaps, another oil spill's money, and then how far do you carry it. You know, there are a lot of things that are

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very important to people that live in those areas, some of which need some attention.

And so there's 900 hundred million dollars here to use to give attention to things. Should we look up on this big pot of money as an opportunity to fix a lot of different things that need fixed, or do we need to adhere pretty closely to the Settlement Agreement and the law, and where do you draw that line? And I guess that's the policy question that's in front of us; that it seems to me that if we start down that road, well you could go quite a long ways, a gymnasium (ph), for public health.

MR. COLLINSWORTH: Mr. Chairman.

MR. BARTON: Yeah. Mr. Collinsworth.

MR. COLLINSWORTH: I think this is a very interesting policy issue, and actually it's not a simple policy issue 'cause it's rather complex in nature. But certainly, the law provides for the opportunity to look at the option of equivalent value resources, the acquisition of equivalent resources; and perhaps, you might expand it to say equivalent value services.

We -- I don't believe this Council has come to grips with the concept of what is the universe of restoration activities that are going to be utilized in making the Sound and the affected regions whole subsequent to the oil spill.

And we have -- the reason that it is complex is there's

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 different categories of restoration activities that might be engaged in. I had hoped that this Council a couple years ago would start to develop a restoration methodology plan that more clearly identified by species what the restoration opportunities were, whether they be direct opportunities to restore the species itself by supplementing its ability to reproduce, to deal with habitat, to deal with enhancement activities, receding grasslands, developing hatchery alternatives or whatever.

But it seems to me that we have a couple of different kinds of species that have been affected by the oil spill. We have those species that I think Mr. Rosier referred to as those who are under some kind of active management; and I guess that's another term that is used to define species of animals that are exposed to human use, harvest or consumption. So that generally is our fisheries, and I think that's where we have active management programs where we are controlling removals from population because of some kind of human activity.

Then we have other categories of resources that are not harvested. And we do not control the taking of those animals; and perhaps, our options with regard to those animals in terms of restoring their populations or productivity deal mostly with their habitats, trying to alter their habitats or to work with predator/prey species relationships to assure that the populations have an opportunity to have the foods necessary for

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reproduction and other activities. And then, of course, there's the possibility of some kind of direct enhancement through artificial reproductive activities.

So we have those fish -- I mean we have those resources that are actively managed and those that are not actively managed in the category that -- I mean divided up like I expressed. And it seems to me reasonable to look at restoration to include the concept of acquiring information that will allow you greater precision in your management program in order to help restore a population of animals that is actively managed. And I could see that being particularly the case in Cook Inlet and in Prince William Sound as well with But in Cook Inlet, if you are going to try to manage -pinks. intensively manage Kenai Peninsula stock, you're going to have to have information about the status of those stocks and you're going to have to have information that allows you to engage in various kinds of stock separation in the Lower Inlet and -- so that you might manage discreetly to try to allow for harvest of resources that were not affected by the spill and those that were so that you can exploit those resources at the appropriate levels.

And so you need that kind of information and -- to have an intensive management program that will restore the resource. And it seems to me that within the proper definition that this Council ought to consider whether or not active -- the

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 enhancement of active management programs is an appropriate (
restoration activity. I tend to think it is. And I think that
it is one of the tools that should fit under this universe of
restoration activities.

The extent to which you may approve projects, of course, depends on a particular situation. And I think that there needs to be good oversight to assure that we're not going far afield and engaging in general scientific work and stock work that doesn't relate specifically to the resources of concern. But I, nevertheless, think that being able to acquire the information and the technology to allow you to more precisely and intensively manage resources that are under this active management category is a legitimate use of restoration funds.

MR. BARTON: Further comments.

MR. McVEE: Mr. Chairman.

MR. BARTON: Curt. Mr. McVee.

MR. McVEE: I think as Dr. Montague mentioned, you know, other factors could have affected the smolt production; and that, you know, therefore, I guess -- maybe I'm not interpreting this right but my logic would say that while we don't know whether it's all a direct relationship with the escapement problem that have years of -- where we've had large escapement, we had a fair or a good smolt production. So other things are built into that. And, you know, therefore, there's

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a dilemma I guess in trying to keep some purity in the way we spend the funds, the Settlement Funds, that were gained from Exxon through the court settlement.

The other -- I guess the other problem is that, you know, we have some species that had direct damages and that we have not got those in the budgets this year because we could defer or postpone, or in some cases I guess we felt like that, you know, maybe -- that was the question, there was enough information on some of those. So, you know, in trying to keep the budget down, there's some of that information that we are not going to collect this year; some that will be lost forever, some of it we can probably recapture in subsequent years, information concerning, you know, the animals' losses themselves to the certain species.

And I guess on management programs, then the questions come one -- come down to well, should we supplement or what degree should we supplement agency management programs with spill Settlement Funds. And that opens up, you know, Pandora's Box in my mind, I have great problems with that.

MR. BARTON: Any other comments or -- Mr. Sandor.

MR. SANDOR: Dr. Spies, in his papers, said specifically -- he suggested that the Trustees determine whether oil spill Settlement Funds should be the sole support for the development of management tools for pink salmon; while that specific quote (ph) is for that one issue, I think that's

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one that the Trustees need to address. That was the reason I asked Mr. Gentry if there was any problem in -- from an accounting standpoint of targeting projects for funding from different sources, including the regular agency appropriations or from other funding sources like the Glacier Bay.

And I guess with respect to that question, whether or not the Trustees should determine whether or not it should be the sole support, my position is that it shouldn't be the sole support. We should not look just to -- and I guess if we're -- I don't know whether there's a consensus on that point or not.

The second point that I wanted to make is with respect to the projects under consideration. I wonder if it might not be of benefit to the Trustee Council and the public here if someone on the Restoration Team itself could summarize very quickly the rationale for their conclusion on these projects. Is that possible?

MR. BARTON: Sure. It certainly is. Do we want to do that before we deal with the policy issues?

MR. SANDOR: Well, I guess we don't have to but at some point I think it would be worthwhile doing. That's all I had this.

MR. BARTON: We can do it any time. Mr. Rosier.

MR. COLE: Mr. Chairman.

MR. ROSIER: If I might.

MR. BARTON: Mr. Cole.

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MR. COLE: I'm in favor of FS27, 28, 53 and 59. And on the other hand, I am not in favor of 52, the rockfish, because I think there is a distinction that can reasonably be drawn. I think basically that these studies can come within the definition of replacement or acquisition of equivalent resources as those terms are discussed in 43CFR, Section 11.

And I tilt in favor here of the salmon studies because I think it's a very important natural resource for the State of Alaska. It's a historic resource which hundreds if not thousands of people in Alaska have derived a livelihood from them over the years. It provides the State with historic of revenue and a hope for the future given the comments one reads in the paper about the budget. And therefore, given those considerations, and following up without reiterating the comments of Mr. Collinsworth, I would like to see the Council approve these projects which I mentioned.

Distinguishing from the rockfish plan, on the other hand, that's simply management of a resource which has not been very well related to the spill itself; it's, I think, a collateral management problem. So, therefore, I intent to support these projects in full. And by the way, there is no money from the Glacier Bay natural resource damage funds because none were I think sought; so we can forget about that.

And, you know, I just think that we ought to look to the future of this industry in Alaska and support these

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proposed projects. Thank you.

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MR. BARTON: Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. I believe Mr. McVee was talking in terms of a hundred percent funding for the management in these cases. I guess I would respond to that by saying that while there may be major expenditure of funds from the civil settlement associated with this, that it's not a hundred percent funding. That the agency, you know, with the responsibility for management here is contributing a fairly substantial amount at the present time. This is really an improvement of the information base. Over time, certainly, we would anticipate that these projects would, in fact, be phased out of Exxon Valdez Oil Spill money was the question that was raised earlier.

But these were resources that were damaged and certainly this is the time to move ahead on those resources.

So I don't know whether that helps or not, but we are spending a lot of money in both of these areas currently.

MR. BARTON: Further comments or questions. Are you -Mr. Cole, let me understand what you're supporting. You're
supporting those projects related to red salmon and pink salmon
because they're actively managed stocks that are important to
the people of Alaska?

MR. COLE: Not simple because they were actively managed, but because they could, in my view, properly come

within the definition of replacement of damaged natural resources or the acquisition of equivalent resources. Clearly, they may come otherwise within the direct restoration concept. But in any event, if they don't come within the restoration concept, they come within one or the other two, that's Number 1.

And then, we have the problem of well, how direct must that be? Well, I think we're past that. And then substantively, should we approve these two projects as a policy matter? It's because of the I think really immense value of the salmon species to the State, both historically and presently, and we should take steps to further those salmon for those reasons. And the rockfish, you see, I think comes on the other side. I mean that's just a management problem and that doesn't require -- in my limited view and limited knowledge of this area, which can be otherwise controlled without a large expenditure of money. And in this area, we have a very basic view (ph) policy issues supporting the decision, plus the likely inability (ph) of acquiring funds to do this work from other sources.

MR. COLLINSWORTH: Mr. Chairman.

MR. BARTON: Mr. Collinsworth.

MR. COLLINSWORTH: I have I guess it's kind of a technical question. The project FS27 under B Damage Assessment Continuation, is this properly listed under continuation of

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damage assessment or should it really be back here in restoration management action? Is this

MR. BARTON: Mr. Gibbons, can you answer that?

MR. GIBBONS: What I understand there are two phases of this project; one phase is to look at the adult escapement and one phase is to look into the fry out migration. And this is a continuation of some work that was done last year under the guise of damage assessment and we deducted money; you can correct me but I think that's the case.

MR. MONTAGUE: Yes, Mr. Chairman. FS27 is several years old, and it certainly has benefits to management into it, but as far as categorizing it, you know, how much of it would help management and how much of it was finishing up the damage assessment -- rather than cause the confusion of looking like an unchanged project is now classed differently, we left it under Continuation.

MR. COLLINSWORTH: So, it really does have aspects of both?

MR. GIBBONS: That's correct.

MR. COLLINSWORTH: One further comment, Mr. Chairman.

Mr. McVee issued some concern about whether or not these
restoration monies were going to be the sole source of funding,

I think Mr. Rosier answered that question. When I -- earlier,

I talked about with appropriate oversight, and I think it's
important that we take some care in assuring that we don't end

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up substituting restoration funds for normal State funding of 1 programs of Federal funding of programs. I really look at this 2 restoration money as being enhancement activity to the ongoing 3 management program. And I know that there might be technically 4 some times when budgets get tight to look at this as a 5 substitute alternative. But I'm sure that with the appropriate 6 7 oversight that that won't happen. MR. BARTON: Well, we've had a good discussion, what do 8 we want to do with it? 9 Well, I move we approve FS27, 28, 113 and 10 MR. COLE: 114, as well as R53 and R59. 11 MR. COLE: Is there a second? 12 MR. ROSIER: Second. 13 MR. BARTON: It's moved and seconded. 27 -- read those 14 15 again, would you, Mr. Cole? MR. COLE: Well, let's start on Page 1 so we can get 16 it. 17 MR. BARTON: All right. 18 19 MR. COLE: Paragraph A, FS28. MR. BARTON: 20 28. MR. COLE: Run reconstruction. 21 MR. BARTON: All right. 22 MR. COLE: Paragraph B, FS27, sockeye overescapement. 23 On Page 2, R113 and R114, Paragraph F. And on Page 3, R53 and 24 R59. 25

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1 MR. BARTON: Moved and seconded. Any further discussion of that? 2 MR. COLLINSWORTH: Yes. 3 MR. COLE: May I add to that, at funding levels 4 5 recommended by the Restoration Team. 6 MR. BARTON: Okay. February 27 proposal column (ph). I'm told -- hold on just a second. 7 MR. COLE: Hold on. 8 MR. COLLINSWORTH: We've got a problem with R114 I 9 think. 10 UNIDENTIFIED VOICE: 11 MR. COLE: We'll take out R114. But we can address that one later. 12 13 MR. BARTON: So it's 20- -- FS27, FS28, R113, R53 and 14 R59. Any more discussion? 15 MR. MONTAGUE: Mr. Chairman. 16 MR. BARTON: Mr. Montague. 17 MR. MONTAGUE: May I add something. FS28, the current recommendation is to not do the work but to finish analyzing 18 19 existing information. I quess I just want some clarification 20 if we're approved to put this project forward as fully doing 21 run reconstruction or just to cut it off where it is? 22 MR. BARTON: As I understand the motion, we're 23 approving the February 27 proposal. Is that everybody elses 24 understanding? 25 MR. COLE: Except for 114, which is on the shelf Yes.

1 currently. MR. COLLINSWORTH: I need clarification, Mr. Chairman. 2 MR. BARTON: Yes. 3 4 MR. COLLINSWORTH: Are we looking at the February 27 proposal column or are we looking at February 27 proposal with 5 6 overhead? And there are differences. The initial February 7 27th proposal wasn't that I thought we were looking at the second 8 MR. BARTON: column from the left. 9 MR. COLE: Well, didn't we decide this morning to in 10 principle to go along with an overhead factor, as I glance at 11 that 15%, wasn't that in there? 12 MR. BARTON: That's what 13 I thought so, and I thought we generally 14 MR. COLE: approved that subject to -- somebody would at least be reading 15 it (ph). 16 17 MR. BARTON: Does that help. Thank you. Yes, thank you. 18 MR. COLLINSWORTH: MR. BARTON: Mr. Rosier. 19 I'm still a little confused on the 20 MR. ROSIER: Yes. motion here as related to -- in order to accomplish FS28 -- you 21 won't accomplish FS28 at the February 27th proposal level. 22 23 MR. COLE: Well, I mean do we just tear this all up? It's my view that the rest- -- we adopt the Restoration Team's 24 25 recommendations for 1992 project proposals listed in A, FS29.

Now, is not their recommendation? If it isn't, we need to know.

MR. ROSIER: Yeah. My recommendation, Mr. Chairman, on this is that in order to accomplish that program we need the 474.6 rather than the 55 that's indicated on the February 27th proposal. That's a closeout -- that is a closeout budget under the February 27th proposal.

MR. COLE: My motion remains the same, that we accept the Restoration Team's recommendations. I mean if somebody wants to move to amend it, that's up to them.

MR. BARTON: Mr. Rosier.

MR. ROSIER: Mr. Chairman. I would move to amend FS28, replace the 55 recommended by the Restoration Team to 474.6.

MR. BARTON: Is there a second? Is there a second?

MR. SANDOR: I'll second that for discussion purposes.

And at this point, I think I'd like the Restoration Team to give the rationale for the change.

MR. BARTON: Mr. Gibbons, could you orchestrate that?

MR. GIBBONS: Yeah. I can try to explain that. I have these projects broken out by species and have the listing of -- under sockeye. The Restoration Team voted yes on FS27, voted yes on R113. We voted no on R114 because it was a fishery's issue, or at least fish were being -- will be accessed and harvested by the fishermen right at the site, and we had some concerns with that approach. R117 was the replacement for the

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Kenai sockeye, we had some concerns with that so we voted that one no. We voted yes on R53 and yes on R59.

On FS28, the Restoration Team voted to close this study out but would like a final report, so that's what the 55,000 reflects, is a final report only and no further work from the rest---....

MR. SANDOR: Mr. Chairman, if I might ask.

MR. BARTON: Mr. Sandor.

MR. SANDOR: What was the rationale for the closeout versus the continuation of the study?

MR. GIBBONS: My understanding of it was -- and maybe the Restoration Team can add to this, but we considered that it was an issue between the hatcheries and the wild fish. And this was a modelling (ph) effort to figure out where the wild fish go and where the hatchery fish go. And we -- my recollection was that we thought was a normal agency responsibility.

MR. BARTON: So other members of the Restoration Team want to speak to that?

MR. MONTAGUE: Yes, Mr. Chairman. I -- how best to express it. I guess the development of the Restoration Team recommendations were based on a voting procedure where only two votes, two no votes, were required to not have a project go ahead. And based upon that -- those operating procedures, that is the Restoration Team's recommendation. I assume that Dave

is representing the summary of interpretation of the two no votes.

MR. GIBBONS: Let me clarify that. On the voting procedures, when we hit two votes, we stop; if we get two immediately, we stopped at that point, there was no further discussion on it. So, in other words, we had two no votes on this one and so -- but really the voting record is not clear on it but we had two votes so it didn't go forward.

MR. BARTON: Further

MR. MONTAGUE: Mr. Chairman, if I may add this. The two things this project was supposed to do is it was the final pulling together project of all the pink salmon work. It was the one that essentially made sense out of a dozen odd projects over the years on pink salmon. And further, during the litigation phase, it was to have been the mechanism by which we could hind-cast (ph) to prove population level affects, and since population level affects still seem to be under some question, cutting this project off seems ill-advised.

MR. BARTON: Any other comments or discussion?

MR. COLLINSWORTH: Just -- yes, Mr. Chairman.

MR. BARTON: Mr. Collinsworth.

MR. COLLINSWORTH: Just briefly, whoever can summarize the objectives of this project, I'd like to have that. What is it you're going to do for 474.6?

MR. MONTAGUE: The primary -- Mr. Chairman, if I may.

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The primary cost component of this project is the tagging of adult pinks as they enter Prince William Sound and recovering them during the fishery as well as during carcass surveys on streams. And the purpose of that is to in order to develop the run construction model, one of the pieces that we're still missing was a mechanism of — indicating when fish would arrive in the certain quadrants of the Sound. And an additional cost component of that recommended by the peer reviewers was to not depend entirely upon the commercial fishery and the streams surveys but to actively go out and conduct a test fishery to try to recover some of those tagged fish.

And those two things are by far the largest component of it, and the remaining parts of it were -- a lot of it's already done, and that's getting all the information on computer, developing a program to describe run reconstruction in the Sound. Right now, it's done for one quadrant, and it would be expanded to the remaining quadrants of the Sound.

MR. COLLINSWORTH: One follow-up, please.

MR. BARTON: Mr. Collinsworth.

MR. COLLINSWORTH: Is this -- would this be the last year of the project?

MR. MONTAGUE: Absolutely.

MR. McVEE: Mr. Chairman.

MR. BARTON: Mr. McVee.

MR. McVEE: As I understand it then, the end objective

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 is to identify the wild stocks versus the hatchery stocks, and where the wild stocks are going and that where the separation is made; and therefore, where -- you know, or how a fishery management program can be constructed in the future to provide access to those stocks when they're separated so that there will be less impact for the proper amount of harvest on the wild stock, they won't be endangered from over-harvest proposition. Is that accurate?

MR. MONTAGUE: Mr. Chairman. I believe many components of that are accurate. I think the -- and the question being does this better improve the ability to manage both hatchery and wild fish, is that -- I believe that's correct.

MR. BARTON: Mr. Rosier.

MR. ROSIER: I had a question on this, I guess it's related to the dollar amount, just to get it out on this. Is the 474.6, does that include the overhead as part of the second question that was raised?

MR. MONTAGUE: No, it does not. We have that figure somewhere here, we did prepare it. Usually, it's on the order of about eight percent to ten percent of the project.

MR. ROSIER: Okay.

MR. BARTON: Well, we have a motion on the table to

MR. COLLINSWORTH: Mr. Chairman, one more question, please.

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MR. BARTON: Mr. Collinsworth. 1 MR. COLLINSWORTH: Would the full funding of the 2 3 proposal of 474.6 also include the closing out of the project? MR. MONTAGUE: Mr. Chairman. Yes. it would. 4 5 MR. BARTON: In other words, if we funded this at 6 474.6, consider that (ph) 7 MR. COLLINSWORTH: We wouldn't see something next year for closeout. 8 MR. BARTON: The motion on the floor is did we accept 9 10 the February 27th proposals for Projects FS27, 28, 113, 53 and 11 59. There's been an amendment offered and seconded that would substitute the February 5th proposal on FS28 for the 12 13 February 27th proposal. Any more discussion? On the 14 amendment, is thee objection to the amendment? 15 MR. MCVEE: Objection. MR. BARTON: Okay. Under the rules of which we 16 17 operate, we have to have a unanimous vote, the amendment fails. 18 On the motion, and the motion now includes the February 27th 19 proposal for FS28. Is there objection to the motion? 20 motion carries. 21 What do we wish -- have we actually answered the policy question, I guess? And I guess we have sort of by the back 22 23 door. 24 MR. COLLINSWORTH: Yeah. 25 MR. BARTON: Which is better than not answering it at

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all, so I won't ask anymore.

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MR. COLLINSWORTH: Mr. Chairman. I think that, perhaps, by our action, we did give an indication of what the attitude of the Council is towards enhancement of your management precision for actively managed resources and it's appropriate for certain cases. I still think it is an issue that need clear definition as we continue with building the restoration plan so that we really have a good understanding of what the universe of activities that we consider to be acceptable for restoration.

MR. BARTON: Well, I think we'll have ample opportunity to do that, and we'll, in fact, have to do that because I think there's a real Pandora's Box out there if we don't.

MR. COLE: Well let me say, Mr. Chairman, if I may. There is simply no bright (ph) line.

UNIDENTIFIED VOICE: No, there isn't.

MR. COLE: And we just have to find that line

MR. BARTON: As we go.

MR. COLE: by dealing with these proposed projects one by one, and I think we will then find a general, broad policy as we do that. But to try to state it in advance, I just don't think we can do it, it's not capable, you might say, to mathematical precision.

MR. BARTON: Okay. Where do we want to go next?

MR. COLE: Find an easy way.

MR. BARTON: I'm sorry. 1 2 MR. COLE: Find something easy. MR. COLLINSWORTH: Do we still have 3 MR. BARTON: We still have a number of these projects 4 that are from the Restoration Team recommendations to deal 5 We could deal with the remainder now as a group having 7 answered those policy questions or what's the pleasure of the Council? 8 MR. COLLINSWORTH: Mr. Chairman. 9 Mr. Collinsworth. 10 MR. BARTON: MR. COLLINSWORTH: I move that we adopt the 11 recommendation of the Restoration Team for those items that we 12 13 have no acted upon. I'd second. MR. SANDOR: 14 It's moved and seconded that we 15 MR. BARTON: Okay. adopt the Restoration Team recommendations for the 16 February 27th proposal for the remainder of those projects in 17 the Restoration Team recommendations package without 18 recommendations for the Chief Scientist. Any discussion? 19 20 (Pause) 21 MR. COLE: May we have a moment, please, MR. BARTON: 22 Yes. to study these? 23 MR. COLE: 24 (Pause) 25 MR. COLE: Mr. Chairman.



MR. BARTON: Mr. Cole.

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MR. COLE: Could we have an explanation of R118, information and education?

MR. BARTON: Mr. Gibbons.

MR. GIBBONS: Yes, I'll have Pamela Bergmann explain that, that's primarily in her department.

MS. BERGMANN: Mr. Chairman. The purpose of R118 is it's a project that's been jointly funded or would be used by the Department of Interior and Forest Service is also part of this project, and it would be to develop information and educational materials to the public for the public to let them have a better understanding of the kinds of injuries that are occurring out in the project area, and also talk about kinds of things that they might do to prevent additional injuries to the affected resources.

MR. COLE: You mean additional injuries to the salmon, for example?

MS. BERGMANN: Well, for example, when some of the murre colonies that were affected, that if there are people who have tour boats in the area, they need to be aware of the fact that they need to be staying a certain distance away from those colonies so that they don't create disturbance to the colonies and cause additional injury to the birds in those areas. And the same thing would go to -- for marine mammal (indiscernible) areas.

MR. BARTON: Do you see that as a continuing program? 1 2 MS. BERGMANN: Ken. 3 MR. RICE: Mr. Chairman. Most of the costs for this 4 project would be in the design and production of materials to 5 give to the public this year. So any continuing cost would be drastically reduced in the next few years, after this year. 6 7 MR. BARTON: Mr. Rosier. 8 MR. ROSIER: Question on this. What kind of 9 information is there at the present time surrounding such 10 things as the murre colony, and what's the direct involvement 11 here of the agency in terms of managing those colonies or --I'm having trouble 12 MS. BERGMANN: Well, this would be information 13 14 developed that would be specific to the spill, especially for 15 areas that were directly affected by the spill, such as the murre colonies and off the Kenai -- in Kenai Fjords National 16 17 Park, in that area as well as say the Barren Islands in the 18 Gulf of Alaska. 19 MR. BARTON: Mr. Rosier. 20 MR. ROSIER: Is this going to -- is it general type information and education program or is this something aimed 21 specifically at the guided tours going out there or what are we 22 23 talking about?

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from the outside as well as people here just in Alaska.

MS. BERGMANN:

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And

For the general public who are coming up

this would be in addition to what the agencies would normally 1 be doing as part of their regular agency public education 2 3 efforts. But this is the part that would be attributable to 4 the spill itself. 5 MR. COLE: Mr. Chairman. 6 MR. BARTON: Yes, Mr. Cole. 7 I move we delete R118 and transfer the MR. COLE: 8 190,000 to FS28. 9 MR. BARTON: Is there a second to the motion? 10 MR. SANDOR: I'll second that for discussion purposes. 11 (Off record comments) 12 MR. BARTON: Okay. Discussion? The amendment is that we would delete R118 and add \$180,000.00 to FS28. 13 MR. SANDOR: 14 Run restoration. 15 MR. BARTON: Run restoration -- 16 MR. COLE: Yeah, that's the one we chucked. 17 MR. BARTON: run reconstruction. MR. COLE: 18 474 to 60. 19 MR. SANDOR: Mr. Chairman. 20 MR. BARTON: Yes, Mr. Sandor. 21 MR. SANDOR: Now that that motion's on the table, what 22 does that -- would that do? I quess it'd be addressed to either Jerome or someone with respect to mid-level funding. 23 24 MR. MONTAGUE: Mr. Chairman. The most expensive 25 portion of that project was finding that one piece of

information. And the write-up and final component was the life history model and the run reconstruction which missing that component can be estimated, certainly not with as high a degree of precision, but we could still have usable life history models and run reconstruction models out of it.

MR. COLE: You want the 200,000?

MR. SANDOR: Mr. Chairman.

MR. BARTON: Mr. Sandor.

MR. SANDOR: I guess the question was indirectly, and I apologize for not asking it more directly, will that money be able to be used effectively and the questions you were seeking?

MR. MONTAGUE: Yes, Mr. Chairman. We had hoped to I guess at a bare minimum be able to complete the life history model and the run reconstruction model minus the more precise quadrant timing that would have been achieved through the adult tagging. In fact, as the project was originally designed, the adult tagging wasn't even identified as being necessary. But you know, during the last year of looking at data, through discussion with peer reviewers, they indicated that it would certainly add to the precision of the model.

MR. BARTON: Further discussion on the amendment?
Mr. Collinsworth.

MR. COLLINSWORTH: Well, I have a little trouble I guess, Mr. Chairman. I -- we're going to cut a project in half, and basically what I heard was that we can do what we

said we were going to do for 474, but we're going to cut it in half and do the same work. Why was it at 474 in the first place?

MR. COLE: You tag less fish, that would be my thought.

MR. MONTAGUE: Mr. Chairman.

MR. BARTON: Mr. Montague.

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MR. MONTAGUE: I could address that. I guess if you're able to -- that all these projects that have been done to-date that would be synthesized into this run reconstruction project, for instance, may increase our management precision by, hypothetically, 20%, and the timing of adding the adult tagging may have increased it to 35%. But nonetheless, even with the run reconstruction and life history without the adult tagging we're way ahead of where we were at the time of the spill. So, for \$200,000.00 to increase that precision, it seems like a smart move but if the money is not available, then that's why I'm going to this original position.

MR. BARTON: More -- other discussion.

MR. COLLINSWORTH: Yes, I'd like to follow-up, please.

Are we going to completely eliminate any information education program?

MR. BARTON: That's the amendment before us. Well, I don't know if there are other -- are there other projects with information education built into them.

(Pause)

MS. BERGMANN: There are none, Mr. Chairman.

MR. BARTON: Okay. Then I (indiscernible - microphone out)

MR. COLE: May I address that, Mr. Collinsworth?
MR. BARTON: Mr. Cole.

MR. COLE: You weren't here, but you know I think we have a fairly substantial appropriations you might say for public information which we've already allocated. We have this — like, you know, facilities (ph), we have people who answer questions of the public. I saw some report the other day about how many responses we're doing. Maybe Mr. Gibbons can address that.

So what I'm saying is I guess more directly in response, I think we already have a reasonably adequate public information project or plan in place, and that's the reason I thought we could just do without this and have the public information come within the existing administrative structure.

MR. BARTON: Mr. Gibbons.

MR. GIBBONS: Yes, maybe I can try to answer that question. Yeah. The Staff that we have on-hand is to handle the public responses and hear the public comments to us and getting information to the public. As I understand it, this project is to prepare material to tell the true story that what went on out there in the oil spill in regards to injury to the resources, those types of activities, in addition, to provide

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 protection to critical habitat areas that may not have -- the halibut fisherman, perhaps, shooting halibut close to a murre colony that's nesting, this type of thing. An information education program to the public, that's what I understand.

MR. BARTON: Mr. McVee.

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Yes, Mr. Chairman. I quess certain to that MR. MCVEE: group of people, I guess the recreation users that will be going throughout the area, that reasonably (ph) the only avenue that's available as far as management of those uses will be through an information and education program. And so I quess I would point out or argue that the information we need (ph) developed, brochures and slide programs and some of the information centers and so on like at Seward and at Homer, other locations, these are additional materials that would be It would get to that group of people, make them available. aware of the resources that were damaged and how they should respond as they are using and traveling through those areas, to not interfere or further impact those resources, create additional stress upon -- on bird populations and so on.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

MR. COLE: Who are these people who would receive this public information that we can't otherwise say put a notice in the newspaper and read the morning paper and get the same type of information?

MR. McVEE: I would I guess -- Mr. Chairman. I would visualize then is that the people that go to say the Visitor's Center in Seward that go out with the charter boats, and certainly, you know, it would be targeted towards maybe the charter boat operators or a certain amount of it so that they'd stay away from the murre colonies which were impacted and not impact further nesting there of those populations. But it'd be targeted towards the people that actually go right out on -- you know, into the area. And I think we're talking about, you know, basically the tourists.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

MR. COLE: Well, why don't we just ask the tour boat operators to tell these people as part of, you know, the little spiel that they get as they go out there. I mean I just can't see spending (ph) these handout flyers and probably nobody'll read them anyway. And, you know, we can use the money for maybe some better things; I mean you know, I don't know, it just seems to me it's hardly worth it and it's not much bang for the buck. We could get the information out more easily, Fish & Game people could tell these people, you know, as they're out; certainly, commercial fisher group -- fishermen groups could put the information out to their people, and ask them just publicly (ph) respond rather than spending \$200,000.00 for this. That's all I'm saying.

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MR. BARTON: Mr. Rosier.

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MR. ROSIER: In this vein, is it currently agency dollars that are going to this? I mean we're four years into the spill here, we're (indiscernible - microphone out). And has there been agency dollars that have directed to this type of thing to-date?

MR. RICE: Mr. Chairman.

MR. BARTON: Mr. Rice.

I could speak for the Forest Service, and we MR. RICE: have produced some materials related to the oil spill that have come out of agency funding, and that would continue to be in the case in this. We have a normal interpretation program that goes on, half a million people go down through Portage Glacier There could be not just flyers and (ph), for example. brochures but at least a whole variety of techniques to get information to the public, whether they're going into Whittier and kyaking out of there, taking the tour boats and going out and halibut fishing, or whatever place -- wherever places where the visitors are going, and there's a whole variety of techniques that you can apply to that. And the attempt here is to supplement agency funding and focus in on assisting in restoring those key resources so that people did not further contribute to the damage that was already out there.

MR. BARTON: Further comments? Okay. The amendment before us is to delete Project R118 and move the \$180,000.00

1	associated with that to FS28, Run Reconstruction, which would
2	bring that total to \$235,000.00. Let me ask you, Mr. Cole, did
3	you included in that \$235,000.00 is also the final closeout
4	report as is in the \$55,000.00, that we'll not finance this
5	project beyond this year?
6	MR. COLE: Well, we're assured by Dr. Montague that it
7	won't be necessary to spend funds on this next year, so I would
8	assume that they'll wind it up this year for that amount; is
9	that right?
10	MR. MONTAGUE: Mr. Chairman, that is correct.
11	MR. BARTON: Thank you. Okay. Any further discussion
12	on the amendment?
13	MR. McVEE: Mr. Chairman.
14	MR. BARTON: Mr. McVee.
15	MR. McVEE: Yes. Before we vote, I guess I've got to
16	describe the dilemma that I'm in if I vote against the
17	amendment.
18	MR. BARTON: Be my guest.
19	MR. McVEE: I anticipate that there will be a vote
20	against the project, and I wanted to say that before I vote.
21	MR. COLE: I'm not sure I follow you but
22	MR. BARTON: Mr. Collinsworth.
23	MR. COLLINSWORTH: Yes. I find myself in a bit of a
24	dilemma as well because I would've much preferred to have
25	incrementally added to Project R28, which I have sympathy to,

in the first instance, without completely eliminating all funding for information education. We may well want to have a reduced level in there. But I do think it's appropriate for fishermen's organizations, charter boat operator organizations, tourism, agency, each of the management agencies to have a public information program to try to educate the public to what appropriate practices are around sensitive areas; and the example that Pamela gave is I think a good one. My agency presently is embarked on an information education program along with the State dealing with threatened stock sea lions. know that there is an importance of that public information, information has to be prepared, it has to be given to those people, and those people in these various organizations can then disseminate it and use it. But in the first instance, they have to have it made available to them.

So I have some sympathy to continue that program. I mean have something in education and information, perhaps, not at the current level. I'm not sure then I'm very prepared to take this action and then predetermine what the fate of information education is going to be.

MR. BARTON: I think it's important that we remember what we're doing here today, and that's approving these projects to go out for public review.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

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MR. COLE: Before Mr. McVee votes, it might not be 1 2 inappropriate to say there may be a vote against R118. UNIDENTIFIED VOICE: That's right. 3 Before this gets any deeper, MR. BARTON: 5 MR. COLE: So you know 6 MR. BARTON: is there objection to the amendment? 7 Hearing none, then the amendment to the motion is to move 8 \$180,000.00 from R118 to FS28. The motion before us is to 9 approve for public review all those projects that we had not 10 previously approved, except for that change that we just made. 11 Is that clear? Mr. Sandor. I just wanted to request some information 12 MR. SANDOR: 13 on ARC1, the archeological survey; did the Restoration Team in reviewing that recommendation consider or look at the 14 possibility of shared costs for that activity with other 15 agencies or is this solely to be funded by restoration money? 16 17 MR. BARTON: Dave. MR. GIBBONS: This is a Department of Natural Resources 18 19 project. Marty. 20 MS. RUTHERFORD: Mr. Chair. 21 MR. BARTON: Marty. MS. RUTHERFORD: ARC1 is a closeout project, it's --22 there is another restoration project that does involve multiple 23 24 agencies, but ARC is primarily DNR and is completing some 25 damage assessment activities that have been ongoing.

MR. SANDOR: I guess the question is maybe not only of this but the other archeological work that's to be done, is this to be funded solely from Exxon Valdez restoration money or is the project activity, the survey activity, needs to be shared by other organizations as well?

MS. RUTHERFORD: All of the -- both in ARC1 and in the restoration project, it is solely Exxon Valdez Oil Spill Settlement money.

MS. BERGMANN: Mr. Chairman. The reason for that is that ARC1 is looking at the injury to the culture resources in the oil impact areas that were a direct result of the Exxon Valdez oil spill; for example, when you have oil contamination on an archeological site, you are no longer able to use radio carbon dating to date the materials in that site, and that doe result in an injury to that resource. In addition, as a result of having thousands of workers out in the area cleaning up the oil spill, sometimes the actual work activities themselves damaged archeological sites. And an additional problem that occurred is that people became aware of sites and you actually had vandalism occurring of sites.

So there were two kinds of injuries really that occurred to the resources out there. So, ARC1 is trying to just complete the injury assessment that occurred as a result of the spill to those resources, and then the two restoration projects are trying to prevent additional damage to those

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2 so they are directly related to the oil spill. 3 MR. BARTON: Let me just clarify one thing. I misspoke what the motion was. The motion is to endorse the Restoration 4 5 Team's February 27th proposal. Further questions that have to do with the amendment. 6 7 MR. COLE: Mr. Chairman. 8 MR. BARTON: The amendment failed -- I mean passed. 9 Yeah, the amendment was passed. 10 MR. COLE: Mr. Chairman. Maybe we need a break. 11 MR. BARTON: 12 MR. COLE: Are these archeol- -- 13 MR. COLLINSWORTH: I didn't hear you call for the vote but that's (indiscernible) 14 15 MR. BARTON: Well, we haven't voted yet. We voted on the amendment. 16 17 MR. COLE: Are the archeological sites all on State or Federal land? 18 19 MS. BERGMANN: They're on a mixture of lands. the oil impacted areas indiscriminately, sites -- we're looking 20 21 at sites. I couldn't tell you exactly what the numbers are, 22 but certainly in the Prince William Sound, the majority would 23 have to be on Federal lands because that's the majority of the 24 area that was affected. 25 MR. COLE: Are

resources that were basically identified through the oil spill;

MS. BERGMANN: Ernie, you may have more specific information.

MR. PIPER: In Kodiak area as well. It was very, very substantial in the Kodiak area. And I can't speak to the quality of the projects so I won't do that, but I just -- from the perspective of response. Just to let you know that one of the I think least known stories from out of the spill was that fact that there was very, very, very significant traffic at very significant archeological sites throughout the Sound; it was a very serious problem, it's not insignificant in any manner.

MR. BARTON: Mr. Cole.

MR. COLE: Well I thought I was getting at on whose lands are these arch- -- are they all on State and Federal lands or are there some on lands owned by Native corporations?

MR. PIPER: Some of these are in upland areas above the tide line, but a lot of them are in the upper inner-tidal area, they're not just private lands, they are State and Federal lands.

MR. COLE: Let me ask the question once more 'cause I have

MR. PIPER: Yes, sir.

MR. COLE: a difficulty. Are any of these archeological sites on lands other than lands to which the title rests in the United States of America or the State of

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Alaska; that's the question?

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MR. PIPER: I can't tell about the projects but go ahead, Dave.

MR. GIBBONS: Excuse me, Mr. Chairman, I can answer that. No. We have excluded any private plans from this damage assessment analysis.

MR. COLE: Thank you.

MR. BARTON: Further comments or questions?
Mr. Rosier.

MR. ROSIER: Question in regard to -- Dave, the Restoration Team had zeroed out R37, R41 and R15, could you give me some insight into why those projects -- what the thinking was on those projects by the Restoration Team?

MR. GIBBONS: Yes. Maybe I can give a little bit of input on that, and hopefully the Restoration Team will help me out here. The thought behind the manipulation enhancement by the Restoration Team was to defer these actions until we've had public input from the Restoration Plan on what types of activities the public would like to see out that. And so that was the reasoning behind these projects going down, not being deferred through this year I should say.

UNIDENTIFIED VOICE: Mr. Chairman.

MR. MORRIS: Mr. Chairman. And I think we felt that they could be postponed and still achieve the same results, it wasn't necessary to do it this year as opposed to next year.

MR. BARTON: Okay. Any other comments or questions? Is that true that 115 can be postponed, be deferred without further (indiscernible) -- R115?

MR. RICE: Mr. Chairman.

MR. BARTON: Yes, Mr. Rice.

MR. RICE: R115 is the Coghill Lake sockeye salmon project, there is decline in the sockeye salmon returns to that lake that are very dramatic. Not all of the decline is attributable to the oil spill, but in conversations or information I have both from Forest Service biologists and from Fish & Game is that the returns coming back to that lake are so low that they've had to even pull the weirs out of there to not cause harm to any of the smolts going out, there's so few fish coming back in there. And there is a fear that unless some work is done very soon that they could completely lose the fish out of that lake.

MR. BARTON: Does that not fall within the philosophy and policy that we addressed earlier in our motion to adopt that?

MR. ROSIER: It seems to me that it did, Mr. Chairman, at least in the case of the Coghill situation there. Again, it seems to me that in the case of Coghill that this is an opportunity that would be highly beneficial in the area. And it seems to me that I'd like to see this at least go forward to the public and see what their reaction is to that proposal, for

1	something other than a zero budget dollar attempt (ph).
2	MR. BARTON: Are you making that amendment?
3	MR. ROSIER: I would move to amend the February 27th
4	budget allowance from 00 to 184.1 with overhead.
5	MR. BARTON: It hasn't been adopted in the February 5
6	proposal?
7	MR. ROSIER: Yes.
8	UNIDENTIFIED VOICE: February 5 proposal.
9	MR. SANDOR: I'll second it.
10	MR. McVEE: Mr. Chairman.
11	MR. BARTON: Further discussion? Mr. McVee.
12	MR. McVEE: Yes. I guess while we're looking at the
13	projects that were zeroed out, there was another one that was
14	zeroed out by the Restoration Team, the sea otter project, R6.
15	MR. BARTON: I wonder, would we be better off taking
16	these one at a time or would it be easier to deal with them?
17	don't go ahead.
18	MR. McVEE: I guess that was zeroed out, and as I
19	understand it, we'd probably it might be well to have
20	someone explain that in more detail, but that
21	MR. BARTON: Which one is that?
22	MR. McVEE: R6.
23	MR. BARTON: R6, what's the
24	MR. McVEE: It was Recovery Monitoring.
25	MR. GIBBONS: Excuse me, Mr. Chairman. That is in the

section where the Restoration Team and Chief Scientist 1 2 recommendations. 3 MR. BARTON: That's the one we've already dealt with? UNIDENTIFIED VOICE: No. 4 5 MR. COLLINSWORTH: No, that's the -- where there was 6 deferral. 7 That was deferral? MR. McVEE: 8 MR. COLLINSWORTH: Yeah. 9 UNIDENTIFIED VOICE: It was the Restoration Team and the Chief Scientist. 10 11 (Off record comments) 12 MR. McVEE: Okay. 13 MR. BARTON: I don't even have it. 14 MR. GIBBONS: You've already dealt with it. 15 MR. BARTON: We've already dealt with it? 16 MR. GIBBONS: That's correct. What you have in your 17 package is there's the package that you've approved minus the 18 coastal habitat, and which is the joint recommendations of the Restoration Team and Dr. Spies, and that's where R6 is located. 19 20 It's -- there's another summary sheet in the back of the Trustee Council's documents that just collates all the things 21 that were deferred, no matter where they were; it just collates 22 23 them all into one -- into three pages there. In the interest of getting a string (ph) 24 MR. BARTON: 25 around these things, can we hold off on that?

2 interrupted) MR. BARTON: So, anymore discussion on R115? 3 The 4 amendment to the main motion and the amendment is to adopt the 5 February 5 proposal. Any objection to the amendment? 6 MR. COLE: Could you please say again, please? 7 MR. BARTON: The amendment is to adopt the February 5 8 proposal for R115, \$184,000.00 instead of the February 27 9 proposal which zeroed it out. We would just go ahead with that 10 one for public review. MR. COLLINSWORTH: Mr. Chairman. 11 12 MR. BARTON: Yes. 13 MR. COLLINSWORTH: Are we not going ahead for public 14 review of all of these projects, whether they're zeroed out or 15 not? 16 MR. BARTON: We've not dealt with that question. 17 certainly -- you know, we can send out two packages, one has 18 been approved and one has not been approved. We've not dealt 19 with that, but we -- I guess in the interest again of getting a 20 string around this thing, set that one aside for a little while 21 or do you want to go through that now? 22 MR. COLE: Let's set aside. MR. COLLINSWORTH: Well, it makes -- it certainly makes 23 24 a difference. I mean if we -- if the only way that we can get 25 something before the public to have their comments is that we

UNIDENTIFIED VOICE: Defer that (indiscernible -

have to have some dollars in the column, then that's one decision. I mean if we're going to -- if the public is going to have an opportunity to comment on the projects that have been zeroed out, that's another situation. I'd like to know which it is before I vote, because I may well like to have the public comment on R115, but I don't know if they're necessarily going to approve it (ph) before we get public comment.

MR. BARTON: We're not approving it.

MR. COLLINSWORTH: I know.

MR. BARTON: We are approving them for public review at this point.

MR. COLLINSWORTH: I'm trying to find out whether the public's going to have an opportunity to review these projects with or without a dollar amount in 27, a positive dollar amount in the February 27 column.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

MR. COLE: It's my view that once we say that a project is zeroed out then we cannot go forward, we shouldn't send it out for public review. I mean we'll never get anything done, we'll never make any decisions. I mean it's my understanding that when we make this decision, we said we don't want public comment on these because we are not in favor of the projects going forward. That's been the understanding I've been operating under.

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if we don't (indiscernible - microphone out) -- we could have 2 3 sent these out the first of January and sent them all out (ph). MR. COLE: What are we doing if we aren't doing that? 4 5 We should say send them all out and pick up our papers and go 6 home. 7 MR. BARTON: The public will have the opportunity to 8 (indiscernible - background coughing) -- comment on these and provide suggestions to us for others as well (indiscernible -9 voice lowers, microphone out). 10 11 MR. MORRIS: Mr. Chairman. Mr. Morris. 12 MR. BARTON: 13 MR. MORRIS: Yeah. A procedural point though that there is a distinction there and that we do have interim 14 budgets attached to these projects that would say what some 15 16 projects need to do during the public review period. 17 they -- to me, it's implied that you're allowing us to fund 18 those projects, but the ones with zero, of course, wouldn't 19 have any funding approved for the interim. 20 MR. BARTON: Other comments or should we go back to the amendment and vote? 21 MR. COLLINSWORTH: One question then. 22 If we were to 23 approve the motion before us, what would be in the three-month 24 budget with overhead? There would be no activity on these 25 projects?

MR. BARTON: It would seem that we waste a lot of time

1 MR. BARTON: Here generally, are you talking about 11/ MR. COLLINSWORTH: 115, that's correct. 3 MR. BARTON: If 4 MR. GIBBONS: I think we can find that number in the The sheets, the three-month project budget, that should 5 back. be in. 6 7 Well, we can answer your question I guess MR. BARTON: 8 that there would be money -- you know, there is money in a 9 three-month budget if that project were approved, is that 10 right? 11 MR. GIBBONS: That's correct. (Off record comments) 12 More comments or discussion? 13 MR. BARTON: 14 If there is money in the three-mon MR. COLLINSWORTH: 15 budget then that starts -- and there will be money committed to this project before we get back to it after public comment, 16 17 then essentially we're approving this project to go ahead 18 unless we want to incur the loss of stopping the project after 19 we spend three months of the money (ph), is that correct? 20 MR. BARTON: Then we had a lengthy discussion about that at our two previous meetings, and 21 22 UNIDENTIFIED VOICE: Yes, we have. 23 MR. BARTON: that is not a desirable thing in the real (ph) situation. Further comments, discussion on that 24 25 point?

1	MR. COLLINSWORTH: Well did we find out whether there
2	would be any activity in the next three months?
3	MR. GIBBONS: Yes.
4	MR. BARTON: Mr. Gibbons.
5	MR. GIBBONS: That figure is about \$93,000.00.
6	UNIDENTIFIED VOICE: No.
7	UNIDENTIFIED VOICE: No.
8	MR. GIBBONS: Yes. Yes. There's it's a joint
9	Alaska Department of Fish & Game project and joint Forest
10	Service project, there's two sheets in the back.
11	MR. BARTON: I assume the reason that we have to do
12	that is because of the resource considerations?
13	MR. GIBBONS: Yeah. The way I understand it, and
14	maybe
15	MR. RICE: Mr. Chairman. Yes.
16	MR. BARTON: Mr. Rice.
17	MR. RICE: The major expenditure of this project would
18	be acquiring fertilizer to begin the fertilizing of Coghill
19	Lake.
20	MR. BARTON: And why does that need to be done in the
21	next three months?
22	MR. RICE: They would start the fertilizing fairly
23	early in the spring.
24	MR. BARTON: And that's because of?
25	MR. RICE: Biological considerations but I don't have

an answer to that. 2 MR. BARTON: That's the answer I was looking for. MR. McVEE: Mr. Chairman. 3 MR. BARTON: 4 Mr. McVee. I guess, you know, this three-month budget 5 MR. McVEE: 6 problem, you know, and the fact that there we're authorizing 7 the expenditure of funds isn't a great problem, but I think that it's a high-risk -- very high-risk operation, not only 8 9 from the standpoint that something may happen that we didn't fund and approve (ph) but I think from a legal base it's a real 10 11 problem. But that's certainly true of all agencies 12 MR. BARTON: 13 (ph) not just this one. 14 MR. McVEE: Not just this one, but just the fact that you know, of our -- where we stand in terms of our current 15 16 authorities to expend money. 17 MR. BARTON: About where we were in April of '89. 18 MR. McVEE: Yeah. 19 MR. BARTON: (Indiscernible - microphone out). I don't 20 know what -- what is the answer, though, what do we about it; 21 do we stop it? Vote on the motion. 22 MR. COLE: MR. COLLINSWORTH: Mr. Chairman, before we get ready to 23

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vote, I'd like to have the Team tell me why that was zeroed

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out.

1 MR. BARTON: Mr. Gibbons. 2 MR. GIBBONS: Yes, I could try to explain that. Again, 3 the philosophy of the Team was that we'd go forward to the 4 public with a restoration plan before we do any implementation 5 projects and get the feedback from the public on what they would like to see done. That was the reasoning behind it. 6 7 I'm ready on the amendment. MR. BARTON: questions, comments? 8 9 One more point, Mr. Chairman. MR. McVEE: 10 MR. BARTON: Mr. McVee. Some of these projects -- and I don't know 11 MR. McVEE: 12 whether they've been done or not -- will require, you know, an 13 environmental assessment, there's a new compliance, I point ' 14 that out before we vote. 15 MR. COLE: How are you going to vote, by the way? 16 MR. BARTON: Why don't we find out. Is there objection 17 to the amendment? The amendment being to adopt the February 5 proposal for R115. Is there objection to the amendment? 18 19 Is that with the clarification with the MR. McVEE: 20 Coghill Lake amendment, is that where we're at? 21 MR. BARTON: That's what we're voting on right now. UNIDENTIFIED VOICE: 22 That's the amendment. MR. McVEE: 23 Okay. 24 Is Coghill Lake. MR. BARTON: 25 MR. McVEE: Okay. I'll object.

MR. BARTON: All right. The amendment fails. 1 back to the main motion again. Are there other comments or questions on any of the other projects? 3 I have a question myself on R96 and why that was zeroed 4 out, what's the rationale there? Under G, Page 3, R96. 5 MR. RICE: Mr. Chairman. 6 7 MR. BARTON: Have I hit a bingo yet? MR. RICE: Mr. Chairman. 8 9 MR. BARTON: Yes. 10 MR. RICE: Yes. R96 was one proposal to identify upland resources as they relate to injured species -- or upland 11 12 habitats, excuse me, as they relate to injured species. think the Team voted it down because they were concerned with 13 the cost and the time frame that it would take to get that 14 information, and felt that there were other ways of gathering 15 that information. 16 17 MR. BARTON: How does this -- I'm sorry, Mr. Sandor. No, go ahead. 18 MR. SANDOR: How does this then relate to what we did a 19 MR. BARTON: couple meetings back in establishing the Lands and Habitat 20 Group? 21 Well it, at least, removed this one from a 22 MR. RICE: mechanism for making that direct link to injured resources. 23 24 There may be other ways of approaching it or refinements of 25 this one that the Restoration Team could bring back to the

Trustee Council that would give them maybe several options for looking at that upland habitat.

MR. BARTON: This then was not a way of that group redeeming its charge, is that what you're saying?

MR. RICE: Well it could have done that, what it would have done is looked both from a remote sensing application with field checking to identify habitats. And there were concerns with both the technique and with the time frame and the costs of getting that product out, and that's why the Restoration Team voted it down.

MR. BARTON: Mr. Sandor.

MR. SANDOR: Well, identification of critical habitat is -- I think as the Chairman pointed out, is an item we discussed before and one that was, I thought, a high priority item. How are we going to identity critical habitat if we don't do it in this project?

MR. RICE: We have one other project in there that will -- that is, at least, an attempt to look at some of the lands that have identified as high risk; i.e., those where there may be plans of operation for timber sales that would go in and look at the stream side areas, both looking for salmon and possibly Harlequin ducks. We don't have a proposal to look at those other resources besides those species specific studies that are going on, they will provide some information but that won't -- could not be applied spill area wide or to certain

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areas unless the study was conducted in that area. don't have a broad project to provide that information. 3 MR. SANDOR: Sort of a follow-up question, Mr. Chairman. 5 MR. BARTON: Mr. Sandor. 6 MR. SANDOR: Then very specifically for the Harlequin duck critical habitat, was that to be identified in this study or this other study? MR. RICE: I think it's R47. MR. MONTAGUE: 10 Yeah. 11 MR. SANDOR: Okay. MR. MONTAGUE: Mr. Chairman. 12 13 MR. RICE: Which would have provided some of that 14 information for Harlequin ducks because they do appear to nest very close to the stream sides, and R47 would look at salmon 15 stream habitat. 16 17 Other comments or questions? MR. BARTON: 18 MR. COLE: Mr. Chairman. MR. BARTON: Mr. Cole. 19 20 MR. COLE: I would like to say that I intend to vote for this motion. I think the Restoration Team has done an 21 22 outstanding job in the last two or three weeks since they reviewed again these projects. I might not come out the same 23 way as they on each of these, but they've worked hard, I 24

respect, generally their judgment, and I intend to support

them. I think that they've devoted a lot of time, a lot of 2 special abilities on these issues, and I think once we get our work done on this, we -- at some juncture, we must have confidence in the Team that we appointed. 5 MR. BARTON: It sounds like we're ready for the vote. 6 Is there any further comments or questions? 7 MR. COLLINSWORTH: Yes, Mr. Chairman. MR. BARTON: Mr. Collinsworth. 8 9 MR. COLLINSWORTH: I may have had a misunderstanding as 10 we started this process. I thought we had -- we were going to look at three tables. The one where we had both the 11 Restoration Team and Chief Scientist recommendation, and then 12 the Restoration Team and Chief Scientist recommend- -- I mean 13 14 without the Chief Scientist, then there is this other table that had some deferrals. And I think somebody down the table 15 16 brought up one issue there on sea otter. Will we be visiting 17 this table? MR. BARTON: Well let me just say I thought we were 18 19 dealing with three tables, too, but we have a different Table 3: 20 21 MR. COLLINSWORTH: Well MR. BARTON: Maybe we've got four tables. 22 23 MR. COLLINSWORTH: When 24 Where is this deferral table to be found? MR. BARTON: 25 MR. GIBBONS: Let me try to explain this. We tried to

make it easy for you.

MR. BARTON: You weren't counting on me being here.

MR. GIBBONS: There are actually four tables in there, we were looking for recommendations. There's -- stop. There's three tables in the public version. This morning, we finally said well, perhaps, the Trustee Council would like to have a summary of all of our deferrals; where they could just look at a table and look right down it and see every project we deferred.

So, the Trustee Council has four sets of tables. You have a table that has Dr. Spies and the RT joint recommendations, that includes both the ones that we've moved forward and the ones that we also deferred. The next table is the recommendations of the RT members only, that also contains projects that we recommend to move forward and recommend projects for deferral. The third table is a project proposal requiring additional consideration by the Restoration Team and Chief Scientist, that has two studies on it and their coastal habitat. And then the table that the public doesn't have that we thought we'd make easy for you is the fourth table you're looking at, and it's called Restoration Team/Chief Scientist Deferral Recommendations.

MR. BARTON: But that

MR. GIBBONS: And that's a composite of all three -- of pre- -- yeah, there's no deferrals already on the third one.

But the composite of the joint and the RT recommendation deferrals.

MR. COLLINSWORTH: Well, Mr. Chairman. Maybe, again, it was the result of my confusion. But there were -- there are two projects that I wish to bring to consideration -- forward for consideration, and that is the killer whale project and the humpback whale closeout. Now, I don't know where the appropriate point is to do that.

MR. BARTON: Let me suggest that since neither of those are contained in the group of studies that we're presently dealing with that we finish the action on this group of studies and then come back to that either next or after we finish my third table.

MR. COLLINSWORTH: Well

MR. BARTON: And they do not relate to this, is that right? At least they're not contained any of these three pages.

MR. COLLINSWORTH: Mr. Chairman. I'd like to -- with your guidance, what I'd like to do is to make a motion that will expand the present motion that's under consideration to allow us to take into consideration the issues that I identified and that, perhaps, others have identified in terms of sea otters, and humpback whales and killer whales. I'd like to have it within the package of the motion that we're looking at and not dealt with

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1	MR. BARTON: Okay.
2	MR. COLLINSWORTH: individually (ph).
3	MR. BARTON: Do you want to make amend then the
4	motion to include those two studies?
5	MR. COLLINSWORTH: I would make that motion, yes.
6	MR. BARTON: Okay. And how do you want them included?
7	See, I don't understand the issue; you want the funding
8	restored or you want to adopt the February 5 proposal for
9	sea otters, is that it, or killer whales, whichever one?
10	MR. COLLINSWORTH: I would yes, similar to the
11	yes, I'd like to have those.
12	MR. BARTON: Okay. So now, we have an amendment on the
13	table, is there a second to the amendment?
14	MR. ROSIER: Yes. We should discuss I guess before
15	there's a second.
16	MR. BARTON: I don't know that it makes any difference,
17	go ahead.
18	MR. ROSIER: Okay. I'll second the motion.
19	MR. McVEE: I guess it would be my feeling if we could
20	go if we could finish and I guess I agree with Don, that
21	we maybe need to look at all of the projects that were zeroed
22	out, you know, kind of a second shot at that in case we've got
23	something there that we want to have second thoughts about.
24	But it seems like maybe we should go ahead and complete dealing
25	with Table Number 2 first, and then just agree to take a quick

look at all of those that were zeroed out; if we could agree upon that, I think that it might be operationally a little easier to handle.

MR. BARTON: Is that satisfactory to you or not?

MR. COLLINSWORTH: Well, I'm -- for ease of

administration here, I guess I'll go along with that; I'm not

real excited about doing that because I'd rather have these

things taken up for consideration in the matrix of all of the

other things that we're going to be voting on but as opposed to

individually. But I will go along with the majority's

sentiment.

MR. COLE: Well, Mr. Chairman.

MR. BARTON: Mr. Cole.

MR. COLE: I thought we went through all this at 11:00 o'clock this morning. I mean is everything opened up again, that we are going to go back and review everything we've done this morning? I don't even know where we are now, as a matter of fact. But I thought when we took a vote and we acted upon these that that was the end of it. Are we going to go back and revisit these things that we passed upon this morning?

MR. BARTON: Well, I presume that it's within our rules to do so. We can agree not to do so, but I think it's clearly within the rules.

MR. COLLINSWORTH: Well, Mr. Chairman.

MR. BARTON: Mr. Collinsworth.

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 MR. COLLINSWORTH: I guess there were two things then that I have some responsibility to bring before this body for consideration. And that is the wishes of my agency to finish the humpback whale study for \$15,000.00 to close it out; we have two years of work not one, about a hundred thousand dollars a year. So we've invested a couple hundred thousand in that, and I would like to close that study out for \$15,000.00; a modest amount of money. And then, I would like to have consideration of the killer whale studies, and I had Staff prepared to discuss that.

Now, if I erred this morning by thinking I would have an opportunity to bring these issues before the Council, I apologize, but I'd like to have that opportunity at some point

MR. COLE: I have no objection.

MR. BARTON: Again, for ease of getting a string around this thing, I would suggest we defer, we can reopen that whole matrix if you want to keep it within the matrix. But we do have an amendment that was seconded, and then did the second withdraw his second?

MR. ROSIER: I'll be glad to withdraw my second.

MR. BARTON: Okay. So now we're back to the main motion. The main motion being to adopt the February 27 proposal for those items that we have not previously dealt with in the Restoration Team recommendations without the recommendations of the Chief Scientist, with the exception

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R118, that money got moved to FS28. Is there objection to the motion? Is there objection to the motion? Great. The motion passes. I move we take a break. We'll get back in 10 minutes.

(Off record)

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(On record)

MR. BARTON: We've got to break by 4:50 so we can get set up for the teleconference. We need to decide what we're going to do here. The first thing I would like to do is recapitulate --

(Off record comments)

MR. BARTON: recapitulate what I think the last motion was. And that is that we endorsed the Restoration Team recommendations, the February 27 proposal, for everything that we had not dealt with earlier in this group, and what we dealt with earlier was FS28, FS27, R113, R53 and R59. Then we also deleted the funding for 118 -- R118 and moved that FS28. Everything else we adopted as a Restoration Team February 27 proposal. Is that the Council's understanding as well?

All right. That brings us to the 1992 Project
Proposals Requiring Additional Consideration by the Restoration
Team and the Chief Scientist. And we had earlier moved R60A
and B and R73 to this list from the first package we dealt with
this morning. Mr. Gibbons, do you want provide any insight to
what we do with this table?

MR. GIBBONS: Yeah, I might provide some. Maybe we can

get some discussion from Dr. Spies on the coastal habitat recommendation, and then we can move off from there and deal with coastal habitat first and then deal with R60A and B and R73.

MR. BARTON: All right. Dr. Spies.

DR. SPIES: As I said in my memo to the Trustee

Council, the coastal habitat program is a very complex and
geographically comprehensive study that was meant to describe
with a great deal of precision and certainty damages to the
coastal habitat zone throughout the spill area. And it was
really designed with the litigation end in mind, I think, to a
large extent and have many, many parts to it. It examined
three main geographic areas, as well as different habitats,
such as rocky -- exposed rocky shores, protected rocky shores
hollow (ph) beaches, estuaries (ph). It dealt with various
(indiscernible) of oiling, it dealt with various kinds of
organisms and it had experimental work in it. It's a very
large and complex study.

And since the -- we are in settlement (indiscernible)
now I think that my reading of the sympathy of the Trustee
Council is, perhaps, that we don't need this much detail in the
study to get to the end point. I think that the problem is
something like somebody who wants to do well in the Grand Prix
race and they would want to design a very nice car
(indiscernible) -- a block engine and designed -- complete the

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machine from the ground up. And I think there is some questions now as to maybe we could get where we want to go with a Ford Taurus or something of that sort.

And it's a problem as to how we can extract the kind of information reviewed in this study in an economical way to understand what the injury was. There has been approximately 18 to 20 million dollars spent already, and there's a request for about 3.4 to 2.95 depending on how you interpret the numbers for closing out this study. I have conveyed the -- what I (indiscernible) -- the Trustee Council's feelings on this to the people at the University of Alaska that were doing this work, and asked them to provide a number of options in the last several weeks as to how we could complete this study more economically.

Plus, we understood, also, that with the needs for litigation -- the litigation schedule that was set up last year before settlement was achieved, the lawyers were pressing us pretty hard as to bring forward the essence of the findings and (indiscernible) would come into the litigation schedule. And last August there was a major caucus or large meeting in Fairbanks, we tried to prioritize, parts of the studies need more attention that others. For instance, we know that there is more damage probably done on the rocky shores, there were (ph) some of the other sandy beaches and so forth and this would be easier to detect in the environment. So, we put

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priority on that.

We knew that there was probably -- we thought there was probably more damage in Prince William Sound because most of the heavily oiled shorelines were -- there was more heavily oiled shoreline in Prince William Sound, and so we put priority in Prince William Sound studies.

So, we've tried to set a priority, and we've set schedules and so forth. And, the University of Alaska have been very cooperative in trying to meet the needs under this time. And I think what's being asked now is there a way that we can finish this study in a little more economical factor because that number does stick out, it's very large. But my comments to that, I'm just trying to give the Trustee Council an appreciation of where we're at in this process really (ph).

We, in some sense, made a commitment early on, and the question is how are we going to be able to still get something useful out of this and an economical approach as well.

The University of Alaska gave me some options, they're in the memo to the Trustee Council, and they go down to about two million dollars. And now, they've prioritized those options and gave us an idea of what would be lost if we did not do certain parts of the study. And most of those options include the leading geographic areas outside of Prince William Sound. It had been suggested by the peer reviewers and some of the Restoration Team that, perhaps, we'd look at another sort

of option. It would involve different sampling periods because during each field season there was two visits to most sites.

And although, Dr. Hysmith (ph), the project director's initial response to that was that he thought the leading geographic areas might be, in his opinion, a better option than the deleting (ph) of the second round or first round visits. And I think we would need to revisit that issue.

There's also in the second part of -- is a restoration proposal for next year, and the question is do we need to do some fieldwork out there. This is one of the few studies we're -- the peer reviewers have prevailed very strongly on me that we need to do something out there in the inner-tidal zone because the zone may be recovering pretty quickly. And there is some other things going on out there that it would be very nice to know about.

In particular, there's some secondary things, some upper inner-tidal zone; the deepest (ph) seaweed is not coming back in the upper inner-tidal zone very quickly, and there is some things about the way that the young plants settle. There is apparent secondary affects going on with the inability of limpets to recolonize in the upper inner-tidal zone; in fact, they're being preyed on by shorebirds. And the limpets are probably -- would be surviving better if fucus (ph) was up there.

So there's a whole series of things that are just

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becoming to emerge as affects. And in some sense, at least from a scientific point of view, we'll be missing something by not being out in the field. I would propose to add that we do just the experimental work that's been done in Herring Bay, Upper Yukon (ph), in support of the understanding of those secondary affects. And the University of Alaska's preliminary given to me -- and this is very rough, a figure of \$580,000.00 (ph) to do that work next year. I think there may be some possibility for achievement of further economies (ph) on that.

(Off record comments)

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MR. BARTON: Do you want to continue, Dr. Spies? I'd ask you to hold any further comments.

(Off record comments)

Is there anything further, Dr. Spies? MR. BARTON: DR. SPIES: Yeah. I think that it would be -- you know, we've been under a lot of pressure in the last month, we've been doing a lot of different projects, and I'm a little concerned that we be a little bit too hasty here in making decisions about these particular projects. I would like a chance to revisit these now that most of the package has been decided upon, and get back to the University of Alaska with the Restoration Team and bring the peer reviewers back into and see -- I know the field season is pressing upon us and commitments need to be made if things are going to be done. But I would like the opportunity to revisit these two projects and come

back to you with some further recommendations.

MR. BARTON: So you main message in CH1A is to use -borrow legal terminology, it's not ripe, is that right, yet for
a decision.

102, it sounded a little like we were trying to contribute to the general body of knowledge rather than work towards restoration with that project. Is that an accurate characterization?

DR. SPIES: I'd say in large that's true, but there are some things that have been proposed as restoration measures that we don't know for sure would work, but people have proposed mechanisms of seeding in (ph) by one mechanism or another, the fucus plants that might trigger some recovery of the other species, and upper inner-tidal is one.

So, whether -- the peer reviewers are mostly all academic scientists so you appreciate their interests or understanding these injuries. And I have sympathy with that, and at the same time, I think we need to look at the costs in terms of what could be done in terms of restoration. A lot of these (Indiscernible) are likely to fix themselves (indiscernible - away from microphone.

MR. BARTON: Comments or questions of Dr. Spies?

MR. McVEE: Mr. Chairman.

MR. BARTON: Mr. McVee.

MR. McVEE: Since what we're doing here is approving

projects to go out for public review, could we send this one forward, I guess this would be an option, and during that interim -- of course, it might create some expectations on the part of the public but maybe some qualification on it in the public review package would be appropriate. But during the interim, then do some further analysis and see where there may be ways of scaling down the size of this project before we take the final action.

MR. BARTON: Other comments, questions? When would you anticipate having these discussions concluded with the University and being able to recommend something?

DR. SPIES: Realistically, probably within several weeks, at the pleasure of the Trustee Council to have the option to making that decision later on (ph) (indiscernible).

MR. BARTON: Mr. San- -- is there a motion on either of these two or is there just no motion? Thank you for the information, Dr. Spies. Where does that leave us (ph)?

MR. GIBBONS: Mr. Chair.

MR. BARTON: Mr. Gibbons.

MR. GIBBONS: Yes. The Restoration Team I think is recommending that the damage assessment closeout move -- you know, we need -- there was a bunch of people up there at the University of Alaska that are working right now, and the existing contract ends at the end of this month. And so we would like to treat it like Dr. Spies, move it ahead at a

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level, let us work with Dr. Spies and the University to look 1 where we could get some savings on this and come back. 2 3 MR. BARTON: Okay. Can you come back by the next meeting? 4 MR. GIBBONS: 5 Yes. MR. COLE: Mr. Chairman. 6 7 MR. BARTON: Mr. Cole. 8 MR. COLE: I move we accept the recommendations of 9 Dr. Spies and Mr. Gibbons. 10 MR. BARTON: Is there a second? 11 MR. SANDOR: Second. MR. BARTON: Any further discussion? 12 13 MR. COLLINSWORTH: Mr. Chairman, just for -- again for clarification. I can't find my sheet, but it looks to me like 14 in the first three-month budget plus overhead, essentially one-15 third of the dollars in both of these projects -- well not 16 quite one-third in the first one, but about a third of these 17 two projects will be -- the monies will be committed and that 18 they will be engaged in activities. And how do we know if 19 20 there is going to be an opportunity to scale it back if they initiate expenditures on projects that -- or portions of the 21 project that might be scaled back? 22 MR. BARTON: Mr. Gibbons? 23 I would assume that if we reach agreement 24 MR. GIBBONS:

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with the University at a point before the end of the three-

1	month period, we would scale it back to that time and just mo
2	forward with the new level that we've reached agreement on.
3	That would be our recommendation.
4	MR. BARTON: Further discussion? Is there objection to
5	the motion? Okay. The motion's adopted. R60A and B and R73.
6	(Pause)
7	We moved those to this group from the earlier from
8	the first grouping. I don't even know what they were.
9	UNIDENTIFIED VOICE: R60A and B I think R73 was
10	harbor seals.
11	MR. BARTON: Harbor seals. Who wishes to speak to
12	those? What action do we want to take on those?
13	MR. COLLINSWORTH: Mr. Chairman.
14	MR. BARTON: Mr. Collinsworth.
15	MR. COLLINSWORTH: For purposes of considering the two
16	items that I brought to your attention before the break, I
17	would move to reconsider our motion of this morning; the
18	package that was approved, Restoration Team and Chief Scientist
19	Recommendations.
20	MR. SANDOR: Question. Is that just those two items
21	only?
22	MR. COLLINSWORTH: Well that's my intent.
23	MR. SANDOR: Yeah. I would second the motion that
24	reconsideration be confined to those two items only.
25	MR. BARTON: So all right. Marine mammals, one, and

1	what's the other one, Mr. Collinsworth?
2	MR. MORRIS: R82A.
3	MR. BARTON: Wait a minute.
4	MR. MORRIS: R82A.
5	MR. BARTON: Is the purpose for which we move R60A and
6	B and R73 the same as the purpose for marine mammals one? In
7	other words, can we talk about them as a group now, is that
8	appropriate to meet your needs?
9	MR. COLLINSWORTH: I need to get a second with a
10	caveat. It's all right with me.
11	MR. BARTON: Okay.
12	MR. COLLINSWORTH: I'm doing it for the purposes of to
13	identify (ph).
14	MR. BARTON: Yeah. Okay.
15	UNIDENTIFIED VOICE: Mr. Chairman.
16	MR. COLE: Mr. Chairman.
17	MR. BARTON: Mr. Cole.
18	MR. COLE: Which ones are we reconsidering?
19	MR. BARTON: Marine mammals one which can be found on
20	Page 2. First of all, we're in the package of Restoration Team
21	and Chief Scientist Recommendations.
22	MR. COLE: I'm not that far off.
23	MR. BARTON: Okay. It's on Page 2, marine mammals one.
24	MR. COLE: Okay.
25	MR. BARTON: And where is R82A?

1	MR. MORRIS: Page 4.
2	MR. BARTON: On Page 4, killer whales. And then we
3	have, also, on Page 5 R60AB and R73.
4	MR. McVEE: Mr. Chairman.
5	MR. BARTON: Mr. McVee.
6	MR. McVEE: Yes. As long as we're listing projects for
7	reconsideration, I'd like to include R6, sea otters.
8	MR. BARTON: R6, sea otters.
9	MS. BERGMANN: R6E.
10	MR. BARTON: Found on what page?
11	MS. BERGMANN: Page 4.
12	MR. BARTON: R6.
13	UNIDENTIFIED VOICE: And is a companion project 6E.
14	MS. BERGMANN: Right.
15	MR. BARTON: Where is 6E on Page 4? Okay. Anybody
16	else want to throw something in? We have 20 minutes before we
17	need to break for to set up the teleconference. Does anybody
18	want to speak to any of these?
19	MR. COLLINSWORTH: Mr. Chairman, I'd like to speak to
20	R82A, killer whales. I propose that we adopt the February 5th
21	proposal to go out for public review. I'd like to ask if I
22	have a second on that, I'd ask Mr. Morris to address the issue.
23	MR. SANDOR: I'd second that.
24	MR. BARTON: Okay. Mr. Morris. Mr. Morris.
25	MR. MORRIS: I had originally intended to make a

somewhat 10 minute or more presentation on killer whales to you. I think it's very important to demonstrate to you the injury that we have documented to this species. And I don't want to be rushed on this either because we have a very compelling story here that needs to be fully told. I really don't -- I guess I don't know how to proceed, I can try but I know our time is short and there are other projects that also want to be considered in this half hour.

MR. SANDOR: Twenty minutes.

MR. MORRIS: Twenty minutes.

MR. COLE: Mr. Chairman.

MR. BARTON: Yes, Mr. Cole.

MR. COLE: You know, out of consideration for everyone, I intent to vote against each one of these reopened projects. I mean I respect the Restoration Team's work, I respect Dr. Spies' work, and it seems to me that I support, as I said earlier, their effort. So I mean

MR. BARTON: That would seem to be a fairly definitive statement.

MR. COLE: Well, I mean we've asked this Restoration

Team to go back and work these projects (indiscernible
background coughing). Dr. Spies has worked, the peer review

work, we've had Restoration Team work and it just seems to me

that at some juncture we must support the people whom we've

asked to make, basically, these decisions for us. And I don't

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know. If we're not going to generally give them the support which we've given them here today, I mean we ought to sack the team and devise a new basic plan.

And I've gone through these things myself. Let me just say a word about the whales. We've done a lot of work in the Department of Law, and I realize that one pod, maybe seven is gone, we don't know where it went, we really don't know what happened to it, and furthermore, what will restore those killer whales. I mean, you know, it's nice to have that data, but I mean I just don't see the restoration work we can do. So I think we ought to just say that's enough and get on with the decisions we have to make. Thank you.

MR. BARTON: Mr. Sandor.

MR. SANDOR: I certainly wouldn't disagree with the Attorney General.

MR. COLE: No, he does all the time.

MR. SANDOR: But I think there may be a misunderstanding or at least something that might be cleared up with respect to this. As Mr. Collinsworth pointed out, this one project is a matter of with \$15,000.00 the final report is prepared. And I would want to know from the Restoration Team why they would have voted not to spend the 15,000 simply to write the final report?

MR. COLE: Ask Dr. Spies.

MR. SANDOR: Anybody.

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MR. BARTON: Mr. Gibbons, can you help us?

MR. GIBBONS: Yeah. I can speak to that. As I understand it and Mr. -- Dr. Morris can correct me, this was more of a life history study than a damage assessment study. And we figured that the final report would be a life history movement of the humpback whales, it wouldn't provide to the damage.

MR. MORRIS: That's not exactly correct. The Chief Scientist's recommendation was not to continue with this study and some of the Restoration Team members supported his recommendation. It's happened in several other studies as well.

The fact is we did study humpback whales for two years; the first year, we found no evidence of injury but there was such disturbance and commotion there that we feared that they would not return in the second year. We got the studied continued, they returned in better numbers than had ever been known to return before. There was no apparent injury other than, perhaps, disturbance to humpback whales. Nevertheless, we did learn a lot about the humpback whales that use Prince William Sound in terms of photo ID work, where they winter, what their other movements are that would be very valuable public information.

MR. BARTON: Would this

MR. MORRIS: And we feel it's just tidy to allow that

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1	information to be produced into a proper form that it can be
2	presented to the public. And also I think in future oil
3	spills, I think this contributes to the literature information
4	on whales versus oil spills. The fact is the whales did not
5	enter the Sound until late May, early June and probably were
6	not exposed to the worst part of the oil is probably why may
7	be why they were protected. But nevertheless, there's a flaw
8	with that (ph).
9	MR. BARTON: This kind of falls in then to that area of
10	the general body of knowledge versus restoration oriented.
11	Mr Sandor.
12	MR. SANDOR: Well I guess the bottom line is there to
13	be a final report that can be written for 15,000 from somewhere
14	so that the information isn't lost?
į	so that the information isn't lost? MR. BARTON: I would ask Mr. Collinsworth.
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14 15	MR. BARTON: I would ask Mr. Collinsworth.
14 15 16	MR. BARTON: I would ask Mr. Collinsworth. MR. COLLINSWORTH: That's what it's for, yes.
14 15 16 17	MR. BARTON: I would ask Mr. Collinsworth. MR. COLLINSWORTH: That's what it's for, yes. MR. SANDOR: Is there an alternative source of doing
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14 15 16 17 18 19 20 21	MR. BARTON: I would ask Mr. Collinsworth. MR. COLLINSWORTH: That's what it's for, yes. MR. SANDOR: Is there an alternative source of doing this 15,000 thing to be sure that this information isn't lost. I guess that's my concern. MR. COLE: Mr. Chairman. MR. BARTON: Mr. Cole.
14 15 16 17 18 19 20 21 22	MR. BARTON: I would ask Mr. Collinsworth. MR. COLLINSWORTH: That's what it's for, yes. MR. SANDOR: Is there an alternative source of doing this 15,000 thing to be sure that this information isn't lost. I guess that's my concern. MR. COLE: Mr. Chairman. MR. BARTON: Mr. Cole. MR. COLE: I'd like to hear Dr. Spies' views on this,

not

DR. SPIES: We didn't spend a lot of time in this (indiscernible - background coughing). That it looked that we needed to make some cuts, this is a study that had been over for a year, we expected to have seen, perhaps, a final report by this time, it wasn't in (ph) as low as priority listed NOAA (ph) as I understand it. And on that basis we made a cut, so I don't have a real strong feeling on this one (ph).

MR. BARTON: Mr. Rosier.

DR. SPIES: I'd like to also say that the recommendation against doing (indiscernible) work next year was more of a deferral than it was a recommendation on doing work further to the (ph) proposal. After talking with principal investigators we feel like we absolutely need to be out there next year (ph). So, defer that for a year.

MR. BARTON: Mr. Rosier.

MR. ROSIER: I was just going to say that in looking at the general budget of 15,000 for closeout, that seems to be the best bargain in town here at the present time. But

MR. BARTON: There is one cheaper in there.

MR. ROSIER: There is one cheaper but it's still an awfully good bargain as I see it on that. But the -- I'd like to move to the killer whales because I feel that that's the arena where certainly there's going to be a fairly significant amount of public interest. And we're all aware of the concern

that's been expressed there on this, and I'm not sure where 121,000 actually leaves us with that particular study, but I'd at least like to hear what that particular project, in fact, offers. Is this a final year on this one or is this

MR. MORRIS: No. This could be an ongoing effort depending on what we find this year. I guess I won't waste the public's time and injury (ph) with Mr. Cole's statement, but I hate to play my hold card right away. But this particular pod is severely injured, it went from 36 to 23 animals in two years; it may be still declining, we don't know. It's been socially disrupted. There's evidence of physiological injuries to various animals.

The point is this pod could lose it's cohesiveness and disintegrate into individuals animals wandering here and there, and that's a significant injury to a significant resource that we did not expect when we started this work. And we would not know that if we don't continue to follow this pod either to recovery or to final decline.

MR. BARTON: Mr. Rosier.

MR. ROSIER: Is there a restoration end point to this or is it, again, general information type

MR. MORRIS: I think there are several. The first ones that you think of are the terms of public education, perhaps, enforcement to protect the pod. It is a pod that has in the past been involved in fishery interactions and has suffered

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some level of mortality. We could, in some ways, protect it from that mortality through education and enforcement.

We could identify habitats that it uses that could be very important and offer them protection. And as a last resort, if there is -- and this is a real long shot but if this pod does show that it's disintegrating, some potential rescue effort of individuals.

MR. McVEE: Mr. Chairman.

MR. BARTON: Mr. McVee.

MR. McVEE: I guess what I understand of these would be deferrals, so the question would be what would we miss in terms of information if it was deferred until the 66 (indiscernible).

MR. MORRIS: Most of our techniques and what we know about how to study killer whales comes from the efforts that have taken place in British Columbian waters over the past 20 years. And they feel it takes -- I'm talking -- there's two types of killer whale pods, residents and transients; transients tend to come and go and split up, the resident pods seem to always stay together. But if an animal dies, they want to confirm it by two years from being missing for two years. As an example, we had one whale that was reported missing last year, we would not confirm that that was a death until we found that it was missing this year. If we don't go up this year, we wouldn't find that that whale was missing until 1993. Also, any whales that were missing this missing or next year could

not be confirmed which year they were missing in and it would take another two years to track their loss. It's those kinds of things that's happening.

You can't calculate mortality rates, life history tables for the population if you don't sort of have an annual record of what they're doing.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

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MR. COLE: If this information is so valuable and so needed for scientific studies and so forth, then the presentation should be made to the Legislature of the State of Alaska and to Congress and say, you know, this is valuable scientific data, we'd like to have it, we'd like to wind up these studies and let the Legislature make the appropriations. I have no objection to that, but to expect money from this restoration project to be spent on these things after we've gone through this definitive process, it seems to me is improper expenditure from these funds.

MR. COLLINSWORTH: Mr. Chairman, I

MR. BARTON: Mr. Collinsworth.

MR. COLLINSWORTH: Mr. Cole, I don't follow your logic. I have a very difficult time disassociating the changes that we have observed in this pod of killer whales and the fact that we spilled a whole bunch of oil in Prince William Sound. There is a relationship. There is a linkage, this is not a

disassociated academic exercise. I certainly respect your prerogative to object to it.

I would say, though, that your remarks about relying on the Chief Scientist and the Restoration Team are well-taken; they are very credible, knowledgeable professionals. But I don't intent to abrogate my responsibilities as a Trustee Council member in making determinations on whether or not I agree with them. And it seems to me, you exercise that prerogative earlier in the day when you recommended the motion to change their recommendation and substitute your judgment for theirs with regards to information and education and another project.

So I certainly agree with part of what you say but not all of it.

MR. BARTON: I'm confused a little. Was there a year's hiatus in the data or in the study already?

MR. MORRIS: No. We've studied them in '89, since March 31st we were out in the field with that pod and in every year since.

MR. BARTON: There is no motion before us.

MR. COLLINSWORTH: There is a motion before us. The -I made the motion and it was seconded to -- unless you took
Mr. Cole's categorical nos

MR. BARTON: No. What was the motion? I don't recall.
MR. COLLINSWORTH: The motion was to adopt the killer

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whale project at the February 5th proposal level, and that w I had asked Mr. Morris to speak to the motion. 2 seconded. MR. COLE: Mr. Chairman. 3 MR. BARTON: Mr. Cole. 4 Let me say this, you know. 5 MR. COLE: If we give on 6 this one as it were, then we just as well say we're going to 7 approve all of the others, you know. I think that's where the cut must be. I mean we either say if we accept this study on 8 9 the killer whales and these pods, then really this would fall 10 in line and approve every other project which we are reconsidering here or is sought to be reconsidered because we 11 12 will have the same arguments. And that's why I'm, you know, sort of trying to hold the line, 'cause I realize that if we 13 14 give on this and all the others will like dominoes fall and that's the end of that. 15 So that's how I see it. 16 17 MR. BARTON: Any 18 MR. COLE: And once you give on 15,000, we're out (ph) 15,000. All the others we'll just as well say we'll approve 19 them and be done with it. 20 I call for the question. 21 MR. COLLINSWORTH: Is there objection to an alternate? MR. BARTON: 22 23 MR. COLE: Yes. The motion fails under the rules with 24 MR. BARTON:

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We still have not dealt with three other

which we operate.

studies -- or five other studies here. Is there a motion to deal with those, R60AB, R73, R6, R6E and MM1.

MR. ROSIER: Mr. Chairman, I would move for consideration of the R60AB, before making any final motion on the dollar amount, I would call on Dr. Montague to provide the Council with that.

MR. BARTON: Which one is that?

MR. ROSIER: R60AB.

MR. MONTAGUE: Yes. Mr. Chairman. This is I guess the life blood of our pink salmon damage assessment and restoration work. The pink salmon industry in Prince William Sound is a 20 to 40 million dollar industry that employs approximately 6,000 people in the affected area. And the proposal that was accepted by the Restoration Team was simply to recover tags that had been applied in the past and not tag any new fish in 1992.

And this project has provided major methodology in which we can allow a fishery to go ahead and at the same time protect a number of damaged -- streams damaged by the oil spill. And we believe that a lack of having this information would require the Department to recommend a very conservative approach on the commercial fishery which could put requirements that fish be harvested near their terminal areas in which the value of the product would be quite a bit lower than is desirable and could, potentially, contribute to an already

serious problem of lower prices for pink salmon.

And we feel that in the end, this is how pink salmon will be restored; it'll be through a very precise management that allows the major industry in this region to continue without essentially dropping that obligation to provide the service and simply protect the damaged streams.

MR. BARTON: Present status of that project is, though, that it has been approved? I mean the action we took today included the February 27

MR. ROSIER: Yes.

MR. BARTON: proposal? Okay. Mr. Rosier.

MR. ROSIER: Mr. Chairman, yes. I think the question that's involved here, as I indicated, the entire program, I believe, is -- this was looked at from the standpoint of an issue that we covered earlier this morning in terms of funding from other sources. And it was originally submitted as a three million dollar package to the Restoration Team, ultimately, it was decided that it would be split, a flat (ph) funding on this. We're asking, at the present time, for this to be covered by the restoration funds from the civil suit, the entire project. And that, we feel, is what's necessary; this was a resource that was -- which we've indicated is -- there's a demonstrated damage there, and you've heard the economic importance of this to the Prince William Sound area. And certainly from our standpoint, a full program with the

restoration of those pink salmon in Prince William Sound. 2 That's the full proposal at the present time. 3 4 MR. BARTON: But what would be the expectation in the future years? 5 MR. ROSIER: Perhaps, Dr. Montague could give us a 6 7 helping hand with that stuff. MR. MONTAGUE: Yes, Mr. Chairman. We believe that the 8 9 level of tagging effort can be reduced in the future, 10 especially after such things as run reconstruction are finished. Right now, we feel the minimum level is 11 approximately a million fish to be tagged; it's a big 12 operation. And we would anticipate, I don't know percentage-13 wise, but certainly a very marked reduction in coming years. 14 15 And when -- right now, the eggs and fry are showing increased mortality, an indication that that ceases and we no longer have 16 17 an oil spill problem, we would immediately cease all funding of 18 the project out of the oil spill settlement monies. 19 MR. BARTON: How would -- what does a marked reduction translate into in terms of dollars? 20 MR. MONTAGUE: What's it translate into in terms of 21 dollars? I'd say 50%. 22 23 So in future years, we could expect an MR. BARTON: \$800,000.00 request? 24 MR. MONTAGUE: Well, it would be 50% of three million, 25

continuation of additional tagging is a necessary step in the

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so it'd be one and a half million.

MR. BARTON: But isn't that what you're asking for now is 1.6?

MR. MONTAGUE: Mr. Chairman, no, that is not correct. What we're asking for is -- I believe it's just under three million.

MR. BARTON: So you're not asking for the February 5 proposal, you're going back to the December proposal?

MR. ROSIER: To the December proposal, that's correct. (Pause)

MR. MONTAGUE: One -- Mr. Chairman, one additional item of information that may be useful for that is that we have approximately 30 years of information indicating quite conclusively that reduction in spawning numbers, and therefor reduction in the number of eggs translates directly into adult returns; and in fact, that's how a lot of the predictions of the fishery are made. So that we feel that 120% mortalities that we're seeing -- higher mortalities in the oiled areas as opposed to the unoiled areas is directly reflected at a population level and as such, is impacting the fishery.

MR. BARTON: We need to set up for the teleconference I think at this point. How do we want to proceed? Do we want to proceed on with this or go to the public comment period and come back to this at some later time? What's the pleasure of the Council?

1	MR. COLE: It might be Mr. Chairman.
2	MR. BARTON: Mr. Cole.
3	MR. COLE: It might be wise to defer these until
4	tomorrow.
5	MR. BARTON: Is there a second?
6	MR. COLE: As much as I am repelled by that idea.
7	MR. BARTON: Well, we have a number of other items on
8	the Agenda that we haven't gotten to yet either, hopefully,
9	those will go fairly rapidly. But was there a second to
10	Mr. Cole's motion?
11	MR. McVEE: I'll second it.
12	MR. BARTON: Is there objection? All right. We'll
13	move in to the public comment period, come back to the five
14	remaining projects tomorrow and finish the rest of the Agenda
15	tomorrow. We'll take a break until for 10 minutes.
16	MR. COLE: Mr. Chairman, could we fix what time
17	tomorrow in case there are those who do not wish to sit through
18	the public hearing.
19	MR. BARTON: I'd suggest 8:00 o'clock, is that
20	convenient?
21	MR. COLE: I have a 9:00 o'clock commitment as well as
22	a 7:30 commitment, a.m.
23	MR. SANDOR: I have an 8:00 o'clock as well as a 9:30.
24	MR. BARTON: Is 10:00 o'clock a wonderful time?
25	UNIDENTIFIED VOICE: That sounds pretty good.
- 1	

MR. BARTON: All right. 10:00 o'clock tomorrow we will reconvene the Council. We'll take a 10 minute break and come back for public comment.

(Off record)

(On record)

(Off record comments)

MR. BARTON: come in and take a seat. For those of you out on the teleconference sites, I'm Mike Barton with the Department of Agriculture, serving as Chair at today's Council meeting. Curt McVee with the Department of Interior is with us, Commissioner Rosier from the Department of Fish & Game, Deputy Director Don Collinsworth from National Marine Fishery Services representing NOAA, Commission Sander from the Department of Environmental Conservation, and Attorney General Cole is with us today.

We'll start the teleconference by asking our Interim
Administrative Director of the Restoration Team, Dr. David
Gibbons, to summarize what we've done today.

MR. GIBBONS: Thank you, Mr. Chairman. The first item of the Agenda was to visit the Agenda this morning, we removed one item from the Agenda; we removed Item 3(d) discussion of the trailer vans and carcass disposal, this will be discussed at a later time.

BRIDGE OPERATOR: This is the Bridge Operator and you're barely transmitting, no one can hear you well enough.

MR. GIBBONS: Let me start again, is this better?
BRIDGE OPERATOR: It's slightly better.

MR. GIBBONS: Okay. I'll start over again. The first item on the Agenda this morning was to revisit -- to visit the Agenda to see if there was any changes to the Agenda. We had one change to the Agenda, we removed Item 3(d) which was the trailer vans and carcass disposal. Some recent information came to light in the last several days to postpone that discussion.

The next item on the Agenda was the finan- -- a discussion of the financial situation or material framework.

The Trustee Council reviewed the material and deferred a decision on the financial material or framework until the next Trustee Council meeting.

We visited the Restoration Team and Dr. Spies five page spreadsheet on recommendations. The -- it was moved to reconsider Projects R60A and B and Project R73 to a later date. The rest of the package, at that time, was approved.

Next, we visited the Restoration Team's recommendation only without recommendations by Dr. Spies. What was approved from that package is the following: Archeological Study 1; Fisheries Study 28 on pink salmon; Technical Services Study 3, GIS; Fisheries Study Number 27 sockeye; Fisheries Study Number 30 database; Restoration Study Number 92, GIS restoration; Restoration Project 105, the fish project survey;

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Restoration Project 113, Red Lake; Restoration Project 47, stream survey; Restoration Project 53, Kenai sockeye; Restoration Project 59, sockeye; Restoration Project R104A, archeological stewardship. And it was moved R- -- Project R118 was deleted and the \$180,000.00 was moved to Project FS28.

The next suite of studies that was visited were studies requiring additional review by the Trustee Council, Dr. Spies and the Restoration Team. It was moved that Coastal Habitat Project 1A and Coastal Habitat Project R102 move ahead but negotiations with the University of Alaska should occur before the next Trustee Council meeting to reduce the costs.

Next, the approval for the five-page spreadsheet for the Restoration Team recommendation along with the -Dr. Spies' recommendation was revisited. Five -- six projects were moved to have reconsideration; these included R60A and B, pink salmon project; Marine Mammals Project 1, humpback whales; Restoration Project R82A, killer whales; Restoration Project 73, harbor seals; Restoration Project 6, sea otters; and Restoration Project 6E sea otters.

That's where we ended for the day. It was decided that the Trustee Council will reconvene tomorrow morning at 10:00 a.m.

MR. BARTON: Thank you, Dr. Gibbons. I would encourage all who wish to testify to include any remarks that are pertinent to the part of the Agenda that we did not get to as

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well as that that we did get to. My intent would be to not have a public comment period in tomorrow's session, so we need all of your comments in this evening's session.

For the purposes of this evening's session, I think
I'll change the order in which we've done things in the last
few meetings; I think we'll take one person from each site,
work down the sites, that may be a little more equitable to
Valdez and Whittier, and continue that rotation until everyone
has spoken that cares to speak. We'll begin in alphabetical
order.

Is there anyone here in Anchorage that wishes to speak?

Go ahead. Please identify yourself and

MR. KUSICK: My name is Ron Kusick and I am the assistant to the general manager from Municipal Light & Power, and I representing the Municipality. Several days ago, we found that Project 117 had been removed from the list, we want to support this project, we do support the project and we wish the project to be reconsidered. Thank you.

MR. BARTON: Thank you. Any questions from the Council Members? Thank you.

Is Chenega on-line, anybody at Chenega? Cordova, is Cordova on-line?

CORDOVA: Cordova is on-line, we have five or six people here, but I think at this time that we'll pass, please come back to us next time around.

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MR. BARTON: All right. Fairbanks?

UNIDENTIFIED VOICE: You've got a man from Chenega here.

MR. BARTON: All right. We have the Chenega representative right here in the room.

MR. TOTEMOFF: Excuse me, Mr. Chairman, thank you.

Chuck Totemoff with Chenega Corporation. It's more of a
question really. There still remains large amounts of oil in

Prince William Sound, especially close to my home village in

Chenega Bay. I was wondering if the Trustee Council is

prepared to deal with this problem before we talk about
restoration. And if they are, is it going to be addressed this
year?

MR. BARTON: Mr. Sandor.

MR. SANDOR: Yes. I wanted to ask Ernie Piper who's the State on-scene coordinator for the Exxon Valdez Cleanup Project, who's working closely, of course, with the Federal on-scene coordinator to summarize what action is planned for cleanup this year.

MR. PIPER: There are two surveys and a survey and a supplement survey scheduled for this spring, the first is the joint State and Federal survey going to a little over 60 sites, 14 of them are on a list that was offered to the Federal onscene coordinator and the State coordinator by Chenega Corporation. The remaining sites on that list that are of

concern to Chenega we're looking at now, and we've offered to have Chuck or whomever from the Village and from the Corporation come in and sit down with us and go through our database and let's see what we can find on those sites to decide if we need to go back to them again. We're willing to go back and look, and if there's cleanup that's necessary and it meets the criteria for cleanup under State or Federal guidelines, we'll certainly insist that it's done.

MR. TOTEMOFF: Okay. Thank you, Ernie. It's always been our position that we'd like to get the oil out of the -totally out of the environment. But we've been going along with the State and Federal guidelines just for the purpose of furthering the cleanup. But since this is probably the last year of the cleanup effort, Chenega Corporation for one would like to see the greatest effort possible into remaining as much (ph) free flowing oil as possible. Thank you.

MR. BARTON: Thank you. Fairbanks, is there anyone from Fairbanks on the line that wishes to testify?

MS. SAUPE: There's one person from Fairbanks.

MR. BARTON: Go ahead, please.

MS. SAUPE: My name is Susan Saupe (ph), and I am representing myself as a life-long Alaskan from Kodiak and now working in Fairbanks, and as a member of the scientific community. I have attended most Trustee Council meetings since the first one in December, and I'm aware of the many difficult

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tasks and decisions set before you. Nevertheless, I am disturbed by some of the decisions that have been made by the Trustee Council concerning expenditure of Settlement Funds.

I am referring to setting unrealistic limits on research that will likely result in the cutting of regions (ph) outside of Prince William Sound from monitoring programs; and the cutting of monitoring of shown damaged resources such as the subtidal. It was my understanding that one of the top priorities set by the State and Federal Governments in the aftermath of the Exxon Valdez oil spill was to document and understand the damage to the environment due to the oil so that these resources could be restored, and so that a settlement could be obtained with Exxon.

Since that settlement has occurred, though, it appears that damaged resources are no longer the main concern.

Although, I do support measures that reduce the damage that is done to an eco-system through the clear cutting of timber, I am concerned that the acquisition of timber land will become the major issue of the settlement at the expense of determining the fates of known damaged resources.

I am approaching this as a member of the coastal habitat project, which has studied the inner-tidal zone of EVOS impacted areas. Our study has included all regions affected by EVOS, not just Prince William Sound. Injury to the inner-tidal zone has been documented in all of these regions, that is

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Prince William Sound, Cook Inlet, Kenai, and Kodiak and the Alaska Peninsula. And now, it is important to determine when recovery has occurred.

The inner-tidal zone, along with the subtidal is used as forging grounds for many of the injured birds and mammals whose studies are supported by agencies represented by members of you on the Trustee Council. You must recognize then the importance of knowing the status of their major food sources in these areas. The long-term fate of these food sources can only be understood with the support of a recovery monitoring program for all three regions, and I urge you to support such a program.

In conclusion, I would like to stress the importance of obtaining a set of long-term baseline data in order to characterize the inner-tidal zone and to understand it's rates of recovery. This may be invaluable data in the aftermath of any future spills.

I would like to address Attorney General Cole by reminding him that it is not possible to directly compare the research budget for collecting scientific data from remote coastlines of Alaska to his budget for the Justice Department as he has done in the past. We cannot plan that the next oil spill will occur in a downtown Juneau office building. It is a fact, though, that if oil from a spill reaches shore again, it will hit in the inner-tidal.

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Thank you for this opportunity to voice my opinion. 1 MR. BARTON: Thank you. Are there any comments or 2 3 questions of the our members of the Council? If not, Juneau. Is Juneau on-line? 5 JUNEAU: Juneau's on-line, we have no one here to speak at this time. 7 Thank you. Homer, are you there, Homer? MR. BARTON: 8 HOMER: Yes, we have several observers but no one to speak at the moment. 9 10 MR. BARTON: Thank you. Soldotna. Is Soldotna online? 11 SOLDOTNA: Soldotna's on-line, we've got two observers 12 and, perhaps, you could come back to us later. 13 MR. BARTON: All right. Thank you. Kodiak. 14 This is the moderator in Kodiak, we have four 15 KODIAK: to testify and one observer. 16 MR. BARTON: All right. The routine we're using 17 18 tonight is to ask one person from each location as we work done the list, and then we'll start over at the top of the list, so 19 please have your first person testify. 20 21 Okay. Thank you very much. This is Jerome MR. SELBY: Selby (ph), Mayor of the Kodiak Island Borough; we appreciate 22 the opportunity to testify. Hopefully, you'll get through the 23 list another three or four times so the rest of the folks will 24 25 have a shot at it.

1 2

I just had a few comments. We're pleased to see that the Red Lake project was made -- the funding was today (ph). At the same time, we're somewhat disappointed that the Brown bear study, R5, was not approved, and I would hope you folks would reconsider that.

We have some others. I guess I'm not real clear if some of our other high priority projects -- if they are or are not included since some of the titles I can't really tell for sure. But maybe Ernie Piper or someone from the Staff could kind of answer a couple of questions. One we -- that's a high priority is the Katoya (ph) Hatchery, early (ph) marine salmon habitat utilization baseline studies for 45,000. Maybe he could indicate whether that study is included in one of these other salmon studies or not.

The other one was the -- whoops, I lost my place here but the Uganik (ph) River fish counting weir, I don't see
that on here at all, even with a number; and that was a pretty
high priority item for us since that side of the island got hit
pretty hard with the oil. And it looks like Fish & Wildlife
will have to shut that weir down this summer if there isn't
some assistance provided. So, we lose the data and lose the
baseline on the returning salmon here for the next year or so
if nothing's done there. So I would hope something could be
done with that one.

I'm not sure if the Bald eagle funding -- study funding

included the 55,000 that Fish & Wildlife had proposed here on Kodiak or not, but that'd be another question I guess for the Staff. And those were probably our highest priority projects, if there isn't any way to do the mitigation on Red Lake, the restoration's a good start; but of course, we'd like to do -- start on some of the mitigation operation as well. So I guess if someone knows those numbers or I don't know, maybe Ernie will have to call me later, but we sure would like to see a couple of these high priority projects for us included if you guys could figure out a way to do it.

MR. BARTON: We'd be pleased to have Mr. Montague address a couple of those questions.

MR. MONTAGUE: Yeah. Yes, Mr. Chairman. I believe the project you're referring to is Red Lake and early marine is actually R113 which is the Red Lake restoration study. R114 and that one -- excuse me, R113 is currently in the program. R114, Red Lake mitigation fishery is not. And those were the only two Fish & Game projects that he addressed.

MR. BARTON: The Bald eagle study, Pam.

MS. BERGMANN: Mr. Chairman, I'm not sure if it includes Gulf of Alaska or not but the funding for that was not recommended to go forward. Do you know, Cordell, if it

CORDELL: No, not the Gulf of Alaska.

MS. BERGMANN: We'd have to check on that.

UNIDENTIFIED VOICE: He said it's not Gulf.

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MS. BERGMANN: Oh, I'm sorry, it's not Gulf of Alaska it's only Prince William Sound. 3 MR. BARTON: But it was not approved. MS. BERGMANN: But it was not approved. MR. BARTON: Was there another study, Mr. Mayor? 5 MR. SELBY: Yeah. The other one would be the Brown 6 Bear study for the Parks, the R5 Brown Bear Study, we 7 8 definitely had impact on that Brown Bear population over there 9 on the Shelikof shore of the Katmai Park. We thought it was fairly important that that be underway. 10 11 MR. BARTON: Yeah. That study was also not approved. We'd be glad to have Mr. Gibbons give you a call tomorrow and 12 discuss this in more detail. 13 Okay. I'd appreciate that. MR. SELBY: Again, we 14 15 appreciate the opportunity to testify, appreciate the amount of 16 work you folks are putting into these studies, and hopefully a few more of these high priority ones for the Kodiak area can 17 make it in to the funding before you get through with your 18 19 funding cycle this year. Thanks for the opportunity. 20 MR. BARTON: Thank you, Mr. Mayor. And of course, 21 you'll have another opportunity, these studies -- the package will then come out for public review and public comment some 22 23 time next month. 24 Seward, is Seward on-line? Tatitlek, anybody in Tatitlek wish to testify? 25

TATITLEK: No, sir, not at this time.

MR. BARTON: Okay. Thank you. Valdez.

MR. JANKO: Yes. Good evening. My name is Dave Janko (ph), Prince William Sound Conservation Alliance. I had a question and probably a comment. At this point, you're going — on the meeting I attended in Juneau February 10th, and it was my impression that you had gone through all of these and said yes, we approve them, you know, in concept so that we could pass them on for public comment. And now, I see you're working on cutting some out completely, and then when we do get a public comment document, there will be some of these that'll just totally missing off of them. I have a little concern for that and am I right in how that process is working?

MR. BARTON: You are right.

MR. JANKO: Okay. Then, I guess my comment is I'm kind of concerned about that, that by the time this gets to public comment, there'll be some of these are missing which are important, such as say the humpback whale, killer whale studies. And I wonder how can — if the public had — does not have access to a final damage assessment study such as that you have and Mr. Steve (ph) has, and I wonder if those are finished out enough to even make recommendations for restoration projects; if the closeouts aren't complete, how do we know whether we need to have continuing monitoring or any restoration. So I just am afraid some of these are going to be

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dropped without any Public Advisory Group or public input, as well as not even having the information of the final closeout.

MR. BARTON: Okay. Any comments from members of the Council?

MR. GIBBONS: Mr. Chair.

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MR. BARTON: Mr. Gibbons.

MR. GIBBONS: Yes. Let me respond to that. The only damage assessment closeout project that is proposed not to go forward at the present time is the humpback whale. The other ones are going forward to closeout for final reports, so the information will be available to the public.

MR. JANKO: Okay. Well, with that one project then, I guess the bottom line is that each project has some sort of a finished document. I mean will there be some sort of a document, at least, as far as where things are for the humpback for potential future monitoring, this year, next year, the year after?

MR. BARTON: Mr. Gibbons.

MR. GIBBONS: The National (ph) Fishery Service might be better served to answer this. But I think that there's progress report on that study, you know, if it was done for two years, we'd have to progress reports available.

MR. JANKO: Okay. Like I said (ph) that answers my question, and I appreciate hearing -- that's the only one, although, we do have concern about that, but just so there's

some final product of some sort for future evaluation for restoration or monitoring, and come back around, there might be some other comments. Thank you.

MR. BARTON: Okay. Thank you. Whittier. Is Whittier on-line? Okay. We'll come back to Anchorage, who here now would like to testify? Mr. Rusher (ph).

MR. RUSHER: Yes. My name Jerry Rusher, and I'm with Rusher Services (ph), and I just have a few yes and no questions; I made them pretty simple. I would like to know if the Trustee Council would ask the Chief Scientist to look at the project that I turned in on January 10th for recommendations to go on farther.

MR. BARTON: Mr. Gibbons, can you respond to that?

MR. GIBBONS: Yeah. I wrote a letter to Mr. Rusher,

and the process for dealing with public proposals that we have
laid out presently is to solicit public proposals in May and
deal with all public proposals at that time, and then move
forward with a program in 1993.

MR. RUSHER: Okay. Well that takes care of Question 2 and 3 that I had. Question 4: Is it true by law if Exxon expenditures are made in 1992, this additional cleanup work will be credited against the next payment owed to the Governments?

MR. BARTON: Can anybody here answer that? Any of you. Ernie, Mr. Piper.

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1	MR. PIPER: If Exxon is ordered to do any work, and
2	that includes this survey by the Federal on-scene coordinator
3	or the State on-scene coordinator, the expenses will be
4	reviewed in advance by the Federal or State on-scene
5	coordinator, depending on who it is, and then those expenses
6	that they actually make up to that limit, they will be eligible
7	to set those off from that that they will pay the Governments
8	next December, if I'm right on that, Mr. Attorney General.
9	MR. COLE: I believe that's right. I thought is
10	there a perspective limit of estimate of about three million
11	dollars?
12	MR. PIPER: The three million dollars was the talking
13	estimate that Otto Harrison gave to us about a month ago, but
14	we haven't seen their detailed proposal yet.
15	MR. RUSHER: The last question that I have, is this
16	Council familiar with the statutory responsibilities from the
17	MOA in regards to discharged oil?
18	MR. BARTON: I think you need to be a little more
19	specific.
20	MR. RUSHER: Do you realize the responsibility that you
21	took on from discharge of oil on Prince William Sound at this
22	present time from the shorelines? That is the question.
23	MR. BARTON: Are you referring to oil that's already

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MR. RUSHER: I'm referring to the oil that's in the

been spilled and that's seeping back?

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shoreline. 1 2 MR. BARTON: Yeah. Okay. Well I can't speak for all the Council members. 3 MR. PIPER: The Trustee Council is the wrong target on 4 that question. Still, whenever -- if the Federal or State on-5 scene coordinator based on Federal or State guidelines 6 7 determines if further cleanup is necessary, then the Coast Guard and/or DEC is responsible as the lead agency to carry out that cleanup. So this Council has no responsibility of 10 MR. RUSHER: the discharged oil? 11 MR. PIPER: This Council does not. The State and 12 Federal Government agencies that continue to handle oil spill 13 14 response have that responsibility. MR. BARTON: This -- the duties of this Council are 15 related to damage assessment and restoration not cleanup; 16 17 though, some of us are involved in it, in other words (ph). MR. RUSHER: Yes. I think you need to look at Page 3 18 19 of the statutory responsibilities. 20 MR. BARTON: We'll do that. Thank you. UNIDENTIFIED VOICE: Okay. 21 MR. BARTON: Chenega, anybody on-line at Chenega that 22 wishes to testify? 23 UNIDENTIFIED VOICE: Mr. Barton. 24

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UNIDENTIFIED VOICE:

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There's a man from Anchorage here.

MR. COLE: This gentlemen here.

MR. BARTON: Yeah. We're -- I've been rotating through the sites.

UNIDENTIFIED VOICE: There's one lady from Chenega back there, I think.

UNIDENTIFIED VOICE: From Chenega.

MR. BARTON: Is there a lady from Chenega back there? Yeah.

MS. EVANOFF: I'm Gail Evanoff (ph) from Chenega Bay. Sitting here this afternoon, I'm very appreciative of the efforts in identifying ways and means to address restoration of the many losses that was suffered in the Prince William Sound, but I also caught something that concerns me, and that is restoration in the interest of the public is something that is a high priority. Chenega Village people are part of the public, but we're also very high subsistence users down there. And a lot of the studies that you've addressed I find omits a lot of what we subsistence on, and we think that's important like you think it's important representing your various agencies and for the public in general.

Other subsisting resources such as the decline of octopus, the kelp, clams, gumboots (ph), sea urchins, we want to know why we can't get them anymore. We know by our observation it's due to the large amount of oil on our beaches, but I think it warrants a study, just like the killer whale.

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The very thing that we live off of, that resource out there, is 1 an attraction to the public at general, and I think we would both benefit tremendously by addressing those other very local concerns that I'm expressing; the things that we eat, that we bring home to feed our families. The small communities in 6 Prince William Sound, you know, our lives have been totally 7 changed by this and we want you to know that, and we want you to address subsistence to a people who are going to be there, we were -- we lived through it. And we think we have something to offer to you in terms of information. 10 11

We wish that your surveys would include input from the communities. I've heard of millions of dollars going into surveys, and I've not seen a survey team in Chenega Bay. I would invite you to involve our local knowledge because we have a lot. Thank you.

MR. BARTON: Thank you. Questions of members of the Council?

Cordova. Anybody in Cordova want to testify? I'm sorry, Cordova?

MR. WEAVERLING: Can you hear me there in

MR. BARTON: Yes, go ahead.

MR. WEAVERLING: My name is Mayor Weaverling here in Cordova. And I would first like to inquire if the Trustee Council received the facsimile transmission that I sent today?

MR. BARTON: Yes, we did, Mayor.

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1	MR. WEAVERLING: I won't bother you then to testify.
2	Thank you very much.
3	MR. BARTON: Thank you. Fairbanks, anybody else in
4	Fairbanks want to testify?
5	FAIRBANKS: No further testify from Fairbanks.
6	MR. BARTON: Thank you. Juneau, anybody in Juneau want
7	to testify? In Homer?
8	HOMER: Yes. We have one participant who would like to
9	speak.
10	MR. BARTON: Thank you, go ahead, please.
11	MS. HILLSTRAND: Yes, good evening, I know you're ready
12	to go home by now. But anyways, this is Nancy Hillstrand (ph).
13	And I'm just wondering if you folks I'm sorry I'm not up to
14	speed with everything right now, but I wonder if you have
15	considered any purchasing of any lands, terrestrial (ph) lands
16	that would help the waterfowl populations. Over.
17	MR. BARTON: Mr. Gibbons, do you want to address that?
18	MR. GIBBONS: Yeah. We have no proposals for
19	acquisition at this time. We have proposals to look at the
20	critical habitats that those species need that the injured
21	species need, and then move forward in the process to identify
22	those first, but we have no acquisition proposals.
23	MS. HILLSTRAND: Yeah. Okay. I really appreciated
24	that, I hope you do consider that. So thank you very kindly,

and I really appreciate all the work you folks are doing.

MR. BARTON: Thank you. And we will consider those proposals. Soldotna, anybody in Soldotna wish to testify?

MR. FLAGG: Yes, can you hear me?

MR. BARTON: Yes, go ahead, please.

MR. FLAGG: Yeah. This is Loren Flagg (ph) in Soldotna, and I'm the Executive Director for the Kenai Peninsula Fishermen's Association. And we wanted to lend our support to the damage assessment project on the Kenai River sockeye salmon, that's FS27. Also, the two restoration projects that are proposed for the Upper Cook Inlet, period; R53 which is Kenai River sockeye restoration and R59 the genetic stock proposal.

We feel these projects are extremely important so that damage was done to the spawning grounds here on the Kenai River, a number of smolts coming out in '89 escapements are extremely low, and we're looking an extremely poor return in '93 and '94 (indiscernible). If you make sure that we document the affect on spawning areas against fishery (ph).

Also, I have a question. I learned today or heard today that part of the projects that were originally proposed for the criminal penalty fund under the State control have been transferred to the Trustee Council, and included in this was some of the enhancement work. Could someone comment on this?

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

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MR. COLE: I think that's an erroneous report, flatly erroneous.

MR. BARTON: Thank you, Mr. Cole. Do you have anything else you wish to say, Soldotna?

MR. FLAGG: Yes. Just one other comment. We do support land purchase, and especially on an area -- a critical area which is the Kenai River flat tidelands, it's a very critical habitat area for both fisheries and waterfowl, and we would support that project. Thank you.

MR. BARTON: Okay. Thank you. Any further comments or questions from the Council?

Kodiak, anyone in Kodiak wish to testify?

MR. PATRICK: Thank you. My name is Greg Patrick (ph) and I'm the Conservation Chair for Kodiak Autobahn.

MR. BARTON: Go ahead, please.

MR. PATRICK: I'd just like to say on the subject of habitat acquisition, it seems like there's one school of thought going towards determining the damage and the recovery of certain species. But this should be limited and tempered by the fact that certain inner-tidal areas and things, there's very little that can be done to -- realistically to restore those. And so, I believe the focus should be on acquisition of habitat for (ph) litigation damage, and I believe there's a great deal of support for that.

Timber lands are extremely important. Estuaries, areas

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like this, it's important not only to protect them from further damage but to restore people's confidence in this evaluation.

One thing that's very important is that we need to be identifying willing land sellers because the best scientific evidence may support acquisitions in certain areas, but they may not be available because they're private land.

So, I'm disappointed to hear that there's no proposals being put forth at this point. I think as time goes on, sellers go to other commitments for development and you're going to be losing very good position opportunities. And I'd like to see some more effort being made in this area. Okay.

MR. BARTON: Okay. Thank you. Seward, anyone in Seward wish to testify?

Tatitlek, anybody in Tatitlek wish to testify?

TATITLEK: Just that we support the comments made by

Mr. Totemoff and Mrs. Evanoff from Chenega Bay.

MR. BARTON: All right. Thank you very much. Valdez, anybody in Valdez?

MS. LEFCO: Yes. This is Nancy Lefco, I'm speaking on my own behalf. I'd like to thank L.J. Evans for sending down the material so that we had a chance to review them this time, it makes much better for us here to have read through things; it's unfortunate, we would still like very much to hear your discussions during the day but realize that we don't want to spend all the Trustee funds on teleconferencing.

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The -- I have a few comments. One, your Public

Advisory Committee Report. The change to the qualifications

for the appointment of members, I think that was a very

courageous step, and hopefully, it will lead to that committee

being less politically divisive and able to work together

better; it'll obviously depend on who's -- the way the

appointments go to it, but I thought that was a very good thing

from what we had seen in previous drafts and we'd support that.

The killer whale proposal, I have some concerns with.

The -- as you know, the transient pods of killer whales in

Prince William Sound have -- about a half of them have not been

photographed now in the last two years. That has, of course,

some implications for what's, perhaps, happening to the ecology

of Prince William Sound. It also has implications for the

recreation and tourism industry in that killer whale sightings,

observations are a very important part of our business. So,

to, perhaps, lose half the killer whales in Prince William

Sound is -- or at least, not having them return to Prince

William Sound or be utilizing the area is a significant concern

to us.

And for the restoration of, perhaps, the utilization or the return of the killer whales to Prince William Sound and of the disbursed recreation/tourism industry, this is a project that we would, perhaps, like to see funded and not discontinued. The -- certainly, are very concerned that there

might be some restoration project that could come out of this study, such as the identification of the rubbing beaches (ph) and protection of them if they need protection; another is the food chain. There are certainly some -- I believe shown some problems in the food items of the killer whales; one food item that has not been discussed but is important for transient killer whales are dalls (ph) porpoise.

Dalls porpoise were never studied as part of the assessment, but those of us who live and work in Prince William Sound on a daily basis know that since 1989, or estimate that since 1989, the killer whale population -- the dalls porpoise population has declined maybe 75 to 80%. In the past, we could guarantee our charter guests see (ph) dalls porpoise almost everyday and at least once a week have them playing around the hull of the boat. In 1989/'90, we sal dalls porpoise six times the entire summer; last summer, we saw them nine times in the entire summer. Pods who without -- have been able to identify through sketches of key members and particular markings on them, I have not seen those pods since 1989. That's an item that is -- if it has disappeared and they are important to the killer whales as a food item, I think this whole area, perhaps, needs more study than it's receiving, and hope that this could be looked at by your scientific advisors.

Thank you.

MR. BARTON: Thank you, Nancy. Any questions from

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Council Members?

Whittier. No, Whittier is not on-line. Anchorage, there's a gentleman back here who's been trying very hard.

MR. STALSTED: Mr. Chairman, Members of the Council, my name is Thor Stalsted (ph). I didn't see any of you people at the Exxon Valdez while she was grounded on Bligh Reef. I was there for 10 days while the Exxon Valdez I believe lost at least 26 million gallons of North Slope crude oil. She was then exported to Outside Bay on Naked Island.

I view the settlement in this light. If a family is killed in an auto accident and one survivor sues for damages and wins, five million, then Mr. Cole and the State decide to take the five million and dole it out to lawyers and the Highway Department and others to try to design a fail-safe highway, leaving the survivors 500 for the death of his family.

Can this happen in Alaska? You bet it can, it's happening right now. What about the people who live along the coast of Alaska that's been polluted with crude oil? These people live off the marine and wildlife resources of the coast and are now afraid to consume many of these species polluted with crude; that's passing down through the food chain every hour of the day. If the State wanted to be moral, fair and legal, then 950 million settlement wouldn't be enough to settle with Chenega, let alone settle with the rest of us who have been harmed by the oil spill.

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What happens when cancer and other ailments start showing up in the people from consuming oil polluted fish and wildlife? Where is the medical fund? I see the State has taken care of that, a State Judge just made it illegal to sue the State over the oil spill damage. The State settled with Exxon for \$.10 on the dollar for the damage that has been done. How do you think the people who have really been harmed feel watching you divide up the settlement dollars among the unharmed who will spend this money and five years from now we won't know anymore about oil spills than we do today.

Thank you.

MR. BARTON: Thank you. Any questions from the Council Members? Okay. Thank you.

Chenega, anybody at Chenega? Okay. Cordova, does anybody in Cordova wish to testify?

MR. BECKER: Yes. My name is Karl Becker (ph), and I have two questions I'd like to ask the Trustee Council. The first question is do you have any written summary of your reasons for determining whether or not to continue studies or to close them out?

MR. BARTON: Mr. Gibbons, do you want to address that?

MR. GIBBONS: We have notes that -- on the discussions, yes, we have notes.

MR. BARTON: And we have transcripts of this meeting available.

MR. GIBBONS: As well (ph).

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MR. BARTON: Go ahead with your second question.

MR. COLE: Mr. Chairman.

MR. BARTON: Mr. Cole.

MR. COLE: Well, we also have Dr. Spies

MR. BECKER: Just to go along with my first question, I wonder if you would be able to summarize that, the process that you went through to evaluate which studies to either continue or to closeout.

MR. BARTON: Do you want to address that question, Mr. Gibbons?

MR. GIBBONS: Yes. It's really a three-prong. I mentioned the Restoration Team, the Chairman mentioned the meetings of this note (ph), and we also have the meetings -- the notes of Dr. Spies' recommendations. So, we have three documents that summarize; two of them bring them to the Trustee Council and then the transcripts would be the mechanism for determining how projects were deferred or approved. You know, you've seen -- can we collate that into one document?

MR. BECKER: I guess I'd just like to be able to see what things were weighed as you went through each study in determining which ones to keep on-line and which ones to closeout. Yeah, if you had some summary that was available publicly, that would be real helpful I think.

MR. BARTON: Can I make that available?

MR. COLE: Mr. Chairman. 1 MR. BARTON: Mr. Cole. 2 Do we not, in addition, have the text 3 MR. COLE: evaluation prepared by Dr. Spies as to how he approached as a 4 5 policy matter each of these studies? 6 MR. GIBBONS: Yes, we do. 7 MR. COLE: We do, yeah. 8 MR. BECKER: And would that be available then just by writing your group? 9 You can write me and I will supply 10 MR. GIBBONS: Yes. 11 that information to you. I'm Dave Gibbons, the Interim Director. 12 13 MR. BARTON: Why don't you give him the address. MR. GIBBONS: 645 "G" Street, Anchorage, Alaska, 99501. 14 15 Okay, real good. Yeah, thank you very MR. BECKER: 16 much for that. And I guess -- I don't know, I -- to follow-up on this question. Now that we're in the restoration process, 17 18 are there still -- are these studies still litigation sensitive? 19 MR. BARTON: Mr. Cole, can you answer that? 20 21 MR. COLE: I don't think that the question is 22 susceptible to a yes or a no answer. But let me state again the State's position. The State has settled with -- under a 23 24 class action settlement approved by Judge Shortell with the 25 group that I call the Alaskan Claimants, often called Third-

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810 N STREET (907) 277-0572 OR (907) 277-0573 FAX (907) 274-8982 1007 WFST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 Party Claimants, and we have generally deferred to them with respect to the release of that data.

I think, broadly speaking, the State itself has no objection to the release of the data, but under the terms of the settlement, the Third-Party Plaintiffs released their claims against the State in exchange for the State's litigation work product and scientific studies. And, I've said before and I continue to say, I think it would be a breach of faith for the State now to make that data public, to turn it over, in essence, to Exxon without the Alaska Claimants suing Exxon, having a reciprocal exchange of Exxon's data. And so that's where the matter lies at the moment.

MR. BARTON: Thank you, Mr. Cole. Does that answer the question?

MR. BECKER: Yes, it did. Yeah. Thanks. Thank you very much, Mr. Cole. The last question I had is have you made any decisions regarding the funding of habitat acquisition in Prince William Sound and other oiled areas; specifically, how do you propose to respond to recommendations from cities, organizations and individuals supporting logging moratorium in the Prince William Sound and other oiled areas?

MR. BARTON: Mr. Gibbons.

MR. GIBBONS: Yeah. We're in the process of developing a process to deal with that. We will be developing objectives, criteria that we will apply to the projects when we -- we'll be

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soliciting to -- from the public willing sellers and proposals 1 from the public that we could take and run through the 2 3 objectives and the criteria and follow a logical process. And that's -- we're in the initial stages of that right now. 4 5 MR. BECKER: I see. Thank you very much, I appreciate 6 the chance to testify, and really encourage you to keep up the 7 good work on having an open, public process. 8 MR. BARTON: Thank you. Homer, anybody want to testify 9 in Homer? 10 MR. HIESEN: Yes, sir. I'd like to testify on behalf of the priority project put forth by Rusher Environmental 11 Services; that is to apply a substance (ph) known as 12 Environmental 75 (ph) to the affected areas in the interest of 13 shoreline restoration through enhancing the naturally occurring 14 15 organisms there. This project is technically feasible. believe it's cost-effective. It's very well researched. 16 broadly supported by affected Alaskans and I think it would 17 recoup a lot of benefits for all parties involved. 18 Thank you. 19

MR. BARTON: Thank you. Could you identify yourself, please?

MR. HIESEN: Pardon me, sir. This is Jim Hiesen (ph) of Homer.

MR. BARTON: Thank you. Soldotna, is there anybody in Soldotna that wishes to testify?

SOLDOTNA: We're still on line, nobody wishes to

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testify now.

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MR. BARTON: Thank you. Kodiak, is there anybody further in Kodiak?

MR. MALLOY: Mr. Chairman, this is Larry Malloy (ph) with the Kodiak Regional Aquaculture Association. And I guess we'd like to briefly voice our support to -- for the proposed restoration projects identified earlier by the Kodiak Island Borough Mayor Selby and by Mr. Patrick.

Also, Mr. Chairman, we'd like to reiterate our strong support for the University of Alaska's seafoes (ph), that is a cooperative fishery and oceanographic studies proposal which would apply to the three major fisheries areas impacted by the I think their proposal, as identified by Mr. -- Dr. Te Cooney's (ph) written comments to Commissioner Rosier and copied to the Trustee Council would initiate long-term, relatively low funding support for coordinated early (ph) marine salmon studies in the Prince William Sound, for Cook Inlet and Kodiak areas. We wholeheartedly agree with Dr. Cooney's contention that this proposal would provide essential information pertaining to salmon production in that broad geographical area encompassed by the proposal, which again, coincides with the oiled areas from the '89 spill. quess we're not sure if this proposal is included in Project Number FS4A or exactly what the status of this proposal is at this point.

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Also, additionally, we strongly support the Department of Fish & Game's proposals which address sockeye overescapement associated with the Red Lake system on Kodiak Island. This is a major sockeye system for which two proposals were provided, Number R113, the restoration study which would help return the stock to pre-spill levels, and also Number R114, which is a mitigation study which would provide for the development of the mitigation fishery for lost production from that system. These are important projects to Kodiak salmon fishermen.

And finally, our organization continues to feel very strongly about the acquisition of those lands which have been identified as a significantly important habitat for species of fish and wildlife impacted by the spill. And thus, we support any proposals dealing with habitat acquisition, and in particular, those lands on Afognak Island which are available for acquisition.

And, Mr. Chairman, likewise, we appreciate all the effort you folks are putting into this. And I thank you very much for the opportunity to testify here this evening.

MR. BARTON: Thank you. Any questions or comments from the Council?

Valdez?

MR. LOPEZ: This is Tom Lopez of Valdez, a salmon fisherman. And I'd like to propose that you follow the Chenega Bay, Jerry Rusher enterprise of trying to clean the beaches or

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1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 whatever; the program that they're pushing in Chenega to try to clean some habitat, to get some oil up instead of just studies and you know, to try to get something done with the money, and we appreciate you to consider that proposal as well (ph).

And I'd like to see some -- try to get some money to the hatcheries, too, you know, they have taken quite a hit since the 1989 spill, and the value of the fish have fallen and fallen. I'd appreciate if you'd keep the hatcheries in mind since they're going through tough times and -- as money is doled out. Thank you.

MR. BARTON: Thank you. Anchorage?

MR. NIEBERT: Mr. Chairman, for the record, my name is David Niebert, I'm with the School of Fisheries & Ocean Sciences, University of Alaska - Fairbanks. I've been asked to Cean Sciences who was unable to attend. It's addressed to Dr. Gibbons.

At the time of the Exxon Valdez oil spill, there was a serious dearth of baseline information about Prince William Sound. As a result of the ensuing need for information, a surge of assessment activity followed, some of which is still continuing. When the currently available samples have been worked up and the results synthesized, there will exist an excellent database, perhaps, unparalleled anywhere else. I urge you to see that the current studies are completed as far

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as possible.

continuing studies need to be designed using an environmental assessment approach with better coordination and synthesis than is applied at present. Perhaps, this was not feasible during the damage assessment phase because of the rapid need for information in support of possible litigation. The situation is very different now, there is an opportunity to design and support first-class studies which will serve the Prince William Sound area specifically, but the results of which could be more widely extrapolated within Alaska's coastal environment.

If there is one priority which is important in Alaska, it is its vast marine resources. It is knowledge about our marine environment. I, therefore, strongly recommend that at least some of the restoration money go to support environmental studies, especially those studies which address species and/or habitats which are clearly impacted, but also, some attention to developing a long-term database.

With respect to other issues in Prince William Sound, I recognize that the question of timber harvesting and the problem of preserving the coastal forests is of critical importance. This issue extends far out of Prince William Sound, into Katchemak Bay and even Southeast Alaska. Balanced harvesting with optimal preservation of biological habitats and species must be the goal, and it is important that action be

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taken which balances the conflicting pressures. I certainly share the concern of the residents. Yours sincerely, Vera Alexander.

Thank you.

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MR. BARTON: Thank you. I assume Dr. Gibbons is getting a copy of that?

MR. NIEBERT: Yes.

MR. BARTON: Thank you very much. Cordova, is there anybody in Cordova that wishes to testify?

MS. McBURNEY: This is Mary McBurney representing
Cordova District Fishermen United. One of our major concerns
is that the Public Advisory Group will never have an
opportunity to see many of the projects that never this -what, second or third cut in the recommendations.

And it appears that the recommendations for the 1992 funding appear to have been made in a vacuum without much benefit of a true objective peer review process. You can't help but feel that the criteria for not recommending certain projects was strictly cost-cutting for cost-cutting stakes (ph). Although, we do appreciate the Council's intent to avoid padding any of the agency budgets with some of the restoration monies, but at this rate, we do question whether the Public Advisory Group is going to have very much to review and offer recommendations on.

We are particularly disappointed to see that R58, the

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herring restoration and monitoring project, has been eliminated. The 1992 herring season will be the first year when population damage will be clearly evident. And CDFU strongly feels that the herring restoration and monitoring project should be restored and funded.

Finally, I'd like to express our support for the pink salmon studies included in R60AB. We also appreciate the inclusion of the pink salmon tagging projects and the preemergent fry and juvenile pink studies in the damage assessment closeout. Thank you.

MR. BARTON: Thank you. Any questions from Council?

Homer. Homer, is there anybody in Homer that wishes to

testify?

HOMER: No, there's no one else to speak at the time.

MR. BARTON: Thank you. Kodiak, anybody further? Kodiak? Valdez.

UNIDENTIFIED VOICE: (Indiscernible - telephone cutout)

MR. BARTON: I'm sorry, could you say it again?

MS. LEFCO: This is Nancy Lefco again in Valdez. I had two questions. One, Mr. Sandor had a proposal for an endowment fund, I'm wondering, have you taken any action on that or is there any more information available about it? I picked it up last time at the meeting and haven't been able to pursue that further.

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MR. BARTON: Dr. Gibbons.

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MR. GIBBONS: Yes. We're looking into endowment funds in the Restoration Framework document that's in preparation right now and will be available for public review towards the end of March.

MS. LEFCO: Thank you very much on that. My second question was at the last meeting, you were talking about the criteria that would be used to evaluate projects. And I understood there was going to be a paper -- draft paper put out, has that been put out yet?

MR. GIBBONS: Are you referencing the habitat protection criteria? If you are, we're in the process of developing those presently, and we have an agenda item to discuss on this tomorrow.

MS. LEFCO: Fine. When those -- when it is available, are any of this information is available on these reports, is it possible to have them sent down to the Valdez Legislative Office so that we can pick them up and read them here?

MR. GIBBONS: All the materials at the meetings here are faxed to the teleconferencing sites, as was done today. When those are developed for public review, you will get those in that package, and yeah, we'll ensure that.

MS. LEFCO: Okay. Thanks very much, I appreciate that. There's nothing further.

MR. BARTON: Thank you, Nancy. Anchorage. Anchorage,

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anybody from Anchorage that wish to testify? Go ahead.

MR. JEWITT: Mr. Chairman, my name is Steven Jewitt (ph) with the University of Alaska in Fairbanks. I've been operating as a principal investigator of the shallow, subtidal studies; these are damage assessment studies ST2A and monitoring restoration R101.

It's been recommended to you, the Trustee's Council, by Dr. Spies that no field activities for the shallow, subtidal studies take place in 1992. This recommendation is contrary to reviews of Dr. Donald Bosh (ph) who stated, and I quote: It seems prudent to continue the subtidal damage assessment studies at some reduced level, perhaps, focusing on the eel (ph) grass beds during 1992. This will, hopefully, enhance the level of understanding both of effects that were experienced and the recovery which has taken place; end of quote. This is also in direct contrast to most other oil spill studies which have been, at least, five years in duration without any break in annual sampling.

Let me give you a synopsis of the dynamics of our program. In early 1990, we were approved to sample plants, benthic invertebrates and fishes from five shallow, subtidal habitats in Prince William Sound. After sampling, we were told to process samples from only the two soft bottom habitats; these results are in our latest report. The analysis revealed on all components -- revealed impacts on all components of the

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shallow, subtidal communities. The most dramatic affects were observed in the eel grass habitat; lesser affects were noted in a kelp community which represents approximately 60 to 70% of the shallow, subtidal habitat in Prince William Sound. Many of the affects observed were on species that are utilized either directly or indirectly by commercial species of fish and invertebrates, birds and mammals.

In early 1991, we were approved to sample the same two soft bottom habitats, these benthic samples are being concurrently processed in Fairbanks. I was told earlier this week that monies are only available to finish the eel grass habitat samples, thereby terminating the almost completed kelp habitat sample; the savings of this move is only \$30,000.00. final report for the 1990/'91 data is anticipated in the fall of this year.

Therefore, in the past two years of studying the shallow, subtidal communities in Prince William Sound we've been reduced from five habitats to one. This reduction is amazing in light of two facts; (1) the shallow communities being studied are adjacent to the inner-tidal zone where the greatest devastation from the spill occurred; and (2) only a scant amount of hydrocarbon data has been provided for incorporation into our report. The two reviewers of our 1990 results, Doctors Bosh and Peterson, stated regarding the lack of sediment hydrocarbon data, and I quote: These are

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desperately needed to interpret funnel (ph) patterns and to implicate oiling; end of quote.

My recommendations are -- to you are four-fold.

(1) Permit us to complete the kelp sampling in 1991, processing those samples; this would give us at least two years' picture of the eel grass in the kelp communities. (2) Insist that all 1990/'91 priority sediment hydrocarbon samples be processed for inclusion in our fall report; without this, the report will be meaningless. (3) Permit us to sample the eel grass community a third year in 1992 and archive these benthic samples. could be done at a cost savings of 20% of the proposed 12-month The benthic samples would be processed only if affects are observed in 1991 and/or if monitoring restoration funds are later approved. And, finally, (4) It would naive to think that there will never be another oil spill in Prince William Sound or Alaska. Therefore, I recommend an integrated workshop that synthesizes all findings, hopefully, the results of such an integrated effort could be used when the next oil spill occurs.

Thank you.

MR. BARTON: Thank you. Any questions from the Council?

MR. COLE: What was that number was being referred to, the study?

MR. JEWITT: Damage assessment was ST2A and the

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1	monitoring restoration was R101.
2	MR. BARTON: More questions, comments? Cordova?
3	MR. COLE: Can we stay there for just a second?
4	MR. BARTON: Sure. Sure.
5	MR. COLE: Didn't we approve ST2A?
6	UNIDENTIFIED VOICE: At a reduced level.
7	UNIDENTIFIED VOICE: At a reduced level.
8	MR. BARTON: Dr. Gibbons.
9	MR. GIBBONS: Yeah. Mr. Chair. We requested 125,000
10	for closeout, we approved 95,000 plus overhead; so what Steve -
11	- Mr Dr. Jewitt or Steven Jewitt was referring to was the
12	reduction of \$30,000.00 out of that study.
13	MR. COLE: And then the other one is what?
14	MR. GIBBONS: The other one is R101, it's a combined
15	subtidal study for, I believe yeah, \$985,000.00.
16	MR. COLE: And did he say that could be completed or
17	some work could be completed for 20% of that amount?
18	MR. JEWITT: The work that I've been doing that I
19	propose under the monitoring restoration was only a part of the
20	900K.
21	MR. MONTAGUE: Mr. Chairman, maybe I could address that
22	somewhat.
23	MR. BARTON: Mr. Montague.
24	MR. MONTAGUE: It was about 500 and something from a
25	NOAA project and about four 450 or something for two
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University of Alaska projects, of which one was Dr. Jewitt's.\

MR. BARTON: Thank you. Any further questions? Cordova, anybody in Cordova that wants to testify?

MS. BIRD: Yes, Mr. Barton, this is Nancy Bird in Cordova testifying on my own behalf. I first would just like to ask if you could summarize, I'm a little lost in the Agenda processes. Have you already discussed the Public Advisory Group and maybe can I get clarified the City of Cordova did receive a long fax today that includes something called the Charter of the Exxon Valdez Oil Spill Public Advisory Group, is that the -- it's about a 10-page document I believe, is that what is currently being considered?

MR. BARTON: In answer to your question about the Agenda, we are behind schedule; we've just about completed Item 3 on the Agenda. We have not talked about the public participation process, we're reconvening tomorrow at 10:00 to complete our Agenda. In terms of the 10 pages you received, I'd ask Mr. Piper to address that.

MR. PIPER: Nancy, it's Ernie Piper. We were asked at the last meeting to, at least, set in motion the process that would comply with the Federal Advisory Committee Act, and to do that, we had to come up with a Charter. So, the Restoration Team and the Public Participation Subgroup took a draft that had originally been put together by the Department of Interior for discussion purposes. We then genericked (ph) it as best we

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could to leave open the available options for specifics on the Public Advisory Group. The goal here is just to come up with the most basic document that we could, and that's what's going to come up for review tomorrow by the Trustees.

MS. BIRD: Okay. Can I ask -- reading through that Draft, it appears that there could be at least nine public members who are not specified, they would just be appointed by the Trustee Council. I've heard some rumors in the last few days that those individuals might be the mayors of communities in the oil impacted area. Is there any truth to that rumor or

MR. PIPER: No rumors here. There's a proposal that was discussed and that's one of several options that will be presented for consideration by the Trustees. And nobody has recommended it or considered it to the Restoration Team or to the Trustees as yet.

MS. BIRD: Okay. Thank you. I guess I would —
reading through the Charter as quickly as I could today, I find
a couple of things I would like to add to it. One, the idea
that has been proposed I know before that the Trustee Council
be asked to respond in writing if any recommendations made by
the Public Advisory Group are not followed by the Trustee
Council so that there is some kind of response. And as far as
the proposal for the mayors, I like the idea in terms of it
being public officials who have to account for themselves to

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somebody; but I, also, would like to see it open-ended to a certain extent.

I guess another question I would have is how soon is the Trustee Council hoping to get this Public Advisory Group in-place. And maybe to avoid coming back and forth to me again, a further question is: Where are you in your budget process at this point, since you've already spent, as I understand it, the 54 million to repay the State and Federal Governments? There can't be -- and if there is 17 to 20 million being proposed for studies at this point, there isn't a whole lot of additional money, what will the Public Advisory Group be commenting on in the coming year until the next money comes through?

MR. BARTON: Do you want to respond to the question regarding the time line on the establishment, Ernie?

MR. PIPER: Nancy, the intent that we have for tomorrow's agenda item is to present concise enough options and complete enough options that the Trustees can make a decision about what kind of model that they would like to see; and that's also -- those options, in addition, are based on public comments; so those will be coming up. We hope that if a decision is -- can be made tomorrow, that we can get things up and running within several weeks; as fast as possible under the provisions of the Federal Advisory Committee Act.

In terms of what you'd be -- the Public Advisory Group

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would be commenting on, the Restoration Framework document which is really the meat on the bones of much of the future restoration work is going to be available in the end of March, and I would expect that that's the principal vehicle for review.

MR. BARTON: Well and this won't be the last year.

MR. PIPER: Right.

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MR. BARTON: Unfortunately. In response to your second question, you know, the balancing of the funding is the process that we're going through right now. There has been reimbursement accounts set up for the funds that were borrowed from other appropriations and other locations. But this process of balancing the studies against other financial needs, that's exactly what we're trying to do right now, and we'd appreciate any help.

MS. BIRD: Maybe could you summarize for those of us on the teleconference line what the latest is from Dave Gibbons and Bob Spies as far as total amounts that would go for research studies, either damage assessment closeout or restoration?

MR. BARTON: Well, we haven't completed that work, that's the Item 3 on the Agenda, and we're not completely done with that.

MR. COLE: Mr. Chairman.

MR. BARTON: Yes, Mr. Cole.

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810 N STREET (907) 277-0572 OR (907) 277-0573 FAX (907) 274-8982 1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST FIGHTH AVENUE. (907) 272-3022 MR. COLE: Perhaps, tomorrow morning, before we convenagain, Mr. Gibbons and the Restoration Team could just get one
of these sheets of paper that contains the listing and mark
"approved" or "rejected" so -- and fax those out to the various
agencies, and then everyone would know what action has been

MR. BARTON: That's a good idea. Can you take care of that?

MR. GIBBONS: Okay.

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taken or have a good sense of it in any event.

MR. BARTON: Then you'll have it in-hand, at least, as far as we've gotten.

MS. BIRD: Appreciate that a great deal. And I guess that sort of leads to another comment I was going to make regarding the availability of agendas and back-up materials prior to the meeting. I realize that you're probably operating under a lot of deadlines and such, but would hope that in future we can get things a day or two before the meeting instead of just the morning of the meetings.

MR. BARTON: We're trying very hard, the Council
Members also have some of the same concerns. And the
Restoration Team has been really working hard to get the
materials pulled together in as timely a fashion as possible;
perhaps, we'll be able to do better here in the near future.
It's one of the things that, of course, we're concerned with in
terms of timing is the field season is fast approaching and we

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need to work through these pretty rapidly. So -- but we're striving for improvement, we'll get there.

MS. BIRD: I'm sure you will. I just have two last, quick things on the Public Advisory Group again. I guess I would like to speak against or would like to have it clarified a little bit more, the section where the Trustee Council can take a member of that group -- remove a member for malfeasance or -- I forget what the other word was. And somehow, I would hope that there'd be a little -- it sounds a little arbitrary to me.

And then finally, I would just like to ditto or support Greg Patrick's comments regarding habitat acquisition. Thank you very much for the opportunity to testify.

MR. BARTON: Thank you. Valdez, anybody in Valdez?

MR. STEVENS: Yes. This is Stan Stevens from Valdez.

MR. STEVENS: Yes. This is Stan Stevens from Valdez.

And Mr. Chairman and Trustee Council Members, I do appreciate
the work by the Council Members; you're faced with sorting out
a very large variety of opinions and suggestions from a lot of
very concerned public.

I would like to make sure that -- we have a very large mountain of problems, and we really have a very small anthill of funding to handle them. And I suggest that we try the best we can to stick to the scientific and technical grounds the best we can and not get too political. I think we need to very much look at restoring the Sound to where it was before the

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spill.

I would like to kind of back-up what Nancy had to say about killer whales and porpoise. Those of us who live in the Sound have, for a great deal of -- since the spill have always hoped that we would be -- the scientific information would be released to us so we can make sound and good decisions like you people are trying to make. We do not have this available to us, so we have to make our decisions, what we can see and what's available to us.

It's very obvious to many of us that the killer whale population is way down. And I can speak for almost sure (ph) that the porpoise population has to be down, the dall porpoise, at least two-thirds. And I think it's an area that you might want to put in here and look at, because I think it's important to many of us.

Most important, I think, the whole operation here is that we have to look at the history of the Sound, and we have to look at the people who have survived through many, many years here in Prince William Sound and the other oiled areas. And I think if we were to take a first priority, the Natives from the Prince William Sound and oiled areas should get the first priority. And I would think we should very soundly listen (ph) and do what we can to help those people from Chenega, Tatitlek and the other areas around Kodiak oiled areas.

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And that's all I have at this time. Again, I unders-I know you have a tough job ahead of you, and I appreciate
the time and effort you're putting in.

MR. BARTON: Thank you. Anchorage, anybody in the audience wish to testify? Yes, sir.

MR. PHIPPS: Thank you, Mr. Chairman. My name is Allen Phipps, I'm speaking this evening on behalf of the Alaska Center for the Environment.

I have submitted a letter to Mr. Gibbons on -- in regards to the Public Advisory Group. And I did want to make some comments based on what I see in the Draft proposal. I understand the discussion has not occurred yet, but since it's unclear as to whether we'll have opportunity tomorrow after the discussion to testify, I thought I would go ahead and take the opportunity now.

I want to emphasize the importance to you all of a legitimate and valid Public Advisory Group; the very validity of this process is based or will be based on the validity and the credibility of that group. And we are very concerned about the criteria and the process that will be used to select the members of that group; especially, as I mentioned in my letter, based on our previous experience with the current State administration in regards to selecting people for advisory groups. And I would urge you to allow, Number 1, that the Public Advisory Group have specified seats for specified

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interests, and that those interests are allowed to select the people to represent them on the committee.

We are also concerned about what appears to be a lack of emphasis in the Draft for the importance of the Public Advisory Group, both in terms of having the Public Advisory Group be allowed to have their own staff, having the Public Advisory Group have representatives sit on the Trustee Council as non-voting members but enabled to participate in the discussion. And we believe that the Trustee Council should be held accountable to the Public Advisory Group, and we've outlined a proposal for that in the letter.

Secondly, we're still concerned about the unresolved issue of the State Legislature's role in the appropriation of these monies. And I would hope that the Trustee Council is working with the State Legislature to resolve that problem, and we're eager to, if possible at some point, perhaps tomorrow, to have an update on the status of that resolved issue.

In regards to the studies that have been discussed today and the ones that have been deleted, I would encourage you, in whatever document goes out to the public, that you include not only the studies that have been approved but the studies that have been deleted so that the public has an opportunity to see the broad spectrum of what the studies were and have the opportunity to comment, certainly not only on the ones who were approved but the ones that have been proposed for

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deletion.

Finally, we oppose the idea of putting the majority of the spill settlement money into an endowment. It may be appropriate to put a small portion of the money into certain endowments for certain purposes, but since the purpose of this money is for restoration, it is difficult to understand how an endowment set up for perpetuity would be able to restore the Sound right now. In other words, it's difficult to understand how we would spend the money on restoration in the year 2100. Hopefully, although we don't know, hopefully, the Sound will have restored itself by then. The money needs to be used upfront, right now for habitat acquisition, and an endowment doesn't pursue that end.

Thank you.

MR. BARTON: Thank you, Mr. Phipps. Any questions? Thank you.

Cordova, anybody in Cordova?

CORDOVA: Yes, we have one other person in Cordova.

MR. BARTON: Please, go ahead.

JEFF: Yes, my name is Jeff (indiscernible), and I speak on my own behalf. It's kind of a comment and a question. I couldn't help but notice going through the studies that have been funded and cut that they're heavily weighted towards species which are commercially harvested, where Bald eagles, whales, oyster catchers (ph) and otters all seem to get the ax.

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And I kind of find it hard to believe that nothing but commercially harvested species were affected by the spill. And I was wondering if anybody there could comment on why some of the other studies were funded.

MR. BARTON: Mr. -- Dr. Gibbons.

MR. GIBBONS: Yeah. I can comment on that. A lot of the studies concerning the non-commercial species were in a category called Recovery Monitoring. And we considered those as to the importance of doing that activity this year, could it be delayed until next year. And we didn't consider, in our analysis, commercial or non-commercial but just the merits of a project.

JEFF: Okay. The next question I have for you is what could the general public do as far as trying to get some of these projects restored?

MR. BARTON: These -- the projects that do make it through this process will be sent out for public review in March. And proposals from the public will be solicited in conjunction with that process, so that would be the prime opportunity to make any suggestions that you might have.

UNIDENTIFIED VOICE: Mr. Gibbons.

JEFF: Okay. I guess just one final comment on habitat acquisition. I hope that it doesn't go the same way these projects were funded. Again, I feel like cities like Anchorage and Soldotna that have larger populations are getting more of a

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say in this process, and the areas that maybe were affected the most by the spill are going to get ignored. And I hope that science plays a much bigger role in determining what gets bought rather than just public opinion.

And thank you for your time.

MR. BARTON: Thank you. Valdez, anybody left in Valdez?

VALDEZ: No, everyone here has spoken. Thank you.

MR. BARTON: Thank you. Anchorage? Geoff.

MR. PARKER: Thank you, gentlemen. My name is Geoff
Parker and I'm speaking on behalf of the Alaska Sport Fishing
Association tonight. I think, generally, I'd want to commend
you first, because I think the Council has made progress in
res- -- but has not yet gone all the way that it should, in
basically resisting either the inclinations to follow agency or
interest groups or even individual agendas for what should be
done, and has made progress in moving towards trying to pursue
a process that ties its expenditures to facts related to
injuries to resources or to services, and how the restoration
options identified in the law, such as restoration, replacement
or acquisition, ought to be tailored to that.

And also, progress has been made in terms of moving towards complying with the terms of both the MOA, the Memorandum of Agreement, and the Consent Decree. But there are still places where some more, further progress could be made,

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and that'll be the substance of my comments.

I think in putting out -- first a couple of other preliminary points. I think when you put out to the public a document that identifies your proposals for recommendations for which you seek public comment, it would do you all -- do us all very well if you would state as strongly as the Attorney General's Office and the Department of Justice will allow you to the factual rationales for the particular projects that you're proposing. I think a factual statement for each project, not just a project description of what is going to be done, but the rationale in terms of injury to resources or injury to services that the resources provide needs to be stated as clearly as possible so that the public can see why your decision is rational or irrational.

I think you've also made progress in focusing on process and getting away from agency or interest group agendas. In that context, I think the Advisory Group comments that Allen Phipps had I would second. You need, in order to have that process work, credibility of all of the interest groups needs to be firmly maintained.

I would disagree with Allen, however, on the issue of an endowment. I think we may well face periods in the Trustees' life, or the duration of this group, Council, in which it will -- you won't yet have sufficient data but you may have it in the future to justify your expenditures. And when

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and if that situation occurs, and I think it'll probably occur in the front-end years more than in the late-end years, money is probably most usefully spent later with good information than foolishly spent in the early stages without such good information.

And I think the endowment concept is also a method by which restoration of resources and the services they provide can be more commensurate with what the unpublished economic studies, specifically economic study -- Economic Uses Study Number 7 probably showed in terms of the amount of damages to non- -- damages to resources as measured by non-use value showed.

So the endowment principle, I think, is probably the only principle that may get us restoration commensurate with the multi-billion dollar figure that we all know has been mentioned in the press.

My -- then now, onto kind of the main point. And that is this will sound arcane, but it is about the terminology that we all use. And I think the deficiencies of the Trustee Council's use of terms leads to deficiencies in how the public responds to you and in how you, also, pursue your decisions.

Specifically, there are three areas where I think precise use of words is necessary in order to comply with the law, the Memorandum of Agreement and the Consent Degree. We speak about damage -- closing out damage assessment studies,

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what really we are -- we have confused damages and injury. And I think Mr. Cole will -- Attorney General Cole will agree with these comments. We confused the concept of damage and injury. We really had injury assessment studies, and that is, in fact, what we're closing out, and we had economic damage calculation studies that put dollar signs on that.

The fact that we start mixing these terms around leads us to several problems. One is we confuse restoration of resources with restoration of services. And the MOA,

Memorandum of Agreement, between the United States and the State specifically says we are to restore not only resources but also services. That's the second place where confusion occurs, because we talk consistently about restoring resources. And from that we say — the public responds with buy habitat to restore resources when, in fact, that desire for buying habitat may well be served very well by buying land that has use value, service value but is also, coincidentally, very high in habitat value. And that high habitat value may be commensurate with the non-use value that was very high in the economics and (ph) intrinsic value study. I think Attorney General Cole probably follows my meaning more than, perhaps, the others do.

Habitat and land acquisition. Again, we confuse again; we confuse hab- -- progress has been made because you're starting to talk about not only acquiring habitat but acquiring land. Those are two different concepts in terms of

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restoration. Habitat may be relevant to restoring resources; land, which may or may not have habitat value, may be relevant to restoring services.

So, again, and I want to try and emphasize, I think if you can increase your precision in how you use the terms, and I would hope you would rely on the Attorney General here who ought to be at your service for that purpose, the result will be some improvement in terms of what the public is recommending you do.

That, I think, takes care of it. And I hope the final point wasn't terribly arcane, but I think that you will improve the nature of the public discourse if you improve your own.

Thank you.

MR. BARTON: Thank you, Mr. Parker. Any questions, comments?

MR. PARKER: I'll make one more comment. Sorry.

MR. BARTON: I was asking the Council.

MR. PARKER: Sure. I apologize. I'm sorry, Mike.

I'll just make a prediction because I think it will help you.

You will end up buying much more land that may or may not, but probably in most instances will have high habitat value, if you do so on the basis of lost services, including uses and non-use value than you'll ever do by buying land for the relationship of the habitat that is being acquired to the injured natural resource.

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In other words, what -- and I think Attorney General Cole knows this. What we measured in Intrinsic Value Number that led to the -- what according to the press, at least, is a multi-billion dollar figure and what we're now trying to restore. What we did there is we injur- -- we measured the non-use values, and those came out, according to the press, in very high numbers. Now, theoretical, good restoration would be to be able to restore multi-billion dollars worth of non-use value. And how do you do that?

That's not necessarily restoring resources that are injured but it's replacing resources that are injured and the services, the high non-use value that those replacement resources have. If you do that, you can spend rationally and in a legal way that's consistent with the MOA, with the Conser Decree, and consistent with the law and consistent with injuries to resources and services -- more importantly, services, that's what I'm trying to bring forward. There's too much -- we neglect the aspect of injury to services, and that's where the real money came from.

MR. COLE: That's right.

MR. PARKER: Thank you. I'm glad to see the Attorney General agrees with me.

MR. BARTON: Thank you, Mr. Parker.

JUNEAU: This is the Juneau Moderator.

MR. BARTON: Yes.

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JUNEAU: We have someone here who would like to speak now.

MR. BARTON: That'd be wonderful, put 'em on.

MS. JENNY: (Indiscernible - telephone cutout) and my last name is Jenny (ph) and I'm speaking for myself. I'd like to say that the marine ecosystem was damaged, recovery is not over. And I am concerned that without continued comprehensive studies over time Alaskans will never know the extent of the effect of the 1989 Exxon Valdez oil spill and its cleanup efforts or the effect of any other future oil spills that we may have. Thank you.

MR. BARTON: Thank you. Any questions or comments from the Council?

Cordova, anybody left in Cordova?

MR. BECKER: Yes. My name is Karl Becker, I had another question mainly with respect to what the last speaker was talking about. One, I'm not sure what Intrinsic Value Number 7 -- I guess let me back up a minute.

Maybe this idea of things being arcane is more appropriately applied to chronology (ph) and the way the public participates in these teleconferences, come in after the fact and are somewhat lost because of either terminology or -- I'm looking at your mailer that we got by fax, your flow chart, today, and it's full of acronyms that are never defined. And I wonder if in the interest of helping us and the public

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participate better, (1) that you could maybe put out a dictionary of acronyms or else define them as you go along; and (2) when you use -- when you refer to what has been commented upon by the press, for instance, Intrinsic Value Number 7, that maybe you could just take a moment and explain what you mean by those things.

And actually, I would kind of be curious to know what you mean by Intrinsic Value Number 7 and maybe someone could clarify what the last speaker was saying.

MR. BARTON: Give him Mr. Parker's number.

UNIDENTIFIED VOICE: Well

MR. COLE: Excuse me, Mr. Chairman.

MR. BARTON: Yes, Mr. Cole.

MR. COLE: Let me respond briefly. First with respect to acronyms, down in Juneau, I constantly get this flow of paperwork containing acronyms; finally, I gave up and I said I will not read another piece of paper presented to me by anybody in the Department of Law which contains a single acronym. Because it's absolutely impossible to read these things, that they're spattered with acronyms that are totally meaningless, and I understand that point of view.

Look, here is the thing we should be (ph) talking about or Mr. Parker was talking about. When we looked at the large damages in this case, we were of the view that the damage measurement technique which yielded the greatest damage

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evidence was the contingent valuation studies, which the State undertook and the Federal Government undertook. That was the category of damage which provided the biggest number which we were prepared to present at trial.

And how do we get that big number in the contingent valuation study? Well, we talked about it, it's a newly emerging damage measurement process. But you know, it's really keyed to the value of a resource, you might say, in its pristine condition; the intrinsic value of an undamaged Prince William Sound. And I think Mr. Parker was saying look, if you want to be able to acquire land in Prince William Sound, that the mechanism by which you can do that lies in the precise use of the acquisition of the services provided by the land and its intrinsic, pristine condition.

And that will allow a greater flexibility in the acquisition of land than simply looking at restoration from the standpoint of how do we acquire land which would led to restoration of a particular damaged resource. That's the concept.

MR. BARTON: Thank you, Mr. Cole.

MR. BECKER: Yes, thank you, Mr. Cole. I really appreciate it, I think that clarifies. In other words, you would look at the restoration process also from the standpoint of contingent valuation, is that correct?

MR. COLE: Yes. Not simply the acquisition of land

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based upon what it provides for the restoration process itsel restoration of a particular damaged resource; that is the concept, I think. Is that right, Mr. Parker?

MR. PARKER: I think that's correct, yes.

MR. BARTON: Anything further?

MR. BECKER: No. I just want to thank you for clarifying that, and I appreciate your comments on acronyms, too; they are pretty frustrating at times. Thank you all very much.

MR. BARTON: Thank you. Anchorage, anybody else want to testify? Yes, ma'am.

MS. JOHNSON: My name is Myo Johnson (ph). And I appreciate the difficult decisions and the amount of material that you people are having to sort through.

My concern is one project, in particular, which has been dropped from the list, and some others which may have been very worthy and people didn't have a chance to speak for. I live in the Anchorage area, but I hunt, I fish, I pick berries; nobody's planting berry patches for me, not too much is being down about hunting, but I appreciate the fish hatcheries.

And the project I would like to support is the Anchorage Fish Hatchery Project, it was R117, I believe. We have a fish hatchery here that is not operating at the full capacity that it was meant to when it was first designed because it doesn't have enough water; the wells haven't

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produced the way they were anticipated. This project would bring water to the hatchery, and it would bring heated water to the hatchery, which the fish grow faster and they can turn them out in about twice the time.

These fish are delivered every place from up in the Fairbanks area, we're facing a shortage down on the Kenai River in '93 and '94. And I think one of the intents of this whole program is to try and restore Alaska, and to put fish and to rebuild our stocks the way they need to be. And I would urge you to reconsider this project. Thank you.

MR. BARTON: Thank you. Any questions from the Council?

Cordova, anybody left in Cordova?

CORDOVA: We're still here but I think you've gone through everybody who wants to testify. Thank you.

MR. BARTON: Okay. Thank you. Back to Anchorage then?
Ms. Brody.

MS. BRODY: Thank you, Mr. Chairman. I'm Pamela Brody from the Sierra Club. I am going to talk first about the restoration program that you gentlemen have been discussing today, and then talk a little bit about the Public Advisory Committee that you'll be discussing tomorrow. And regarding the restoration program, I have several questions. First of all, I'd like to say that we -- I won't be commenting on individual studies at this time, although, I expect I will in

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the future, after I can get some more information on what the peer reviewers were saying about these projects.

I'm sure that every project has some merit, and it's difficult for me as I'm sure it must be for you gentlemen to make the cuts, but we do appreciate that you are cutting the budget and saving the money for some other purposes. But as you know, we're very concerned about what those other purposes are going to be, the money that is being saved out of this budget. And so far, there seem to be two options on the table; and one is to use this money for acquiring land and habitat, and particularly at this time, acquiring options; and the other is using it for an endowment for which the earnings would be used for unspecified important programs.

My question at this point -- and you know already which I favor. But my question at this point is when -- and maybe you've answered this already, Mr. Gibbons, but I am confused about when in the process these decisions will be made, and will this group be making more budget decisions on that leftover money in any time soon?

MR. GIBBONS: I think that's a decision of the Trustee Council. Now, we're trying to set up a process for, you know, habitat protection, and we'll submit that to the Trustee Council when we get that process established. And if it's the wish of the Trustee Council, we will move forward, solicit public proposals. It's -- we're in the process development

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stage at this time, that's all I can tell you.

MS. BRODY: My second question has to do with some testimony from people from Chenega Bay. And that is about subsistence resources. Would that be part of the coastal study that Dr. Spies was talking about how that will be going ahead at a reduced level or is that something that is, in fact, not covered by any existing studies?

MR. GIBBONS: The coastal habitat will deal with some subsistence species. There has been some subsistence work done under the auspices of the response, and they have that information; I'm not sure if they're going to be doing any more of that this year, but they have data from the previous years on subsistence. There ar some other studies being done that are not related to the oil spill but that will also provide some information, I believe; by the (indiscernible) Management Service and Alaska Department of Fish & Game.

MR. COLE: Mr. Chairman.

MR. BARTON: Yes, Mr. Cole.

MR. COLE: Isn't it true that the Department of the Interior is making a 400 or \$500,000.00 study of that very specific issue? I thought it was under one of the Settlement Agreements with the Native interests between the State and Federal Governments.

MR. McVEE: Mr. Chairman.

MR. COLE: That's my recollection.

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MR. BARTON: Mr. McVee.

MR. McVEE: Yes. I can comment on that. That study is being designed at the present time, and I guess that the (ph) Federal Government's part of that will be pulled together, some of the scientific information -- or all the scientific information, and that will be utilized in -- I guess by the Plaintiffs in looking at subsistence. But it isn't completed as far as design, but it's in that process.

MS. BRODY: Thank you. My third question is particularly for Attorney General Cole. In the past discussions -- past Trustee Council meetings, people have talked about these -- closing out these damage assessment studies and releasing them to the public. But I am not sure based on what you are saying, Mr. Cole, about whether these damage assessment studies that you have approved, that come to about four million dollars, whether they would be released to the public at the time they're completed or whether they would still be kept secret until this lawsuit is finished.

MR. COLE: Let me comment, if I may, Mr. Chairman.

First, I reiterate what I said earlier, Number 1. But

Number 2, I have every reason to believe that that data will

soon become public, and essentially all of it. Is that right,

Mr. Swiderski?

MR. SWIDERSKI: It will clearly be public by September because it will be gone -- have gone and been made public

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through the discovery process. I mean that would be the very latest that would become public. And there are many reasons it could become public earlier than that, such as the ones you've addressed.

MS. BRODY: Thank you. My fourth question is about the process by which the Restoration Team and Dr. Spies made their decision. I was a little surprised to hear that it was a matter of two people could veto any project. And I wondered if you might explain that a little bit?

MR. BARTON: First, let me say Dr. Spies and the Restoration Team made recommendations, the Council made the decisions.

MS. BRODY: Yes, I'm sorry, of course.

MR. GIBBONS: Yes. The voting procedure is to align the Restoration Team more in sequence with the Trustee Council. The Trustee Council must act unanimously, and we were trying to align ourselves more in that mode.

MS. BRODY: Thank you.

MR. COLE: May I something? I think people should know that this was a two-week process of many bloody battles. I mean this was no easy sort of thing where people simply said well, that's fine and trade here and trade there. There was intense emotional effort that went into the decisions on the Restoration Team. And I admire, you know, like I said earlier, what they've done, and I want to respect it; and that's one of

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the reasons that I am sort of steadfastly trying to support them, because I think they did really an outstanding job on what they've done, and I really want to support it. It was not something that anyone simply just regarded it as -- you know, some sort of exercise without meaning.

MS. BRODY: I do agree, it must have -- that the decisions must be very, very difficult. As I said at the beginning, I'm sure that all of these projects are worthy.

One of the things that's concerned me is not only the worthiness of the project but the cost. And I wondered if in the peer review process, if people -- if there were people reviewing the programs that had a good sense of what the costs of these studies -- how they could be done at a minimum cost; was it just a matter of deciding what needed -- what was worth to do scientifically and what wasn't, or were there people who were evaluating those costs closely?

MR. GIBBONS: Both.

MS. BRODY: Okay.

MR. BARTON: Ms. Brody, if you've got a number of these specific questions, perhaps, for the sake of the other folks who want to testify, I wonder if it might not be more profitable to sit down with Dr. Gibbons and discuss them.

MS. BRODY: Okay. Thank you. That's the end of my questions. I'll just say a little about the Public Advisory Committee. Mostly, I agree with what Allen Phipps of Alaska

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Center for the Environment has said; that is that I agree that the interest groups should be -- should have seats on the Public Advisory Group, that the interest groups should be able to select their own representatives. I would also ad that I think that the Public Advisory Group should be able to elect its own officers rather than having them selected by the Trustee Council. And that when the Trustee Council disagrees with the Public Advisory Group that it should submit written findings of fact with reasons for the disagreement.

Thank you.

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MR. BARTON: Thank you. So we can plan out the rest of the evening, could I have a show of hands of those of you that wish yet to testify? One? Two. Anymore than that? We could take a break now or we can continue on.

MR. STIENER: Mine's very short.

MR. BARTON: All right.

MS. MILLER: Mine's short.

MR. BARTON: Your's is short. Fine, why don't we continue on then. Mr. Stiener.

MR. STIENER: Rick Stiener from Cordova. I just have a quick question about what do you think the time line will be on the habitat acquisition decisions? I know Sharestone and Eyak does have a proposal in to you, and it's a very, very clearly thought out, I think, proposal; it's not an agency submitted proposal. But there's a number of people in Cordova that are

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810 N STREET (907) 277-0572 OR (907) 277-0573 FAX (907) 274-8982 1007 WEST THIRD AVENUE (907) 272-7515 1135 WEST EIGHTH AVENUE (907) 272-3022 kind of anxious to know how soon we could have some sort of a indication from the Council.

MR. BARTON: Do you want to handle that one (ph), Dr. Gibbons?

MR. GIBBONS: That's really difficult to estimate at this point. Like I've said before, we have to develop the objectives and the criteria for this. We're going to discuss this tomorrow with the Trustee Council. After we have these set, if the Trustee Council wishes to solicit proposals at that time or incorporate the solicitation of proposals with the Restoration Plan, yeah, those decisions have not been made yet. So, that's all -- I'm sorry, that's all I can tell you. We're in the initial stages of this thing, on the process development.

MR. STIENER: I suppose one last quick comment. This has been talked about for well over two years; I think, Don, you -- we talked with you two years ago about it. And much to the liking of most of the people in the region, you submitted a budget request for about 40 million dollars; and of course, then you folks left office. Here we are, a year and a half later, with not a cent spent on it yet. But anyway, we do thank you for your interest while you were the Commissioner there. So, that's all I have.

MR. BARTON: Comments or questions from the Council?

Last but not least.

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MS. MILLER: Pam Miller, Wilderness Society. I'd like to ask again about the agencies reimbursements for the funds that were already spent with appropriated money, and if we could get in writing what's happened with that and if it's, indeed, gone forward, that would be useful. And all this talk about cutting budgets, that's the biggest chunk of the budget for this year, and I'd like to see what's actually been done with that.

MR. BARTON: I think we can get a cast up (ph) to the best we know it right now. But I want to say again that those monies that are being reimbursed were taken from other locations and other appropriations in an emergency manner, and those folks that have some interest in seeing those programs restored. But we can sure provide the information.

MS. MILLER: Well, I guess in terms of that, the assurance that where the funds were stolen from in the first place, whether they're going to go back there or just get dumped into the Federal Treasury and goes into who knows what. That would be useful to see in writing, what the process is.

My other question will be -- concerns the description of these restoration projects that will be submitted to the public for review. And I know you've been hindered by limited information on what these projects entail. I find it surprising there's not even a research question that's identified for what these projects will be looking for. And

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for the public, that would be quite helpful to know what is a general research question; usually, that's part of a project proposal.

As well, the factors in terms of the Committee was addressing whether if there was delay in these projects it would hinder the projects. From what we've gotten so far, there's no indication whether these projects are being written off forever, whether they were considered for delay, what the long-term merits of the information would be and what irretrievable loss of data we're going to have. And that would be useful to have identified in the document that goes out to the public.

I don't mean for this to be an onerous document but without it there's -- we can't tell if the reduction in money means the geographic scope of a project has been reduced or just having fewer people go out, less sampling or whatever.

It's really impossible to tell what the projects are about.

And finally, I will follow-up on what Rick Stiener said about when are we going to see for public review the habitat acquisition criteria? And if it doesn't come into this document that will be out soonest, does that mean that there won't be a process this year at all by which any habitat could be acquired?

Thank you.

MR. BARTON: Do you want to address any of those

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questions, Dave?

MR. GIBBONS: Yeah, a bunch of them. I lost track towards the end there. But on the public document, we're going to have detailed study plans; and we may overwhelm you with the information that's in them for the damage assessment continuation and restoration program. We have long, detailed study plans that have justification statements that led -- that link injury to the study and

MS. MILLER: But that'll only be for the projects that weren't zeroed out by the Trustees, is that correct?

MR. GIBBONS: That's correct.

MS. MILLER: Okay. Will that information be publicly available in the library here or somewhere so we can see what those justifications were for the projects that were zeroed out?

MR. GIBBONS: Well, I think that was referenced earlier in the evening with the decision-making request that the document by Dr. Spies, the documentation on our decisions that will be available in the Public Information Center that'll tell you what the decision-making -- you know, recommendations -- further recommendations to move forward was on those projects.

MR. BARTON: Okay. Anything further? Do I hear a motion to recess until 10:00 a.m.? I thought I did. Pardon me?

Well, let me ask the teleconference sites, is there

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anybody out there that wishes to testify that hasn't? Hearing none, again, I thought I heard the motion to recess until 3 10:00 a.m. You did. UNIDENTIFIED VOICE: 5 UNIDENTIFIED VOICE: Second. MR. BARTON: Thank you all for your patience. 6 (Off record) 7 (END OF DAY'S PROCEEDINGS) 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24

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