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2 EXXON VALDEZ OIL SPILL SETTLEMENT
3 TRUSTEE COUNCIL

4 Egan Civic & Conference Center
5 555 West Fifth Avenue
6 Space 4
7 Anchorage, Alaska
8 February 6, 1992
9 8:30 a.m.

10 TRUSTEE COUNCIL MEMBERS:

11 State of Alaska

MR. CHARLES COLE
Attorney General

12 State of Alaska Department
13 of Environmental
14 Conservation

MR. JOHN SANDOR
Commissioner

15 Alaska Department of
16 Fish and Game

MR. CARL ROSIER
Commissioner

17 USDA Forest Service

MR. MICHAEL BARTON
Regional Forester

18 National Oceanic and
19 Atmospheric Administration

MR. STEVEN PENNOYER
Regional Director
Council Chairman

20 United States Department
21 of the Interior

MR. CURTIS McVEE
Special Assistant to the
Secretary

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P R O C E E D I N G S

MR. PENNOYER: Okay. We'd like to go ahead and get started here if we could. If -- if you have further conversations, I'd appreciate it if you'd do it in the hall so we could get going here.

We had somebody do the mathematics, and I figure if we went through a project every five minutes today, we might just get there, but we've got a few other things to take care of first.

Briefly, yesterday -- yesterday we went through about six pages of this book and deferred about half of it, and we're going to come back this morning and pick up a couple of items I think and then go on with the projects after that. The one thing we deferred or tabled is the public advisory group, and the public outreach part of the budget. And we -- we're going to wait for a discussion by Ernie Piper, and I've had the Restoration Team promise us they can lead us through the OSPIC/public outreach part in five minutes.

So with that, maybe, Ernie, do you want to go ahead and get started and give us your public outreach summary, and then we'll go on to the summary by the restoration team on the OSPIC or public outreach?

UNIDENTIFIED: Steve, it sounds like the microphones are still on some kind of a -- the porous acoustics that we had during the teleconference, and we also

1 have the same quality this morning.

2 MR. PENNOYER: If anybody here knows anything
3 about the microphones? We're getting feedback or what?

4 MS. BERGMANN: It's just the -- it sounds like
5 the air (ph) supply.

6 MR. MORRIS: Reverberation.

7 (Several people discussing the sound system)

8 MS. RUTHERFORD: I'll go get

9 MR. PENNOYER: Thank you. I think we'll go
10 ahead and proceed. We're having somebody look at the
11 microphones, and we'll try and talk loud until then.

12 Ernie, do you want to go ahead and get started and
13 give us your public outreach summary?

14 MR. PIPER: Thanks, Mr. Chairman, I'll split
15 this into three brief parts. The first part is about the --
16 the public meetings, and I'll explain to you some of the
17 general comments that have come in and some of the specific
18 comments about public participation issues rather than dwell
19 on individual suggestions that have come in at each place,
20 which would be a lengthy discussion. I think I will group
21 these under general headings and tell you the issues that --
22 that the comments addressed. The third part will just be a
23 couple of brief statements before Dave explains the public
24 outreach program and the -- and the library functions and the
25 PAG staffing. And I would base that on the comments from the

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1 public meetings.

2 So far we've had six public meetings, the seventh is
3 in Seward tonight. There are three that are scheduled next
4 week which will close it out. We remarkably have been snowed
5 out of only one, and that was in Chenega, and we're trying to
6 pick that up next week.

7 The general comments, we've tried to make sure that in
8 these meetings, although the focus is on public participation
9 and how that process should work, we've been making sure that
10 we allot a considerable amount of time to general comments and
11 questions about the restoration planning process, proposals
12 and that kind of thing. The general comments have fallen
13 generally into four categories.

14 One is the habitat protection, and you've heard quite
15 a bit about that, both in public testimony here and in
16 proposals that have come in. The -- it's interesting to note
17 that in the habitat protection or acquisition category, the
18 public actually has some very sophisticated ideas about how
19 that should go on. It's not simply purchasing land and
20 locking it away so to speak. They have been very creative in
21 their suggestions about easements, trusts, and other somewhat
22 complicated functions. So there is a high level of
23 understanding I think out there among the public.

24 They focused on short-term questions such as the one
25 the Shearstone data. They've also functioned about (sic) --

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1 talked about long-term ones as well.

2 The second one is one also that you're familiar with.
3 There's been an increasing number of comments asking about the
4 release of scientific information that has not been released
5 thus far. I think we're all familiar with that issue and
6 Craig Tillery has addressed it from time to time for this
7 board, but once again this has been a topic of discussion.

8 There also -- in some of the communities there has
9 been support for certain studies. Specifically you heard that
10 in -- in comments from Cordova yesterday. We heard the same
11 thing. I think to generalize, that in the commercial fishing
12 towns, the large commercial fishing towns, there's generally
13 support for certain species -- studies on certain species that
14 are important to those areas. So I think that's interesting
15 to note as well.

16 A fourth category involves prevention and equipment
17 purchases. This is a little more complicated and we heard
18 much of this from Kodiak, although some other areas mentioned
19 it as well, and we discussed the options that are available at
20 both the state and federal level, not necessarily out of the
21 trust fund, but those options that are available, and the
22 State plans in particular for dealing with those.

23 On public participation, the comments have focused
24 largely in these areas:

25 First is access to information. There is a very

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1 strong desire to make sure that not just the public advisory
2 group, but members of the public have access to the kinds of
3 information that the staff are dealing with here.

4 Second is access to the Trustees and to the
5 restoration team. There have been many suggestions about how
6 they may interact ranging from voting membership to a system
7 in which there's a written finding for each Trustee decision
8 delivered to the public.

9 A third area is accountability systems. This has been
10 mentioned by people who are familiar with the RCAC system, the
11 Regional Citizens Advisory Council System, and this is focused
12 on the question of what do -- what happens if the Trustees
13 choose for various valid public policy reasons to not follow
14 specific advice from the advisory group. And there have been
15 very good suggestions about how you could address that and
16 maintain accountability and trust.

17 A fourth area that has come up at all the meetings is
18 maintaining regional integrity on the public advisory group.
19 Each area has noted that not all regions share -- while they
20 have common interests, there are more specific interests in
21 each area that -- that should not be covered over by a public
22 advisory group, that -- for example, in Kodiak they reformed
23 their shoreline clean-up committee and they presented us with
24 a list of regional priorities, which I think is useful.

25 A fifth area relating to the public advisory group was

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1 the public has said they want stability in funding. They want
2 to make sure that they have on a consistent basis adequate
3 funds to do the job that they are asked to do.

4 Stability in membership is another area that was
5 addressed by the groups. This is because all of us who are --
6 I happen to be a political appointee, and I know that the --
7 that the trustees are as well, and the people in the
8 communities expressed the thought that they would like to make
9 sure that the public advisory groups serve as the long-term
10 memory, the institutional memory for restoration issues. And
11 that can be addressed through staggered terms and that kind of
12 thing.

13 Lastly, a major area of -- of discussion and comment
14 by the public has been the nomination and selection process.
15 So far the comments from the six meetings have focused on the
16 fact that the specific groups that are named to -- to have
17 seats on the public advisory group have a principal hand in
18 the nomination and/or selection of those who will sit on that
19 public advisory group.

20 Are there any questions from the Trustees about the
21 public meetings thus far?

22 MR. PENNOYER: Any questions? Comment?
23 Ernie, why don't you go ahead.

24 MR. PIPER: Before -- before Dave makes a
25 presentation about -- his five-minute presentation about the

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1 -- the public resource center, the fate of the OSPIC and the
2 PAG staff, I should note a couple of things -- well, actually
3 I will hold them, because the -- the questions that may rise
4 up on the budgets may be more -- it might be easier to address
5 those as questions come up.

6 MR. PENNOYER: I think Mr. McVee has a
7 question?

8 MR. McVEE: Yes, Mr. Chairman, I have a
9 question. Ernie, do you have any feel now that -- what size
10 of an advisory group that -- that we would have to be thinking
11 about in order to get both regional and -- and interest --
12 specific interest coverage? Are we talking about ten members,
13 12, 15? Have you -- have you given any thought to that as a
14 result of these public meetings?

15 MR. PIPER: I think that the -- the number of
16 -- of seats that we came up with on our original list, 12,
17 which identified those interests, is probably the closest to
18 what the number will be. To preserve the regional integrity
19 that people have mentioned, they have suggested having their
20 -- during the oil spill there were things called the MAC you
21 remember, the multi-agency committees, and shoreline clean-up
22 committees, and they varied from -- from region to region.
23 But to be able to convene those to provide some kind of -- of
24 input to the public advisory group of a regional nature to
25 make sure that that's considered, that -- that's what most

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1 people have suggested thus far, rather than having, you know,
2 a congress of -- of 50 people on -- on such a group.

3 MR. PENNOYER: Go ahead.

4 MR. McVEE: Okay. A follow-up comment. It
5 seems to me like it would be appropriate if the Trustees
6 Council would take action to -- to move forward with the --
7 with the charter, you know, get that into the process of --
8 the approval process. Of course, the leading question was to
9 settle on a -- on a number, and -- which has to go into the
10 charter, and so it seems like that we should take that action
11 to -- you know, to advise the staff to go ahead and finalize
12 the charter and submit it.

13 MR. PIPER: I -- Mr. Chairman? I would

14 MR. PENNOYER: Yes, go ahead.

15 MR. PIPER: I would suggest that there are --
16 the charter as we've discussed before to conform to the
17 Federal Advisory Committee Act, can be fairly generic in
18 nature. And I think that it would be appropriate to proceed
19 with drafting such a generic charter, and then at the close of
20 the public meetings when we finish those up next week, to
21 then insert the number.

22 MR. PENNOYER: Mr. McVee, did you have in mind
23 we'd adopt something here? We don't have the charter in front
24 of us, or just to instruct them to do something and bring it
25 back to us in a week or two?

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1 MR. McVEE: Yeah. I guess -- yes, I guess
2 that is the direction I was headed, is, you know, some
3 instructions to the staff so that -- that we could -- you
4 know, we could come to closure on this issue and get the
5 charter submitted.

6 MR. PIPER: Mr. Chairman, perhaps an
7 appropriate motion may be something on the order that staff be
8 instructed to satisfy the generic require- -- write a charter
9 that satisfies the generic requirements of the Federal
10 Advisory Committee Act, and that it be then given to you for -
11 - for final approval.

12 MR. PENNOYER: Move -- do you move that?

13 MR. McVEE: I'll so -- I'll so move.

14 MR. PENNOYER: Do I have a second?

15 MR. BARTON: Second.

16 MR. PENNOYER: Okay. Moved and seconded. Is
17 there any objection? Mr. Cole?

18 MR. COLE: Mr. Chairman, what generally will
19 be the scope of this generic charter, because I would like to
20 get a sense of that before we vote on this motion.

21 MR. PIPER: Mr. Chairman, if I -- if I went
22 back to the -- to some of the original draft work that counsel
23 for the Department of Interior did on this, the principal
24 points that you might mention in such a generic charter were
25 numbers -- number of members, how the meetings are to be

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1 advertised, what sort of reimbursement members are supposed to
2 have, for example, travel and per diem. These are things that
3 would attain regardless of -- of how you define the broader
4 mission of the group.

5 MR. PENNOYER: Ernie, do you mean thought that
6 we would not at this point decide on some of the real nitty
7 gritty on how it's going to operate? This would just be a
8 generic charter, would lay out -- you had some suggestions,
9 for example, have regional groups meet separately and provide
10 advice. Would that sort of thing be in there, too, or that's
11 just

12 MR. PIPER: I don't

13 MR. PENNOYER: at this stage?

14 MR. PIPER: Mr. Chairman, I don't think that's
15 necessary. I think that the -- the Trustees, once a charter
16 is in place, and it says this group exists and here are the
17 basic outlines of what the members are and everything else,
18 you can then give them specific instructions. Almost the --
19 the sort of relationship if -- as there's a constitution and
20 then legislation. Your secondary instructions would be
21 equivalent to the legislation.

22 MR. McVEE: Fine. Thank you. Mr. Barton?

23 MR. BARTON: I think Mr. Piper has laid --
24 laid out a very logical scenario for us. I think we need to
25 go ahead and develop the charter we need to satisfy the

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1 requirements of the Federal Advisory Committee Act and -- and
2 go no further with that. But at what -- at some point, and
3 I'm anxious to learn when, I think we do need to develop a
4 more specific charter, constitution as Mr. Piper calls it for
5 the group.

6 MR. PENNOYER: Operating procedures?

7 MR. BARTON: Operating procedures. When do
8 you envision that would be done?

9 MR. PIPER: As soon as we've closed the public
10 meetings on this process, we can begin work on that, and I --
11 because the comments themselves have really fallen into very
12 specific -- into very much the same categories in each place,
13 I think we've got the kind of guidance or we're getting the
14 kind of guidance from the public that will allow us to do that
15 within two weeks from the close of the meetings, to have a
16 proposal ready.

17 MR. COLE: Mr. Chairman?

18 MR. PENNOYER: Mr. Cole?

19 MR. COLE: Here's what's concerning me, and,
20 you know, I've listened to what you say, and I get the sense
21 of what some of the public is saying, but I think it should be
22 clear that -- that the final decisions are made by the
23 Trustees and not by the public group, and that the public
24 group is to furnish advice and comment to the Trustees, but
25 the Trustees are not to account to the public group. Now,

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1 that may be a view that's not widely shared, but I think that
2 because we act as trustees, and we look at the memorandum of
3 agreement, that that's a clear import of it, and I would like
4 you to keep that in mind as you reflect upon the content of
5 this charter.

6 MR. PENNOYER: Mr. Rosier?

7 MR. ROSIER: Yes. Thank you, Mr. Chairman.
8 Ernie, perhaps you've mentioned it, but I have -- I missed it,
9 what kind of participation was there in the -- the public
10 meetings that have been held so far? Has it been -- have we
11 been playing to full -- full houses? Or have we been playing
12 to a relatively small number of people or -- could you give me
13 some feel for that, please?

14 MR. PIPER: In -- the first meeting was in
15 Cordova. There were about 50 people there, which is a large
16 evening meeting for Cordova. In Juneau there were about 20,
17 and it was primarily legislative staff, and I don't think
18 there were a lot of civilians there so to speak, but that's
19 often -- often the way Juneau is. In Kodiak we had also about
20 20, and there were substantive comments from organized groups,
21 such as Audubon, Afognak Joint Venture, the Borough and so on.
22 We also were on the radio there out to the villages on KMXT.
23 In Homer, Homer is never a problem to get a crowd to a public
24 meeting, and there were about 20 to 25 people in Homer, and
25 many of them, individual citizens, presented specific written

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1 testimony about the public advisory group, and that was very
2 helpful. Marty Rutherford was in Tatitlek, there were about
3 15 people in Tatitlek. And in Valdez?

4 MS. RUTHERFORD: There were about 15 people.

5 MR. PIPER: And about 15 in Valdez.

6 MR. ROSIER: Thank you.

7 MR. PENNOYER: Further questions or
8 discussion? Is there any objection to the motion? Then we'll
9 see a generic charter in some recent -- or near future then.
10 Thank you.

11 Before we go back to the budgets on public outreach
12 and PAG, Mr. Gibbons is going to give us a real simplified
13 five-minute option discussion on public outreach, including
14 the first floor of the Simpson Building.

15 MR. GIBBONS: Thank you, Mr. Chairman. I'm
16 going to use an overhead. I've -- I've got some copies of --
17 of this one-page summary out on the table out in front so
18 people can -- can follow along.

19 While they're setting that up, if the Trustee Council
20 would turn to the -- to the budget page on public outreach,
21 I'm going to explain a little bit of the -- perhaps the -- the
22 confusion of yesterday. If -- if we look at that budget,
23 there's two functions within that budget. One function is a
24 -- is a public out function, public meetings; and another
25 function is a -- is called, for no other better words, a

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1 library function, or a housing where we can put the material
2 that the public can -- can get, which is also a form of public
3 outreach.

4 To go down that budget, you can kind of split that
5 out. The first column, 130 for the -- for the public resource
6 coordinators, we can call those librarians, would be
7 associated with the library function which I'm going to --
8 which is identified up here on the overhead. The information
9 specialist, the next on the -- on the list is -- is the -- not
10 associated with a library function, is associated with -- with
11 the information, the public meetings, and is not -- so it's
12 not associated with the library.

13 Moving down to the public resource center, if we split
14 that in half, that represents the -- the space. Half for
15 the library and half for support to the public advisory group
16 meetings, to the Trustee Council meetings and other facilities
17 on -- on half of the first floor.

18 And then the last item there, travel for the public
19 meetings would be associated with the -- with the information
20 specialist.

21 So there's -- there's line items in there that -- that
22 perhaps are confusing.

23 If -- if I can walk you through now just the -- the
24 library or the public resource center function of this,
25 yesterday's options one and two in a -- in a nutshell, options

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1 one and two, there's no library at all, it's closed, and
2 another library picks up the present OSPIC functions. And
3 this is the Bureau of Land Management Resources Library.

4 Option 3-a is a scaled-back library with no network.
5 And what we mean by no network, the public has to walk in to
6 gain access to the materials. They can't go to their library
7 say in Cordova and gain access and request -- request the
8 information. We would move the non-Exxon Valdez information
9 out of the library. We would acquire only -- future acquire
10 would only be Exxon Valdez material. It would be walk-in
11 access only like I mentioned. No research capability would be
12 like if a letter from a sixth-grader is -- is obtained and --
13 and asks for information concerning the oil spill,
14 specifically maybe a text on otters or whatever. That -- that
15 function would not be associated within option 3-a.

16 The staffing is one. We're very uneasy about the
17 staffing, of running the -- this kind of a facility with one
18 person, but we're -- the plan here is to -- to kind of share
19 this with the information specialist. So it's -- it's a very,
20 very minimal staff.

21 Option 3-b, again scaled-back library, but this one's
22 on a network, so the -- the public can -- can have access both
23 statewide and West Coast-wide to this material. We would keep
24 the present collection that we've spent money on for the last
25 several years and have it there available, such as information

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1 on the Amoco Cadiz spill. We would acquire -- new acquires
2 would be Exxon Valdez material only, and again no research
3 capability, but the staff here is two, and we feel more
4 comfortable with the staffing level to -- to meet the demands
5 of the public.

6 Option four is -- is OSPIC as it is. It's material
7 related to the Exxon Valdez oil spill, petroleum related, and
8 oil spills in the marine environment also. It's a larger
9 scope. Acquisition budget to support would -- is -- is
10 larger. The network access would be statewide and West Coast
11 again as in option 3-b. There would be a research capability
12 to -- to meet the -- the needs of the public if they -- if
13 they request those, and the staffing presently is five.

14 MR. PENNOYER: Dave, two questions for
15 clarification. First, why is 3-a considerably more expensive
16 than 3-b, even though there's less people and it's scaled
17 back?

18 MR. GIBBONS: Three-a moves the material out
19 of the library.

20 MR. PENNOYER: I see. The first-year costs
21 then?

22 MR. GIBBONS: Yes, that's -- that's -- if
23 that's -- the only number we have to -- to deal with there is
24 -- is the number that we -- we got from the resources library.

25 MR. PENNOYER: Okay. Second question is the

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1 public resource coordinator as you said were librarians
2 basically who handle this data outreach, and the information
3 specialist is one and a half positions are not. What's the
4 difference between what they do? Information specialists
5 still provide information, do they not?

6 MR. GIBBONS: They -- they do. The -- the
7 information specialist though we don't see them coding the
8 material, putting them on the network, that type of a detail
9 that -- that the librarians need to do, shelving and that.
10 The -- the information specialists are more public meetings,
11 responding to public letters, those types of activities. They
12 -- they are -- they are linked, and that's why we have them in
13 a -- in a budget presented the way we have.

14 MR. PENNOYER: Questions of Mr. Gibbons?

15 MR. SANDOR: Mr. Chairman?

16 MR. PENNOYER: Yes, Mr. Sandor?

17 MR. SANDOR: With respect to another library
18 picking up the function, was the University of Alaska option
19 explored?

20 MR. GIBBONS: Somebody can correct me if I'm
21 wrong here, but I -- I think we looked at the ADEEIC library,
22 and they've closed that down. So that option is not
23 available.

24 MR. COLE: I'm not sure I -- Mr. Chairman?

25 MR. PENNOYER: Mr. Cole?

1 MR. COLE: I'm not sure I understood
2 Mr. Gibbons' last remark.

3 MR. GIBBONS: It's my understanding, maybe Tim
4 Steele can deal with this one, but?

5 MR. STEELE: Yes, we -- we have looked at a
6 number of -- a number of options. This was not done recently.
7 This was done when we were looking at the options last year.
8 The -- the AEDIC is affiliated with the University of Alaska.
9 That -- that facility there, their research portion of that
10 has been closed down. It's under new management. At the time
11 we talked to them, they said, yes, they -- they would be
12 interested in taking some of the Exxon Valdez material, but
13 their interest candidly expressed to me was that they were
14 hoping then that they could use that extended obli- --
15 obligation or work load to -- to increase their budget from
16 the State.

17 But the -- the -- I talked to all of the librarians of
18 the significant libraries in the State, and if -- if we were
19 to close down the library and lose the collection, all of them
20 said, "yeah, we'd take it," but they all wanted control over
21 what they did with it. Anybody that takes it and is expected
22 to maintain it and do something with it is going to want some
23 money to do that.

24 The librarians in the state are -- are well-organized.
25 They have -- have -- they expressed to me that the best place

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1 for the material if the material was to leave OSPIC would be
2 the -- the DOI library in the federal building, so

3 MR. PENNOYER: Mr. Sandor?

4 MR. SANDOR: Well, Mr. Chairman, I would like
5 to suggest that this option with the University of Alaska
6 specifically, perhaps others, but -- be explored in more
7 recent terms to -- to verify what they would be willing to do.
8 It seems to me there's some real merit in integrating this
9 block of very important information into a university system,
10 and it seems to me it would complement what's already in -- in
11 that system, and -- and I believed that we, you know, had
12 enough recent information on that option to be able to take
13 final action on this -- this issue.

14 MR. PENNOYER: Mr. Rosier?

15 MR. ROSIER: Thank you, Mr. Chairman. Yes,
16 last night during the public testimony we heard a fair amount
17 of -- of support for the public resource center and the
18 continuation of that. And perhaps we could call on one of the
19 staff here to -- to provide some information about the use of
20 the facility, and -- and I don't have a real feel for their --
21 or an understanding of what the public use is of that
22 particular facility at the present time.

23 MR. PENNOYER: Thank you. I guess there's one
24 other -- go ahead, and I'll add -- I'll add one thing to that
25 question now. It seems to me that we're right on the verge of

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1 having a whole lot of damage assessment information
2 potentially available to the public, and I think a lot of
3 people want to look at it. And I don't know how this -- the
4 libraries at this end would -- with making that available. I
5 think the current use is okay, but a lot of the things in
6 there are summaries, and are probably of less interest to the
7 public than specific information about injury to resources, so
8 it seems to me we have possibly a burgeoning demand here in
9 the near future. Would you like to comment on that, too?

10 MS. McGEE: I think that the public is
11 anticipating that that material that will be released will be
12 released in one central place such as the OSPIC.

13 In terms of your question about the use, I might just
14 say that since the Trustee Council meetings have begin in mid
15 December, the increase -- there has been a noticeable --
16 noticeable increase in the request for documents. We have
17 been distributing such items as the minutes from your
18 meetings, as well as the restoration documents from the public
19 participation meetings.

20 But you ask about the type of usage. We have patrons
21 that call using the 800 number from all over the country,
22 Canada, and we get letters actually from -- from abroad, from
23 Europe, Australia, Japan. So there is beyond just the U.S.
24 interest in the facility.

25 Many of the requests come from -- I won't -- I'll

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1 rephrase that. Requests come from a student in the sixth
2 grade as was mentioned before, which the librarian at the BLM
3 library said they -- they do not respond to a sixth grader
4 asking for information. We -- we respond to that request as
5 well as to assisting the principal investigators with
6 materials that they needed when they began their tasks. We
7 respond to business. We respond

8 Libraries generally have a clientele. The University
9 library, their primary clientele is the staff and the
10 students. The BLM library, their primary clientele is agency
11 personnel, which is true for any agency library. The state
12 library, their principal clientele in this state are the
13 legislators.

14 This library's clientele has been nationwide. It's
15 unique in that aspect. And so define the client base is
16 perhaps something that should come from the Trustee Council.
17 If this is the type of -- if you would like information to be
18 provided nationwide, it takes a unique focus and a unique
19 mission.

20 MR. COLE: Mr. Chairman?

21 MR. PENNOYER: Mr. Cole?

22 MR. COLE: Thank you, Mr. Chairman. One of
23 the senses, I -- I think of Commissioner Rosier's question and
24 mine, too, was how many people a day, for a example, or a
25 week, or any quantification you can give, come in and ask for,

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1 you know, to make use of the facility, and -- and how many
2 phone calls? It doesn't have to be accurate. Or -- or how
3 many letters? Just a sense of the level of activity that's
4 going on there? Is that the sort of thing you?

5 MR. ROSIER: That's part of it. That was part
6 of it.

7 MR. COLE: Yes.

8 MR. ROSIER: I was interested also in the
9 scope of the -- of the -- the public

10 MS. McGEE: The on-site use I think has
11 probably been less than what was anticipated at the -- at the
12 opening of the facility. The Anchorage on-site use has
13 probably been five to ten people a day. On site.

14 A typical week, we'll probably have 75 to 100 requests
15 for information. And we have responded to those requests by
16 providing packets of information, photocopying information and
17 sending it, if it's not covered by copyright restrictions, as
18 well as working with other libraries for interlibrary loan of
19 materials.

20 The facility to this point has spent -- staff has
21 spent more time than most libraries do on response to
22 reference requests, primarily because a lot of those requests
23 come from off-site.

24 MR. COLE: I'd say from my standpoint, answer
25 the sixth grader's request first.

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1 MS. MCGEE: We try to do as good a job for the
2 sixth grader as we do for the scientists.

3 MR. PENNOYER: If -- if we didn't have the
4 library, and we put the materials elsewhere, how would we
5 handle the distribution of damage assessment and restoration
6 information? I -- I think that's probably more than just
7 having a library, and that seems to me the key thing the
8 public has requested and I don't know -- how we do that, or
9 what else we would do if -- if we don't maintain this to some
10 level. I'm not saying what level. How would we handle that
11 distribution?

12 MS. MCGEE: I'm assuming that the public
13 information officer would distribute those documents. It
14 would become a document distribution center, but, Dave,
15 perhaps you'd like to comment on that?

16 MR. GIBBONS: Go ahead, Ernie?

17 MR. PIPER: Mr. Chairman, I -- I think if I
18 could put this out of the technical library assessment and put
19 it more into the realm of public policy, maybe this will give
20 you a little more perspective on it.

21 I don't think any of us would argue that the library
22 function is -- is a vital, unmet human need, where -- if it
23 goes away. I think though it's important to look at it in the
24 perspective of what the Trustee Council is trying to do, and
25 what you need to get from the public. Access helps build

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1 trust. Trust helps you do your job. And having a library
2 function and having information in a central place makes it
3 easier for the public to get information, to have access to
4 information, and therefore feel better and more confident
5 about what it is you're doing. And I think really the way
6 that this proposal should be looked at is whether it's an
7 investment, an incremental investment in that trust building,
8 or whether it's strictly a library function.

9 MR. McVEE: Mr. Chairman?

10 MR. PENNOYER: Mr. McVee?

11 MR. McVEE: Yes. A comment -- excuse me. A
12 comment and then I guess a question. But the comment is that
13 when we, you know, when we set up the organization one of the
14 objectives or one of the goals that we wanted to achieve is to
15 utilize to the maximum extent possible, you know, existing
16 agency organizations, so it would seem to me like, and I
17 assume that this is being done, that -- that some of these
18 inquiries, specific inquiries say relative to otter studies,
19 et cetera, are forwarded to, you know, the appropriate or to
20 the Fish and Wildlife Service, for example, and -- and
21 answered there utilizing, you know, utilizing the talents and
22 the capability. That's the comment.

23 The question I guess was that I don't have maybe a
24 real good sense of what the -- the non-Exxon Valdez materials
25 are versus the EVOS materials, and maybe some description of

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1 that would be useful to me in -- in considering this.

2 MS. MCGEE: This would include CFR, Federal
3 Register, legal materials, Alaska statutes. It would include
4 materials such as the Exxon annual reports, basic texts on the
5 petroleum industry so people can understand how oil gets from
6 the ground to Valdez for example. The emphasis has been on
7 oil spills in a marine environment, so that information that
8 was relevant to a person's concerns about the Exxon Valdez,
9 such as, as I mentioned to Mr. Sandor, the Amoco Cadiz
10 materials, materials from other oil spills in a marine
11 environment. We actually have a number of document from
12 Environment Canada that were given to the library from them on
13 spills in the Arctic and the effects of that. Dispersement
14 use, in situ burning. Items along that -- that line.

15 And in terms of cooperation with libraries, we do send
16 requests to other libraries, because we all cooperate. An
17 example of that was for the DOI library in particular, they
18 subscribe to a journal titled "Marine Biology". It's a
19 rather expensive journal. They -- it did not fall within
20 their specific mission, which is land related, not water
21 related. They asked us if we could pick up that subscription
22 to support that, which we did. They gave us their back
23 issues, and we -- we began that subscription. We try to work
24 very closely with the other libraries in the community as well
25 as in -- as well as the state's so that we don't duplicate

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1 efforts. We meet regularly and we exchange information.

2 MR. McVEE: Thank you.

3 MR. PENNOYER: Could you answer -- answer that
4 question again about the distribution of information now?
5 We're talking about a scaled-back library with no network,
6 walk-in access only. That would still -- would that still
7 respond to requests for information though? In -- in other
8 words, I think Mr. McVee is right. All the agencies are
9 going to respond to requests, but it's going to get confusing
10 to the public to have to go out to some unknown number of
11 agencies about studies they may not -- not even be aware of
12 their content. So I'm not sure that I'm more concerned about
13 the library function per se or the function of actually
14 providing the data -- well, data is a bad word, but the
15 information from damage assessment in some coordinated
16 fashion.

17 MS. McGEE: I think you would have to define
18 the extent of what that information is that you want
19 distributed, and that information would have to be organized
20 in some fashion, and a library's usually the best way to do
21 that.

22 MR. PENNOYER: Mr. Cole?

23 MR. COLE: In the light of reason, I've
24 changed my mind on this issue, and I now favor option B.

25 MR. PENNOYER: Three-b?

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1 MR. COLE: Three-b.

2 MR. PENNOYER: Do I have -- is that a motion?

3 MR. SANDOR: Mr. Chairman?

4 MR. PENNOYER: Mr. Sandor?

5 MR. SANDOR: Yeah. One question on these
6 options and the figures for them. On -- on option 3-b, is
7 this anticipated to be an on-going expense of the fiscal -- in
8 -- in '94, '95, '96? Or -- or how that -- might that trend
9 develop? Might it go up, down or -- or stay about stable?

10 MS. McGEE: I think the public would like to
11 see it forever, because the interest will be forever, but
12 realistically I think people are talking in terms of ten
13 years, and any library or any operation is evaluated on a
14 yearly basis, and I would expect that the use increase and the
15 need for additional staff or additional materials, that would
16 be brought back to the Trustee Council for their approval or
17 disapproval.

18 MR. SANDOR: Beyond ten years, how might it be
19 funded?

20 MS. McGEE: Well, that's why I say it would be
21 nice to have it forever, because if you talk to a librarian,
22 they don't like libraries that are set up and closed down.

23 MR. SANDOR: One might have said "endowment".

24 MR. PENNOYER: Well, I -- I sort of heard
25 that.

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1 MR. COLE: We saw that coming.

2 (Laughter)

3 MR. PENNOYER: Do I have any kind of a motion
4 here?

5 MR. COLE: Well, I move option 3-b with the
6 proviso that we request an expression of interest or
7 disinterest in writing from the University of Alaska so that
8 we'll be able to evaluate that in due course.

9 MR. SANDOR: I second that.

10 MS. RUTHERFORD: Mr. Chair?

11 MR. PENNOYER: Yes, Marty?

12 MS. RUTHERFORD: Could I get a clarification?
13 When we get that indication of interest or disinterest from
14 the University library, should we also try to in- -- get an
15 indication of whether or not there would be a request for
16 funds associated with -- with it, and if so, how much?

17 MR. PENNOYER: Well, I would think we'll need
18 to know a costs to evaluate that versus what we're proposing
19 here. I guess again while the library might want to go on for
20 ten years, we can evaluate the information distribution to the
21 public as we go along. We may not stay with the system we've
22 got currently anyway, and may want to modify it in any
23 direction, so

24 Is there further discussion? Is there any objection
25 to the motion?

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1 Mr. Gibbons, where does that leave us relative to the
2 public outreach and -- and public participation budget? Are
3 we in a -- in a position now to look at the PAG budget, and --
4 which we tabled, and approve it as sort of a place holder
5 while we get the -- get the further explanation from the
6 hearings that we're engaged in now?

7 MR. GIBBONS: Yes, that's what I'd like to
8 have the Trustee Council view that as. Just as Ernie
9 mentioned the draft generic charter, this is a draft generic
10 budget, and we're -- we're not sure where we are with that,
11 but we -- I would like to see the -- the Trustee Council in
12 the interim just put a -- put a number here so we can -- we
13 can move on.

14 MR. BARTON: Mr. Chairman?

15 MR. PENNOYER: Mr. Barton?

16 MR. BARTON: I have a question about what we
17 just did.

18 MR. PENNOYER: Only one?

19 MR. BARTON: And if I go back to the public
20 outreach budget, did we just approve the two positions, the
21 public -- the public resource coordinator positions for
22 \$130,000.00? The -- that's the first question. Is that what
23 we did?

24 MR. PENNOYER: I believe we -- I believe we
25 did not approve all of it, you're correct.

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1 MR. BARTON: Okay. But -- but did we approve
2 that?

3 MR. GIBBONS: Well, Mr. Chairman?

4 MR. PENNOYER: Anything that was in option 3-b
5 I assume we approved, which is

6 MR. BARTON: Well, and the staffing, two, is
7 that the staffing, two, that's in the public outreach, first
8 bullet?

9 MR. GIBBONS: Mr. -- Mr. Chair, that's
10 correct. That's -- that's the staffing identified in 3-b.

11 MR. BARTON: Okay. Did we then approve also
12 half of the \$172,000.00 for space, utilities, et cetera?

13 MR. GIBBONS: That's correct.

14 MR. BARTON: Okay. Thank you.

15 MR. PENNOYER: We still have further action to
16 take on that item, if that's your

17 MR. BARTON: I understand.

18 MR. PENNOYER: point, and I think that's
19 correct.

20 MR. BARTON: Right. Yeah.

21 MR. PENNOYER: Mr. Cole?

22 MR. COLE: Mr. -- Mr. Chairman. Did -- did
23 you agree with that when you expressed absence of objection?

24 MR. BARTON: Yes, I -- I do agree with that.

25 MR. COLE: Okay. Thank you.

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1 MR. BARTON: But I do think -- you shouldn't
2 have done that, Charlie. You know, we have probably spent as
3 much time talking about this public information center over
4 the past two years as we have on some of the studies. I -- I
5 just would like some finality brought to that and -- and I'm
6 assuming we did just bring some finality to this for at least
7 this year.

8 MR. PENNOYER: Interim finality.

9 MR. BARTON: Yeah, interim finality.

10 (Laughter)

11 MR. COLE: Well, I applaud that.

12 MR. BARTON: Good. So -- but I -- I

13 MR. PENNOYER: We have two items left in that
14 budget. We could get into those now, or we could go back to
15 the PAG and see if we could clean that up. I had not intended
16 to skip over your -- your question, Mr. Barton, so

17 MR. BARTON: No, I -- I just

18 MR. PENNOYER: I had gone back to the
19 PAG, it seemed to me a matter that we could not come to a
20 final conclusion on, but we could come again to another
21 interim final conclusion and at least get a place holder out
22 there for purposes of -- of requesting funding, so that our --
23 our deposit funding to get things started.

24 MR. COLE: Mr. Chairman?

25 MR. PENNOYER: Yes, Mr. Cole?

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1 MR. COLE: Mr. Chairman, I -- I move that we
2 continue until the next meeting this action on the public
3 advisory group.

4 MR. PENNOYER: You mean defer it to the next
5 meeting?

6 MR. COLE: Yes.

7 MR. PIPER: Mr. Chairman, you may do it in
8 conjunction with seeing the charter and seeing the summary of
9 public comments and the draft proposal from staff, so that
10 might all fit in together at that time.

11 MR. McVEE: I'll second -- I'll second the
12 motion.

13 MR. PENNOYER: The only question/discussion I
14 would have is where we stand relative to putting together a
15 package to request interim funding to get things started. And
16 if in fact that's going to be time- -- this -- will this come
17 back to us in a timely fashion to reach those decisions about
18 going forward with some type of an interim funding request
19 from the board?

20 MR. PIPER: I can tell you that based on
21 looking at a number of options for the public advisory group
22 and assuming that we wind up choosing from among those
23 options, it's going to be somewhere on the order of 150,000 to
24 \$200,000.00, or the -- the 227 figure, 150, between there.
25 You can go -- it's going to be somewhere in there, and if you

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1 want to adopt a place holder, that's where I suggest you --
2 you pick your place holder.

3 MR. COLE: Mr. Chairman, my -- my view was in
4 accord with that expressed by Mr. Piper in his comments. I
5 think it's just premature at this time to say anything. I
6 mean, what are we really saying? We're going to have a public
7 advisory group. This says ten members. This refers to a
8 coordinator/liaison for 75,000, et cetera, et cetera. And it
9 just seems to me it's not necessary that we do this now, and
10 we can be more accurate later. We're not going to be spending
11 these moneys or any portion of them until further decisions
12 are made, so why deal with this budgetary matter now?

13 MR. PENNOYER: Any objection to the motion?
14 Okay. We'll defer it to the next meeting then.

15 Do you want to go back and pick up the two items under
16 public outreach -- outreach, Dave, and see if we can reason
17 closure on those?

18 MR. GIBBONS: Yes, I -- I would. Under the
19 public outreach, the information specialists, they're --
20 they're working right now. They're in the middle of the
21 process of the scoping meetings and -- and Ernie's -- Ernie's
22 mentioned that. But the travel for them, we're -- we're in
23 the process of -- of spending that also to these public
24 meetings in Cordova and Juneau and Kodiak and -- and so those
25 are -- those are moving forward at the -- at a fast pace right

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1 now at the -- the request of -- of the Trustee Council.

2 The other portion of the budget would be half the
3 first floor of the Simpson Building to cover Trustee
4 Council -- permanent Trustee Council meeting location or semi-
5 permanent whatever the Trustee Council would like, public
6 advisory group support, those types of activities for the
7 other half of the first floor.

8 MR. PENNOYER: What is your actual request
9 then in terms of funding? It's the 97.5 for the information
10 specialist, half of the 172 and the 75 for travel?

11 MR. GIBBONS: That's correct.

12 MR. COLE: Mr. Chairman?

13 MR. GIBBONS: Mr. Cole?

14 MR. COLE: What exactly does the information
15 specialist do that Mr. Piper now does not do?

16 MR. GIBBONS: I can try to address that, and
17 maybe Ernie's a little bit better at that, 'cause he -- he is
18 one of those beasts. Ernie, do you want to take that on,
19 or?

20 MR. PENNOYER: Is this you, Mr. Piper?

21 MR. PIPER: Now, this is not me, believe it.
22 The -- in -- in your packet there was -- there was a list of
23 duties in front of you. Essentially what it means is you --
24 you've got numer- -- you have numerous requests coming in.
25 And it's either for paper information, it's for assembling

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1 some kind of packet, it's for writing letters, it's coding and
2 tracking those things, it's making sure that when requests
3 come in they go to the right place and that people get answers
4 to their questions.

5 And the way it was designed by Dave and Tim Steele was
6 that these people are not solely don't that. If they don't
7 have a level of interest coming in on a given date, they're --
8 they're working on the library function as well. So it's not
9 like they have these two separate animals, the librarians and
10 the -- and the public information specialists who have a
11 divider and don't pay attention to what each other is doing.
12 It's -- it's a lot of time and -- and work.

13 MR. PENNOYER: So in essence you have three
14 had a half positions associated with the public information or
15 librarian duties, plus a one time -- full-time position for
16 the PAG? So you have basically four and a half positions for
17 public information.

18 MR. GIBBONS: Well, if -- if I may add to some
19 of that, part -- part of the -- the duties also are setting up
20 these meetings that we're in now, seeing -- setting up the --
21 the other public meetings. It -- those were -- I just want to
22 -- to highlight those.

23 MR. PENNOYER: Cordell?

24 MR. ROY: Mr. Pennoyer, excuse me, Mr. --
25 Dr. Gibbons, we also have another major work element for the

1 information specialist that hasn't been mentioned in the last
2 day or so, and that's that some group of people, and I presume
3 it will be them, will have to collate and prepare the
4 commenting we receive on our various public involvement
5 packages, our restoration framework plan, our restoration
6 plan. They have to put those in a -- in a sense that can be
7 understandable. There are various processes we've used in the
8 past in the damage assessment process, the Forest Service code
9 involved, for example. That took a lot of time and a lot of
10 people to prepare those hundreds of comments we got in.

11 They'll also have to coordinate the specific responses
12 to questions we get during that process, so that -- that
13 requires a fair amount of staff to do.

14 MR. COLE: Mr. Chairman?

15 MR. PENNOYER: Mr. Cole.

16 MR. COLE: You know, if -- if you add up the
17 total expenditures for these information people, it's
18 \$400,000.00. I mean, it's 130 plus 100, 230 plus -- plus 75.
19 I don't -- it just seems like a lot of money to perform
20 functions that although essential, might be cut back slightly.

21 MR. PENNOYER: Mr. Piper, would it be
22 reasonable for one of the information specialists to serve the
23 liaison functions you're talking about,

24 MR. PIPER: I don't think so.

25 MR. PENNOYER: the PAG that you have up

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1 there?

2 MR. PIPER: Actually I don't think so. I
3 think the liaison with the public advisory group is a very --
4 it's a technical level position. I think that the kinds of
5 information that the public advisory group is going to want,
6 they're going to need interpretive services that aren't
7 necessarily served by a generalist, and I would suggest that
8 -- I agree with Mr. Cole that as a -- as a number itself, one
9 would look and say that's a considerable amount of money.

10 I think two things need to be kept in mind here:
11 First, I don't think it's an on-going expense. This is a
12 critical time for the Trustee Counsel in terms of
13 disseminating information and getting public comment in, and
14 the development of the plan is really the intense period. I
15 think that you would probably reassess that after 18 months or
16 two years, however you wanted to look at it. Or every year
17 for that matter.

18 The second thing is that should you find that you've
19 shorted yourself in your ability to get information out to
20 people, I will reiterate my point that I think you -- you
21 hamper your ability to develop the kind of trust that you need
22 to have to move forward to do a good job. If -- if the public
23 finds it difficult to get information, it's easier for the
24 public to misunderstand, and consequently to develop mistrust
25 of what the Trustees are trying to do.

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1 So the -- the numbers and the -- and the people and
2 the figures that have been arrived here have been -- we've
3 done it by best professional judgment by those of us who have
4 either run these or participated in these kinds of operations,
5 and I -- you can do it with -- with less, believe me, but
6 you've got a consequent -- a consequential drop in services.

7 MR. PENNOYER: Further comment? Do I have a
8 motion for the balance of the public -- Mr. -- Mr. Barton?

9 MR. BARTON: I move that we adopt the half --
10 the other half of the 172, the -- the 75,000 for travel, and
11 finance one position, information specialist position.

12 MR. PENNOYER: Is there a second? So you're
13 cutting back from one and a half to one on the information
14 specialist?

15 MR. BARTON: Yes. And I will have further
16 remarks when we talk about the public advisory group.

17 MR. SANDOR: Second.

18 MR. PENNOYER: It's been moved and seconded we
19 fund the one information specialist instead of one and a half,
20 half the public resource center, which would be the part of
21 the first floor that we would use for our Trustee Council
22 meetings and PAG meetings and so forth, and the travel for the
23 public meetings. Is

24 MR. BARTON: That's

25 MR. PENNOYER: there any further

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1 discussion?

2 MR. BARTON: That's the other half of the 172,
3 because the whole 172 would be financed.

4 MR. McVEE: Mr. Chairman?

5 MR. PENNOYER: Mr. McVee?

6 MR. McVEE: Yes. Before we do this, I think
7 that, you know, it may be appropriate to think about, you
8 know, the space that we're allocating here. The -- each half
9 of the first floor as I understand it would be 2600 square
10 feet, and the fourth floor is 5700 square feet, and basically
11 within that space with this budget, you know, it may be --
12 maybe you would have to minus out the requirement for the
13 library, but that -- that -- with the -- with the half of the
14 first floor and the fourth floor, that's -- that's 8300 square
15 feet of space occupied by some five staff people, six
16 restoration team, six restoration planning group, which would
17 total 17 people, plus meeting space, so you, you know, it's
18 quite a -- quite a sizeable space allocation, you know.

19 MR. GIBBONS: I think

20 MR. PENNOYER: Mr. Gibbons, do you want to
21 comment it?

22 MR. GIBBONS: In addition to that we have
23 library which takes up some space, too. That's half of the
24 first floor. So that -- it's -- it's a difficult situation
25 to try to explain, but the library just has shelves and -- and

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1 books and -- and information there.

2 MR. PENNOYER: No, Mr. Gibbons, I think
3 Mr. McVee's question is even if you take the library and set
4 it aside as we've already done, what's left on the first floor
5 plus the fourth floor still adds up to over 8,000

6 MR. McVEE: 8,300.

7 MR. PENNOYER: 300 square feet. And the
8 question was is that an appropriate amount of space? You're
9 fulling utilizing the fourth floor?

10 MR. GIBBONS: I can speak for the team and
11 maybe the team would like to speak on this one, too, but I
12 think we are. We have -- the Restoration Team members are not
13 housed there. They come into town, they share offices with --
14 with people there and -- and those type of activities. We
15 have people coming and going all the time, and it's -- it's --
16 I -- I think we're utilizing it fully. I don't know if
17 anybody else had any other comments.

18 MR. MORRIS: I -- I do, Mr. Chairman. I think
19 you forgot the purpose of the other half was -- was for the --
20 the meeting space. It's not -- I don't think it's
21 appropriate that as staff office space or work space.
22 Essentially

23 MR. PENNOYER: But you do have a conference
24 room upstairs on the fourth floor as well?

25 MR. MORRIS: Presently do, yes, but I

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1 anticipate that would be -- end up being used as staff space
2 myself.

3 MR. GIBBONS: Yeah, including -- another point
4 being the -- the conference room upstairs may have to be made
5 into office space. We're -- we're not sure of that, but we're
6 -- when we -- when we get this -- looking at -- we may lose
7 that space.

8 In addition, there's -- there's a couple of small
9 offices down on -- on the other half of the first floor from
10 the library that we envision that the, you know, people will
11 be there to meet the public as they walk in the door. One
12 librar- -- or a couple librarians can't -- can't meet
13 everybody there, so we'd perhaps have an information
14 specialist down there.

15 MR. PENNOYER: Mr. McVee?

16 MR. McVEE: Yes, I -- I guess -- I guess I
17 still feel somewhat uncomfortable that we've got a substantial
18 space assignment for, you know, the -- the staff and the
19 operations that we're anticipating. I realize that there's
20 going to have to be space for files, a xerox room and -- and
21 hopefully a coffee room, but after dealing with GSA for many,
22 many years, I know that this probably wouldn't pass muster
23 with them. I guess maybe -- maybe I don't need to make a big
24 issue out of it at this time, because I rather expect that we
25 may have to look at alternative space in -- in the next --

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1 within the next eight month or -- months or so.

2 MR. PENNOYER: Mr. Barton?

3 MR. BARTON: Never mind.

4 MR. PENNOYER: Okay. Once again so we can
5 move forward, is there any problem -- does anybody object to
6 the motion as stated, recognizing that we're going to
7 re-examine these things after we get our PAGs formed and our
8 other teams going adequately?

9 MR. SANDOR: Mr.

10 MR. COLE: Yes.

11 MR. PENNOYER: You object?

12 MR. COLE: Yes.

13 MR. PENNOYER: Okay. We have an objection.
14 Is there a suggested modification of -- of the motion?
15 Mr. Sandor?

16 MR. SANDOR: Well, I had a point of
17 clarification or question. It's -- and it stems from a belief
18 that -- that this level of staffing could only be justified
19 during this period of the restoration planning process itself,
20 and that this ought to with the draft being completed in
21 September and the final plan being out by end of February or
22 whenever, earlier hopefully, that we would not need this
23 continued level of -- of funding of -- of personnel. We're
24 talking even with the motion as I understand it is to change
25 that 1.5 to one person, essentially makes that the equivalent

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1 of two-thirds of -- of the funding level. We still -- we have
2 the -- we previously approved these two positions. We get
3 back to this public advisory group even with the advice of the
4 -- the team that we need a separate person for that.

5 I -- we've also got on top of this the specialists of
6 the agencies, and I can't believe that we can't work together
7 in a partnership effort to -- to disseminate this information.
8 Every single agency is well versed in the process of
9 processing environmental impact statements, proposals, and
10 that -- you know, that's a very up-standard and effective
11 process.

12 So we're talking then of a full 12 months budgeting
13 of this amount, and -- and these -- the staffing would --
14 would run through the 12-month period, or is there any
15 opportunity for cutting it back come the end of -- when the
16 draft plan is out?

17 MR. PENNOYER: Mr. Barton?

18 MR. BARTON: Two comments. I think in answer
19 to your second question, John, that I think we could cut any
20 of this off at any time we care to take the action.

21 Let me just say in reference to your concern about the
22 information specialist, the one position, and then in relation
23 to the PAG liaison, it's my intent to move at the time we
24 discuss the public advisory group that this information
25 specialist identified under the public outreach serve also in

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1 that role.

2 MR. SANDOR: Okay. Thank you.

3 MR. COLE: Mr. Chairman?

4 MR. PENNOYER: Mr. Cole?

5 MR. COLE: How -- how many people will be on a
6 daily basis using these leased spaces, that's the first
7 question, bearing in mind that the restoration team as someone
8 said comes and goes into town. That's number one. The
9 restoration team subgroup would essentially I think be in the
10 same fashion. So how many does that leave us occupying this
11 8,000 square feet on a daily basis, where they go to work and
12 spend the day there? On a daily basis?

13 MR. GIBBONS: Well, the -- the numbers that
14 we've come up with in the proposal are 19 on a daily basis,
15 and that's -- I know that's a lot of space, but there -- and
16 then there's restoration team members that are coming and
17 going like -- like you mentioned, but the way -- the way I
18 think we counted them up was 19.

19 MR. COLE: And -- and are you talking about
20 the restoration team? Do you include those in there?

21 MR. GIBBONS: No, we did not.

22 MR. COLE: Where the -- we have 19 people
23 working in this building every day, is that what you're
24 saying?

25 MR. GIBBONS: Yes. Yes, that includes the --

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1 the restoration subgroup, the administrative director's staff,
2 the public information center staff.

3 MR. PENNOYER: I -- my understanding from what
4 you were saying earlier was that given the cost of the space
5 in the Simpson Building, it was actually going to be probably
6 cheaper to hold the hearings and find a space for the -- for
7 the PAG group to meet, and deal with the restoration team
8 meetings there than it would be to go out and rent space.
9 Wasn't that what you started out discussing?

10 MR. GIBBONS: Yes, that's -- that's what we --
11 we have analyzed. We've analyzed it. It would also
12 facilitate the public. They'll know where the meetings are,
13 instead of bouncing around.

14 MR. COLE: Mr. Chairman?

15 MR. PENNOYER: Mr. Cole?

16 MR. COLE: Well, I -- I have a thought that
17 perhaps we could speak with the Chief Justice of the Alaska
18 Supreme Court and see if it wouldn't be possible to use the
19 Supreme Court chambers to hold these public meetings at a
20 considerable savings. I mean, they have a magnificent court
21 room up there that I think stands fallow -- fallow the good
22 part of the time. I think we could perhaps coordinate with
23 them. You know, I mean, we ought to try to save a buck here
24 and there if we can. I would suggest that we see -- approach
25 the administrative director, Art Snowden, and see if something

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1 could be worked out in that regard. It would save a lot of
2 money.

3 MR. GIBBONS: One -- one consideration.
4 Would -- Mr. Cole, would you -- would -- the public advisory
5 group meetings. Those -- those are being -- would be
6 occurring also. We're just trying to facilitate that, the
7 ease of that. Just -- just a comment.

8 MR. PENNOYER: Mr. Cole, would your problems
9 be taken care of if we reserved this space for now, but we
10 went out and looked into other options to try and cut it back?
11 Can we do that? What -- what is the leasing arrangement here?
12 Could we start on this basis so we have a place to meet and
13 you have a place to work, and then as we explore other
14 opportunities, cut it back? Is that possible?

15 MR. GIBBONS: Yeah. The leasing arrangement
16 on the first floor of OSPIC is -- is in two leases. It's
17 split under the present

18 MR. PENNOYER: I guess -- I guess I have more
19 of a timing question. If we -- if we did both pieces so you
20 can start your meetings and went out and explored alternate
21 space, could we cut back at some future time?

22 MR. GIBBONS: I'll have to defer to somebody
23 who knows that contract more than I do, but

24 MS. SAARI: There's a 30-day notice
25 requirement on the lease.

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1 UNIDENTIFIED: A 30-day notice.

2 MR. BRAVADO: You have to give 30 days notice,
3 and that would be enough. That's what we're doing on the
4 second floor right now. My name is Don Bravado (ph) with the
5 Department of Justice.

6 MR. PENNOYER: Thank you.

7 MR. BRAVADO: That's what we're doing on the
8 second floor right now.

9 COURT REPORTER: Up to the microphone, please?

10 MR. BRAVADO: We -- we can give 30 days
11 before giving that up.

12 COURT REPORTER: To the microphone, please?

13 MR. PENNOYER: I think his statement was
14 that -- that it takes 30 days notice to cancel any part of
15 this?

16 MR. BRAVADO: Right.

17 MR. PENNOYER: Mr. Cole, would your objections
18 be taken care of if we so instructed the staff to do exactly
19 what you said, and started them out on this basis, say, using
20 this additional space?

21 MR. COLE: Well, you know, I sort of -- I
22 don't want to say I give up, but I'm going to defer to the
23 other members of the Council, but I really just want to
24 continue to say, you know, when the -- there's a lot of money
25 going out for administrative costs, and I think what we do

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1 today here at this time will set the stage for the rest of
2 this year and for next year and the next and perhaps the next
3 ten years. We all now the government seldom gets smaller,
4 you know. It gets bigger, and, you know, it's my view that we
5 can always, you know, acquire some more space if we find we're
6 short, or we can put on another personnel if people are
7 overburdened. But I -- I think that we should look at these
8 expenditures carefully and see that -- where we can save
9 money. After all, you know, I was thinking about it this
10 morning, you know, every thousand dollars that -- that we cut
11 out of this budget is perhaps another acre of habitat we can
12 acquire and so for those of you who want to acquire habitat,
13 maybe you would like to join me in -- because sometimes I
14 think, woe, the lonely vigil.

15 MR. McVEE: Mr. Chairman?

16 MR. PENNOYER: Mr. McVee?

17 MR. McVEE: I'd like to try a motion, and --
18 and I'd like to move that -- that from a space -- space
19 standpoint we -- we approve the staff to proceed with the --
20 the rental arrangements for half, the library half of the
21 first floor and then the -- then the fourth floor. Eliminate
22 the other half of the first floor, which would be a saving of
23 2600 square feet at the \$1.11 per square foot, which gives
24 us, you know, just a few dollars anyway.

25 MR. PENNOYER: Is there a second?

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1 Mr. Gibbons, I guess in terms of this cheap space that we have
2 here, if we don't -- we did tie it up now -- if we don't tie
3 it up, do we lose it?

4 MR. GIBBONS: I think there's a real good
5 chance of that, yes.

6 MR. PENNOYER: Mr. Barton?

7 MR. BARTON: I move that we instruct the staff
8 to seek other space and provide that information in terms of
9 cost and -- and what those possibilities are to the Trustee
10 Council, and in the interim rent this other half of the first
11 floor essentially on a month-to-month basis, which I guess is
12 what a 30-day notice is. I think meeting in the Supreme Court
13 chambers is a magnificent idea, and if I may just go on to say
14 that I am concerned about reducing the administrative costs
15 of this whole operation as much as we can, and still do a
16 credible job. So your vigil is not lonely.

17 MR. COLE: Well, I didn't mean to infer that I
18 was not joined in my philosophical approach by others, and if
19 there's any such implication, I beg your pardon.

20 MR. PENNOYER: Mr. Barton, does your motion
21 include the travel and the one position, information
22 specialist position with your proviso that when we get to the
23 PAG group you're going to try and make that same position work
24 for the PAG?

25 MR. BARTON: I -- that would be my motion.

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1 However, if that would cause the space problem to fail, I
2 would make another motion just to deal with the state -- with
3 the space problem. So I suggest we vote on the motion
4 including the position and the travel and the space and see
5 where that goes.

6 MR. PENNOYER: I don't have a second yet?

7 MR. SANDOR: Second.

8 MR. ROSIER: I would second.

9 MR. PENNOYER: Is there any further
10 discussion? Is there any objection to this proposal? Thank
11 you. So do you understand, Dave, what we're -- we're getting
12 at then? The

13 MR. GIBBONS: I -- I think so.

14 (Laughter)

15 MR. PENNOYER: Okay.

16 MR. BARTON: Let me restate it so you don't --
17 you know so. That is that we are going to rent the other half
18 of the first floor essentially on a month to month basis.
19 That you will seek other accommodations for the Trustee
20 Council meeting and bring those possibilities back to the
21 Board, complete with costs and other advantages and
22 disadvantages so that we might consider them. If we choose
23 one of those, we will terminate the lease on the other half of
24 the first floor. Further, that we will fund one of the
25 information specialist positions, and that we will fund the

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1 travel identified in the public outreach budget to the tune of
2 \$75,000.00 for the travel. I'm assuming that the information
3 specialist position budget number will be two-thirds of what
4 is presently shown. That's what my motion was.

5 MS. RUTHERFORD: Mr. Chair? The remaining
6 portion of that -- that total is 226.3, that's the portion
7 that was part of 3-b, the -- the research

8 MR. BARTON: Now, wait. Where -- where are
9 we?

10 MS. RUTHERFORD: I just was going to give you
11 the figures of what you just voted on. It was 226.3.

12 MR. BARTON: That -- that is half of the 172?

13 MS. RUTHERFORD: That's correct.

14 MR. BARTON: Plus two-thirds of the 97?

15 MS. RUTHERFORD: That's correct.

16 MR. BARTON: Plus 75?

17 MS. RUTHERFORD: That's correct.

18 MR. BARTON: And -- and in fact if we find
19 other alternatives, the half of the 172 will be saved?

20 MS. RUTHERFORD: That's correct.

21 MR. PENNOYER: Okay. Since hiring will take
22 place, Mr. Barton, before we talk about the PAG group, I -- I
23 understood from the original discussion it was your intent
24 that the three positions we've got here would somehow between
25 them take care of the public outreach questions including at

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1 some point being able to serve the PAG?

2 MR. BARTON: That's -- I intend to move that
3 when we discuss the PAG group. I would be pleased to move it
4 now.

5 MR. PENNOYER: Well, we've deferred the PAG
6 group discussion until later. I'm just -- in case hiring
7 takes place in the meantime,

8 MR. COLE: I'll -- I'll second Mr. Barton's
9 motion.

10 MR. PENNOYER: Did you motion that in fact the
11 three positions do the public outreach and PAG?

12 MR. BARTON: I -- I so moved.

13 MR. PENNOYER: It's moved and seconded. Is
14 there further discussion of that motion? So we've deferred
15 the PAG budget. We have indicated the three positions should
16 take care of all public outreach, except for that provided by
17 agencies and other -- other means. Any objection? Okay. I
18 think we've moved through this section of the budget.

19 And we had a couple items left, the restoration
20 planning subgroup, which I think we're -- we deferred probably
21 until after we get the restoration program discussions, the
22 staff and agency program support, which we've also deferred
23 and probably need to deal with later in this meeting.

24 So, Mr. McVee, there's another item on here that -- a
25 general item, and -- before we go to our now three minutes per

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1 project. Perhaps the NEPA -- do you wish to do the NEPA
2 compliance now?

3 MR. McVEE: I'd -- I'd understood that we were
4 going to go back to the lands, habitat protection people also?

5 MR. PENNOYER: The staff recommended that we
6 wait until after we do -- look at the projects that have

7 MR. McVEE: Look at the projects.

8 MR. PENNOYER: been proposed.

9 MR. McVEE: Okay. Yes, I could -- I could
10 discuss the -- the NEPA compliance problem.

11 I guess maybe particularly on the federal side that
12 over the last 20 years we've been sensitized to -- to the
13 requirements of the National Environmental Policy Act, and
14 we've seen -- we've seen various legal actions that have
15 caused us to fall back and regroup and -- and start over again
16 in terms of the -- the actions that delayed projects. So in
17 an attempt to -- to look at the -- the NEPA requirements and
18 the applications of those requirements in conjunction with --
19 with this over-all program or project, and at -- we -- we've
20 come up with a -- with a process, or with a scheme that we
21 think that -- that we can comply with the NEPA requirements
22 with a -- with a fairly minimum kind of effort, and it allows
23 for the '92 program to proceed, you know, on schedule,
24 whatever that is, but immediately, and it -- it also allows us
25 to key into the development of the -- of the restoration plan,

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1 the plan that will be out in draft next -- next September.

2 It -- I think that this -- this scheme would, you
3 know, reduces the risk of -- and there's no way to eliminate
4 it entirely, of course, and -- and you can't operate -- you
5 know, try and do that, but does reduce the risk of -- of
6 having litigation filed that -- that is solely on the basis of
7 -- of failure to comply with the National Environmental
8 Policy.

9 I think we're involved in a -- in a single project,
10 and that is, you know, the restoration of -- of the oil spill
11 impact area. And that this project has a lifetime of at least
12 ten years, and maybe more. So that it -- NEPA compliance
13 becomes a factor for the term of the project. The link
14 that -- that the federal trustees are -- are forced into
15 basically, or that links us into the NEPA process is that --
16 that we sit as part of the Trustee Council, and -- and we are
17 involved in decisions concerning this project, and -- and I
18 think that is what links us into -- into the -- the federal
19 requirement, the NEPA requirement. It's not, you know, where
20 the money or -- or how the -- how the fund is defined, whether
21 it's state or federal, it's the fact that we sit -- we sit on
22 -- on the Trustee Council, and -- and we're involved in making
23 decision in -- in the project.

24 The proposal therefore is that -- I've got some copies
25 of this, and I guess I probably should scoot these down --

1 that for the work year '92, the proposal would be assessed as
2 separate independent projects. And what that would mean is
3 that -- is that there would be compliance with NEPA, that
4 probably a number of those projects are what we call -- or --
5 or can be categorically excluded based upon the criteria that
6 is -- is within the various regulations. So it would only be
7 those that can't be excluded that would have to be -- would
8 have to reach NEPA compliance and -- and in most cases those
9 could be reached through an assessment. And those that have
10 to go to EIS would -- would be a problem, and I don't know
11 that there are any of those at this time.

12 The restoration framework document scheduled for
13 public release in mid March would also become the -- the
14 scoping document and -- for the -- for an EIS, and that -- and
15 this would -- would then follow parallel to and integrated
16 with the -- the restoration plan.

17 Public hearings on the framework scoping document
18 would be noticed -- noticed and conducted, you know, in
19 conformance with -- with the NEPA process, which is not unlike
20 I don't think that -- what we want to do anyway.

21 The draft EIS on the draft restoration plan would be
22 released -- released in mid September on a date currently
23 proposed for release of the draft restoration plan, and I
24 guess my -- my feeling on this is that I visualize that the --
25 the EIS component of the restoration plan really only

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1 constitutes maybe one additional chapter, and that's where the
2 assessment or the environmental implications are described of
3 the various alternatives. The -- the plan has to be
4 described, the background, and I would visualize that the --
5 the plan would -- whether we're talking about NEPA process or
6 not, would have all -- all those components. So the only
7 thing we're really talking about, you know, the one extra you
8 might say chapter that would have to be drafted, which would
9 be a description of environmental -- environmental impacts.

10 The -- the process then you know, allows for the
11 public review period, the final EIS, which would conform, of
12 course, to what had -- had been proposed by the staff in a
13 timeline on the restoration plan, and the issuance of a -- of
14 a final plan/EIS document.

15 As -- you know, there would be a public comment
16 period. December 1st, '92, the EIS could be filed as final,
17 and a 30-day waiting period, it would become final on December
18 31st. So there would be a final restoration plan with the
19 accompanying environmental impact statement completed by
20 basically the first of the year, and we would have achieved
21 compliance with NEPA.

22 It seems to me like that -- that, you know, this --
23 this added effort and I guess I don't visualize it as being
24 that great, but it is worthwhile in that it -- it eliminates
25 and -- it eliminates the risk and it -- it puts us in

1 conformance with NEPA, which gets at least the -- the federal
2 members off the hook as we make decisions concerning the
3 program.

4 That's all.

5 MR. PENNOYER: Mr. McVee, practically as we go
6 through the projects, if in fact some of them, the '92
7 schedule in your view would require an EIS, I presume they
8 would be delayed then?

9 MR. McVEE: If -- if they do, I would -- I
10 would guess they'd be delayed, but, you know, until you --
11 until the projects independently are looked at and -- and if
12 they can't be excluded, categorically excluded, an EA done on
13 those, if there are some of those that -- that don't make the
14 -- the EA test, then they would have to go on to EIS and --
15 and obviously there's no way of doing that before the '92
16 season.

17 MR. PENNOYER: Comments or questions on
18 Mr. McVee's proposal or presentation? What action do you
19 think we need to take relative to your presentation?

20 MR. COLE: Mr. Chairman?

21 MR. McVEE: I guess it would be to basically
22 accept this as -- as our plan, the Trustee Council plan, as to
23 how we deal with the -- the NEPA requirement.

24 MR. SANDOR: Mr. Chairman?

25 MR. PENNOYER: Mr. Sandor, and then Mr. Cole?

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1 MR. SANDOR: Mr. Chairman, I was going to move
2 acceptance of this plan.

3 MR. PENNOYER: Mr. Cole?

4 MR. COLE: I -- I would second that motion.

5 MR. PENNOYER: Okay. That motion is seconded.
6 Any further discussion?

7 MR. COLE: Could I just say,
8 Mr. Chairman,

9 MR. PENNOYER: Mr. Cole?

10 MR. COLE: that as I understand the
11 motion, it is that it shall be the policy of the Trustee
12 Council to comply with the National Environmental Policy Act
13 with respect to all restoration activities and adopted by the
14 Council?

15 MR. PENNOYER: Any further discussion? Is
16 there any objection? Thank you, Mr. McVee. Shall we -- we're
17 going to launch off now into the studies. Shall we take about
18 a ten-minute break

19 MR. BARTON: Yeah.

20 MR. PENNOYER: quickly and then come
21 back and start the studies?

22 MR. BARTON: I move we break.

23 (Off record)

24 (On record)

25 MR. PENNOYER: If we could come back to order,

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1 we've got a long, long ways to go before 5:00 o'clock this
2 afternoon.

3 Okay. I believe what we're doing now is starting on
4 the project proposals for the '92 season for damage assessment
5 continuation, damage assessment close out, and restoration.
6 Mr. Gibbons, do you want to start us through that process?

7 MR. GIBBONS: Yes, what we're going to do is
8 we're going to first have a brief overview of the process that
9 we've been -- been working under, move on to a timeline for
10 1992 activities, and then -- then slide over into an injury
11 overview by Dr. Spies and then in- -- into the specific
12 studies. Mark Broderon will handle the first part on the --
13 the process overview. Mark?

14 MR. BRODERSON: Is this microphone going to
15 work where I try to talk or not here.

16 Basically what this is is if you live in the best of
17 all worlds, this is how you get from an oil spill to restored
18 resources and services. The -- some of the headings here
19 refer to individual budget headings in your packages there
20 that are just in front. There's a three-page package of all
21 the projects that's just in front of where all the projects
22 start, and I was trying to show how these various parts fit
23 together.

24 After you have -- excuse me. After you have in this
25 case an oil spill, you do a natural resource damage

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1 assessment. This was what we've been doing basically for the
2 last three years. I'll abbreviate it to damage assessment for
3 these purposes. And in -- in that -- in your package there,
4 you will see both damage assessment close out and continuation
5 studies. That's in the -- right -- right here. That's what
6 we're at here now.

7 If you have no injury, no demonstrated injury from
8 these damage assessment studies, you're done. You stop. If
9 you have injury, then the next step is to drop down to the
10 development of a restoration plan. And out of this plan you
11 then do natural recovery monitoring. You do studies for the
12 plan for natural recovery monitoring to determine whether your
13 rate of natural recovery is sufficient to allow you to do
14 nothing else, that there's no cost-effective means of speeding
15 up natural recovery. So that's another heading in your -- in
16 your budgets there, you'll see the natural recovery
17 monitoring.

18 You also do restoration technical and feasibility
19 studies to know what types of actions can be taken to do
20 actual restoration implementation. Some things that work down
21 south, for instance, don't work up here and vice versa. But
22 we've been doing a small number of these in years past.

23 Once you have the restoration plan, which will be
24 talked about here by Stan Senner as Dave was saying earlier,
25 in more detail, once you have your restoration plan, you then

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1 drop down to restoration implementation, where you take
2 management actions, manipulation and enhancement projects,
3 habitat acquisition and protection projects, and then to make
4 sure that what you're doing works, you do project monitoring.
5 Now, with any luck all that then leads to restored resources
6 and services.

7 It should be noted here that -- that the habitat
8 acquisition and protection as an action does not come
9 immediately so not shown on here, back up under restoration
10 planning, which we'll -- not -- not even under restoration
11 planning, is the need as some of the public have been telling
12 us lately of the need for a three-year moratorium, two-year
13 moratorium, whatever it happens to be after we figure that
14 out, to allow us to get through to knowing what it is we want
15 to acquire and/or protect, what methods are available, what
16 management actions can be taken to do this.

17 I think that's all I want to say on that, unless
18 there's questions, I'll pass right on here, but I wanted to
19 get this process up to show where the various parts of this
20 budget fit together.

21 MR. PENNOYER: Questions on this part of the
22 presentation?

23 MR. SANDOR: Yeah.

24 MR. PENNOYER: Mr. Sandor?

25 MR. SANDOR: Well, perhaps you or Dr. Senner

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1 was going to deal with this matter of critical habitat
2 identification and -- and acquisition, but could you -- could
3 either you or he identify at these various levels how the --
4 the question of critical habitat is -- is to be identified and
5 how or at what stage the option for protection of critical
6 habitat acquisition, easements, memorandums and so forth are
7 developed?

8 MR. BRODERSON: Yeah. If -- if you don't
9 mind, I'd like to put that off until -- until Stan can come up
10 and give a discussion of the restoration plan. That fits in
11 perfectly into that.

12 MR. SANDOR: Okay.

13 MR. BRODERSON: I have two other real quick
14 ones here. In terms of expenditures over prior years, and
15 what I would perceive it's like in coming years, the point
16 that I want you all to go away from here is that we're in a
17 transition mode right now, and that we are looking at moving
18 from one type of expenditure to another, that the overhead
19 that you're seeing for this year does not go on forever.

20 What we have here are -- on -- on the top there is the
21 response costs that we've been spending. As you can see,
22 everything else, damage assessment, restoration planning,
23 restoration implementation, overhead, everything else
24 disappears in the noise compared to response. This is
25 slightly misleading in that we still don't know what Exxon has

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1 spent on its damage assessment studies. We definitely know
2 what they're going to spend on restoration for us.

3 Now, if you take the Y-axis and expand the bottom
4 part of it so that you can actually see the thing that earlier
5 were just down in -- in the X-axis here, what we have in the
6 blue line, this is damage assessment in the earlier years,
7 which we now see trailing off, and I -- and -- and '93 here is
8 my wild guess. Please don't blame anyone else for these, but
9 I was trying to show what I thought would happen in -- in
10 coming years on some of these actions. It basically shows
11 that your damage assessment is more or less over.

12 The yellow line, or orange line here, is your overhead
13 costs, that it's -- it's gone up a little bit, but it should
14 also continue to trail off here as we get on with this process
15 and get into implementation, once we get past the restoration
16 plan development.

17 The red line there is restoration implementation. All
18 I was trying to show was that it's going to go up in future
19 years. That's going to become our primary expenditure. One
20 shouldn't put any faith at all in the number I've got there.
21 It's just to make the curve go up. Please note the question
22 mark there.

23 The restoration plan and studying -- studies should
24 also go down in future years, and that number I have there may
25 still be way too high in '93. It could conceivably go a whole

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1 lot lower. So what I -- what I want to leave you here with is
2 that damage assessment is decreasing, restoration planning is
3 high this year because we're trying to do a restoration plan.
4 When the plan is completed, that expense disappears. Our
5 overhead with any luck at all will also go down in future
6 years.

7 So I -- I think that's the point I want to make with
8 that graph, and I'll stop with that, and Marty Rutherford will
9 come up and talk about timeline.

10 MS. RUTHERFORD: On Monday you all I believe
11 received a fax, or you should have, talking about the
12 different options and a recommendation from the Restoration
13 Team and -- as well as a timeline. For the public we have it
14 here on the charts, and the timeline is up here also on the
15 wall.

16 The Restoration Team recommendation is that the
17 Trustee Council review the '92 work plan, which includes the
18 damage assessment close out projects, damage assessment
19 continuation projects, and '92 restoration projects, and make
20 your decision on which projects to proceed with on these -- in
21 this series of -- within this series of meetings. Once public
22 comments are received, projects will be modified as you deem
23 it necessary.

24 Public comments and 30-day review will be solicited in
25 conjunction with the concurrent publication of the restoration

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1 framework plan, and the '92 work plan scheduled for March
2 16th. To reiterate, these comments may result in further
3 modification to the projects that you approve in this -- in
4 this series of meetings.

5 The consequences of this option are -- the positive
6 ones are that the time -- there will be a timely close out of
7 the damage assessment studies, and release of reports on
8 injury determination, which will result in report availability
9 to the public as quickly as possible. That's allowing them to
10 fully comprehend the injury and evaluate the potential
11 restoration projects.

12 Number two, which I don't believe is on the one -- the
13 packet that was faxed to you, it was added by the Restoration
14 Team on Tuesday, is immediate restoration needs would get
15 attention.

16 Number three is data collection would be maintained on
17 schedule.

18 Four is that there would be no loss of critical data.

19 Five is there would be no layoff or reassignment of
20 current project personnel.

21 And six, allows for timely development of
22 comprehensive restoration options by the Restoration Team and
23 the Trustee Council based on sound injury information.

24 The negative aspects are that there would be limited
25 public comment prior to the initial expenditure of funds. And

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1 a second one is the -- the potential early expenditure of
2 public funds on projects not carried forward as a result of
3 public comment.

4 At this point in time, I'd like to run through the --
5 the time line, and, Carol, maybe if you could point out where
6 we are as we go through it?

7 MR. PENNOYER: Marty, before you go forward,
8 do we have this in front of us somewhere?

9 MS. RUTHERFORD: You should have received it
10 in fax -- I know you were travelling. Could somebody -- could
11 one of you give him your copy?

12 MR. GIBBONS: Yeah, I just passed one on. It
13 should be in the package right before the criteria.

14 MR. BARTON: We have a place holder.

15 MR. COLE: Could we have a minute while we try
16 to locate it, Mr. Chairman?

17 MR. PENNOYER: Certainly.

18 MS. RUTHERFORD: Carol is looking to see if
19 there's more on the back table.

20 MR. PENNOYER: Well, I see the chart, but your
21 other options, I'm not sure I -- I

22 MS. RUTHERFORD: I -- I think you were
23 travelling when they were faxed out, and that's why -- Dave,
24 do you have any extra? Could you give him your copy?

25 MR. GIBBONS: I -- I've already passed mine

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1 down.

2 MR. GIBBONS: Sandy's got one.

3 (Off record discussions)

4 MS. RUTHERFORD: Mr. Pennoyer I think doesn't
5 have them. The rest of you should have received them in a fax
6 package on Monday.

7 MS. GORBICS: Does anybody still need them?

8 MS. RUTHERFORD: They -- they need the -- they
9 need the written recommendations, too.

10 MR. PENNOYER: Well, let's just hold off half
11 a second while we get organized, have the same thing in front
12 of us that you're referring to.

13 (Off record discussions.

14 MS. RUTHERFORD: Would you like me to go
15 through the recommendation one more time since you all did not
16 have it in front of you?

17 MR. PENNOYER: I think that would be helpful.
18 Why don't you do that?

19 MS. RUTHERFORD: The Restoration Team
20 recommendation is -- is that the Trustee Council review the
21 '92 work plan which includes damage assessment close-out
22 projects, damage assessment continuation projects, and '92
23 restoration projects and makes a decision on which projects to
24 proceed -- proceed with in this two-day meeting session. Once
25 public -- public comments are received, projects will and

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1 could be modified as you deem it necessary.

2 Public comments in the 30-day public review cycle will
3 be solicited in conjunction with the concurrent publication of
4 the restoration framework plan and the '92 work plan scheduled
5 for March 16th of this year. To reiterate, these comments may
6 result in further modification by you to projects that you
7 would approve today.

8 The consequences of this option are, the positive ones
9 are that the -- there would be a timely close-out of damage
10 assessment studies and release of reports on injury
11 determination resulting in report availability to the public
12 as quickly as possible, thus allowing the public to fully
13 comprehend the injury and evaluate potential restoration
14 projects.

15 I'm not sure if your -- the ones you have in front of
16 you indicate this -- this second number, but we added it on
17 Tuesday, and that is immediate restoration needs would get
18 attention.

19 Number three is data collection maintained on
20 schedule.

21 Number four is there would be no loss of critical
22 data.

23 Number five, there would be no layoff or reassignment
24 of current project personnel.

25 Number six, allows for timely development of

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1 comprehensive restoration options by the Restoration Team and
2 yourselves based on sound injury information.

3 The down side of this option is that there would be
4 limited public comment prior to the initial expenditure of
5 funds. Now, you could always stop the projects or amend them,
6 but it -- there would be limited public comment before the
7 initial expenditure of funds.

8 Number two is potential early expenditure of public
9 funds on projects that are not carried forward as a result of
10 public comment.

11 I thought I would now walk you through the timeline,
12 and again, Carol, are you back there so you could point it out
13 to the public?

14 In this session, the -- on February 5th and 6th, the
15 Trustee Council approval on all '92 restoration projects and
16 authorize agencies to begin '92 restoration work plans.

17 On February 21, the draft framework would -- plan will
18 come to you.

19 Something that's not on the timeline in front of you,
20 but I think I'd better point it out is that on February 28th
21 all funding ends for staff and projects.

22 On March 16 we -- you -- we would distribute the
23 framework plan and the '92 restoration work plan to the
24 public.

25 On April 27 comments would be due from the public on

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1 the draft framework plan and on the '92 restoration work plan.

2 On May 1, the Trustee Council would review the '92
3 restoration work plan and make modifications to the -- the
4 projects as needed and as called for by the public comments.

5 Between April 15 and May 15 there would be a collation
6 of comments and development of request for proposal criteria.

7 On May 15 request for proposal would be sent out to
8 the public and the agencies for restoration projects for '9-
9 -- for the '93 field effort. On August 15, proposals would be
10 due from the agencies and the public for '93 field effort.

11 On September 16 proposals will be put out on public
12 notice to public and the peer reviewers.

13 Also on September 16 we would distribute the draft
14 restoration plan to the public.

15 I think it's important to note here that at this point
16 in time the EIS effort begins to kick in. The draft EIS on
17 the restoration plan would be released in mid September, on
18 the date concurrently proposed for release of the draft
19 restoration plan.

20 MR. SANDOR: Can I interrupt with a question,
21 Mr. Chairman?

22 MR. PENNOYER: Certainly.

23 MR. SANDOR: I think that really kicks in with
24 the restoration work plan as a framework for scoping session.
25 Was that not your intention, Curt?

1 MR. McVEE: Yes, that's right.

2 MR. SANDOR: Thanks.

3 MS. RUTHERFORD: I apologize. I haven't had a
4 good chance to review this in relationship to the document. I
5 think you're right.

6 I think it's important here to note that on September
7 -- the September 16th date the public will be able to view the
8 -- the draft restoration plan, and the proposals together so
9 that they can get a good feel for what's -- what's necessary.

10 On November 1st the peer -- there would be a peer
11 review and public comments due for the '93 field effort
12 proposals.

13 Between August 15th and mid to the end of November,
14 the restoration team would review the proposals, apply the
15 criteria, incorporate the public and peer review comments and
16 prepare recommendations to the Trustee Council.

17 End of November the -- is a multi-day Trustee Council
18 and public meeting to review and select restoration activities
19 for the '93 field effort.

20 Between November 30 and March 1, the transfer of funds
21 from the settlement account to the agencies for project
22 implementation and contract administration.

23 Around the middle of January would be the deadline to
24 finish the preparation and publication of the '93 work plan.

25 Approximately two weeks later would be the final

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1 reports due on the '92 work activities.

2 And then between February -- February 15th and the end
3 of the month, the Restoration Team would hold public meetings
4 presenting the results of the '92 field season.

5 I'm going to go back now to options one, two, and
6 three, but I think it's important to note here that regardless
7 of the option that you choose today, there will be a '92
8 restoration work plan published in conjunction with the
9 restoration framework plan which goes out to the public on
10 March 16th.

11 Option number one would be that the Trustee Council
12 makes decisions to proceed on only damage assessment close-out
13 projects and '92 time critical restoration projects and damage
14 assessment continuation projects. You would be doing that
15 again today, and again that's only for damage assessment
16 close-out and time critical restoration projects and time
17 critical damage assessment continuation projects. Maybe it's
18 -- it's important to note also that all projects may be
19 equally important, but these are just those that are time
20 critical for start-up in -- in early spring of this -- of this
21 '92 season.

22 The remainder of the restoration projects and damage
23 assessment continuation projects would be considered on a
24 schedule resulting in a Trustee Council decision no earlier
25 than March 30 of this year. The length of additional review

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1 process by the federal and state entities, such as the state
2 legislature, and Office of Management and Budget, and
3 Congress, other than the Trustee Council and the time
4 necessary to receive monies from the fund is unknown.

5 The consequences of this option, the negative
6 consequences are that -- or, excuse me, the positive
7 consequences are that it allows for a full public review and
8 comment on some '92 restoration projects.

9 The second one is that there would be minimal delays in
10 project implementation for those projects on time critical
11 lists.

12 And the third positive -- positive aspect is that
13 there will be timely close-out of damage assessment studies
14 resulting in report availability to the public as quickly as
15 possible, thus allowing the public to fully comprehend injury
16 and evaluate the potential restoration projects.

17 The negative aspects are it allows for limited public
18 review and comment on the time critical list and the damage
19 assessment close-out projects.

20 The second negative is that there will be possible
21 cancellations and delays in implementation of certain '92
22 restoration projects that could result in a compromise of data
23 collection, a loss of critical data, lay off of -- or
24 reassignment of current project personnel after March 1 of
25 this year, and delays due to remobilization, retraining, and

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1 hiring new personnel, things of -- of that nature.

2 The

3 MS. GORBICS: I'd like to make a correction on
4 that date of the Trustee Council decision would be no earlier
5 than April 30th rather than March 30th. There'd be a document
6 printed on March 16th,

7 MS. RUTHERFORD: Oh, that's right.

8 MS. GORBICS: 30-day public comment and
9 two weeks for collation of public comments and a decision. So
10 it would be April 30th.

11 MS. RUTHERFORD: Thank you, Carol.

12 The '92 time critical projects include those
13 activities would -- that would actually be in the field in
14 March, April or May of '92. It's important to note that
15 restoration projects that are not on the '92 time-critical
16 list may also have crucial planning needs that must be
17 undertaken March, April or May in order to go into the field
18 at a later date. So timing is in our opinion of the essence
19 on -- on many of these projects and that's why our
20 recommendation is to proceed with all the damage assessment
21 close-out, damage -- damage assessment res- -- continuation
22 projects and the restoration projects.

23 Are we ready to move on to option number two?

24 MR. PENNOYER: Please.

25 MS. RUTHERFORD: This option is that the --

1 that the Council makes decisions to proceed on damage
2 assessment close-out projects only in this session of
3 meetings. Once the public comments are received, projects
4 again on the damage -- the damage assessment projects could be
5 modified as you deem it necessary.

6 Damage assessment continuation projects and '92
7 restoration projects are considered on a schedule resulting in
8 Trustee Council decision no earlier than April 30, '92. The
9 length of additional review process by federal and state
10 entities other than the Trustee Council and the time necessary
11 -- necessary to receive the money from the fund is again
12 unknown.

13 The positive consequences of this option are that it
14 allows for a 30-day public review and comment on damage
15 assessment continuation projects and the '92 restoration
16 projects.

17 Number two is it allows timely close-out of damage
18 assessment studies resulting in report availability to the
19 public as quickly as possible.

20 The negative aspects are the probable cancellation and
21 major delays in implementation of certain '92 restoration
22 projects, resulting in compromise of data collection, loss of
23 critical data, lay off or reassignment of project personnel
24 and major delays due to remobilization, retraining, hiring new
25 personnel.

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1 Second negative aspect is it -- it allows for limited
2 public review and comment on damage assessment close-out
3 projects.

4 And the third negative aspect is that there is a delay
5 or cancellation of restoration proj- -- a delay or
6 cancellation of restoration projects will result in delay in
7 the development of comprehensive restoration options by the
8 Restoration Team and Trustee Council.

9 Moving on to option number three, and that is that the
10 Trustee Council would make no final decisions on damage
11 assessment close-out projects, on damage assessment
12 continuation projects, or '92 restoration projects in this
13 series of meetings.

14 Damage assessment close-out projects, damage
15 assessment continuation projects and '92 restoration projects
16 are considered on the same schedule as the restoration
17 framework plan, resulting in a decision no earlier than May
18 18th of '92. And that might be later also?

19 MS. GORBICS: Well, that was concurrent with
20 the completion date of the restoration framework comment
21 period.

22 MS. RUTHERFORD: The length of the review
23 process again by the federal and state agencies is unknown at
24 this time.

25 The consequences of this option, the positive ones are

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1 that it allows for a 30-day public review and comment on all
2 '92 activities.

3 The negative aspects are that there would be a delay
4 of close-out approval will result in a delay of availability
5 and release of reports on injury determination to the public,
6 thus allowing the public to -- thus not allowing the public to
7 fully comprehend injury and evaluate potential restoration
8 projects.

9 The second negative aspect is a delay of close-out
10 approval result in delay in the development of comprehensive
11 restoration options by the Restoration Team and yourselves.

12 And the third is it will result in cancellation and
13 major delays in implementation of certain '92 restoration
14 projects resulting in a compromise of data collection, loss of
15 critical data, lay off or reassignment of project personnel,
16 and potential major delays due to remobilization, retraining
17 and hiring of new personnel.

18 I think the team as a whole is available to answer
19 any questions that you have.

20 MR. PENNOYER: Is the team recommending one of
21 these options?

22 MS. RUTHERFORD: Yes, the first one, which is
23 to proceed with -- to receive your approval to proceed with
24 damage assessment close-out projects, damage assessment
25 continuation projects, and '92 restoration projects. And

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1 those could then be at a later date changed or stopped once
2 you have received public input.

3 MR. GIBBONS: One additional point there, Mr.
4 Chair, let me?

5 MR. PENNOYER: Go ahead.

6 MR. GIBBONS: Is that not all projects would
7 start. We would only start the ones that were -- that are
8 needed to -- to start is all.

9 MS. RUTHERFORD: Yes. Some of them do not
10 go -- don't -- don't have any necessary components that have
11 to have money committed at this point in time, but many of
12 them do, so that, you know, there is the potential loss of --
13 of dollars if you at a later date stopped or amended a project
14 significantly.

15 MR. PENNOYER: But for our benefit then there
16 would be a 30-day public review process under this scenario,
17 it's just for some projects you couldn't wait that long.
18 You'd have to go ahead and start them anyway?

19 MS. RUTHERFORD: That's correct.

20 MR. PENNOYER: Okay. You would identify as we
21 went through the projects which ones fell into which
22 categories?

23 MR. MONTAGUE: Yes, we -- speaking from the
24 state, we can. We can.

25 MS. RUTHERFORD: Yes, I believe that both

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1 federal and state can identify time critical projects as we
2 move through the -- the discussion of the projects.

3 MR. PENNOYER: So as we run through the
4 projects, we'd have a better idea of what the options due to
5 consideration of those projects are?

6 MS. RUTHERFORD: Yes.

7 MR. PENNOYER: Would it be better not to make
8 this decision up front then, but rather to let you go through
9 the projects and identify the timelines, so

10 MS. RUTHERFORD: Yes.

11 MR. PENNOYER: we can then evaluate what
12 we lose or gain by

13 MS. RUTHERFORD: Yes, but please

14 MR. PENNOYER: choosing an alternative?

15 MS. RUTHERFORD: as you're going through
16 them, bear in mind that we are recommending, you know, an up-
17 front approval so that we can get started on those absolutely
18 necessary at this time.

19 MR. MORRIS: Mr. Chairman, just to make a fine
20 distinction, we -- we identified time critical projects as
21 those that needed to go in the field during March, April or
22 May. However, other projects that may not need to go in the
23 field until June will -- will need some maintenance costs
24 under our preferred option to avoid the loss of personnel or
25 -- or what have you, until they would need to go in the field.

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1 That's -- that's the

2 MS. RUTHERFORD: I think we can -- we
3 can

4 MR. MORRIS: distinction between option
5 one

6 MS. RUTHERFORD: get detailed comments -
7 - I'm sorry, Byron. I think we -- we'll have detailed
8 discussion of that as we move through the -- the projects
9 discussion.

10 MR. PENNOYER: So your suggestion again would
11 be that we move through the projects you identify, how they
12 would fair under these different options, and would decide at
13 the end of that point which option or mixed options we may
14 want to adopt?

15 MS. RUTHERFORD: That's correct.

16 MR. PENNOYER: Any more questions

17 MS. RUTHERFORD: We just wanted you to
18 know

19 MR. PENNOYER: at this time on the
20 timeline or the options?

21 MS. RUTHERFORD: We just wanted you to know
22 before we went into the projects what our recommendation was.

23 If you don't have any questions, then I'd like to turn
24 it over to Chief Scientist Bob Spies to provide an injury
25 overview and following that we'd like to have Stan Senner

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1 provide you some input on how we take this injury assessment
2 information, and how this leads us into restoration
3 implementation.

4 MR. PENNOYER: Okay. That's fine.

5 Mr. Gibbons, as we go through this, we need to look at the
6 time that's left and help us structure out time that we have
7 left after these general presentations to go through the
8 projects. Okay.

9 Dr. Spies?

10 DR. SPIES: Can everybody seen the screen?
11 Just -- should I turn it a little bit more this way or

12 UNIDENTIFIED: How about moving it

13 MR. MORRIS: I'll get it, Bob.

14 UNIDENTIFIED: back to the wall?

15 DR. SPIES: Yeah. Can everybody see the
16 screen?

17 Well, thank you. I'm very pleased to be here again,
18 essentially the first public presentation on the summary of
19 the injuries that's identified in studies from the Exxon
20 Valdez spill. I've been acting as chief scientist for about
21 18 months for the Trustees, and it's been my -- part of my job
22 at least to try to keep the big picture in mind as -- as to
23 what the effects of the spill are and to integrate the -- have
24 the studies reviewed and come to some conclusions about what
25 the injury from spill actually was, how long it may last and

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1 -- and how that information might feed into restoration
2 options.

3 What I'd like to do today is to take a little bit of
4 an usual approach in that I'll be emphasizing some of the
5 uncertainties involved, and the reason I'm doing that is there
6 are certain injuries that are really evident out there, on the
7 other hand, we still don't know a lot about some aspects of
8 injury, and the reasons for that is we don't have a complete
9 historic record. We don't have a baseline data, for instance,
10 on a lot of resources, and that -- those hamper and we can't
11 reconstruct that information. Now, it does hamper our
12 interpretations somewhat, so -- and if you have a certain
13 amount of uncertainty about an injury, it opens up a variety
14 of restoration options from some very conservative options to
15 some very liberal options depending on how you interpret the
16 uncertainties.

17 So I thought the best way and most objective way is to
18 describe to the best of my ability what I know about the
19 injury, what's apparent from the comments of the peer
20 reviewers, and what we really don't know yet.

21 Not to belabor this point too much, but there's kind
22 of three sources of -- generic sources of uncertainty in this
23 damage assessment process. I already mentioned lack of
24 baseline data for many species of resources. Let me give you
25 three quick examples. The last sea otter census done in

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1 Prince William Sound was done in 1984 and '85. And depending
2 on what your assumptions are about what that population was
3 doing between that time and -- and 1989 when the oil spill
4 occurred, you could come to completely different conclusions
5 about the effect of the spill, whether it was -- the
6 population was remaining the same as a few biologists might
7 hold, or the population was in fact expanding, which would
8 give you a much larger injury impact.

9 Let me give you a second example. Another species
10 very hard hit in the Gulf of Alaska was the sea bird, the
11 Murre, the -- particularly at the Barren Islands. The last
12 census of Murres in the Barren Islands were done during the
13 70s. There are some -- a few photos just before the spill,
14 but essentially there's a large period of time between that
15 and the spill with good quantitative data. There are many,
16 many other examples in other sea bird colonies of that sort of
17 gap in the data.

18 Another hard hit area, the intertidal area where the
19 baseline data essentially wasn't enough to be able to
20 construct a good study of before and after.

21 So if you don't understand what the state of the
22 resource was right before the spill hit, and right afterwards,
23 it very difficult to -- to -- you've lost on your strongest
24 ground in a sense, and the -- you've got to fall back on an
25 approach of looking at oiled versus unoiled sites. And when

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1 you do that, it opens the door to certain amount of
2 uncertainty, because there's natural variability in -- out in
3 that environment, and, for instance, comparing the eastern
4 side to the western side of Prince William Sound, you'll
5 perhaps see some differences, and there may be some natural
6 variability there that you don't -- may not understand that
7 may -- you may use (ph) a little uncertainty as you come to
8 conclusions about the nature of the injury.

9 Another area of uncertainty is the on-going declines
10 and increases in some populations. Many of the sea birds have
11 declined since the 70s, very good data on that. Harbor seals
12 have been in a decline in the 70s. Well, that may be
13 reversing in Prince William sound.

14 Another area that really deserves some open discussion
15 here is species that lay lots of eggs. These are may fishes
16 and some invertebrates, where we have a very fair (ph) injury
17 rate to the young state, either in -- in reproductive
18 impairment of the adult, producing eggs that are not viable or
19 else the -- there is some kind of abnormality that develops in
20 the embryo or the larvae as -- as it is developing. The
21 question is, what impact is this actually going to have on the
22 adult population? And there's a lot of different opinions
23 depending on who you talk to, particularly in fisheries. Some
24 people think that the oil mortality is additive to any sources
25 of natural mortality. Other people think there may be some

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1 compensatory mechanisms. And the fact is it's a -- it's an
2 area of very hot scientific debate, and we don't have a lot of
3 certainty about the species for which we've seen that sort of
4 injury from after the spill.

5 Even if there is an effect on the population, can we
6 really measure it? And let me give you an example here from
7 one of the species, the herring in Prince William Sound. This
8 pie chart on the right is the contribution of different age
9 classes to the spawning biomass in 1991 of herring in Prince
10 William Sound. What you can see there is that the -- fish
11 that were hatched in 1984 and 1988 are -- are very predominant
12 year classes, very strong year classes. You contrast that
13 with 1987 or 1983 where there was no oil spill, you see that
14 those -- those contributed very little. And if you look at
15 whole 11 or 12 years of year classes that actually go into
16 this sort of thing, you'll see that it ranges from more than
17 40% contribution to less than 1% contribution, so that the
18 question is if you keep measuring a population, what can you
19 really detect about the effect of oil? And I think the
20 reality is there would have to be almost complete failure of
21 the '89 year class in order to measure some sort of -- have
22 any certainty that the oil was having an effect on the
23 population.

24 What I'd like to do is very -- give you in this slide
25 a very brief picture of some of the main natural resources

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1 that were damaged. And we can start just on the bottom there,
2 that's the oiled shoreline, the coastal habitat if you will.
3 We've got hundreds of miles of oiled shoreline and we've got
4 an injury to the intertidal, some indications of injury to the
5 subtidal, an ecosystem component of the injury that the --
6 this process has been criticized many times for not addressing
7 the ecosystem of this, but these are very complex communities
8 that are being studied in great deal of detail over the last
9 three years.

10 We've also got contam- -- that -- that little white
11 bar above the -- the bottom box is this contaminated mussels
12 and shellfish and other source of invertebrates from which the
13 species in the upper part of the graph are -- it's meant to
14 represent sort of the -- the main predator -- predatory
15 species, the birds and mammals and -- and fish of -- of some
16 importance in the system, and those are being contaminated by
17 forward (ph) species. We've got pretty good evidence of that
18 in -- in many cases.

19 So we -- I'll be talking mainly about harbor seals and
20 sea otters and not on there is some information on injury to
21 killer whales among the marine mammals. Among the birds, the
22 bald eagles, murres, harlequin ducks, mention of the marbled
23 murrelets, and some of the other species, but those are the
24 main ones we're focusing on today. And then the herring, pink
25 salmon, sockeye salmon, dolly varden and cutthroat trout. We

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1 have indications of injuries in all those species as well.

2 Let's move into the marine mammals for a moment. This
3 is a haul-out for harbor seals in Herring Bay taken from an
4 airplane by Kathy Frost. The Department of Fish and Game has
5 done an excellent job in this study. The haul-out in Herring
6 Bay in April 1989. You can still see the sheen of oil coming
7 off the rocks there and some harbor seals on the left side of
8 the rock that are -- that have hauled out.

9 If you look a little closer, we can see that they're
10 hauled out in the -- in the intertidal zone. It's -- if you
11 could look between the seaweed, you can see black there. This
12 is a pretty heavily oiled area. It looks like it hasn't been
13 cleaned yet in any kind of thorough manner.

14 And the normal color of these harbor seals is fairly
15 light. You can -- you can see that some of those, like the
16 individuals on the left are fairly light. This is -- very
17 dark individuals, this guy right here, this one here, here,
18 here and so forth, very heavily oiled.

19 In fact, observations on the main haul -- haul-out
20 trend (ph) sites were counted to -- in this study, they didn't
21 include all of Prince William Sound, but these main haul-out
22 sites indicated that as -- as often as 78% of these animals
23 were oiled through the spill.

24 The question is what kind of an effect did this have
25 on the harbor seals? Well, we can see an immediate effect on

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1 this guy. He's got a little bit of mucus dripping from his
2 nares, and that's a very common type of a situation with
3 animals exposed to hydrocarbons. Their mucus membranes start
4 producing large amounts of mucus, and also these animals are
5 quite approachable as they normally are not. And this is sort
6 of a behavior that was seen repeatedly by people out in the
7 area after the spill.

8 And we think we understand possibly how this could
9 have -- the -- the mechanism of damage here in terms of -- of
10 what happened to the physiology of the animal. I won't give
11 you a lot of detail here, only to mention that in the brain in
12 the -- in the thalamus area in there, which is important for
13 trans- -- transmitting information and control of some
14 involuntary -- or -- or control of things like breathing and
15 so forth in the harbor seal, we've got indications of damage
16 in some of the nerve tissue. These open, clear areas you see
17 right here are edema. They're in the nerve fibers, and this
18 is such a -- in this particular individual they're so well --
19 so prominent, so well developed that the -- in the opinion of
20 the veterinary pathologist that we -- one of our experts, they
21 think that this in fact could have explained the behavior and
22 in fact the death of -- of about 200 harbor seals is what the
23 principal investigator has come to the conclusion we have in
24 this case.

25 In terms of the harbor seal, to put this in context,

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1 there's a population of perhaps in the early 80s of about
2 5,000 animals in Prince William Sound. Again these studies
3 were exclusively Prince William Sound, because the baseline
4 data in the Sound was much better than elsewhere. We had in
5 fact, I apologize again for the faint nature of the labels
6 here. They didn't -- they looked a lot better on my computer
7 screen before I sent them to get developed.

8 This is '84 data here. This is '91, '90, '89 and '88,
9 so we have one year of pre- -- two -- two years of pre-spill
10 with a gap in here. We can see this decline that we -- that I
11 talked about in the harbor seals, and then this difference
12 here in '89, post spill, was about 100 animals in the trend
13 (ph) counts, which we think represent about half of the -- of
14 the injury in Prince William Sound. We think perhaps there's
15 another 100 conservatively, so that gives us an estimate of
16 about 200 animals out of 5,000 that may have existed before
17 the spill. And then there's a -- it looks like some
18 indication of increase and recovery, although in -- in '90 the
19 -- the injury has certainly persisted in terms of pure numbers
20 of animals within the oiled area.

21 I already mentioned lethargy. And the recovery.
22 Okay. That -- let's go on to the next species.

23 The next marine mammal would be the harbor seal --
24 excuse me, the sea otter. It's probably hard to tell from
25 this photograph what it is. Harvest -- the sea otter was very

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1 hard hit by the spill as -- as many people realized.

2 They have very poor insulating capabilities. If -- if
3 a little oil gets on their coat, -- essentially they -- they
4 rely on the air in -- pockets in their -- in their fur to give
5 them insulation from the cold Alaskan waters. And when that
6 starts to get matted down, more than about 20% of their body
7 becomes covered with oil, you get a grave situation of
8 hypothermia and -- and pretty certain death.

9 The -- we can't be too exact, but we think the pre-
10 spill population of sea otters in Prince William Sound was
11 about 10,000 animals, another 20,000 out in the Gulf of
12 Alaska, and the populations were probably expanding.

13 The immediate impact was that we have about 1,000
14 bodies recovered from the -- mainly from the beaches that are
15 in the morgues, and we think this may represent like 20 to 25%
16 of the total number, just based on the bodies recovered from
17 some other sorts of information.

18 Based on the boat surveys that Fish and Wildlife
19 Service has done, and some of the work of the experts,
20 particularly Bob Garrett and Lee Eberhart in conjunction with
21 Doug Berm (ph), they think the estimated mortality is about --
22 ranges between about 3500 and 5500, with 4600 about their best
23 estimate of the total mortality based on the -- these boat
24 surveys that they've done post-spill, and than that compared
25 back to the '84 data that I had mentioned earlier in the talk.

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1 The estimated Prince William Sound population now is
2 about 6,000 otters. So otters took a major hit inside of
3 Prince -- Prince William Sound, and also on the outside, along
4 the Kenai and so forth.

5 There's a couple of troubling bits of data as what the
6 chronic impact to the -- the otter population, and this --
7 this comes in two sources. On the bottom, those two bar
8 graphs represent the age distribution of sea otters on beaches
9 pre-spill, the -- the pre-spill data. This is from one to
10 about ten years. You can see there that the distribution is
11 dominated by both young animals and very old animals, typical
12 of a -- of a healthy population of sea otters which you might
13 expect.

14 This is the 1990 data. These are carcasses recovered
15 on the beach. A fewer number, but still a large -- much
16 larger proportion of prime age animals than you see over here.
17 And my understanding is, 'though I haven't looked at the data
18 in detail, that '91 shows a relatively similar pattern. So
19 there's one indication -- this is work by Fish and Wildlife
20 Service, one indication that there's something going on with
21 the sea otter population out there that's abnormal.

22 On the top is -- and again I apologize for the faint
23 nature of the data -- the faint nature of the labels here, but
24 on the top is -- is the results of work done on regressed
25 (ph) animals that Chuck Monet and Lisa Rotterman have -- have

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1 done, and this is western Prince William Sound. These are
2 missing and dead sea otters compared to eastern Prince William
3 Sound, and essentially if you look conservatively just on the
4 numbers that are dead here, you can see that there's about --
5 I think it's about 68, 69% that are known dead compared to the
6 eastern side of Prince William Sound that was not oiled,
7 something around 44%. And -- and it depends on how you
8 interpret the missing ones. Chuck probably disagrees somewhat
9 on this interpretation.

10 But anyhow, there's -- there's -- there appears to be
11 something going on with the sea otters of -- of somewhat
12 chronic nature in the population.

13 I'd like to just briefly mention the killer whales.
14 This is a shot taken of a killer whale in Prince William Sound
15 in 1984 from AB Pod. I think it's AB-34. I don't know if you
16 can see it, but I think there's some indications of bullet
17 holes in -- in this guy which is a problem that they've
18 suffered at least during the middle 80s.

19 After the -- there's about 180 killer whales that
20 frequent Prince William Sound. About 150 of these roughly are
21 in what are called pods of transient animals. This is
22 groups, family groups of -- excuse me, of resident animals,
23 and they pretty much come back to the same place every summer.
24 Come back in the Sound every summer, and they form tight
25 family groups and -- and through photo identification, they've

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1 got names and -- and -- for all of these and numbers, so they
2 know the individuals pretty well, and they can understand
3 something about the population, biology, dynamics of these
4 things over the years.

5 And at the -- the AB pod is of particular concern,
6 because it has gone -- 13 animals have been lost from that
7 pod, seven in '89 and another six in '90, so that the -- it's
8 the rate of decline that is beyond what is known from studies
9 of killer whales in other parts of the Pacific, in particular
10 British Columbia. It's -- it's a rate much greater than the
11 natural mortality, of -- about 19 or 20%.

12 And so it -- it coincided with the -- with the period
13 of spill. There's still some question as to what the exact
14 mechanism of death is, because the seven animals that went
15 missing after the spill were -- went missing within less than
16 a week, and they were missing from an area that didn't have a
17 lot of heavy oiling, and were not out in the passage. And
18 there's some question in some people's mind about how to
19 interpret the mechanism of death of this one, but it's -- I
20 thought I'd mention the killer whales anyhow.

21 I covered most of that information already.

22 Let's turn now from the -- well, let -- we've covered
23 the marine animals. Let me just quickly say something about a
24 couple of terrestrial mammals. There have been studies of a
25 number of terrestrial mammals. I'll mention in particular the

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1 brown bears and the river otters. The brown bears, because
2 they come out in the spring and forage very heavily in
3 intertidal areas, some individuals at least, and particularly
4 along the Kenai Peninsula and the Alaska Peninsula, often on
5 razor clams, and the razor clams have been contaminated with
6 oil to fairly considerable concentrations. There was some
7 concern about whether they may be picking up enough
8 hydrocarbons to cause them sort of -- some sort of harm.

9 There's been some radio tag studies, some analysis of
10 fecal material in some females have shown the presence of
11 hydrocarbons. There was one dead cub found with a radio
12 collared female, in which the fecal material of the female
13 contained petroleum hydrocarbons. The cub bile sample
14 indicated -- analysis indicated there were hydrocarbons
15 metabolized in the bile, and -- although there was -- balance
16 that on the other hand with the fact that there's a fairly
17 high mortality rate among young brown bears. I think it's
18 something like 50% the first two years.

19 So the -- to my mind, the brown bear studies are --
20 are somewhat -- there's a certain amount of uncertainty that
21 remains as about whether they were affected or not.

22 With the river otters, we do not have really good
23 population data on river otters, although there have been
24 modelling efforts to try to reconstruct the size of the
25 populations in two study areas in Prince William Sound.

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1 We do have information on river otters, however.
2 There were some -- there are a few bodies that were recovered
3 apparently from the spill. The size of the foraging age is
4 different between the oiled and non-oiled areas, and the
5 activity patterns appear to be more intense in the animals
6 from the oiled areas. And this would be consistent with the
7 possible interpretation of -- of more activity needed to get
8 food in areas on the -- and -- and the oil study was in a --
9 on Knight Island, the area was heavily cleaned, so perhaps
10 there's not as much food for these animals.

11 Let's move on then from the mammals into the birds
12 and the murres are the most hard-hit species among the birds,
13 and this injury took place mostly in -- almost exclusively in
14 the Gulf of Alaska. There are not many murres in Prince
15 William Sound. There's many, many millions of murres in
16 Alaska and we're talking about injury to colonies here that's
17 particularly intense in some areas, such as the Barren Islands
18 and apparently in the Chiswells as well. So in -- in terms of
19 the total number of animals that were lost, it may not be
20 significant in terms of the populations, but in terms of
21 particularly col- -- particular colonies, some of them are --
22 are of interest to -- to the tourist industry. There are some
23 severe problems in those colonies with the murres.

24 They're a highly social animal. They congregate in
25 the colonies in the spring and the social interactions are

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1 very important in the mating of this species and production of
2 -- successful production of young and the fending off of
3 predators. So when a lot of the adult murre were hit by the
4 spill and lost, it disrupted the breeding synchrony, disrupted
5 the social interactions, opened the colonies to predation to
6 a much higher extent than it -- than normally happens, and the
7 result is that the chicks were produced late in the season
8 from inexperienced breeders. The chicks that did survive the
9 increased predation from the time of hatching through --
10 through rearing left the colonies, those are still probably
11 open to a poor survival rate in the Gulf of Alaska, because
12 they were so young when the winter storms hit, so murre
13 were -- definitely took a big hit.

14 Here's an oiled individual. Here's a worker, Wally
15 Day, counting the murre carcasses on the beach. There's about
16 120,000 birds were lost from the colonies, and -- and maybe
17 from the breeding colonies and the over-all loss may have been
18 something between 200, 300,000 perhaps of murre. This --
19 there's a lot of uncertainty over the -- over this number,
20 because we don't really understand where the juvenile birds --
21 how -- how heavily hit the juvenile birds were. We don't in
22 fact have a good way to age the carcasses that are laying on
23 the beach, or at least we haven't done a lot of that work.

24 I already mentioned loss of production from the
25 colonies, maybe as many as 60,000 eggs per year were not laid

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1 after the spill, so we have a loss of reproductive -- of
2 reproductive output in the species.

3 Recovery could be fairly slow and difficult -- may be
4 dif- -- very difficult to predict. Some people say as long as
5 100 years. It depends on where the -- when these colonies get
6 back in synchrony and start producing, and that's -- that's a
7 difficult thing to predict. Most of the models don't -- any
8 mathematical model that it -- they -- it's -- it's a difficult
9 issue to deal with and to -- there's a lot of research there.

10 Let's turn down -- turn now to the eagles. The bald
11 eagles as everybody knows were hit by the spill. The
12 pre-spill populations in Alaska, there were about 38,000 in
13 Alaska, something like 4,000 in Prince William Sound and maybe
14 10,000 in the northern Gulf of Alaska. This was -- work was
15 done by the Fish and Wildlife Service, Phil Shemp in
16 particular, and the -- he -- the investigators that have
17 worked with him.

18 There was an immediate impact of something like 120 to
19 150 carcasses that are in the morgue, and there may be up to
20 500 dead. Now, the way that number was arrived at had to do
21 with the rate of telemetry of animals after the spill and
22 looking at where the carcass is recovered. Many of those were
23 recovered back of the beach. If you accept that sort of
24 thing, then perhaps as -- as many as -- accept that as a good
25 model of -- of mortality and the state of bodies, then there

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1 may have been as -- as many as 500. The thing that limits the
2 upper end in the estimate is the -- there's a certain estimate
3 involved in the population here and we did in fact see a
4 significant difference in the population in Prince William
5 Sound based on the post-spill surveys.

6 We do see a general increase from the early 80s and
7 this is I think '90, '89, -- that's '89, '90, and '91 I think.
8 Those are the population numbers. There -- there was a slight
9 dip pre-spill, but gone back up. This is not statistically
10 significant. See, the arrow bars there indicates that there's
11 a fair amount of uncertainty associated with these -- with
12 these estimate due to natural variability, not due to any
13 fault of the investigators.

14 There was also a loss of -- of young from these
15 species because of the failure of nests. In the oiled areas,
16 about 85% failure compared to unoiled areas of about 55%
17 failure in '89 in Prince William Sound. Productivity did
18 return to normal in 1990, and so there -- the recovery as far
19 as we can measure it may -- probably is under way, and we
20 don't know yet whether the sort of impact that may have had --
21 there may have been on chick numbers will in fact be reflected
22 in future population surveys of this species in Prince William
23 Sound.

24 Move to the sea ducks. There -- about 2,000 carcasses
25 of sea ducks in the morgues and there's a number of different

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1 species and the species that we focused more attention on than
2 others has been the harlequin ducks. These are the birds in
3 the foreground here. There's very little pre-spill data to
4 my knowledge of harlequin ducks in Prince William Sound.
5 There is some population data from the mid 70s that indicate
6 that they're -- there may have been 6,000 resident birds at
7 that time. Again, a fair number of birds moved through
8 Prince William Sound. There may be as many as 10,000 in that
9 bird that used Prince William Sound at some time of the year.

10 The immediate impact on harlequin duck was that about
11 a tenth of those carcasses were harlequin ducks. That's the
12 largest number I believe of -- of any of the sea ducks. And
13 the reason this bird was of more concern than the others is it
14 feeds very high in the intertidal where most of the oil was --
15 was deposited, and they're apparently ingesting a fair amount
16 of the soil, because the studies we've done with the -- that
17 Sam Patton and the U.S. Department of Fish and Game has done
18 has found petroleum hydrocarbons in the liver and also in the
19 bile of the species feeding intertidally. And we think that
20 maybe in fact there is continuing exposure from the mussel
21 beds.

22 One of the -- the main effect that we've seen here
23 beside initial mortality appears to be a reduced reproductive
24 success of harlequin ducks in 1990 and 1991 in Prince --
25 western Prince William Sound. We don't have pre-spill

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1 information on reproduction of the species, but if we assume
2 that it's -- that things were normal, that they were -- the
3 ducks were normally reproducing on the western side of Prince
4 William Sound before the spill, there's a real evident injury
5 to harlequin duck reproduction is -- is going on. And we
6 haven't seen any indications that there's any reversal of this
7 reproductive effect.

8 The harlequin ducks that -- that are on the eastern
9 side congregate at the mouth of these anadromous streams and
10 fly up and build nests in the upland areas, and this is one of
11 the links to the -- to the habitat argument for -- for
12 restoration. In the western side of Prince William Sound,
13 they just sit around the mouths of these streams and nothing
14 happens. They -- they don't ever get into the reproductive
15 mode at all.

16 Aside from the murre, this is a list of the birds in
17 the morgues where there's 100 -- greater than 100 bodies.
18 There's about 35,000 bodies I believe in the morgues. Just to
19 show you some of the other species that are involved here. I
20 won't go through them all. I did highlight in red the marbled
21 murrelet. This is another species like the river otter and
22 like the harlequin duck that links the injury to an upland
23 area, because marbled murrelets do in fact nest in old forest.
24 We're just getting to find out where these nests are through
25 these studies, and it does provide that -- that link for

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1 restoration.

2 Let's turn now to the -- the fisheries, and I've
3 already talked briefly about the -- some aspects of the
4 herring studies. The studies that were done by Evelyn Biggs
5 and -- and Tim Baker and others at Alaska Department of Fish
6 and Game, very well carried out studies. They've contrasted
7 the -- a couple of oiled areas, although they were lightly
8 oiled, in the tip of Montague Island here, and a little bit
9 heavier oiling around Naked Island, but still not hit heavily.
10 The -- the historical spawning sites were kind of in the
11 margins of the spill area. These oiled areas were contrasted
12 with areas up in the northeast for controls.

13 Herring are an extremely important species in the --
14 both from the fisheries point of view and for the ecosystem
15 point of view. This is an aerial view of a spawning area.
16 You can see the large congregations of birds and probably
17 some marine animals mixed in there as well. And that white
18 material is the milt of the -- of the male spawning herring.
19 There's about a billion fish that return to Prince William --
20 or that's -- that are in Prince William Sound. And they're
21 very important not only for the fishery, the sac roe fishery
22 in particular, but also they're an important prey species for
23 a lot of higher predators.

24 And this is an intertidal area that -- where the algae
25 is -- practically covered with their eggs.

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1 The herring spawn in oiled areas, just shortly before
2 the spill, they spawn in -- in March and early April and the
3 spill occurred, as you know, at the end of March, so they --
4 they spawn just before the spill or just after. And we have
5 indications of -- of immediate impact of greater egg mortality
6 in '89, greater larval and sydogeneric (ph) abnormalities in
7 '89 as well.

8 The chronic impact that we have been able to document
9 in these studies is a continuation of more differences between
10 oiled and unoled areas in egg mortality in 1990 and 1991 and
11 presyrogenetic (ph) and larval abnormalities in '90.
12 However, as I mentioned earlier, there is no effect of it on
13 the population, and I think it's going to have to be
14 catastrophic to be shown as a -- something on the '89 -- as an
15 effect on the '89 year class, the adult population.

16 That's just attorney markings on the bottom there.

17 Pink salmon are a big deal in Prince William Sound,
18 all right? There's hundreds of streams, 8 million fish I
19 think has been the average return to Prince William Sound.
20 This is an aerial view of a stream. You can see the -- if you
21 look carefully in the water, there's -- there's hundreds if
22 not thousands of pink salmon.

23 The main effect on pink salmon is illustrated by this
24 slide. This is the results of egg digs that were taken in the
25 -- that are taken in the fall every year. It's been -- work

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1 been by Sam Sharp, Alaska Department of Fish and Game. This
2 is a small part of a much larger salmon program. But what
3 has been seen, if you can see these -- the healthy looking
4 pink eggs here, and then you can see these white ones, these
5 opaque ones. They're essentially dead eggs. Didn't survived.

6 Either they're laid and poorly organized, or they weren't
7 fertilized or something. We don't really understand in detail
8 what has gone on with these, why they died. But there is a
9 much greater proportion of these dead eggs in the -- in the
10 oiled streams as compared to unoiled streams, and that's been
11 evident in '89, '90 and '91.

12 There's also -- was in '89 an effect on the growth of
13 -- of the young marine stages that were released from a
14 hatchery, and some of these tag losses they're called were
15 recovered in oiled areas and some in unoiled areas. Those
16 that were recovered in oil -- oiled areas have a lower growth
17 rate than those recovered in unoiled areas. Some of those
18 fish subsequently migrated out to the Gulf of Alaska, grew up,
19 came back last year. The data is just available now on the
20 returns from last season, and we see that there is a
21 significant effect. And again I apologize for the weak
22 drawing -- labelling on the axis, but there's a relationship
23 between growth rate and the number of -- of surviving
24 returning pink salmon here. This has been I guess based on --
25 on these tags. And you can see that those that grew --

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1 hopefully you can see those that grew slower didn't survive
2 as well.

3 So it's -- this is one indication of a potential
4 effect on the population. However, preliminary data as I
5 understand from Sam Sharp, my conversations with Sam Sharp,
6 preliminary data on the comparison of survival rates and pink
7 salmon coming back to weired streams in oil areas and unoiled
8 areas, I think there's three of each, indicates that the
9 survival rate -- at least the preliminary analysis indicates
10 the survival rate aren't different between those streams. So
11 you can draw what conclusions you might make on the -- on that
12 basis, what the effect might be on the population of pink
13 salmon. In my view, we don't yet have a really sustained,
14 demonstrated effect on the population of adult pink salmon.
15 We have that early life stage history of injury that is
16 continuing.

17 And this graph shows in '91 that -- the very large
18 difference between oiled streams and mortality, that's about
19 .5 there. That's about half of the eggs. In the highest tide
20 zone, this is the lowest tide zone where they spawn. Must
21 larger than in the unoiled streams, and this is based on a
22 large number of streams.

23 The curious thing was that we've got a greater effect
24 apparent in this year than we do in '89 and -- and in '90, so
25 we don't -- I don't we really understand this yet. There some

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1 hypothesis that are -- we're dealing with on this.

2 Let's turn now to two species that were studied
3 together: the dolly varden and cutthroat trout. They were
4 studied on the eastern side here in a couple locations and --
5 and in the western side. I won't dwell on the locations.

6 Work done by Kelly Heppler and the spill workers at
7 the Alaska Department of Fish and Game. This is a dolly
8 varden. That's a cutthroat trout.

9 Pre-spill population data, not too much available in a
10 great deal of detail. Not as much as we'd like anyhow to --
11 to make these kind of comparisons.

12 The immediate impact was there was a poor survival of
13 both species in oiled areas compared to unoiled areas in '89
14 and '90. This is contrasting oiled streams and unoiled
15 streams. The cutthroat trout data indicate that the growth
16 was also effected, and these are based on tagging and returns
17 between '89 and '90 and again in '90 and '91. And we know the
18 dolly varden from other studies that we've done with troll- --
19 trolling and -- and analysis of fishes that the hydrocarbon
20 metabolites that are evident in bile were highest -- were very
21 high in this species in '89; however they did decrease
22 dramatically in 1990, although the injury is still with us.
23 The apparent injury is still with us. So based on a
24 definition of injury, we don't really know that there's been
25 recovery evident.

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1 Let's turn now to the more ecosystem oriented types of
2 studies, in particular the -- the coastal habitat, near stidal
3 (ph) -- near tidal studies. First of all, these are carried
4 out over extensive areas of the spill area. This is one
5 worker in the intertidal zone at a low -- at a low tide
6 measuring the density of animals and plants with a quadrack
7 device. This is a close up to show you some of the organism,
8 the barnacles and fucus that's evident in this, the rock weed
9 at the top. Both of these species were affected by the spill.

10 There's a set-aside area. I think -- believe that's
11 in Herring Bay, an oiled area where it was not cleaned.

12 Again, there's little pre-spill data on intertidal
13 communities in -- in the spill zone, and the design therefore
14 that was used in the study comparing the unoiled versus the
15 oiled areas, and the -- to summarize very briefly. The
16 impacts, and -- and still -- I'd like to emphasize we do not
17 have a complete set of results from this study yet.

18 We only have a complete or a near complete set of
19 results from the sheltered rocky type of environment. This is
20 a rocky beach that is somewhat sheltered. It's not open to
21 complete heavy wave action. And in this type of sheltered,
22 rocky area we have a lower production of vegetation in the
23 supertidal zone, and that -- that result in fact may a little
24 wider than just a sheltered rocky, but if we look at the

25 There was a big effect on fucus, the second point

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1 there. The -- the numbers, the biomass, the condition and the
2 reproductive potential of fucus was depressed in the oiled
3 areas. These areas got heavily oiled and vigorously cleaned,
4 and -- and there was -- there was a big impact.

5 You've got lower densities of barnacles, mussels,
6 limpets, and amphipods and some other organized, and
7 experimental work that's been done in Herring Bay for the last
8 two years indicates a retarded settlement of barnacles and
9 limpets on rocks in oiled areas.

10 There is some recovery occurring. And anybody that
11 goes out and looks at these zones can see some recovery, but
12 they're still not fully recovered, especially in the upper
13 part of the tide zone, and it may be related to the re-
14 establishment of the fucus canopy there.

15 This is an up-close shot of a mussel bed. Jeep, are
16 you here?

17 MR. J. RICE: Yes.

18 DR. SPIES: Help me out. I just put this
19 slide in there. I haven't ever looked at it on a screen, Jeep
20 gave it to me this morning. Is this -- is this the oil pocket
21 of -- in -- within the mussel bed?

22 MR. J. RICE: Yeah, it is. There's -- there's
23 -- the hole there is mussels that have been removed and on the
24 surface the mussels look more or less like other mussels, but
25 basically that's oil has pooled the hole where the mussels

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1 have been removed.

2 DR. SPIES: Right.

3 MR. J. RICE: And the oil is bleeding out from
4 the underlying substrata.

5 DR. SPIES: All right. The important part
6 here is that the -- the mussel beds were not cleaned during
7 the spill. They were set aside, because there was worry that
8 if you got all the mussel -- rid of all the mussel beds you'd
9 be essentially eliminating the food for a lot of animals to
10 feed in the intertidal, so left them in. Now we think maybe
11 there's been an effect of these oiled mussel beds on things
12 like harlequin ducks and sea otters and other things, and we'd
13 like to evaluate that, and I think that would be a very good
14 type of study to do, to understand whether we need to -- to go
15 in and make some further changes, but I think it has to be
16 done with great deal of caution as far as any alteration of
17 existing communities out there.

18 There's a close-up of that oiled mussel bed again,
19 inter- -- intertidal zone. A lot of sheening still on the
20 rocks.

21 I'd turn now for -- to the subtidal studies. A
22 variety of different studies that were carried out, and just
23 to give you a few highlights. This is a diver in an eelgrass
24 bed, a subtidal bed that occurs around the zero tide mark in
25 areas of Prince William Sound, and there has been injuries,

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1 apparent injuries found here. In other words, contrast
2 between oiled and unoiled areas have indicated that the --
3 there's -- first of all, there's -- there's a lower density of
4 these plants, not a great reduction, but a (indiscernible,
5 coughing) lower density of these plants in the oiled areas
6 versus the unoiled areas, and also there's fewer of these
7 guys, which is a crab called telemesis, fewer of those found.

8 There's a reduction in amphipods, these are little
9 beach hoppers. Amphipods are well known from other oil spills
10 in the past to be sensitive to oil. We did work around
11 natural petroleum seeps in Santa Barbara and found out that
12 these animals are pretty much depleted. Certain kinds of them
13 were depleted in early sediments.

14 Again, very little pre-spill population and community
15 data on subtidal areas, and most of the impact has -- that has
16 been apparent has been associated with eelgrass beds, and it's
17 not known yet if there's been recovery. The only data that's
18 been analyzed in any detail are those from the 1990 field
19 season.

20 What I'd like to do now for the benefit of the -- of
21 the Trustees and the public that's here is -- is to -- and
22 others -- I hope this is of some help to you. What I've
23 tried to do is -- is give some relative to the injuries seen
24 in different resources and species here. And if you look at
25 the top, what I've -- I've broken down some injuries, category

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1 injuries of sublethal, and this would be kind of a passing
2 sublethal effect; effect on eggs and larvae and -- and the
3 reproduction of species, perhaps a little bit more serious; a
4 chronic sublethal effect, even more serious, and -- and we're
5 kind of moving in that way, in the direction of more serious
6 injury. If we have an adult loss, we've got a fair number of
7 carcasses or something indicating there's an adult loss,
8 that's a little bit more serious injury perhaps. This is one
9 way to look at this thing again. And a significant population
10 decline has been picked up by census would be probably a
11 further indication of more serious injury. And finally if we
12 have a chronic population decline, it doesn't seem to be
13 reversing or -- or -- then that is the most serious injury of
14 all.

15 And you can play your various restoration scenarios
16 into this, but I think it's important to -- to understand some
17 -- some of the relative weights that we might give to these
18 species.

19 The sea otters, for instance, are a qualifier for most
20 of these categories. And we do have chronic population
21 declines.

22 Again, with the murre we have the same thing, chronic
23 population declines.

24 And with the killer whales, we have a significant
25 population decline. Whether that's caused by oil is a matter

1 of perhaps argument. There is a -- some indication of
2 reversal in the killer whales.

3 With the eagles we have an effect on reproduction. We
4 have adult loss. We don't know if there's a significant --
5 there hasn't been any indication of significant population
6 decline by the methods we use. Again there's uncertainty
7 associated with eagle populations in the future.

8 Harlequin ducks, sublethal reproductive effects.
9 Probably chronic sublethal. There's been some adult loss
10 here. This -- this should be actually filled in. Whether a
11 significant population decline, is somewhat questionable. The
12 data is a little bit shaky.

13 With herring we've got a sublethal effect. We've got
14 an effect on eggs and larvae, reproductive effect. There's a
15 chronic sublethal effect apparent in the contrasts that we're
16 making. However we have not seen either an indication of
17 adult loss, significant population decline or chronic --
18 chronic population decline.

19 Sockeye salmon, and I apologize for not -- I had to
20 take the slide out of sockeye salmon, because I said some no-
21 nos on it and I skipped it in my mind. Let me just stop here
22 for a minute and describe very briefly the injury in sockeye
23 salmon.

24 There was essentially a closure of fishery in '89 in
25 the upper Cook Inlet. Because of this, the escapement goal of

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1 about 600,000 fish in the Kenai River was exceeded, and it was
2 about double that number, about 1.5 million. And the results
3 of that on top of some earlier large escapements to that
4 system in the prior two years was that there has been a
5 drastic reduction in the number of smolt that are migrating
6 out to sea from the rearing areas in the Skilak and -- and
7 Kenai Lake, and this may well have a pretty drastic effect on
8 the -- on the return in '94 or '95. So we have then sort of
9 an early life history and perhaps some kind of chronic effect
10 on -- on the population here. Again, it's kind of hard with
11 the sockeye salmon, because it was a special case, to -- to
12 fit it into this kind of dimension and this scheme. But I
13 made an attempt anyhow.

14 With the supratidal plants, we have a significant
15 adult loss and a loss of production.

16 Near tidal communities, again limited only to
17 sheltered rocky shores, we have some indications in some
18 species, I didn't talk about it, but a reproductive larval
19 effects, some chronic sublethal effects and some adult loss,
20 but some indications of recovery have certainly started at
21 least in the lower tide zone.

22 In the subtidal communities, the -- the injury's
23 mainly in the eelgrass bed and we're having indications of
24 adult loss and some perhaps chronic sublethal effects.

25 So it -- I hope that this -- this kind of analysis is

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1 -- is useful in -- in making some interpretations about the
2 importance of the injury as we move into consideration of the
3 -- the restoration projects.

4 That concludes my comments, and I'd certainly take any
5 questions.

6 MR. PENNOYER: Questions for Dr. Spies?

7 Mr. Barton?

8 MR. BARTON: How do you -- what was the
9 distinction between chronic population decline and significant
10 population decline?

11 DR. SPIES: Chronic would be one -- one that's
12 persistent for more than a year or two. As of -- as of this
13 date, the sea otter population is down, and there's no
14 indication that -- that we're replacing that loss that
15 occurred during the spill.

16 MR. PENNOYER: Other questions for Dr. Spies?

17 Mr. Sandor?

18 MR. SANDOR: Dr. Spies, how do you deal with
19 these situations where there have been multiple causes to the
20 problems, like the -- the over-escapement one? And is it
21 possible to quantify, or will it be possible to quantify the
22 extent of damage?

23 DR. SPIES: I think it's -- in that case
24 according to our experts, it's going to be hard to -- to do
25 any kind of division of the injury. It -- it could -- well,

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1 it probably is a cumulative effect of several years of over-
2 escapement, and I think in legal -- if you look at it from a
3 legal point of view, it -- I guess there's an argument, an
4 analogy about it. If you're going around hitting people on
5 the head with a hammer, and if they've got thick, normal
6 skulls, you don't kill them. But you happen to run across one
7 guy that's got a thin skull and you kill them, then you're at
8 fault, because you gave less than lethal blow to most things,
9 but you -- it's kind of the straw that broke the camels back
10 concept.

11 MR. PENNOYER: Yes?

12 MR. SANDOR: Well, there's a lot of questions.
13 I -- I guess I would ask -- on killer whales, what -- you --
14 you indicated some perhaps other causes as well of -- of
15 declines. What might be done in -- to restore or to -- to
16 correct this damage of killer whales?

17 DR. SPIES: Well, leave them alone. Let them
18 reproduce and -- I can't

19 MR. SANDOR: And then

20 DR. SPIES: I can't think of a lot that would
21 be done for killer whales. Maybe better -- get a little bit
22 better knowledge of their -- of how they use the habitat,
23 where they go in the Gulf of Alaska and so forth may be
24 helpful to some extent.

25 MR. SANDOR: I -- I guess a final question.

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1 Have -- have you seen this list of proposed studies or had a
2 change to evaluate them? Why I ask that question,
3 Mr. Chairman, is I'd be very comfort- -- comforting to know
4 that -- and -- and be willing to support those projects which
5 the chief scientist concludes, you know, have cause to direct
6 damage and -- and merit -- merit support, and I just wonder to
7 what extent you have had a chance to see those?

8 DR. SPIES: Yeah. I've spent some time in
9 several -- in several meetings probably over the last couple
10 months, and I'm aware of most of -- of the proposals, could
11 (ph) comment on them individually.

12 MR. PENNOYER: Other questions for Dr. Spies?
13 Carl?

14 MR. ROSIER: Yes. You mentioned on the pink
15 salmon situation that there were some hypothesis about the --
16 the chronic continuing effects. What -- what do you mean?
17 What -- what kind of information is there?

18 DR. SPIES: Well, I -- I don't really know
19 what level of comfort the attorneys have here with me talking
20 about this stuff. There's some ideas about -- I mean, it's --
21 it's obviously, as far as we could tell, related to oil.
22 Exactly why those are happening, what the exact mechanism is
23 -- is difficult to say right now.

24 MR. ROSIER: But there is something there?

25 DR. SPIES: It's just based -- it's based on a

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1 number of oiled and a large number of unoled streams and the
2 contrast.

3 MR. ROSIER: Thank you.

4 MR. PENNOYER: Further questions? Okay.
5 Then, Stan, are you next? Can you finish? Dave?

6 MR. GIBBONS: Yeah, we need to -- I'm sure
7 as -- as the Trustee Council is aware, we need to move on,
8 but, Steve, can you do it in several minutes?

9 MR. PENNOYER: Well, I don't want to shut him
10 off. I think the restoration planning and how it fits into
11 this process is extremely important, but certainly we
12 encourage you to not wander. Not that you would.

13 MR. SENNER: I'm doing this at the suggestion
14 of Dave and the Restoration Team, so this will be real short.
15 The -- I guess Mark's going to put up the overhead that he
16 used before. I just want to note that Mr. Sandor before
17 conferred on me a doctor's degree that I -- I don't have. I
18 seek neither the

19 MR. SANDOR: The Trustee Council

20 MR. SENNER: benefits nor burdens
21 associated with -- with that degree.

22 (Laughter)

23 MR. PENNOYER: I've been taking them away from
24 people right along, so go ahead.

25 MR. BARTON: We just awarded you one.

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1 MR. SENNER: But I -- I have a master's degree
2 from the University of Alaska Fairbanks, so

3 Very briefly, the -- I think there's perhaps the
4 notion that restoration planning here, the box between damage
5 assessment and implementation is sort of a black box, and that
6 people don't understand what's inside it. And really the
7 purpose of restoration planning and the role of the
8 restoration planning subgroup is to take this information
9 we've got from Bob Spies on damages and from our -- our
10 agencies' principal investigators, that that information and
11 try in some common sense, logical, systematic, objective way,
12 arrive at a blueprint for a restoration implementation
13 program, and the charge that we set out with three years ago
14 and two years ago when restoration planning formally began is
15 to restore the -- the injuries, and I don't see that that
16 charge has -- has changed. And to put the house back
17 together, we need a blueprint, and that's what restoration
18 planning does.

19 So we -- we take information on damages and we
20 integrate that with the recommendations that come from the
21 public and the recommendations and expertise from our own
22 agencies and technical experts.

23 The -- in its basic form, the process is real simple.
24 We ask what was injured, what are the life history
25 characteristics of that organism, that resource, what are the

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1 opportunities we have to restore it? We try and get all of
2 those opportunities on the table, and then we apply criteria
3 that you will be acting on and -- and the public will be
4 commenting on, and out of that comes a recommendation.

5 The primary vehicles for doing this over this next
6 year, and this is really the critical time in restoration
7 planning, are this restoration framework document that hear
8 about and a plan. And I just want to briefly characterize
9 those -- those in case there's uncertainty about what they
10 really are.

11 The framework is that the -- the document that
12 initiates the substance of public participation. We'd like
13 to tell the public, "this is what's in the settlement. This
14 is what was injured. This is the structure and process that's
15 been set up to respond.

16 And then lastly and -- and perhaps most importantly is
17 over the last two years we have received hundreds of
18 suggestions from the public and from technical experts in our
19 agencies about different actions that can be taken for
20 restoration. We want to distill those down to several basic
21 approaches and then a number of -- of options or concepts that
22 can be considered to respond to the injuries. There will be
23 probably 50 to 70 of those options that are laid out under the
24 heading of -- of several broad approaches.

25 With public input and policy decisions that the

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1 Trustee Council will make, those will then be reformulated in
2 a restoration plan. And what that restoration plan really
3 will enable us to do is rather than say "here are your -- here
4 are the options, and they're all of equal benefit or equal
5 weight," we'll be able to take the priorities and the policy
6 decisions so the public can view and say, "here's -- here's a
7 mix of options that we think provide the most cost effective,
8 biologically defensible way to proceed." And we'll get, of
9 course, another round of public comment on that draft
10 restoration plan, and then ultimately have a final.

11 The final document gets implemented and updated on an
12 annual basis through the work plan.

13 I'm not getting into NEPA questions and other things,
14 but that needs to be integrated into this whole process.

15 So, Mr. Sandor, you particularly raised a question
16 about the land/habitat type questions, and the -- the process
17 which I think Ken Rice started to discuss last night is again
18 pretty straight forward. We need to know what are the
19 universe of lands, both public and privately owned that bear
20 on the recovery of injured species or resources and services?
21 We -- Bob Spies didn't talk about injured services this
22 morning, but that -- they're very much an issue here. We need
23 to know what the universe is that -- that bears on -- on
24 recovery.

25 We then need to evaluation, well, how strong are those

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1 link- -- linkages? How do they really relate to the recovery
2 of -- of injured resources? And we need to explore the
3 options. Is fee simple acquisition appropriate? Does an
4 agency perhaps need to fine tune its management practices on
5 lands it already owns? Are there cooperative management
6 projects that are possibilities? Various acquisition
7 opportunities that are less than fee simple title, easements
8 is an example.

9 That level of detail and discussion of those specifics
10 is going to come through the restoration plan, not in this
11 framework document so much, but in the restoration plan. And
12 it is very much of a long-term, sort of systematic exercise
13 so that we don't make rushed decisions, imprudent decisions
14 that we'll regret later on. By long term, I don't mean ten
15 years. I'm talking two to three-year kind of exercise here.

16 Now, one real important caveat though is that there is
17 very clearly interest in some areas that -- that the public
18 and others believe are very much a part of restoration for
19 which decisions are going to be made that might change the
20 land uses there, that might bear on the recovery of injured
21 species and other resources.

22 The notion has been put forward of -- of buying
23 options, buying time that would enable us to look at these
24 properties in the more deliberative context, and not rush into
25 decisions there one way or the other. That's something the

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1 Trustees are going to have to consider.

2 Ken Rice's document that he prepared yesterday did
3 have a timeline that would enable some fast track
4 considerations of those kind of questions this -- this spring,
5 some sort of timely -- give you a process within a time frame
6 that is responsive to the public interest in that area.

7 So the habitat stuff is long term. It is a long-term
8 process, but we can have a fast track component that puts some
9 things on your table more quickly.

10 Mark or Ken, do you want to add to -- to any of that?

11 MR. BRODERSON: Mr. Chairman?

12 MR. PENNOYER: Go ahead.

13 MR. BRODERSON: Yeah, I would like to add
14 just a little tiny bit to that. Basically I think what we're
15 trying to do here is make sure that we're in a position to
16 spend the money just as wisely as we possibly can and not get
17 panicked into doing something that two or three years down
18 the road we'll regret, find out we wished to spend the money
19 somewhere else. We really would like to do this in a -- in a
20 reasoned approach. I see moratoriums that have been suggested
21 as one possible way to buy us the time basically to go through
22 to make this reasoned approach. At the same time end up
23 having value for the money we spend now at -- at the end of
24 the moratorium period. I think that's really the direction we
25 should be looking at going at this present time.

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1 MR. PENNOYER: Thank you. Ken?

2 MR. K. RICE: As we discussed yesterday, there
3 are a small suite of studies that we'll be evaluating later on
4 that are linked to any land or habitat protection. What we
5 need to be aware is that depending on the level of decision or
6 at least the confidence in -- that we want in linking those
7 injured resources to any upland habitat will depend on -- on
8 how much money we want to spend on getting that information.
9 It's not a short-term thing. We can't have answers this
10 summer, for example. It may take two or three years as Stan
11 had suggested.

12 MR. SENNER: And -- and that's the need to at
13 least consider whether you want some sort of interim measures.
14 So

15 MR. SANDOR: What -- this addresses the -- the
16 question I have, but not completely. On restoration planning,
17 it would seem to be what I heard you say was that habitat,
18 evaluations of data at that point, and in that restoration
19 planning process, that critical habitat is identified, and
20 then it's the critical habitat acquisition, protection of
21 various forms that takes place, and so I assume we -- we add
22 or include in that restoration planning process that -- that
23 element. I'm concerned about the sense of urgency or time
24 that's involved, but perhaps it's -- it's also a question of
25 what you call implementation, restoration implementation

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1 versus planning, but what I heard you say is that in fact that
2 acqui- -- that -- that habitat evaluation actually takes place
3 in the -- in that earlier planning process

4 MR. SENNER: Yes, but

5 MR. SANDOR: and is now under way?

6 MR. SENNER: That -- that's right, in -- in --
7 certainly in its initial stages, it is underway and we are
8 getting information about habitats in a number of forms.
9 There are essentially nominations from the public, there are
10 proposals from land owners, there are our own agencies
11 evaluations of what habitats are important, and then lastly
12 Ken mentioned some of the studies that -- that would gather
13 additional habitat information.

14 All of those need to -- the results of all of those
15 need to get integrated in a restoration planning exercise that
16 would then move us to that implementation stage. And -- and
17 under that heading of habitat acquisition and protection
18 projects, that can cover a multitude of -- of things, whether
19 it's again an agency perhaps adjusting its own management
20 practices, entering into a cooperative agreement, easements,
21 fee simple acquisition. All of that would come under that
22 heading.

23 MR. PENNOYER: Mr. Barton?

24 MR. BARTON: I -- I assume we're going to have
25 a fuller discussion of this project this afternoon as we go

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1 through the studies?

2 MR. SENNER: On the specific habitat ones,
3 yes, sir.

4 MR. PENNOYER: Mr. McVee?

5 MR. McVEE: Yeah. Mr. Chairman, I guess I
6 concur, you know, that we -- we would proceed, you know,
7 expeditiously, but also fairly deliberately, and whether we
8 can do those two at the same time is -- is maybe a problem,
9 but -- well, from the standpoint of the Trustee Council, I --
10 I think that we need to establish our policies relative to the
11 acquisition program, and -- and with some well thought out
12 criteria before, you know, we ask for nominations. Otherwise
13 it seems to me like the -- the public, those folks out there
14 that have proposals may -- may have expectations that won't be
15 fulfilled, so it seems like as quick as possible that we -- we
16 should develop these policies, and -- and I guess that my
17 thought is that one of the policies should be to -- to tie
18 back or establish a direct relationship between damaged
19 species and service and the -- and the oil spill impacts. And
20 then you -- you go on from that point to identifying the
21 upland components and habitat requirements for those damaged
22 species and -- but a very systematic kind of process.

23 And then also there are several steps I think, and you
24 outlined some of those that can go through and -- we can to
25 through in terms of -- of applying a program, or developing a

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1 program.

2 MR. SENNER: Mr. McVee, just to note that in
3 the timeline that Ken Rice prepared yesterday, one of the very
4 first steps was to focus on those objectives and criteria
5 before -- and provide those to the public.

6 MR. COLE: Mr. Chairman?

7 MR. PENNOYER: Mr. Cole?

8 MR. COLE: Thank you, Mr. Chairman,
9 Mr. Senner, to help my thinking in evaluating the magnitude of
10 this exercise, how many acres in the oil spill affected area,
11 not simply Prince William Sound, but this vast area affected
12 by the spill, how many acres are within that area that we
13 must evaluate in your view or in the -- in the view of
14 Mr. Rice?

15 MR. SENNER: I'd be hard pressed to give you
16 that -- that actual acreage. What's the -- just for
17 comparison, what's the Chugach Forest acreage?

18 MR. K. RICE: The whole forest is around four
19 and a half million acres. I think Prince William Sound we
20 could say -- say three, three and a half million acres of --
21 of private and public lands within that. When you include
22 Afognak, the Alaska Peninsula, all of that, I guess 16 million
23 acres just off the top of my head.

24 MR. SENNER: The -- I think if you boil that
25 down though, Mr. Cole, to the -- if you just want to talk for

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1 the moment of -- of what's in private ownership, because
2 there's all the -- the consideration of acquisition, the
3 acreage that has some relevance to oil spill injury in my mind
4 can't be more than hundreds of thousands of acres. We're not
5 talking, you know, multi-millions of acres when you boil it
6 down to that universe. And -- and I would not stand here and
7 even remotely suggest that you'll want to acquire every acre
8 of -- of that habitat (ph).

9 MR. COLE: I'm just trying to get an idea of
10 what -- it -- it must be that a lot of this habitat that we
11 wish to protect is also in public ownership, is that what
12 you've said?

13 MR. SENNER: Certainly some of it is.

14 MR. COLE: And would you say we would have to
15 evaluate the strength of the publicly owned habitat at the
16 same time we consider the acquisition of private hab- --
17 privately owned habitat. But I -- I have -- have a sense that
18 we would evaluate

19 MR. SENNER: I think

20 MR. COLE: you know, what's really most
21 important.

22 MR. SENNER: I think that's only fair that we
23 would look at our own house so to speak before we look at that
24 -- beyond that, and that -- that needs to happen concurrently,
25 and I don't -- we're not going to get into a situation where

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1 the -- I would not envision a situation where the Trustee
2 Council tells an agency how to manage it's own land, but
3 certainly we may be able to recommend some -- some changes in
4 management actions that would be beneficial.

5 MR. COLE: Thank you.

6 MR. PENNOYER: Mr. McVee.

7 MR. McVEE: Mr. Chairman? Yes, in -- you
8 know, in looking at private lands and acquisition of private
9 lands though, there's a hierarchy of protective measures
10 starting maybe with -- as Stan had mentioned, with management
11 agreements going on, you know, down through -- through
12 numerous alternatives to fee acquisition. But it seems like
13 one thing that needs to be considered is that -- that the --
14 the reason for proceeding with an analysis of some form of
15 protection is that there -- there is a threat or that public
16 ownership, it will secure faster recovery of a damaged
17 species. And I think we need to recognize in this process
18 that if those -- those activities on private lands are -- are
19 regulated by a whole series of -- of laws and if those are
20 inadequate to cover, then we need to take some action. If
21 they are adequate to cover, maybe then we don't need -- need
22 to, but, you know, the Clean Water Act, Forest Practices Act,
23 the Migratory Bird Treaty Act, Coastal Zone Management and so
24 on, but -- that protect or apply to -- to the private lands.

25 MR. SENNER: I can -- I can give you an

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1 example of that if it would be helpful. Bob Spies talked
2 about the harlequin duck, they nest along anadromous streams.
3 However, the State Forest Practices Act was intended -- the
4 protections there are intended to protect the salmon, not
5 things like harlequin ducks, and if our own work indicates,
6 for example, that harlequins nest say 100 feet from streams
7 rather than within 66 feet, well, then you have a situation
8 here one might want to look at some additional protection for
9 harlequin ducks. That's the kind of thought process that one
10 would need to go through.

11 Although I would say, Mr. McVee, I do not envision
12 that protection or acquisition of land in itself accelerates
13 the recovery of an injured species. It -- it may prevent
14 changes which could further slow the recovery of an injured
15 species, but it's hard to envision it actually can make it go
16 faster. I mean, Mother Nature moves as -- at its own pace,
17 and the best thing we can do is just to make that possible.

18 MR. K. RICE: Mr. Chairman?

19 MR. PENNOYER: Yes, Mr. Rice?

20 MR. K. RICE: The answer -- just to expound a
21 little bit on -- on Mr. McVee's statement, the Federal
22 Register notice that we had in March 1 of 1991 did as one of
23 its components outline a requirement that we would look at
24 existing law and regulation and policy as -- and how it
25 related to the recovery and -- and barring the Trustee Council

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1 giving us different instructions, we would continue to follow
2 the step outlined in the Federal Register Notice.

3 MR. PENNOYER: Further questions of
4 Mr. Senner?

5 It's now five after 12. How long a lunch break would
6 you like? We felt yesterday we did not need an hour and a
7 half. Can we be back by one o'clock?

8 MR. COLE: Make it 1:15.

9 MR. PENNOYER: We'll try and convene back here
10 at 1:00 o'clock. Thank you.

11 (Off record)

12 (On record)

13 MR. PENNOYER: I think we'll go ahead and get
14 started now if we could. We've got a long ways to go this
15 afternoon. We have a teleconference scheduled for five.
16 Maybe after we get people in line, if we've still got a few
17 things left to do, we'll go ahead and -- and finish them.
18 We'll cross that bridge when we come to it, but right -- for
19 right now the job in front of us to look at the '92 work plan
20 as presented to us by the Restoration Team, and hopefully Dave
21 Gibbons can take us through this package in a reasonable
22 period of time.

23 MR. MONTAGUE: Mr. Chairman, it probably would
24 be worthwhile to describe the make-up of the book, and it
25 makes it a lot easier for you all to follow through.

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1 MR. PENNOYER: You can lead us through any way
2 you think you've got to take it.

3 MR. MONTAGUE: And it's set up in -- in three
4 levels of information. The first is a three-page table that
5 just has a brief title of the project and the cost, and -- and
6 all the other infor- -- all the rest of the information is in
7 that same order as that first three-page table.

8 The next table is quite a bit longer. It has the full
9 title, the cost and five or ten lines that describe why they
10 need to do the project and what it's going to do.

11 And following that is another section of the same
12 projects in the same order that gives a full-page description
13 of what they're doing and the detailed budgets which are in
14 order from one to 20 pages.

15 And for ease of keeping track, it might be a good idea
16 to -- to take out the three-page summary at the beginning and
17 set it in front of you and then follow the projects by the
18 second table, which is the summary table. It has the ten-line
19 description.

20 MR. PENNOYER: Commissioner Sandor?

21 MR. SANDOR: I'd like to, Mr. Chairman, with
22 your approval, I'd like to talk a little bit about the process
23 or clarify a point or two about the process itself. I'm aware
24 the restoration team has done a tremendous amount of work in
25 putting a great deal of -- of information together in a

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1 relatively short period time, and I'm -- and I'm also aware
2 that we're running out of time with respect to the necessity
3 of planning for our 1992 program of work. And reflecting on
4 Dr. Spies excellent presentation and the fact that he -- while
5 he's been involved in some of the processes that have led up
6 to the definition of these specific projects, that he has not
7 yet had the opportunity to or given a direction to
8 specifically review, suggest modifications in specific
9 projects and to endorse or not endorse such projects. So --
10 so I'd like to suggest that -- that maybe before we go through
11 these projects on a one-by-one basis, that we looked at that
12 question and to put this issue on the table.

13 I -- I'd like to actually move that -- that our
14 meeting today, this afternoon be focused on these damage
15 assessment projects and the critical other projects that must
16 be undertaken this -- as quickly as possible, that are -- that
17 are time critical, and that we direct that each of these
18 projects be submitted to Dr. Spies for formal review and that
19 those that are endorsed, and only those projects that are
20 endorsed by the -- our chief scientist be actually forwarded
21 for public comment and presented back to -- to the Trustee
22 Council for -- for action, but to give the Restoration Team
23 the direction that they need to get a 1992 work program
24 underway. I would move that we, one, focus on the damage
25 assessment projects, the critical other projects that need to

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1 be dealt with this year, and that in every case no projects be
2 gone forward either to the public or be brought back to the
3 Council without the specific endorsement of -- of our chief
4 scientist.

5 MR. PENNOYER: Second? Any discussion?

6 MR. McVEE: I'll -- I'll second the motion.

7 Mr. Chairman, if I may comment? Yes. John, what -- what
8 were you thinking in terms of critical? Would that be those
9 projects where field work, for example, would have to be
10 initiated, be- -- say, before the 1st of May or -- or, you
11 know, as -- do you -- do you have a date in mind? You know,
12 I know that -- that Interior has a number of projects that --
13 that need to get rolling right now. I guess, you know, a
14 half dozen or eight, something like that, because of the --
15 the activities that are involved in the -- and -- and the
16 resources that are involved, but were you thinking that we'd -
17 - we'd look at and get a sign-off on the -- on the close out
18 and then on -- on these projects that we'd want to start, we
19 have to get started in the field before the first of May,
20 or?

21 MR. SANDOR: Yes, Mr. Chairman. I think the
22 definition of a critical project would be those that each of
23 the -- any of the agencies might identify as being critical,
24 and -- and, of course, not that the Restoration Team, but
25 the -- the point is, the green light would -- would come on

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1 only with that designation, and more importantly still,
2 endorsement of the chief scientist.

3 MR. COLE: Mr. Chairman?

4 MR. PENNOYER: Mr. Cole?

5 MR. COLE: Could we have an expression from
6 the chief scientist as to how long it would take him to review
7 these proposed projects and give us his recommendation on
8 them? I have in mind that if you could do that, you know,
9 fairly soon, we could schedule another meeting in two weeks,
10 ten day, whatever he may reasonably require, if that turns out
11 to be feasible.

12 MR. PENNOYER: Bob, before you do that,
13 perhaps, Dave Gibbons, do you want to comment on the
14 involvement of peer review in the assembling of these projects
15 to start with, and how much has already occurred? Do we have
16 an indication of which ones the peer reviewers like and which
17 one -- and Dr. Spies, and which ones they didn't?
18 Additionally I'm not -- I know time critical projects have to
19 be in the field by a certain date, early date, but they're all
20 time critical in terms of getting in the field in '92 at all,
21 if we don't send it out fairly soon, so I'm not sure how all
22 the timing fits together?

23 MR. GIBBONS: Yeah, it -- excuse me. In --in
24 our initial meetings in December we had a two-week session
25 there. The appropriate peer reviewers were brought in at the

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1 discussions of each one of the -- the damage assessment
2 projects, and in regard to some of the restoration projects.

3 The ones that I feel that have not had peer review are
4 the restoration implementation projects, and we might have
5 some question of what kind of a review we need here. Some of
6 these projects take the form of fish ladders or -- or those
7 types of activity where we feel that we have the expertise
8 within the respective agencies to design those effectively.
9 The review might be to link -- link the injury, but not
10 perhaps the design of the project or -- or that. But we've
11 had review on -- on most of these projects.

12 The peer reviewers' comments were -- were noted in all
13 of them. I'm not quite sure what to go further than that.
14 Maybe Bob can add something to that, but they were brought in
15 during that period in December when we -- these -- these
16 initial proposals were laid on the table.

17 MR. PENNOYER: Bob, do you care to comment?

18 DR. SPIES: Yeah, as Dave said, the peer
19 reviewers were brought into -- in the Dec- -- end-of-the-year
20 meetings and were -- I've got their comments now, almost all
21 of them back on -- on the studies and -- that were submitted,
22 mainly the damage assessment studies, the -- and some input,
23 of course, on the restoration proposals as well. None of the
24 peer reviewers nor I had -- had a direct vote, of course, this
25 was -- this was decided by the -- the restoration group, and

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1 so we -- we made our input and then they -- they took our
2 input into consideration before their votes.

3 MR. PENNOYER: I guess maybe Commissioner
4 Sandor's comment has to do with how many times the end (ph)
5 vote (ph) was used, and which ones you saw a strong
6 disagreement with?

7 MR. SANDOR: Well, also, Mr. Chairman, whether
8 in fact the peer review comments and your comments were
9 actually endorsed by -- I -- I would feel more comfortable,
10 Mr. Chairman, if -- if we had a, quote, formal endorsement
11 of -- of the chief scientist on the project proposals that
12 went forward, tracking this along the way. One, we just want
13 to make darn sure that -- that they're -- they're
14 scientifically sound, that -- that they will -- are in fact
15 directly related to the -- to the injury from the Exxon Valdez
16 spill and it has a chance for recovery and -- I -- I don't
17 want to go -- look back at these projects in -- in the course
18 in the midst of them or at the conclusion of them and say,
19 "Hey, they should have been fine-tuned in this way," and --
20 and we want to take full advantage of your skills. Or I want
21 to take full advantage of them.

22 MR. PENNOYER: Commissioner Sandor, is the
23 idea though that we would not take action here, and

24 MR. SANDOR: No.

25 MR. PENNOYER: that we wait for two

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1 weeks to?

2 MR. SANDOR: No, the -- the action is we would
3 -- we would go forward with the -- but with the qualification
4 that only one that -- that achieved the endorsement would
5 actually be pursued. If for some reason he had second
6 thoughts or -- or whatever else, we would put them on hold and
7 -- and cover them at a later meeting.

8 MR. PENNOYER: Does everybody have that
9 understanding?

10 MR. COLE: No.

11 MR. PENNOYER: Okay. Mr. Cole?

12 MR. COLE: I don't, Mr. Sandor, quite grasp
13 how you propose to do this, sir. You're suggesting that this
14 afternoon we discuss these projects item by item and -- and
15 subsequently receive the written approval of the chief
16 scientist?

17 MR. SANDOR: I would discuss only item by item
18 those -- those projects that need to be covered at this
19 meeting as opposed to the ones that -- ones that could be
20 delayed until our meeting the last week of February or
21 whenever, and also those time critical projects, and presuming
22 that it would not certainly be fair or reason for Dr. Spies to
23 be able to sign off on these projects in this short period of
24 time, that the assumption will be made that he would sign off
25 on them. But if after review the chief scientist was -- did

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1 not sign off on them, or suggested some modification or a
2 question, then this could be deferred. But the bottom line on
3 this is whatever comes back and whatever goes out to the
4 public should have the endorsement of the chief scientist.

5 MR. COLE: So this afternoon you would propose
6 that we receive the nominations as it were of the Restoration
7 Coun- -- Team

8 MR. SANDOR: Right.

9 MR. COLE: for those projects which are
10 so critical in light of the time, and then we would deal with
11 them this afternoon as the Trustee Council and then we would
12 defer the remaining proposed projects until a later meeting
13 this month or early in March?

14 MR. SANDOR: Right.

15 MR. COLE: Mr. Chairman, could we ask the
16 chief scientist if in his view that's feasible?

17 MR. PENNOYER: Dr. Spies?

18 DR. SPIES: Yes.

19 MR. COLE: Thank you.

20 MR. PENNOYER: Mr. Sandor, Mr. Gibbons, could
21 I ask for a clarification then of what time critical is?
22 There are two types of time critical here. In the
23 presentation to us by the Restoration Team there were time
24 critical projects that had to go in the field or have some
25 funding put into them in the very near future, but to get in

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1 place for '92, they're sort of all time critical to get them
2 out in this plan -- implementation plan cycle. The ones that
3 are not time critical are those I suppose that are totally
4 optional and are not dependent upon being done in '92. Are
5 you referring to the ones that have to have an early start-up,
6 or you're referring to time critical ones being those that
7 have to be done in '92.

8 MR. SANDOR: Do you want to go first?

9 MR. GIBBONS: Yeah. I -- I think the
10 restoration team discussed this earlier in the week, and we
11 felt that the time critical definition was in response to the
12 near term, the March/April/May work with a caveat that if --
13 if the work was going to go on in June and July perhaps that
14 the contracting for that work may have to start before. You
15 -- you've got a time period for -- for boat contracting and
16 that, and so that would -- that would play into the critical
17 portion.

18 MR. SANDOR: That -- and that would be fine,
19 and if one of the Trustees or one of the agencies felt that
20 something had been overlooked, they could add that.

21 MR. COLE: Mr. Chairman?

22 MR. PENNOYER: Mr. Cole?

23 MR. COLE: Thank you. I -- I mean, I still
24 remain troubled. What do we have that's so crucial it cannot
25 wait two weeks? That -- I mean, you know, am I missing the

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1 boat or is there's something that's critical in this period
2 of time or isn't there? Just tell me if there is, and I'll
3 accept your response.

4 MR. PENNOYER: Mr. Gibbons, isn't it critical
5 in terms of preparation in time to get it out with the
6 implementation plan and put it out for public review in March?

7 MR. GIBBONS: Yeah, it's -- it's critical --
8 but some of them -- we just -- you know, some of the projects
9 need to get out in March and if you tell them the first of
10 March, they're not going to make it. It's just -- I don't
11 know how else to explain.

12 But we have some other critical projects, too, that --
13 like the damage assessment close out, that if they can be
14 dealt with before the first of March, that's adequate, but if
15 they can't be dealt with before the first of March, there's
16 some penalties and -- and adverse effects.

17 MR. PENNOYER: So is the first of March kind
18 of the deadline for giving you work for preparation to get out
19 in time with the framework plan? In other words, if we
20 scheduled a meeting the last week in February, is not having
21 -- knowing for the next two weeks what's going to be in the
22 package an acceptable thing to do?

23 MR. GIBBONS: I'll defer that to some of the
24 Restoration Team members who are more familiar with their
25 projects and the -- on the time critical line. Could

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1 MR. MONTAGUE: Yeah. Mr. Chairman, could I
2 have the floor for a moment? One negative thing about that is
3 that it would further limit the opportunity of the public to
4 comment on them. That would have even more projects beginning
5 -- I mean, if you're not even making this public until March
6 1st, then -- then we're losing 22 days or whatever we have if
7 we made it now. So that's one aspect of it.

8 And knowing on March 1st isn't having the money on
9 March 1st, and I think some of these contracts will even- --
10 essentially unravel if they don't have approved funding for
11 March 1st.

12 MR. PENNOYER: Well, maybe the way to resolve
13 this is to start down the list and give us examples.
14 Mr. McVee?

15 MR. McVEE: Yeah, Mr. Chairman, yeah, that's
16 what I was going to suggest. I was going to introduce Carol
17 Gorbics, Fish and Wildlife Service, just ask her to -- to
18 illustrate through one or two of the Fish and Wildlife Service
19 projects why timing is so -- so critical.

20 MR. PENNOYER: Ms. Gorbics?

21 MR. McVEE: Carol, pick out a couple of them
22 and just very briefly tell us why you have to be in the field
23 when you do?

24 MS. GORBICS: The first one I'll talk about is
25 the boat surveys. We have a boat survey that goes out in

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1 March and July. We've had -- we've done these surveys since
2 '89.

3 MR. PENNOYER: Pardon me, Carol. Where is the
4 boat survey on our list so we can identify it

5 MR. McVEE: Which project?

6 MR. PENNOYER: by number.

7 MS. GORBICS: R-13. It's -- it's the forth
8 down on your list of restoration recovery monitoring projects.

9 MR. PENNOYER: Okay. Would you go ahead?

10 MS. GORBICS: The boat surveys would go out in
11 March and July. To actually make them happen in March,
12 we're -- we're at a very critical date. We're concerned that
13 we won't be able to get the staff on board even now. We would
14 have to scramble to make these in the field in March.

15 If we don't do it in March, that means a loss of data.
16 That data we would -- we would not be able to retrieve at --
17 by doing something different in April. The March is a
18 critical time frame for the birds and the otters to compare
19 with previous surveys.

20 MR. PENNOYER: Well, do you need permission to
21 go ahead, or do you need up front funding of some kind?

22 MS. GORBICS: Both.

23 MR. PENNOYER: So that would have to be part
24 of a package, for early earnest money type agreement to work
25 (ph) then? We'd have to go for that shortly?

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1 MR. McVEE: Yes. Yes.

2 MR. PENNOYER: I don't know how to do this
3 except to go down through this list of projects. We could
4 talk about the generalities here for another half hour or so,
5 and I think we need to go down through the list and have
6 people identify the vagaries and what we're looking at.

7 I think Mr. Sandor has a motion on the table. I don't
8 know exactly how to deal with that motion, because I'm not
9 sure it still fits the circumstances of some of these
10 individual projects.

11 As a general principle, do we want to okay that motion
12 and go forward in that vein, but realizing that some of the
13 delays may not be possible and we have to come back and
14 revisit it project by project?

15 MR. McVEE: Mr. Chairman?

16 MR. PENNOYER: Mr. McVee?

17 MR. McVEE: It seems to me like that -- that
18 we deal with the motion and it -- you know, it -- if it
19 passes, that then what we would have to do is -- is pick out
20 the -- the time critical projects and address those first.
21 Those would be our priority considerations today, other than
22 if we want to do something with the -- you know, a block, with
23 the close out projects, but that we'd have to pick out the --
24 the time critical projects, and list those and deal with them
25 one by one.

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1 MR. PENNOYER: Okay. Is there any more
2 discussion on Commissioner Sandor's motion? Is there any
3 objection on that motion? Okay.

4 MR. MONTAGUE: Mr. Chair, as -- as a
5 housekeeping matter, and -- and trying to keep the budget
6 straight of what we're adding and subtracting, would there be
7 an additional charge for the chief scientist for these quite
8 extensive additional duties? It seems like there would be.

9 MR. PENNOYER: Peer review doesn't come free,
10 Bob, and at some point you're going to have to tell us what's
11 involved in doing this process that we've dropped on you.

12 DR. SPIES: I've got more work than I can do
13 in the 60 hours a month right now anyhow, but I'm going to
14 try to get this done in a reasonable amount of time. As we
15 go through, I mean, the boat surveys, for instance, is
16 something that should probably be done. The otters, obviously
17 damage was done, (indiscernible) February, and although the
18 surveys do have their shortcomings, I think they
19 (indiscernible, coughing) ask for those things (ph). A good
20 example of (indiscernible) since the peer reviewer may

21 MR. PENNOYER: Any further discussion, or
22 shall we start down the list?

23 MR. COLE: Well, I'd still like

24 MR. PENNOYER: Mr. Cole?

25 MR. COLE: Are -- are we going down -- just so

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1 I understand what we're going, we're -- we're going to go down
2 the whole list and just go down the list, is that what you're
3 doing? Just so long as I understand.

4 MR. BARTON: But to do what at this point?
5 Discuss each project going down the list or just identify
6 those that will be discussed, to make that sort of?

7 MR. PENNOYER: Well, we'd go -- go down,
8 discuss each project and discuss whether they're -- how
9 they're time critical. I guess we could do that. It's going
10 to take us a while, and I think we're going to rediscuss them
11 a second time, but

12 MR. SANDOR: Mr. Chairman, it was -- it --
13 it's probably more practical to do this on an exception basis,
14 and that is to go down as I think Mr. McVee identified, those
15 projects that are proposed as being time critical, and if --
16 if they are, then make the case for them.

17 MR. PENNOYER: Good. Okay. Why don't -- why
18 don't we try that? Dave?

19 MR. GIBBONS: Mr. Chair, I've got a
20 suggestion, too. I think the Restoration Team has prepared --
21 has a list of these projects which are time critical by agency
22 that we might just go down through and have each agency
23 identify those. We can tick those off and then work our way
24 right down that list.

25 MR. McVEE: There you go.

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1 MR. PENNOYER: Good. Do you have such a list?

2 MR. GIBBONS: We have it by agency.

3 UNIDENTIFIED: Individually.

4 MR. PENNOYER: Do we have it or are you just
5 going to tell it to us, Mr. Gibbons?

6 MR. GIBBONS: Well, we don't have a composite
7 list. I -- what I'd just suggest is -- is to have the
8 Restoration Team member just identify those time critical
9 ones.

10 MR. PENNOYER: Okay.

11 MR. BARTON: Let's do it.

12 MR. PENNOYER: Let's do it.

13 MS. BERGMANN: Mr. Chairman, Department of
14 Interior would volunteer to go ahead and start this process.

15 MR. PENNOYER: Pam, why don't you do that?

16 MS. BERGMANN: Okay. Actually I'm going to
17 let Carol Gorbics begin from Fish and Wildlife Service.

18 MR. PENNOYER: Okay. Thank you. Carol?

19 MS. GORBICS: I'm assuming that we're talking
20 about the restoration projects right now, is that correct?
21 Not close out or damage assessment continuation?

22 MR. PENNOYER: Well, I think we're talking
23 about all the projects to decide whether they're time critical
24 or not.

25 MS. GORBICS: Okay.

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1 MR. MONTAGUE: Mr. Chair? Based on the fact
2 that the -- that we've always had the goal to try to finish
3 out damage assessment, We would like the Trustee Council to
4 consider damage assessment close out projects in total as
5 being time critical.

6 MR. BARTON: Is that then table one you're
7 talking about?

8 MR. GIBBONS: That's -- that's correct, it's
9 the top -- top of the table that's just titled closeout.

10 MR. MONTAGUE: No. Well, it's actually
11 table

12 MR. K. RICE: Two. Page two.

13 MR. MONTAGUE: Well, it's still table one, but
14 it's page two.

15 MR. PENNOYER: So your proposal is we accept
16 that in a block rather than discuss the individual projects?

17 MR. MONTAGUE: Well, we recommend you -- if -
18 - if you wish to discuss the individual projects on their
19 merit, but to whether they're time critical or not, we would
20 like to make the assumption that they're all time critical.

21 MR. PENNOYER: Questions? Dave?

22 MR. GIBBONS: Yeah. The reasoning behind
23 that, Mr. -- Mr. Chair, is that there's two points. We -- the
24 Restoration Team felt they were critical to get information in
25 a usable form to the public, and secondly that -- to provide

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1 -- provide timely information to the restoration program that
2 we're trying to build. And that's the basis for our -- for
3 our decision for considering damage assessment close out as --
4 as time critical.

5 MR. PENNOYER: So your idea to proceed then
6 with -- that we accept those as time critical, we'll put them
7 in a pile, and we are going to go through those a project at a
8 time sometime today? Okay. So we would accept those as time
9 critical, and we're going to review the individual projects.
10 Okay. Is that acceptable to everybody? We are going to come
11 back and do the list, that this is part of our list to do
12 today then?

13 MR. BARTON: Yeah.

14 MR. PENNOYER: It's listed (ph) by close out.

15 MR. COLE: Is that what we're going to

16 MR. PENNOYER: So on our agenda today is this
17 total list of close out projects, correct? This is all

18 MR. COLE: Mr. Chairman?

19 MR. PENNOYER: time critical?

20 MR. COLE: How

21 MR. PENNOYER: Mr. Cole?

22 MR. COLE: I'm -- I'm really just -- how could
23 every one of those close out projects be so time critical as
24 to require immediate decision this afternoon? Are there not
25 other proposed projects which -- for which we must make

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1 contracts and supply funding before March 1? I mean, that's
2 what I understand as to be the most important thing is to get
3 this underway, and -- and to defer some of the close out
4 projects until a couple weeks later. Am I missing something
5 or -- or is everything -- as I understand, that everything is
6 equally critical today? That's what I understand.

7 MS. GORBICS: Mr. Chairman, could I address
8 that to some extent?

9 MR. PENNOYER: Sure.

10 MS. GORBICS: We have staff on board that are
11 currently finishing out the oil year. It ends on February the
12 29th of this year. That -- those staff will be reassigned or
13 given other jobs or they'll go away if we don't finish the
14 process, and I think that that is another -- Dave mentioned
15 two things. I think that's a third thing that makes these
16 important to consider immediately.

17 MR. MONTAGUE: If it's a goal of the Council
18 to finish damage assessment as quickly as possible and -- and
19 we understand that it is, that based on what Carol said, and I
20 -- between the contracts and the agency support, I would say
21 that most of them actually do fall into that category, that
22 all the outside contracts will end February 29th, and all the
23 staff can no longer receive funding from this process without
24 the approval of the Council on the 29th.

25 MR. PENNOYER: So maybe as we come back to the

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1 individual projects, Mr. Cole, you can see whether they really
2 are or not, but at least on our agenda this afternoon, we're
3 going to start down through that list at some point.

4 So I guess the next question was of the continuation
5 projection, recovering monitoring, technical support,
6 restoration implementation, which one of those -- which of
7 those are time critical? How about the -- the damage
8 assessment continuation?

9 MS. GORBICS: On -- for Department of
10 Interior, for damage assessment continuation, we don't
11 consider those time critical. It's our GIS mapping and our
12 hydro- -- hydrocarbon analyses. Again we have the staff
13 problem that -- that we would have to address.

14 MR. PENNOYER: I'm not sure I understood that.
15 They're not time critical, but you have a staff problem?

16 MR. BARTON: I think the point is that they
17 feel they have a staff problem on all these studies.

18 MS. GORBICS: Right. But these aren't
19 something that would be in the field in March where we'd have
20 a loss of data because we weren't able to get into the field.
21 They're office activities.

22 MR. MORRIS: I -- I think that -- I would
23 consider hydrocarbon analysis time critical though.

24 MR. PENNOYER: Okay.

25 MS. GORBICS: On the -- the second table,

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1 called recovery monitoring,

2 MR. MONTAGUE: It probably would be good for
3 all of us to finish continuations for damage assessment, or --
4 or do you want to do it all by agency?

5 MR. PENNOYER: Well, they're different
6 categories. Why don't we go ahead and finish the continuation
7 projects, and I want if there's some reason some agency thinks
8 they're time critical and some agency doesn't, I'd like to
9 know the difference.

10 MR. MONTAGUE: Okay. For ST-5, injury to
11 shrimp, it's in two components. One of -- basically the way
12 we set this up was don't do field work in 1992 until you
13 finish damage assessment and determine the damage is there.
14 And May is the contract deadline for beginning the field
15 season if we do find injury, so the \$20,000.00 component to
16 finish damage assessment needs to be finished in the next
17 couple of months, and then the decision can be made about
18 whether to proceed with the field season.

19 And we think that this project may fit into the
20 category of -- of a new post settlement injury that could --
21 could be cause to look into the re-opener clause in the
22 settlement.

23 The

24 MR. PENNOYER: So you think injury to shrimp,
25 at least in part is time critical then?

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1 MR. MONTAGUE: Yes, the first 20,000. Okay.

2 Then the four -- the river otter study, the field
3 date is May 1st and the drop dead date is April 1st. Now, we
4 were originally considering time critical as the first three
5 months of the oil field, so if we're just talking about March,
6 this one wouldn't fit that category. It's April 1st, the drop
7 dead date.

8 FS-27, the drop dead date is March 15, so I would
9 consider that time critical.

10 Run reconstruction, the field season is June, the drop
11 dead date is April 1st. It could wait a few weeks.

12 And database management is an on-going support program
13 for about 22 projects, and actually needs funding beginning
14 March 1st.

15 MR. PENNOYER: Okay. NOAA?

16 MR. MORRIS: The -- we feel that the
17 hydrocarbon analysis is time critical. There's a steady
18 stream of samples that have been collected over the -- over
19 three years, including field work that was conducted this past
20 summer. NOAA's been the sponsoring agency for most of the
21 other agencies' chemical analyses of materials for petroleum
22 hydrocarbons. We have a backlog of samples, plus about 1,000
23 samples for 1991 that we feel if we don't continue the
24 analysis, it will simply delay the close out of these projects
25 that -- that depend on those analysis for writing the final

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1 reports. And there are -- there are a large number of
2 projects that are still awaiting full chemistry analyses. So
3 we think that should continue, starting in March.

4 In the subtidal four and all subsequent NOAA projects
5 that we have, none of them are time critical except for the
6 element of chartering vessels. We don't expect to be in the
7 field until June on any of those projects, but we need to have
8 commitment for vessel chartering at least by the first of May.

9 MR. PENNOYER: And that's ST-4 and ST-8,
10 correct?

11 MR. MORRIS: No, I'm sorry. No, ST-8 is not
12 time critical. That's an exception. I was referring to three
13 restoration projects that are -- come up later.

14 MR. PENNOYER: Yeah, if you would use the
15 numbers as you refer them in your analyses. Who else? A --
16 ADNR? GIS mapping?

17 MS. RUTHERFORD: I'm sorry.

18 MR. PENNOYER: Marty?

19 MS. RUTHERFORD: Under continuation for DNR,
20 the only -- it is not -- the GIS mapping is not time critical
21 except for the -- everyone's problem with the March 1 date of
22 funding running out. So it is not -- it can wait a couple of
23 weeks.

24 MR. PENNOYER: Well, I guess one area of
25 confusion is when you say it can wait a couple of weeks, just

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1 the fact that we approve it the last week in February doesn't
2 generate any money. You have to

3 UNIDENTIFIED: That's right.

4 MR. MORRIS: We could I -- I think take an
5 IOU.

6 MS. RUTHERFORD: Yeah, the -- most of the
7 agencies, I know DNR can -- can deal with it through
8 just

9 MR. PENNOYER: Reimbursement? Okay. Fine.

10 MS. RUTHERFORD: That's correct.

11 MR. PENNOYER: Thank you. Okay. Of the --
12 so that adds to our list this afternoon. We got rid of about
13 three projects out of that whole list I think. Okay.
14 Recovery monitoring? Technical support and restoration
15 implementation. Fish and Wildlife Service?

16 MS. GORBICS: Under recovery monitoring, R-6,
17 several components of the sea otter study are time critical.
18 We will actually have personnel out in the field on March
19 18th. In addition we -- we need to start contracting
20 immediately, because we have approximately a six-month lead
21 time for getting radios for the radio portion of the project.
22 They need to be specially built.

23 For murre, we need to start the contracting for the
24 boats immediately, and the personnel will be in the field --
25 R-11, the personnel will be in the field on April 30th.

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1 For R-13, the boat surveys, I discussed that
2 previously.

3 MS. BERGMANN: Why don't you recap that?

4 MS. GORBICS: To recap, we would have
5 personnel in the field by March 5th. We are actually
6 concerned that we've already gone too far on that one. We --
7 we will try to pull it off if we get approval.

8 GIS hydrocarbons, again we -- we will potentially
9 lose the staff we have on board, but it's not a time critical
10 in-the-field activity. That's -- I've jumped down to R-92,
11 I'm sorry.

12 R-17 I skipped. Black oystercatchers isn't -- is not
13 time critical. We wouldn't need to start contracting until
14 May. May 1st.

15 MR. ROY: Mr. Chairman, for the National Park
16 Service projects, the first one, R-5, the brown bears, we feel
17 it is time critical, because there are two reconnaissance
18 flights, one to be -- one to be in early March of -- and one
19 to be in early April. If the study is not funded on a time --
20 time critical basis, it will not irreparably harm the study,
21 but we need those early flights to see how the bears are doing
22 when they come out of the dens.

23 R-104, the archaeology project has a field work date
24 which trains agency monitoring people of -- of sites which
25 may subsequent -- which may potentially be subject to

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1 vandalism, the field work date is June 1st, but the contractor
2 to provide that training would require initiation of
3 contracting activities on April 15th.

4 And the information education project, R-118, which is
5 at the bottom of the management actions list, we feel it's
6 time critical, because this project will prepare public
7 information materials, interpretive programs, brochures and
8 the like that need to -- the work needs to be -- the planning
9 work and the -- the contracting for the preparation of those
10 documents needs to begin as soon as possible in order for
11 those materials to be available to the public during the peak
12 visitor season. If we delay at all, this work will be --
13 we'll stand a good chance of -- of missing the peak visitor
14 season, not being available until maybe September or October.

15 MS. GORBICS: Mr. Chairman?

16 MR. PENNOYER: Okay. Yes?

17 MS. GORBICS: I have two more on the
18 restoration implementation. R-20, bald eagles, that work
19 would be in the field March 16th, and our contracting for work
20 to occur later in the summer would need to start March 16th.

21 And R-15 at the bottom of the page, the marbled
22 murrelets, we'd be in the field on April 30th, the contracting
23 date would be March 2nd.

24 And I'll let Fish and Game deal with harlequin ducks.

25 MR. MONTAGUE: Relative to the projects that

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1 we have under our responsibility, ST-2A and 2B near the top of
2 close outs. Those are contracts with the University of
3 Alaska, and they're good through April so that will not be
4 time critical.

5 The next one

6 MR. PENNOYER: I'm sorry, Jerome, I thought
7 you asked us to accept all of the close outs as time critical.

8 MR. MONTAGUE: I thought some of them were
9 that we

10 MR. PENNOYER: I'm not sure they are, but that
11 -- that was the original request.

12 I guess -- I hope when we get done with this we've --
13 we've accomplished something for the time spent, but I'm
14 adding a lot of stars to this list, and I'm not sure we're not
15 going to have to go down at least -- take each one in order
16 and just have somebody comment on it as we get to it, is this
17 time critical or isn't it? When do you need the money by?
18 Am I wrong?

19 MR. BARTON: Well, we haven't eliminated but
20 about ten.

21 MR. PENNOYER: I know, and we've spent a lot
22 of time.

23 MR. BARTON: Well, we could have talked about
24 the ten faster than we identified them.

25 MR. PENNOYER: I guess, Mr. Montague, when you

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1 come back and identify two of them on the -- on the close out
2 that might not be time critical, I guess we practically have
3 to go through the list.

4 Does the Trustee Council have any feeling on that, or
5 should we start at the top and go down and -- and as we get to
6 the project, if it's not time critical, tell us and we won't
7 discuss it? Okay?

8 Well, then let's -- let's go back to this close out
9 and the surface oil maps. Department of Environmental
10 Conservation, \$15,000.00. Can we just -- and I'm getting
11 confused about time critical, too, because some people are
12 talking about losing personnel, making it time critical, that
13 you've got to do something, and some people are talking about
14 going in the field. Some people are talking about just a
15 continuation of background monitoring, like one agency --
16 agency thinks hydrocarbons are time critical, another agency
17 doesn't. And I don't know what criteria you're using, so as
18 we get to a project, tell us and give us your reason of why
19 you think it's time critical or not.

20 So I guess maybe we'll just start down through the
21 list. AW-1, surface oil maps. DEC?

22 MR. BRODERSON: Mr. Chairman, this one is
23 critical in the sense that several other studies need the
24 results from this, but it's not critical in the sense that if
25 it waited two weeks, we can take it up at that time. So I --

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1 judging from how little time there is left today, I'd suggest
2 passing this one over.

3 MR. PENNOYER: That's a good criteria. If we
4 can do this the end of February instead of right now, that's
5 kind of appropriate. Okay. Pass that one over. Anybody
6 object?

7 ST-1A, petroleum hydrocarbon induced injury to
8 subtidal marine sediment resources. NOAA?

9 MR. MORRIS: I guess what Mark said would --
10 would apply to all the NOAA studies as well. We -- we can
11 continue with -- on March 1st with a decision as late as
12 February 29th. Nothing will change until March 1st, so we
13 could put all of ours off for two more weeks.

14 MR. PENNOYER: All of them in the -- in the
15 category of close out could be put off for two weeks?

16 MR. MORRIS: Because the people are -- are
17 still continuing to work on, still have funding to work on
18 them, but

19 MR. PENNOYER: They're time critical, but not
20 for the next two weeks?

21 MR. MORRIS: Well, I would like Jeep -- just
22 to have Jeep Rice who's -- who's one of our major program
23 leaders to briefly make a statement if you will on the impacts
24 of -- of the lack of funding after March 1st to these
25 programs.

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1 MR. COLE: Could I make a statement?

2 MR. PENNOYER: Mr. Cole?

3 MR. COLE: Mr. Chairman, I -- I would like
4 him to address if he -- if he cares to the fact that -- I mean
5 if we have these people go right up 'til the 29th and then
6 there's sort of no money for them the next day, it seems
7 hardly fair to these people who don't have any notice about
8 they're apt to get a pink slip the following day. Am -- am I
9 on the track on that or?

10 MR. J. RICE: You're very much on track. Also
11 there's also a thing about my own acid secretion in my own
12 stomach right now.

13 (Laughter)

14 MR. COLE: You're not the only one.

15 MR. J. RICE: I realize that. You know,
16 you're talking about your own salaries, and you don't need
17 reimbursement. I -- my salary is covered also, I do not need
18 reimbursement. But the majority of our projects within our
19 agency and at my own laboratory, for example, have acquired
20 people for the last two and a half years. They are not
21 covered on March 1, and so you would -- if you guys do not
22 approve funds at some point in the next couple weeks, then
23 what do we tell these people? Do we tell them on March 1
24 that "you may or may not have a job. You may or may not be
25 funded"? And how do the agencies handle that? Ours right

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1 now is suffering from lack of funds you might say in a general
2 sense. In other words, I would guess that our laboratory will
3 probably lose about three or four bodies in its normal base
4 projects within the laboratory during this year, so absorbing
5 ten or 15 people approximately added onto that burden, those
6 people are gone. I mean, there is not other base projects
7 from which they will be reassigned, so if you do not tell us
8 that these people have some level of security, then when I get
9 back to the laboratory tomorrow, I have to give them a
10 tentative notice I would guess. I can't -- I have to be fair
11 to those people.

12 MR. COLE: Yeah. That's what I'm concerned
13 about.

14 MR. J. RICE: Yeah.

15 MR. MORRIS: Could you also address what --
16 what it does to your capabilities to subsequently be able to
17 produce a final report?

18 MR. J. RICE: Yeah. Okay. We do have some
19 permanent people that are attached to -- to the project, but
20 if we do not have the support staff, if they leave, that
21 permanent staff will be reassigned to other fisheries
22 projects, so basically we would be left holding the bag. We
23 have analyses -- hydrocarbon analyses and mountains of data.
24 Basically I would guess that the close out projects would --
25 would be severely damaged in terms of getting done in a timely

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1 way. Right now it's going to be a very big struggle to finish
2 these projects in a timely way if there is no interruption of
3 funds and no interruption of staffing.

4 MR. PENNOYER: Thank you, Jeep. I guess it's
5 a very good point, Mr. Cole, and I've heard some people say it
6 doesn't make any difference in -- in terms of getting funding
7 within that -- sure funding in the next two weeks. And as
8 each of you get to your projects, you need to consider the
9 very thing that Jeep is talking about, so -- are you still --
10 DEC still recommend that surface oil maps can wait for two
11 weeks?

12 MR. BRODERSON: That one, there are -- the
13 people that are on it can be shifted to other duties at that
14 point, so, yes, we can still let that one go by, but not the
15 other ones on DEC.

16 MR. PENNOYER: Okay. Petroleum hydrocarbon
17 induced injury to subtidal marine sediment resources? ST-1A.

18 MR. MORRIS: In the extent of -- of the
19 uncertainty to -- to the people that work on the projects,
20 that would be time critical, yes, I think they all would.

21 MR. PENNOYER: Do we want to -- since that's
22 time critical, is there any further discussion on the content?
23 Can we get a brief description and decide whether we want to
24 pass on here or not?

25 MR. MORRIS: Yes, I can -- I can try and very

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1 briefly capsule this study.

2 We have essentially data -- this -- this requires
3 analysis of sediment samples that have been taken these past
4 three years, so essentially you're only half way through 1990,
5 and our -- getting data back, or the analyses. But the
6 pattern that we've observed was that the oil has spread from
7 -- from the shorelines in the first year into the shallow
8 subtidal areas. We've got as much as 20 meters in many
9 locations, and then through the winter and into the summer of
10 1990 this oil has spread in some areas to -- to depths as --
11 as deep as -- as 100 meters. This is based on only partial
12 information that we have. We don't know what the pattern will
13 look like in -- in 1991 yet, but we -- we expect this oil is
14 going to be very persistent over a course of -- of several
15 years, and it's -- I think it's very important for us to -- to
16 get the complete picture of the extent of -- of the subsurface
17 sediment oil in the -- in the first three years of the spill
18 to go on to address the questions of -- of recovery and -- and
19 restoration options.

20 MR. PENNOYER: Questions of Mr. Morris?

21 MR. COLE: Mr. Chairman?

22 MR. PENNOYER: Mr. Cole?

23 MR. COLE: Yeah. I -- I sit here thinking
24 about a lot of -- a fairly large number of people, employees
25 whose livelihood you might say hinge on decisions here, and

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1 I'm wondering whether, you know, that we shouldn't be fair to
2 them. We must be fair to them. We should think about
3 changing our schedule a little bit, and making these decisions
4 before the 29th -- what is this, 28th or 29th date. Twenty-
5 -- you know, before the last day of February, for example. It
6 just seems to me that we have -- we -- we just have to think
7 about that here today, that we're dealing with a lot of
8 people's livelihood and -- and maybe we just have to work
9 Saturday or Sunday and plow through these things. I mean, am
10 I off base there or -- don't we have to consider that? I
11 mean, I hate to see people get notice here Friday or next week
12 or two weeks, layoff notice and then, you know, whatever. I
13 think the

14 MR. McVEE: Mr. Chairman?

15 MR. COLE: You tell me, this is not
16 exactly my field, but I think that there's something we have
17 to think about.

18 MR. PENNOYER: Mr. McVee?

19 MR. McVEE: Just -- Mr. Chairman. Yes, I -- I
20 visualize or see these close out projects as the transition
21 from the damage assessment into the restoration program, and
22 that as I understand it, not having been here that long with
23 the -- with the Trustee Council, but that these projects have
24 all been through previous reviews, one year, two years, three
25 years, and so that you have -- you have -- we have had the

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1 scientific input, we have had the peer review. They have --
2 they have been audited or -- or critiqued in terms of budget.
3 I guess it seems like that -- that, you know, with those
4 things in mind, it -- it could be appropriate to -- to handle
5 them as a package.

6 MR. PENNOYER: Mr. Barton?

7 MR. MONTAGUE: Well, Mr. Chairman,

8 MR. GIBBONS: In fact they -- it seems to me
9 on the close out studies, there are really only two issues,
10 one is the amount budgeted, and whether that's in the ballpark
11 or not, and the second is whether there are any of these that
12 we would just want to chop off without bringing them to some
13 logical conclusion. Aren't those really the two questions in
14 terms of the close out studies?

15 MR. MONTAGUE: Yes.

16 MR. PENNOYER: Yes.

17 MR. McVEE: Yes.

18 MR. BARTON: Yeah. Okay. So can we identify
19 any here that we would just like to chop off and say we're not
20 going to put another dime in?

21 MR. PENNOYER: Well, I guess we could go down
22 the list and see if people have -- I -- I guess not asking
23 questions about the content. I'm sure that we're all familiar
24 enough with the title to make that judgment without hearing an
25 explanation.

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1 MR. BARTON: Well,

2 MR. ROSIER: Mr. Chairman?

3 MR. PENNOYER: Mr. Barton and then Mr. Rosier.

4 MR. BARTON: I -- yeah, except that this is
5 the third time through on several of these, you know. We
6 reviewed these in oil year one, and then oil year two and oil
7 year three, and now we're doing it for oil year four.

8 MR. PENNOYER: Mr. Rosier.

9 MR. ROSIER: Well, that was kind of the point
10 that I was getting at, too. It seems that we've been -- been
11 through these a number of times, but I would ask, you know,
12 on the -- the Restoration Team, who I think put several good
13 options before us here in terms of how we should deal with
14 this whole process, I would ask them if they had in fact
15 looked at that particular question as they reviewed this, see
16 what their recommendation is.

17 MR. PENNOYER: Dave?

18 MR. GIBBONS: Yeah. We -- well, we've gone
19 over I think as -- as Mr. Barton has stated, we've -- we've
20 been over these many, many times, and the peer reviewers spent
21 quite a bit of time on these also. We have reduced budgets
22 on them, we have -- we've asked for detail, and it -- it
23 really comes down to two questions: Do -- do you want to
24 expend a little bit of money now to get a product that -- that
25 is usable by the public, or is the option to shut them off now

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1 and have incomplete products? And that's -- that's to me --
2 the budget, I feel pretty comfortable with. I don't know what
3 the Restoration -- rest of Rest- -- rest of the Restoration
4 Team feels, but I feel pretty comfortable with the numbers on
5 this page.

6 MR. BARTON: Mr. Chairman?

7 MR. COLE: Mr. Chairman?

8 MR. PENNOYER: Mr. Barton and then Mr. Cole?

9 MR. BARTON: Well, it -- I think if we could
10 sort these into those two questions, we could at least deal
11 with the uncertainty that would be created in the -- in the
12 employee's mind. If, in fact, we're going to fund these at
13 some level, we can either -- you know, then they're not time
14 critical, assuming we're going to deal with them in a couple
15 weeks. We don't have to go home and give out pink slips.
16 That's where I was coming from.

17 MR. PENNOYER: Mr. Cole?

18 MR. COLE: My sense is that, you know, the --
19 dealing with the public interest is fine, but I think as a
20 basic proposition, we -- surely we should wind up some as a
21 matter of good administration, contract administration. But I
22 think that to the extent that, you know, they drift along a
23 ways, we should have only those projects which are directly
24 related to the restoration process, you know, 'cause data for
25 data sake is fine, but we should have as much available data

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1 as we can from the studies for restoration. With -- having
2 said that, I'd like to ask Dr. Spies, the chief scientist if
3 he could -- plans to stay here another day or so or any plans
4 to leave? I suspect that he could go through these in two
5 hours and -- and give his views or red line and be done with
6 it and we could put it behind us. Is that within your
7 capabilities, Doctor?

8 DR. SPIES: I'm trying to understand exactly
9 what you're asking me to do is to go through the

10 MR. PENNOYER: Come up to the mike, please,
11 Bob?

12 MR. COLE: What I'm asking you to do is just
13 this: Look at these close out studies and say are there any
14 on there that in your professional judgment you would red line
15 and just reject and be done with it? Is that what,
16 Mr. Barton, you're

17 MR. BARTON: Yeah, are there any studies on
18 here that we should not invest any more money in, that they're
19 just utterly not

20 DR. SPIES: I'd -- I'd be pleased if the
21 Trustee Council wishes to do that, I'd be pleased to make an
22 effort to do that, and I think I could probably reasonably get
23 it done in several days, and could alter my plans and work
24 through the weekend.

25 MR. PENNOYER: Let's -- if we're going to do

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1 that, let's talk about timing them. I -- I have to be back
2 for a meeting in Juneau tomorrow morning.

3 DR. SPIES: I can come back and -- or I could
4 meet again, not next week, but the following week.

5 MR. COLE: Or we could do it by telephone,
6 because this should be a fairly simple process, it shouldn't
7 us more than

8 MR. PENNOYER: That's fine.

9 MR. COLE: 15 or 20 minutes just -- just
10 to say, "Dr. Spies, which ones do you propose red lining," and
11 he'll say maybe none, maybe he'll say two or three, and we
12 say, "Thank you very much" and hang up and get on with our
13 business. That's it.

14 MR. PENNOYER: Is that acceptable to
15 everybody? So we will take the close out studies then and
16 finally accept them as projects we think we're going forward
17 with, pending some evaluation by Dr. Spies as to whether any
18 should be specifically dropped for the reasons state. Is that
19 okay?

20 MR. BARTON: It's fine with me.

21 MR. PENNOYER: Fine. We'll put all this aside
22 then. Thank you. Okay. I -- I take it the continuation
23 studies are not in that category, however, and -- or are they?
24 Continuation I presume are studies that also have had a review
25 over a long period of time, several cycles, and are being

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1
2 proposed to continue because we're not yet done assessing
3 injury. Do we want to put that group of projects as well in
4 Dr. Spies' kit and ask him if there are any in that list that
5 he thinks are really not leading to injury and should be
6 dropped?

7 MR. COLE: Where's Commissioner Sandor? He
8 got us into this mess.

9 MR. BARTON: He got called away by a higher
10 authority.

11 MR. COLE: It may be well to ask the chief
12 scientist about that, too.

13 MR. PENNOYER: Bob, do you want to come up to
14 the mike one more time? Go ahead.

15 DR. SPIES: I have a dental appointment I'm
16 looking forward to.

17 (Laughter)

18 MR. PENNOYER: Do you know -- do you know the
19 list we're referring to? The continuation projects on damage
20 assessment?

21 DR. SPIES: I was -- didn't catch the first
22 part of Mr. Cole's question. Which group of projects was this
23 one?

24 MR. PENNOYER: We have a list -- we just got
25 done with the close out projects. And you're going to look at
those and comment back to us on whether you think any should

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1 be redlined and taken out for the reasons stated.

2 We also have a list that's continuation damage
3 assessment projects. Again, continuation to me infers they're
4 not new. They're things we have looked at before, they're on-
5 going projects. Would you take the assignment and add these,
6 about ten projects to the list of those you're going to
7 comment to us on

8 DR. SPIES: Sure.

9 MR. PENNOYER: in the teleconference?

10 DR. SPIES: Yeah.

11 MR. PENNOYER: Is that acceptable?

12 DR. SPIES: Acceptable.

13 MR. PENNOYER: And when would -- when would
14 you be free to do so, by next week or?

15 DR. SPIES: At your pleasure.

16 MR. COLE: How soon can you complete it I
17 think is the critical question.

18 DR. SPIES: I could be available next week. I
19 don't think it would be unreasonable to work through the
20 weekend.

21 MR. COLE: Tuesday?

22 MR. BARTON: Monday would better.

23 MR. COLE: Monday?

24 MR. PENNOYER: What do you think, Bob?

25 MR. COLE: I pushed it as far as I could, you

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1 know.

2 DR. SPIES: That's fine. I -- I can do that.

3 MR. PENNOYER: Monday? Monday afternoon.

4 Okay. So we will set the teleconference for Monday afternoon
5 to talk about the content of these two lists on damage
6 assessment close out and continuation.

7 MR. BARTON: And at that time

8 MR. COLE: Is that agreeable, Carl?

9 MR. ROSIER: Yeah, I'm going to be out of the
10 country, so

11 MR. COLE: Well, -- well, you'll be out of
12 the country?

13 MR. ROSIER: Yeah.

14 MR. COLE: Oh. Well, will you be available by
15 telephone?

16 MR. ROSIER: Yeah, I'll be available by
17 telephone.

18 MR. COLE: You'll be available by telephone,
19 although out of the country.

20 MR. ROSIER: Yeah.

21 MR. COLE: How about you, Curt?

22 MR. McVEE: Yeah, I'll be here.

23 MR. PENNOYER: Pending approval by
24 Commissioner Sandor, since he's not here, shall we go ahead
25 and proceed on?

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1 MR. COLE: He's forfeited his vote.

2 (Laughter)

3 MR. PENNOYER: Can we do that, be consensus on
4 motion?

5 MR. BARTON: You're a hard man.

6 MR. COLE: I'm sure that

7 MR. PENNOYER: Okay.

8 MR. COLE: or I'm reasonably confident
9 that he will approve. But I would like to say that I think
10 one of the critical things is -- there is to the extent that
11 this is your judgment, Dr. Spies, is key to the restoration
12 process, I think that that's something that will be important
13 to the State trustees. At least to me.

14 MR. PENNOYER: Mr. Barton?

15 MR. BARTON: Yeah. On Monday we will get
16 Dr. Spies' input as to rele- -- as to whether these are
17 meritorious or not, but will we then deal with the budget
18 estimates or do we accept those budget estimates as being
19 reasonable?

20 MR. COLE: Mr. Chairman?

21 MR. PENNOYER: Mr. Cole?

22 MR. COLE: I -- I understood, Mr. Barton, your
23 earlier remarks or those of Commissioner Sandor, that we're
24 not necessarily approving the budget amount, we're
25 simply

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1 MR. BARTON: Okay.

2 MR. COLE: the main thrust is to
3 accommodate these people so we can assure them that they will
4 be on the payroll or not in a timely fashion, and then we can
5 deal with the numbers later.

6 MR. BARTON: At a later meeting. Okay.

7 MR. COLE: Is that what you had in mind?

8 MR. BARTON: Well, I just wanted it to be
9 clear that we were all sitting on the same sheet of music.

10 MR. PENNOYER: Well, I think we are, only in
11 some cases there are quite a few people involved, and if you
12 approve it now at -- for it to go ahead and later decided to
13 reduce it to half or a third, you might leave the process
14 awash as well, so

15 MR. BARTON: Well,

16 MR. PENNOYER: Yes, Mike?

17 MR. BARTON: Well, I just -- I didn't mean to
18 interrupt, but we need to make that decision very soon. We
19 had talked about a subsequent meeting later in the month,
20 presumably the 29th, since that seems to be the magic date,
21 and I think that -- that's, you know, -- you know, then --
22 then we can deal with the budgets. I think Monday we should
23 be able to provide assurances or some -- some certainty into
24 the future employment process for a number of people.

25 MR. PENNOYER: Okay. Between now and Monday

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1 you might look at the amounts, too, and see if you have any
2 real problem with it, because again if we came back after --
3 on the 29th and reduced it way down, we would still leave some
4 people behind in the storm (ph).

5 MR. COLE: Well, I -- I would say,
6 Mr. Chairman, that Dr. Spies would probably be able to give us
7 some insight on the -- that subject, too, you know.

8 MR. PENNOYER: Thank you. All right. Any
9 further comment on these two tables then at this time?

10 DR. SPIES: I'd just like to make one comment.

11 MR. PENNOYER: Would you come up to the mike,
12 Bob. She can't get you on the recorder.

13 DR. SPIES: I really haven't been involved
14 on -- you know, pretty much on a superficial level with
15 estimation of the appropriateness of the budgets for these
16 projects, and I don't feel that -- that I would really have
17 time to go through in --in any detail with these budgets and
18 -- and give you an estimation whether the numbers are correct
19 or justified.

20 MR. COLE: Mr. Chairman?

21 MR. PENNOYER: Mr. Cole?

22 MR. COLE: I -- I would just say, you know, a
23 very, very ballpark figure, should it be cut back or kept
24 about the same. We can deal with the numbers later.

25 MR. PENNOYER: Sort of is it -- is it way out

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1 of line.

2 DR. SPIES: Okay.

3 MR. PENNOYER: Thank you. Okay. Well, we've
4 narrowed the list down to the last 30 projects, and do you
5 want to start on recovery monitoring? Are there -- I assume
6 that on recovery monitoring like the other projects, time
7 critical also includes employee considerations, so can we start
8 down the list on recovery monitoring, perhaps, and try it at
9 least? Brown bear monitoring? Is that an acceptable way to
10 proceed?

11 MR. BARTON: Sure.

12 MR. PENNOYER: Brown bear monitoring?

13 MR. ROY: Mr. Chairman, we feel brown bears as
14 I said before is a time critical project. There are
15 monitoring flights that must take place in March and in April.
16 The bulk of the work will be performed later in the summer,
17 but those early reconnaissances are necessary to see how --
18 how and when the bears are coming out of the den.

19 We feel this study is important, because the -- the
20 bears in Katmai did show effect from -- from the -- from the
21 oil that was received on the Katmai shoreline. The -- the
22 monitoring that we did showed that of the -- the radio
23 collared bears, some 27 bears, 15% of them showed varying
24 amounts of -- of evidence of -- of oiling. There was the one
25 cub that was found to be dead with very high levels -- among

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1 the highest levels of -- of hydrocarbon in the -- in the
2 system of any -- of any of the species we've monitored in the
3 damage assessment.

4 We feel this population of bears in Katmai is an
5 internationally significant population. It's a protected
6 population, true, but we feel that if we pick up in this
7 monitoring any additional evidence of injury, that will give
8 the Park Service justification to take what in the Park's
9 views could be relatively severe restoration measures such as
10 closure of areas, restriction of public use in -- in certain
11 areas where the bears -- that the bears habit.

12 Also, although we haven't coordinated this with ADF&G
13 at all, there may be if we pick up additional injury, the need
14 to extrapolate the injury to other coastal bear populations
15 which are -- which are hunted, those bears outside the park.
16 So we feel there's some potential for -- for injury
17 information transfer there.

18 We -- I would add that this is a relatively small
19 request to the restoration fund, \$60,000.00, but there will be
20 additional donation by National Park Service and ADF&G of
21 approximately -- well, it's over 60,000 additional dollars to
22 do additional works for this study. So we're asking for 60,
23 we're going to at least match that with agency input and
24 donation.

25 MR. PENNOYER: Dave, in terms of these

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1 projects, are we signing off in principle? We don't have --
2 as we've stated before, we haven't had our budget committee
3 actually meet and go through this and look at consistency and
4 overhead and all that type of stuff, so this is a general
5 indication of the amount? We're not signing off on the exact
6 budget, we're signing off in principle to go ahead with public
7 review at about this level, but we're going to come back and
8 look at the budget again?

9 MR. GIBBONS: Yeah. We've got detailed
10 budgets for all these, if the Trustee Council would like that,
11 we could have those detailed budgets reviewed by a budget --
12 budget group to make sure that there's uni- -- uniform costing
13 and that -- that the detail for personnel and -- and all that
14 we have identified for these.

15 MR. PENNOYER: Okay. It was at one time
16 proposed that perhaps next week the budget team be assembled
17 and start to look at the consistency in budgeting and give us
18 some feed back on -- on the appropriateness of the way it was
19 -- the way it was put together.

20 MR. ROY: Well, you have the budgets before
21 you in your -- in your booklet, of course, for all of these
22 studies, the detailed budgets.

23 MR. PENNOYER: I understand.

24 MR. McVEE: Mr. -- Mr. Chairman?

25 MR. PENNOYER: Mr. McVee?

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1 MR. MONTAGUE: Mr. Chairman?

2 MR. PENNOYER: Mr. McVee?

3 MR. McVEE: Yes. It seems to me like that the
4 tentative sign-off, you know, would be appropriate, because
5 like this project, I think that it will -- could very likely
6 qualify as a categorical exclusion, but we need to complete
7 that record, and that it's better to do that before we make a
8 decision then -- then after the fact, so I think

9 MR. PENNOYER: So when are you suggesting a
10 decision be made then?

11 MR. McVEE: As soon as possible, because I
12 think that that analysis, the NEPA analysis could be done in a
13 matter of -- of the next day or two.

14 MR. ROY: Sure.

15 MR. PENNOYER: So we tentatively would approve
16 the project perhaps to go ahead, and then at the meeting later
17 this month we'd finally sign off?

18 MR. McVEE: Sign off on it, yes.

19 MR. PENNOYER: Any further discussion of the
20 first project on brown bear monitoring?

21 MS. RUTHERFORD: Mr. Chair?

22 MR. PENNOYER: Yes?

23 MS. RUTHERFORD: I'm -- I'm just curious.
24 When you talk about the budget committee or the budget
25 subcommittee looking at these, you are talking about

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1 consistency in overhead or direct or indirect costs basically?
2 The overhead issue?

3 MR. PENNOYER: Yeah, basically. I don't know
4 if we're going to get anybody to do a better job of deciding
5 how many samples you've got to take or how many collars you've
6 got to put on.

7 MS. RUTHERFORD: Okay. Thank you.

8 MR. PENNOYER: Further discussion of this
9 project? Is there any objection to sending this project
10 forward? Commissioner Sandor?

11 MR. SANDOR: (Shakes head negative)

12 MR. PENNOYER: All right. Thank you. The
13 next project of sea otter monitoring project? Sea otter
14 restoration project, 687,000, U.S. Fish and Wildlife Service?

15 MS. GORBICS: Dr. Spies has already summarized
16 the injury to sea otter and I -- I won't go over that again.
17 The previous work that we've done on sea otters has included a
18 number of different components. We've done estimates of
19 distribution and abundance through aerial and boat surveys,
20 radio telemetry work to estimate reproduction and document
21 survival rates, recovery of carcasses in the spill zone,
22 toxicological and patholog- -- or pathology work. Some prey
23 -- some prey species work and some modelling work to estimate
24 the numbers of otters that were exposed to oiling.

25 Now that we're out of the damage assessment mode,

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1 we've -- we've changed our focus to be more of a monitoring of
2 the population. We will -- since we're still concerned about
3 whether this species is recovering or not, we only -- we want
4 to do not only population assessment, looking at the over-all
5 population, but also looking at various life history stages in
6 -- in the species, reproduction, mortality and wingling
7 survival. We think that those are all-important factors in
8 understanding whether the species is recovering.

9 And additional element of what we proposed is to pull
10 together much of the habitat work that's been done to date.
11 There would be no additional field work on that question, but
12 to compile it, analyze what we've got so we can identify areas
13 of importance to sea otters throughout the spill zone.

14 This project has some components that will be in the
15 field relatively quickly. We'll have people on the beaches
16 looking for sea otter carcasses as early as March 18th, and
17 then in April we'll -- we will start our population assessment
18 surveys, doing aerial surveys in the sound and the -- the
19 field work continues throughout the summer.

20 MR. PENNOYER: Questions on the sea otter
21 restoration project?

22 MR. COLE: Mr. Chairman?

23 MR. PENNOYER: Mr. Barton and then Mr. Cole.

24 MR. BARTON: Yeah. Are we still finding
25 carcasses that are related to oil spill?

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1 MS. GORBICS: What we've done, prior -- prior
2 to the spill, we have about ten years of records of beach-cast
3 carcasses, and we know that those are primarily old and young
4 carcasses. Since the spill we are also collecting carcasses
5 and we're finding not only old and young carcasses, but
6 prime -- also prime age carcasses. In most cases we can't
7 conclusively say those are a result of the spill. We don't
8 know why they're dying, but the abnormality of these
9 additional carcasses of breeding age is unusual and we
10 continue -- well, we'd like to continue monitoring it -- to
11 monitor that.

12 MR. PENNOYER: Mr. Cole?

13 MR. COLE: Mr. Chairman, is -- is my -- am I
14 correct in my understanding that the chief scientist will also
15 be reviewing these in -- in response

16 DR. SPIES: Did I miss something when I was
17 out?

18 MR. COLE: Well, this -- this, no, as a matter
19 of fact. I don't think. But in the -- in -- pursuant to
20 Commissioner Sandor's motion here earlier right after lunch,
21 what was -- is that still going on or am I missing that?

22 MR. PENNOYER: Mr. Cole, I think that is still
23 covered by Mr. Sandor's request. I'm not sure these are ones
24 -- do these have people already on so we -- we have a
25 personnel problem, or are these things we could actually take

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1 up at the end of the month and get further input on them?

2 MS. GORBICS: This is a study that we've done
3 in the past three years, and, yes, we have personnel on board
4 to do this work. And we have funding for them through the end
5 of February.

6 MR. PENNOYER: Well, these can't wait two
7 weeks then. It's our decision. It strikes me we're setting
8 Dr. Spies a rather large agenda by Monday afternoon.

9 MR. BARTON: Yeah. They are. They are.
10 Maybe

11 MR. J. RICE: Give him another couple days on
12 this.

13 MR. BARTON: You had better.

14 MS. GORBICS: I would like to point out that
15 the Restoration Team has gone through these budgets, not just
16 to see our project, but all of these projects pretty
17 rigorously. They have received a lot of review to date.

18 MR. BARTON: Are -- which of these projects
19 that are listed here do not presently have the personnel
20 consideration associated with it? Any?

21 MR. ROY: Brown bears does not.

22 MR. BARTON: Okay. I'm talking about the
23 whole page one of table two, recovery monitoring, technical
24 support, restoration implementation?

25 MR. MONTAGUE: Okay. R-101 does not at this

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1 time.

2 MR. PENNOYER: R-101 has no personnel?

3 MR. MORRIS: It does for NOAA. The NOAA
4 component does. Speak for yourselves, folks.

5 MR. BARTON: Well, what I'm getting at, that
6 would tell us the ones that we could postpone until the end of
7 the month. But I

8 MR. PENNOYER: Okay. That's good, doing fine.
9 By agency let's just quickly go down the list and identify for
10 us the ones that don't have current personnel problems so we
11 -- so we could deal with them at -- at the end of the month.
12 U.S. Fish and Wildlife Service?

13 MS. GORBICS: The black oyster pro- -- black
14 oystercatcher project, are personnel would not come on board
15 until -- I'm guessing April.

16 MR. PENNOYER: Okay. How about restoration
17 implementation? The whole list, please.

18 MS. GORBICS: That -- that's it.

19 MR. PENNOYER: All the rest have personnel?

20 MS. GORBICS: All the rest have personnel on
21 board.

22 MR. PENNOYER: Includes

23 MR. BARTON: On the entire page?

24 MR. PENNOYER: Marbled murrelet restoration,
25 too?

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1 MS. GORBICS: Yes, the -- the projects
2 themselves might include ten FTE and probably only two are on
3 board right now, the principal investigator primarily and
4 maybe a full-time tech, but the rest are all personnel that
5 would be hired throughout the summer. So -- but there are
6 people here doing the report to date.

7 MR. PENNOYER: We just asked the question.

8 MS. GORBICS: Okay.

9 MR. PENNOYER: NOAA?

10 MR. MORRIS: NOAA projects

11 MR. ROY: There's another Interior.

12 MS. BERGMANN: Oh, I'm sorry.

13 MR. PENNOYER: I'm sorry?

14 MR. ROY: There's another Interior agency with
15 -- but before I respond, Steve, can I ask are -- you're asking
16 for the projects that have personnel that

17 MR. PENNOYER: We're trying to decide if you
18 had personnel problems March 1st versus start-up problems a
19 little later. We're trying to find the ones that -- we're --
20 we're tentatively planning on meeting the last week in
21 February.

22 MR. ROY: Okay. All of the

23 MR. PENNOYER: I'm trying to find out which
24 we can put off until that time.

25 MR. ROY: All of the park Service projects

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1 will -- are conducted by permanent personnel, so we don't have
2 any seasonal or term people, so that's

3 MR. PENNOYER: Thank you.

4 MR. ROY: R-5, R-118, and R-104.

5 MR. PENNOYER: Where is R-104?

6 MR. COLE: It's down here in management.

7 MR. McVEE: I see R-105.

8 MR. ROY: In the middle of the page.

9 MR. PENNOYER: Okay.

10 MR. MONTAGUE: Mr. Chairman?

11 MR. PENNOYER: NOAA?

12 MR. MORRIS: NOAA's killer whale project has
13 personnel associated with it. That's R-82, recovery
14 monitoring.

15 MR. PENNOYER: Well, wait a minute. The
16 killer whale project has personnel associated with it right
17 now, March 1st, that aren't permanent personnel?

18 MR. MORRIS: That aren't permanent, no.

19 MR. PENNOYER: Well, if you've got permanent
20 personnel on the payment, then it's not critical. You're not
21 going to let Marilyn Doberman (ph) go.

22 MR. MORRIS: I -- I didn't understand. I
23 misunderstood the

24 MR. PENNOYER: That is, we have time critical
25 personnel decisions to make, and somebody who's permanent on

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1 the payroll anyway, it's a reimbursable question, and are
2 going to shift to something else, then I don't think we have
3 a time critical decision on the project. The killer whales
4 can be put off, right, to the end of the month?

5 MR. MORRIS: The -- yes, 'til the end of the
6 month.

7 MR. PENNOYER: How about oiled mussel beds?

8 MR. MORRIS: The R-101 subtidal recovery, NOAA
9 has a major part of -- of that study, and I'd guess -- I
10 believe there are temporary personnel involved in that
11 project.

12 MR. J. RICE: One.

13 MR. MORRIS: One person. R-102, coastal
14 habitat study, we have an involvement. That study is yet to
15 be planned, and -- and, no, there are no -- no time critical
16 aspects to it.

17 MR. PENNOYER: Okay.

18 MR. MORRIS: And then for R-103, the oiled
19 mussel beds, again I'll defer to Dr. Rice. One person. So
20 it would be time critical. That's all of the NOAA projects.

21 MR. PENNOYER: Okay. U.S. Fish and Wildlife
22 Service, did we go through yours?

23 MS. GORBICS: Yes, we did.

24 MR. BARTON: What did we get on 92? R-92?
25 The GIS mapping?

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1 MR. PENNOYER: I must have missed it. Are
2 these time critical?

3 MR. BARTON: Yeah, it's

4 MS. RUTHERFORD: That's -- Mr. Chair?

5 MR. PENNOYER: Yes?

6 MS. RUTHERFORD: That's a technical support
7 project, and it is not time critical.

8 MS. GORBICS: For the Fish and Wildlife
9 Service, our personnel are funded entirely by this funding and
10 we will have no funding for them after March 1st.

11 MR. McVEE: So it is.

12 MR. BARTON: So it is for them,

13 MR. PENNOYER: So it is.

14 MR. BARTON: but not for them?

15 MS. GORBICS: Yes. Right. That's a portion
16 of that total.

17 MR. PENNOYER: Where -- where do we get on
18 this? ADF&G?

19 MR. MONTAGUE: And under the recovery
20 monitoring category, all the Fish and Game ones would have
21 staff that would be laid off on March 1st if they did not get
22 approval, so they're time critical in that regard, except for
23 R-101, which the contract portion between Fish and Game and
24 the University of Alaska has not been established yet, but
25 would need to be by April 1st.

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1 Okay. Under the restoration implementation projects,
2 R-52, 53, and 58 all have personnel on it that are time
3 critical, that would be laid off on March 1st. R-59 is a new
4 one and it is not in that same personnel category right now.
5 R-60A and B are time critical relative to personnel as is
6 R-73. R-106.

7 And then under manipulation enhancement, R-105,

8 MR. PENNOYER: R-105 is time critical?

9 MR. MONTAGUE: Time critical. I'm -- I'm only
10 talking time critical in terms of people being laid off March
11 1st.

12 MR. PENNOYER: That's correct.

13 MR. MONTAGUE: Many of the other of these are
14 time critical for other reasons.

15 MR. COLE: Mr. Chairman?

16 MR. PENNOYER: Mr. Cole?

17 MR. COLE: How -- how many

18 MR. MONTAGUE: One more.

19 MR. COLE: personnel -- excuse me. Have
20 you finished up?

21 MR. MONTAGUE: No. R-96 is also -- not R-96,
22 but R-71 also has a March 1st staff lay off.

23 MR. PENNOYER: R-47 does not?

24 MR. MONTAGUE: It's a new project and isn't
25 in that same category.

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1 MR. COLE: Mr. Chairman? How -- how many
2 people are collectively involved in these personnel
3 evaluations? Is that the word?

4 MR. PENNOYER: Considerations?

5 MR. COLE: Consideration. I mean, how many
6 people are we talking about? One for each for each study or
7 ten on some of them or

8 MR. MONTAGUE: Are you talking about people or
9 full-time equivalents?

10 MR. COLE: People. These people who be laid
11 off as you put it?

12 MR. MONTAGUE: Well, for instance, I think
13 R-60A and B, if you counted all the temporary and seasonal,
14 and that would be a lot of people in Cordova and Valdez that
15 might only work two weeks, but there's probably, oh, between
16 that and R-60C, 120 people in those communities that work on
17 those projects, and probably three or four senior level staff.

18 MR. COLE: That they would -- who currently
19 are on the payroll and be laid off, that's the question, by
20 March 1 if we don't act before March 1?

21 MR. MONTAGUE: Okay. Well, no, not -- not on
22 all of them. Not on those seasonal ones, but on the -- and
23 it's just hard to pull together an answer like that. I'd say
24 probably all in all within the Department of Fish and Game
25 probably, in terms of full-time equivalents, about 35 people.

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1 MR. COLE: And another -- another 100 would be
2 -- involves seasonal?

3 MR. MONTAGUE: Well, for all the projects, it
4 would be more than that seasonally, but it wouldn't amount to
5 very many FTEs.

6 MR. COLE: How many more?

7 MR. MONTAGUE: Well, we went through an
8 exercise early on that counted full-time equivalents for
9 everybody, you know, from Trustee Council on down and it came
10 up to a figure of around 250 FTEs.

11 MR. COLE: In the -- in the Department of Fish
12 and Game?

13 MR. MONTAGUE: No, that's for all agencies.

14 MR. COLE: Okay. But -- And FTE's a full-time
15 equivalent?

16 MR. PENNOYER: It's 12 months.

17 MR. COLE: And that -- and that figure
18 includes part-time, translated into FTEs? Okay.

19 MR. PENNOYER: Just to finish us out, U.S.
20 Forest Service? They have three projects down there, fish
21 ladder projects under -- under manipulation enhancement?

22 MR. K. RICE: Mr. Chairman, R-37, R-41, R-45
23 and R-115 do not have time critical personnel. R-115 has some
24 contracting requirements that make it critical.

25 MR. PENNOYER: Okay. Well, we took about 10%

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1 of the list, maybe 15%. I don't know how to do this except to
2 go back down through the projects. Okay. We've got sea otter
3 restoration, U.S. Fish and Wildlife Service. We've had some
4 discussion on that. We've had some comments from Dr. Spies on
5 injury. Is there any problem with including that one in the
6 packet, again recognizing this can be fine-tuned after it
7 comes back from public review. Any questions?

8 MR. COLE: No objection.

9 MR. BARTON: What number are you on?

10 MR. PENNOYER: I'm on R-

11 MR. COLE: Six.

12 MR. PENNOYER: Six. We put off the brown bear
13 monitoring until the later meeting, because there were no
14 personnel involved right now, but sea otter restoration
15 project did have personnel. We received a review of it. Does
16 anybody have any further questions on that one? Am I wrong on
17 the brown bear monitoring?

18 MS. GORBICS: I think you agreed that it would
19 go ahead.

20 UNIDENTIFIED: You were in agreement that it
21 would

22 MR. ROSIER: Mr. Chairman,

23 MR. PENNOYER: Okay.

24 MR. ROSIER: I'm thoroughly confused as
25 to exactly where we're at at the present time.

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1 MR. PENNOYER: Going down the list, recovery
2 monitoring projects, and we came back and found out that the
3 National Park -- Park Service didn't have any personnel
4 involved in the brown bear monitoring, but we had previously
5 agreed that it could go ahead, so is there any change in view
6 on that? In other words, it was one we didn't have to do for
7 two weeks, but we already it, so

8 MR. ROSIER: Are we now going to go back
9 through the list and determine what other time critical
10 elements by agency are

11 MR. PENNOYER: We've done that.

12 MR. ROSIER: part of the consideration?
13 We haven't done it on all of these. We didn't get through
14 that project entirely, through all of the agencies, I don't
15 believe, the first time through, did we?

16 MR. PENNOYER: I think we did, but I may be
17 mistaken.

18 MR. ROSIER: No.

19 UNIDENTIFIED: No, they did the U.S. Forest
20 Service.

21 MR. PENNOYER: U.S. Fish and Wildlife Service
22 reported that sea otter restorations were time critical. The
23 murre restoration project was time critical. Boat surveys
24 were time critical, as I -- as I recall. As we get to each
25 one of them, rather than go through the list again, just tell

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1 us whether they're time critical or not so we don't have to go
2 through the whole list one more time. The sea otter
3 restoration project is time critical. Are there any further
4 questions about it? Does anybody object to it going forward
5 in the package for public review?

6 Okay. The murre restoration project, U.S. Fish and
7 Wildlife Service, 571,000. Do you want to briefly tell us
8 about that so the Council can ask questions?

9 MS. BERGMANN: Could we just, Mr. Chairman,
10 get a clarification on the brown bear study? The -- the
11 problem with the brown bear study was in terms of getting
12 flights in the air in early March. It wasn't a personnel
13 problem. And I'm unclear as to whether or not we -- I
14 thought we did vote to go ahead on that. Is that?

15 MR. PENNOYER: Yes, I think we did.

16 MS. BERGMANN: Okay.

17 MR. PENNOYER: But -- before we adopted these
18 new criteria, we had voted to go ahead.

19 MS. BERGMANN: But I think we're saying let's
20 -- so we're standing on that decision?

21 MR. PENNOYER: You've got it. It's in the
22 list.

23 MS. BERGMANN: Okay.

24 MR. PENNOYER: Okay. Unless you want to do it
25 again?

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1 MS. BERGMANN: No.

2 MR. ROY: No, thank you.

3 MR. PENNOYER: Murre -- murre restoration
4 project, 571,000, U.S. Fish and Wildlife Service?

5 MS. GORBICS: Dr. Spies has already discussed
6 the injuries related to murre. I won't go back over those.
7 Over the past three years to determine those injuries, we've
8 -- we've looked primarily at numbers of breeding adults at the
9 breeding colonies and reproductive success. We propose to do
10 that again. We've got several locations that we -- that we've
11 done that in, we propose to repeat those. In addition we've
12 got a portion of this project to refine some techniques, to
13 refine some areas that -- that only boat-based service --
14 boat-based censusing is good enough. We think we can develop
15 some additional techniques to improve our accuracy.

16 MR. COLE: Mr. Chairman?

17 MR. PENNOYER: Mr. Cole?

18 MR. COLE: What troubles me about this type of
19 study is what information are we obtaining from this study
20 which will enable us to make decisions on restoration? If I
21 understood Dr. Spies right, the experts say that it will be
22 ten to 100 years before the murre population will regenerate
23 or whatever you call it. Now, is there some -- some
24 reasonably feasible actions -- which we can take follow the
25 completion of this study which would further the restoration

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1 of that species? That's what I'd like to know.

2 MS. GORBICS: We think there may be. One way
3 to do that will be to reduce human disturbance at the
4 colonies, trying to reduce other perturbations to their
5 recovery, for instance, keeping people at certain -- tour
6 boats at a certain distance from the colonies, people --
7 keeping people from shooting halibut right next to the
8 colonies. Things that disturb them.

9 Japan has done some very innovative work on murre
10 colonies that have been totally decimated. Ours aren't not --
11 ours are not totally decimated, so we don't know if this is a
12 reasonable approach yet, but in the future if the population
13 isn't recovered, we could consider the use of decoys or
14 recordings to try and enhance the -- the recovery of the
15 population.

16 At this time we think that -- that any drastic measure
17 is not warranted. We don't know enough. We would like to
18 monitor the recovery of the population. I think the
19 restoration team in whole agrees that monitoring the natural
20 recovery of a population is very appropriate and murre is one
21 example of that kind of activity.

22 MR. COLE: See, I -- I agree that there's
23 value to monitoring this. You see, I understand that. I
24 think we all understand that. And, you know, if there's some
25 question. But why don't we just keep the people away from the

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1 murre and, you know, it doesn't cost us anything, and it
2 doesn't disturb them, and, you know, we save, you know,
3 \$571,000.00. And that's what a simple lawyer from Fairbanks
4 would do and try to save, a half million dollars, and say,
5 well, you know,

6 MS. GORBICS: I don't think it's as simple as
7 that. It would be nice if it were. This is a -- sea bird
8 colonies throughout the Kenai Fjords National Park are heavily
9 visited. If we were to tell tour operators to stay away from
10 all sea bird rocks, we would have an impact on an economic
11 portion of our -- our tourism. I don't know that that's
12 warranted. I think that would be a pretty radical step to
13 take without further determination that natural recovery
14 won't be sufficient. Natural recovery will be very slow with
15 this species.

16 MR. COLE: Okay.

17 MR. PENNOYER: One additional question. I
18 guess I -- I see a need to do recovery monitoring on some of
19 these species even if we don't have a clear-cut way yet of
20 restoring them. We need to know -- have an idea of -- of what
21 happens there over time. But there's some question in
22 recovery monitoring as to whether you do it every year, or you
23 skip a year or two, or how you do it, and is it going to be a
24 \$571,000.00 expenditure every year, or do you envision some
25 periodic monitoring? I mean, if it's going to take ten years

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1 to do, do we have to go back and reverify that every year?

2 MS. GORBICS: I -- I think that that's a point
3 that is not fully decided. We have proposed some various ways
4 to deal with that. One would be to -- to survey some colonies
5 one year and other colonies the next. Looking at more cost
6 effective ways to do surveys, not in this particular study,
7 but another study that we're working on, would do those kinds
8 of things.

9 For this year, for 1992, we think it's still crucial
10 to understand if reproduction is -- is occurring there,
11 successful reproduction is occurring there. We are -- the
12 increment of -- of recovery for this particular species is --
13 is slight if at all. And I -- I think, and the -- the Fish
14 and Wildlife Service thinks that it's important to continue to
15 monitor this species this year. We may reconsider that in
16 other years.

17 MR. PENNOYER: Further questions about this
18 study?

19 MR. COLE: I move we defer this study until
20 next year. There's no second, so let's go on.

21 MR. PENNOYER: Mr. Barton?

22 MR. BARTON: I don't know whether I would
23 agree with that motion or not, but I -- I do -- I am concerned
24 about recovery monitoring and the need to do it on an annual
25 basis, particularly when in the case of the murre where we --

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1 the population has been apparently really devastated. I could
2 see, for example, doing it every other year, or doing it every
3 third year until we saw -- began to see some sort of recovery,
4 and perhaps then there will be a period of annual monitoring
5 or something like that. I don't know, but I hate -- I -- I
6 thought -- I think we need to look at this from a standpoint
7 of what additional knowledge are we gaining by the activity
8 that we're doing, and if we're just re-affirming what we
9 already know year after year after year, I don't think we
10 should be doing that.

11 MS. GORBICS: At this point we don't have a
12 clear indication that the population has even recovered at
13 all, and

14 MR. BARTON: That's my -- exactly my point.

15 MS. GORBICS: that's still an unknown
16 question we -- we need to answer. And I think we can start
17 answering that question or provide some more information to
18 answer that question by monitoring this year.

19 MR. BARTON: But it would seem to me that if
20 -- and -- and this may be a matter of semantics, I'm not sure,
21 but until we detect through some survey technique rather than
22 some monitoring technique, and I'm making a distinction there
23 that you may -- already may have made, I don't know, you know,
24 instead of sampling every tenth cell, sample every hundredth
25 cell until we see the population begin to recover, and then go

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1 to a more intensive sampling scheme. Have -- have you all
2 considered that? Has that been thought through?

3 MS. GORBICS: In order to compare between
4 years, we need to follow the same conventions. To change the
5 statis- -- statistical design of the study would make it even
6 more difficult to detect changes, particularly if we're
7 talking about small changes. I don't think -- you know, we
8 have sea bird censusing conventions. They are published by
9 the Fish and Wildlife Service, or at least available from the
10 Fish and Wildlife Service. We follow this conventions, not
11 only on this study, but any sea bird study that we do.

12 MR. BARTON: Is this an internationally
13 recognized protocol?

14 MS. GORBICS: It's recognized within the Fish
15 and Wildlife Service, certainly.

16 MR. BARTON: Yeah.

17 MR. SANDOR: Mr. Chairman?

18 MR. PENNOYER: Commissioner Sandor?

19 MR. SANDOR: Well, Mr. Chairman, this is a
20 good illustration of why I was, you know, hoping that -- that
21 the chief scientist would have had the time to carefully
22 review and endorse or not endorse, modify each of these
23 studies. It's not -- it's difficult, if not impossible, for
24 -- for individuals who are not scientists to -- to make a
25 judgment like that whether they be a lawyer or a forester or

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1 whatever. But -- and this -- this is a good example and does
2 have a big price tag on it. And there's some with 750,000.
3 It would be very reassuring, you know, to -- to me and I think
4 the other Trustees if it had -- if it had -- had endorsement.
5 And I realize time was a pressure and there wasn't an
6 opportunity to do this, but -- and I can't believe actually
7 that we can't take the time to -- to give Dr. Spies an
8 opportunity to review these. It's -- it's strange for me to -
9 - a week or two weeks is -- is so -- is going to be so
10 critical for 240 full time or 110, but if it is, you know, --
11 and I guess we're going to have a teleconference call or
12 something next week. I'd suggest we table the Attorney
13 General's motion until Dr. Spies gives an opinion on this
14 particular project, and

15 MR. PENNOYER: The center of the discussion we
16 had previously was that Dr. Spies probably can't give us an
17 opinion on all of these projects by next week. There were --
18 he's going to basically do these two lists for us on
19 restoration -- or on damage assessment close out and
20 continuation, but he probably can't get through this file by
21 next week, so what we're looking at is the time critical
22 element here, was whether we had personnel that were going to
23 get pink slips on March 1st if we didn't take some action to
24 assure them that the projects would be on-going.

25 MR. SANDOR: Yeah, and there, my fellow

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1 members and -- is -- is a potential conflict of interest and
2 problem. If in fact that is the basis on which we're making
3 decisions, whether some people are going to get pink slips or
4 not as opposed to whether or not the project is sound
5 scientifically and should go forward, is -- are two different
6 issues, and -- and so that's a problem.

7 MR. PENNOYER: I agree with you fully, and I
8 guess the criteria to look at them in more depth at this
9 meeting was whether there were going to be personnel problems
10 if in fact we didn't take some action. The Restoration Team
11 has looked at these. Have they had peer review, Mr. Gibbons?

12 MR. GIBBONS: My understanding, the -- the
13 natural recovering monitoring and restoration implementation,
14 some of these have and some of them haven't.

15 MR. SANDOR: I was afraid

16 MR. MORRIS: I would say

17 MR. SANDOR: he would say that.

18 MR. MORRIS: any -- any of the ones that
19 were numbered 100 or higher haven't. Most of the ones that
20 are numbered lower than that were reviewed in December.

21 MR. PENNOYER: This one was not reviewed then?

22 MS. BERGMANN: This was reviewed.

23 MS. GORBICS: Yes, this was.

24 MR. MORRIS: That was reviewed.

25 MR. PENNOYER: It was. Okay. Oh, no higher

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1 -- you mean on the numbers, not the dollar amount.

2 MR. COLE: I consent to tabling my motion.
3 Let's move forward a little bit.

4 MR. PENNOYER: Are we going to move this
5 project forward then pending review and -- final review in --
6 in two weeks time or how

7 MR. COLE: Mr. Chairman, what troubles me is
8 applying sort of a little legal logic. I think we'd be better
9 off spending this \$571,000.00 next year so we get a little
10 interval so we can see what's going on in the restoration
11 process. Now, I'm sitting here with a bunch of people who are
12 -- a number of gentlemen, let me put it that way, who -- this
13 is their area of expertise, and so maybe I am dead wrong on
14 that, but I -- I think if we looked at the murre in '89 and
15 '90 and '91, maybe we could take a year off, save this
16 571,0090 and look at them next year. It seems to me like it
17 make sense. But if it doesn't, you gentlemen tell me and then
18 we can get on it. That's enough for me.

19 MR. PENNOYER: Mr. Rosier? Further comment?
20 Mr. Rosier?

21 MR. ROSIER: Well, Mr. Chairman, I guess I
22 have a difficult time of not accepting the review process that
23 has already gone on. I understand that there has been a lot
24 of time that's gone in the review of these from a technical
25 standpoint, and the only way that I can really see that we

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1 might be able to solve the problem of what we're trying to
2 deal with here at this time, is to bring the -- the members of
3 the -- the team before us and let them in fact put forth the
4 thought processes that they've in fact put into these. I'm
5 not convinced that even -- well, I would certainly endorse the
6 idea of the -- of a review by the chief scientist here, I have
7 no problem with that. Again, we're kind of put our -- we've
8 kind of put ourselves into a time bind out of our own making.
9 We set it up this way, and now we're ignoring it. We're going
10 on our own path away from the advice that we've had from a
11 large number of people that have spent a lot of time on it.
12 Now, that really distresses me.

13 MR. COLE: Well,

14 MR. PENNOYER: Further comment?

15 MR. COLE: Well, sure.

16 MR. PENNOYER: Mr. Cole?

17 MR. COLE: I think I can respond to that
18 quickly.

19 (Laughter)

20 MR. COLE: No, what distresses me is we have
21 agencies essentially passing on their own budgets and then
22 we're supposed to say, well, that's what the agency and their
23 own budgets recommended. We should not take a careful look at
24 them. We should accept their determination. And -- and I'm
25 just not sure that that's what we ought to do. So, there. I

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1 mean, if you look at these budgets, and you look at where
2 these monies are supposed to be spent, every one of them is a
3 government agency. And, sure, then they subcontract out. I
4 understand that. But, you know, that's why I think that we
5 should be very careful in this area, you know, and -- and not
6 say, well, you know, it's your project, it's all right. We'll
7 let it go. You recommend it, you're experts. I know that.
8 But I'm not sure the public would be satisfied if -- if we
9 simply do that. Now, there -- that's my response to my State
10 Trustee colleague.

11 MR. PENNOYER: Mr. Rosier.

12 MR. ROSIER: Mr. Chairman, in this regard, I
13 don't disagree with my colleague regarding the -- the look by
14 this group at the dollar -- the dollar figure. As I
15 understood the exercise that we're currently going through is
16 whether this go forward for public review, which is exactly
17 what I think that we're all striving to do, give the public as
18 much involvement in the process as we possibly can. But at
19 this point, it was my understanding that basically we were
20 pulling away from that, and that if it didn't get at least
21 conceptually the -- the blessing at this point, it did not in
22 fact go forward, is that correct?

23 MR. PENNOYER: That's correct.

24 MR. ROSIER: Okay. Well, I say that, you
25 know, that conceptually unless we could in fact draw on the

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1 expertise of our staff that have already gone through this
2 process, we're really kind of spinning our wheels here, that
3 we're really -- we -- we need that Restoration Team up here to
4 talk to us one on one and go through each one of these
5 projects.

6 MR. PENNOYER: Well, Mr. Rosier, I think they
7 are here, and we did hear a review of this project. I guess -
8 - I think any of us can sit here and second guess whether it
9 should be 571,000 or 380,000 or 520,000, and decide whether
10 we'd have to do two surveys or three surveys or four surveys
11 to be statistically reliable. The question's more of a policy
12 question of recovery monitoring, whether we should do it every
13 year, or whether in fact there's a need to do it this year as
14 opposed to next year, or whether we do it this year and drop
15 it next year, or how we do it. And that was the question I
16 think originally asked, and we don't necessarily have an
17 answer to it yet. It's a -- we know the murrees have not
18 recovered yet. We know from the past three years studies that
19 they have not been recovering. And I think it's important
20 that we determine the point at which they do start to recover,
21 but whether you have to do a \$600,000.00 study every year or
22 whether in fact you can do a lesser monitoring program as Mr.
23 Barton said until you detect that recovery and then go out and
24 do a more detailed study is -- I think is one of the
25 questions. So it wasn't trying to nitpick the statistical

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1 reliability or the methodology or the cost of that
2 methodology. It was I think more trying to decide what the
3 appropriate way of handling recovery monitoring is. And with
4 some of the other projects, we'll have the same questions we
5 got into. So it's an important question to deal with
6 initially.

7 MS. BERGMANN: Mr. Chairman, I think it's
8 important to have people recognize that when the studies were
9 examined, they did look at whether or not -- or we looked at
10 whether or not you could postpone them, and if they were
11 necessary to do in 1992, because we realized that, you know,
12 that there wouldn't be -- if it -- if it went forward in 1992,
13 we might not have as much opportunity for public involvement,
14 and we wanted to make sure that we could do that to the
15 greatest extent possible, so wherever we could postpone
16 something and -- into the next year, we did that.

17 And I might say with murrelets if you recall the
18 presentation by Dr. Spies that they were of all of the
19 migratory birds that were affected by the spill, about 80% of
20 all the birds that were killed were murrelets, and that we feel
21 that this is a very critical and important species to continue
22 monitoring.

23 MR. MONTAGUE: Mr. Chairman, if I may, I'd
24 like to further address some aspects of the selection process.
25 First of all everything that was on here came by a majority

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1 vote of the six restoration team members, so even though six
2 agencies submitted ideas, there was five people potentially
3 against them, so I think that we could be pretty sure that
4 what's represented here was viewed as important by six very
5 divergent agencies, and trying to recognize that what may be
6 important to one agency might not be to another. And
7 something of the tenor of the meetings needs to be remembered,
8 that we were sent back to cut budgets, and we cut budgets and
9 we cut projects, and it was hard on everybody. And we feel
10 that this is the -- the best program we could put together. I
11 don't know if any of the other restoration team members want
12 to address that, but I certainly feel that critical -- a
13 critical look has been given at these for about two months.

14 MR. PENNOYER: Further discussion on this
15 project? Is

16 MR. GIBBONS: Mr. Chair? I've -- I've
17 got

18 MR. PENNOYER: Mr. Gibbons.

19 MR. GIBBONS: a point here to make.
20 Before this package there's three pages of criteria that the
21 restoration team used to evaluate these projects, and they're
22 split up into the evaluation of damage assessment projects,
23 evaluation of restoration science projects, and criteria for
24 restoration implementation projects. And we tried to run
25 these projects through this criteria, and we tried to use a

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1 screen as best as possible. Sometimes it was not the best.
2 But we tried to use these criteria to -- to evaluate the
3 projects. And that might -- that might help the Trustee
4 Council some to look at these.

5 MR. PENNOYER: Thank you. Do we send the
6 murre restoration project on out to public review?
7 Mr. Barton?

8 MR. BARTON: Yeah. I move that we include
9 this in the package to be reviewed by the public.

10 MR. McVEE: Second.

11 MR. PENNOYER: Any objection to including this
12 in the package for public review?

13 Would it be possible in the interim period of time
14 while the public review process is going on to get Dr. Spies
15 to look at these projects before we get them back from the
16 public and have to make a final decision on their
17 implementation? Is that more along what you had in mind?

18 MR. COLE: Well, I think that was just

19 MR. PENNOYER: John?

20 MR. SANDOR: Mr. Chairman, my motion
21 explicitly was to have the public as well as the Trustee
22 Council have the benefit of -- of our chief scientist's
23 endorsement, modification or -- or rejection of the proposals.

24 You know, I think this is a very instructive session
25 we've had, and, of course, if we had it to do over again, I

1 think what we would have done was to have the chief scientist
2 review this, but we just didn't have enough time, so we
3 didn't. But I -- I still don't understand why if it takes two
4 weeks, three weeks, four weeks, why we cannot in this instance
5 get an opinion from Dr. Spies, and if it takes two weeks,
6 three weeks, four weeks, we'll wait, but I -- I think it would
7 be a mistake to send to the public this total listing of
8 projects without the benefit of the chief scientist's point of
9 view, and that was behind -- the thought behind my motion
10 after lunch.

11 MR. PENNOYER: When -- Mr. Gibbons, when --
12 when would this package actually go out to public review?

13 MR. GIBBONS: The

14 MR. PENNOYER: At what point was the
15 restoration implementation plan and this '92 work plan to go
16 out for public review?

17 MR. GIBBONS: Well, that -- that was a
18 decision that the -- that we had in the options of the
19 timeline. We recommended that this package go out I believe
20 in March -- March 16th, was it? And with, you know, -- to
21 public review.

22 MR. MORRIS: But however it would have to go
23 to the printer on March 1st, or -- or earlier.

24 MR. COLE: Mr. Chairman?

25 MR. PENNOYER: Mr. Cole?

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1 MR. COLE: I move that each and every one of
2 these projects be referred to Dr. Spies for review and that
3 they be sent out to the public for their comment, 'cause
4 there's no use going through this same exercise all afternoon
5 on each one of these projects. I mean, you know, it's sort of
6 the die is cast, isn't it? And I just don't see what can be
7 gained by having this same discussion on each and every one of
8 these proposed projects. We just as well, you know, cut it
9 short and get on with it so to speak.

10 MR. PENNOYER: So you're proposing concurrent
11 review by Dr. Spies and the public then, and when it comes
12 back to us for a final decision, we would have the benefit of
13 both -- both inputs,

14 MR. COLE: Yes.

15 MR. PENNOYER: is that correct?

16 MR. COLE: Yes.

17 MR. PENNOYER: And maybe that doesn't go along
18 completely with Commissioner Sandor's original proposal, but
19 from a timeline standpoint, that may be the best we can do at
20 this point.

21 MR. SANDOR: Mr. Chairman, can someone explain
22 to me why Dr. Spies, and maybe Dr. Spies can do that, if this
23 thing is to go out March 15th, it's not possible to -- to go
24 through these projects and to flag those that need question or
25 study? It seems to me the -- the public would -- could be

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1 assured that the chief scientist who had been following this
2 project, has been in on some consultation of it, has had a
3 final review of the package that's -- that's being sent out.
4 And it seems to me that the public as well as we deserve
5 that -- that benefit and -- and if this is to go out March 15,
6 got to go to the printer March 1, is it not possible to -- to
7 have Dr. Spies screen these and either these are -- have the
8 endorsement or do not, or to have a category that needs
9 further study. It -- it seems -- when we covered this
10 earlier, this -- these projects were down to -- to I think
11 about 17 million, more recently this -- eight new projects as
12 I have it tagged from my representative on the -- on the
13 Restoration Team, has been added. Not all of these have had
14 peer review as Dave Gibbons has pointed out. And the process
15 is, you know, not completely -- it hasn't gone through the
16 same complete process. So I -- can someone under- -- someone
17 explain why -- why this can't be done? Why must we rush this
18 thing out without having the -- the review of our chief
19 scientist?

20 MR. PENNOYER: Marty?

21 MS. RUTHERFORD: Well, I think that I need to
22 make a point of clarification. Basically the way you are
23 proceeding is sort of like option one in -- in the
24 presentation I made, and if -- if that -- if that is what is
25 decided and that's the time critical issues and some of the

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1 close out -- or damage assessment close out and continuation
2 projects, basically we'll be -- we'll be producing a rather
3 down and dirty work plan publication that will go out between
4 the 19th of -- of February and -- and for a 30-day review
5 until the 19th of March.

6 But I guess I'm a little confused, and I think I need
7 some clarification as to whether or not -- I thought you were
8 dealing with time critical projects right now, and that was
9 the reason that they weren't going to have the opportunity
10 maybe for some input by the chief scientist, and -- or maybe I
11 have gotten lost?

12 MR. PENNOYER: No, I think you were right.
13 The motion from Mr. Cole was to go ahead and just do them, but
14 we did have some of these that said they could be put off.
15 Unfortunately it's not a large number. Most of the ones as we
16 went down through this page people identified as being time
17 critical at least relative to personnel decisions. And again,
18 Mr. Sandor, that didn't mean we're going to approve them just
19 because of personnel decisions and that we had to consider
20 them here.

21 MR. SANDOR: Well, I guess, you know, a
22 compromise, Mr. Chairman, on this is simply to -- to send this
23 out and to say, you know, in bold print, "This has not had the
24 chief scientist's review and -- and chief scientist's review
25 will be based on public comment," and then that's fine. The

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1 expectations aren't -- aren't there, but it seems to me it
2 would have been more systematic and desirable if we had come
3 to this meeting and that these projects would have not only
4 had the review and endorsement of a majority of the members of
5 the Restoration Team, but also had the review and formal
6 endorsement of the -- of the chief scientist, and if that's
7 not possible, and it's got to be sent out, we can put a
8 heading on it, "This has yet to have the chief scientist
9 review, and that will take place and the projects will not
10 proceed without the chief scientist's review."

11 MR. PENNOYER: Marty, would you clarify for us
12 so we can confuse each other again? Time critical elements we
13 have now: We had close out on the damage assessment, and we
14 have the continuation on damage assessment. Now those are
15 time critical and next week we're going to have a
16 teleconference to get advice from Dr. Spies on those projects?

17 MS. RUTHERFORD: That's correct.

18 MR. PENNOYER: Your intent then is to put
19 these out sometime after February 19th?

20 MS. RUTHERFORD: That -- we -- that was the
21 intent, sort of a down and dirty publication.

22 MR. BARTON: I'm not sure I like that phrase.

23 MR. PENNOYER: Is there a need to do that?

24 MS. RUTHERFORD: I think there's difference of
25 opinion I note here. I -- Carol Gorbics is saying one thing,

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1 and Jerome and I are saying another, and it disturbs me, so I
2 think I'd like to

3 MR. BARTON: Why don't we take a ten-minute
4 while

5 MR. PENNOYER: Why don't you -- why

6 MS. RUTHERFORD: May we?

7 MR. PENNOYER: don't you discuss this.
8 We'll

9 MR. BARTON: a restoration break.

10 MR. PENNOYER: take a ten-minute break,
11 and you can tell us

12 MR. BARTON: Yeah.

13 MR. PENNOYER: how we ought to proceed
14 timing wise

15 MS. RUTHERFORD: Thank you.

16 MR. PENNOYER: in putting this out.

17 (Off record)

18 (On record)

19 MR. PENNOYER: Okay. Can we go ahead and get
20 started? After some intense meetings with the Restoration
21 Team over the break, I think we've figured out a course of
22 action that may get us by this roadblock and get the type of
23 review we think is necessary on these projects.

24 For starters, we are going to go ahead as planned with
25 the damage assessment close out and continuation. Dr. Spies

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1 is going to review -- review those. We will have a
2 teleconference on Monday, and it's a continuation of this
3 meeting, and make our decisions on those at that time, so
4 there will be some green lights, red lights on the table in
5 front of the Restoration Team.

6 Now, in terms of restoration and recovery monitoring,
7 technical support and implementation, Marty, would you please
8 give me your -- what your Team discussed?

9 MS. RUTHERFORD: Yes, the Restoration Team is
10 recommending at this time that we not consider any more of the
11 restoration projects today, that we take those back, we work
12 with chief scientist Bob Spies, that we work out a
13 presentation and come back to you at a meeting at the end of
14 February, and at that point in time you give us an up or down,
15 and we go forward. And those projects that you give us the
16 head -- head's up on, we will go out with that -- with them as
17 part of the 3/16 publication as well.

18 MR. SANDOR: I so move.

19 MR. PENNOYER: We'd

20 MR. BARTON: And I second.

21 MR. PENNOYER: Okay. So we only -- we would
22 only have one public mail out then

23 MR. BARTON: Call for the question.

24 MR. PENNOYER: and that -- that would
25 occur

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1 MS. RUTHERFORD: March 16th.

2 MR. PENNOYER: You guys aren't giving me a
3 break. Okay. There -- there would be only one -- we wouldn't
4 have this double mail out you talked about earlier.

5 MS. RUTHERFORD: No, we would not.

6 MR. PENNOYER: There would be one restoration
7 framework and '92 work plan would go out with the projects
8 that we had reviewed and had approved?

9 MS. RUTHERFORD: That's correct.

10 MR. MORRIS: I -- I missed about the damage
11 assessment continuation though. Did you mention those?

12 MS. RUTHERFORD: It would go as we had
13 previously discussed earlier in the day. Bob Spies will get a
14 comment back to the Trustees by Monday and there will be a
15 teleconference, a continuation of this meeting to make a
16 decision. We'll get a thumbs up or thumbs down at that point
17 in time.

18 MR. MORRIS: Okay.

19 MR. PENNOYER: I think that's liable to cause
20 a little bit of problems in some area for people's being
21 concerned about time critical decisions, but I don't how we're
22 going to do it and still review these projects in the way we
23 have wanted to do.

24 Is there any further discussion on the motion?

25 MR. McVEE: I guess -- Mr. Chairman?

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1 MR. PENNOYER: Mr. McVee?

2 MR. McVEE: I guess my comment is similar to
3 yours is that we probably will -- we probably will be -- we'll
4 have some projects drop out because of the -- of timing if --
5 if we do this, unless -- unless we -- we're successful in
6 finding intermediate -- some intermediate funding that we can
7 cover.

8 MR. PENNOYER: Yes. Okay. And I -- I guess
9 we will still try to make that decision on the 29th or the
10 27th or whenever our meeting is and we will have the green
11 light to go to public review on those projects. And again
12 that does not mean still that we have finally adopted either
13 the projects or the amounts in a final form. This will be our
14 package to go out to public review, get public comment and
15 have on-going review internally before we make a final
16 decision on them, so at -- at worse we will have committed
17 some funds to up-front, start-up projects that we may decide
18 at some point to either reduce or change. But

19 Mr. Cole?

20 MR. COLE: Mr. Chairman, I -- I don't want to
21 make this more difficult than it is, but it suddenly occurred
22 to me that this meeting on Monday, which is in some ways a
23 critical meeting is subject to the open meeting statute. And
24 I -- I would not like my name bandied in the local newspapers
25 that the Attorney General violates Open Meeting Act by secret

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1 meetings of Trustee Council, so, you know, maybe we should
2 give some thought to that. It's all right if you do it,
3 but

4 (Laughter)

5 MR. PENNOYER: Mr. Cole, I had no intention of
6 doing that. In fact my note to you is how do we accomplish
7 that? And I think our teleconference is going to have to be
8 public. We're going to have to have folks perhaps here on the
9 teleconference, and have it available for folks in the room to
10 hear what we're doing, and we're going to have to make it a
11 continuation meeting. I think that's -- that's clear, because
12 we are going to make some decisions. So we'll have to work
13 that out.

14 MR. COLE: Have -- have we fixed a time for
15 this meeting Monday?

16 MR. PENNOYER: Well, Dr. Spies had not said
17 when he was going to get done. We're going to give him all
18 the time we could, so, what, 2:00 o'clock Monday afternoon
19 Alaska time?

20 MS. RUTHERFORD: Mr. Chair, perhaps before you
21 make a final determination on a time, we should have someone
22 check with teleconferencing to make sure that -- that there
23 are times available.

24 MR. PENNOYER: That's good. Thank you. And
25 you will do that then

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1 MS. RUTHERFORD: Yes.

2 MR. PENNOYER: before the meeting
3 adjourns? Okay. Okay.

4 That -- if we have reached a decision for the moment
5 on how to proceed on this, we -- I know we had some items we
6 still have to clean up and -- yes, Mr. Broderon?

7 MR. BRODERSON: I'm sorry to

8 MR. PENNOYER: You object to the whole
9 process, right?

10 MR. BRODERSON: No. No. I'm sorry to slow
11 things down here, but I'm not quite clear on funding here.
12 Are you saying that after March 1st that we will go ahead with
13 funding of these projects on an interim basis until such time
14 as a final decision is made on them? Did I hear that
15 correctly?

16 MR. PENNOYER: Those that between now and
17 March 1st are given a green light, that's correct. Now, on
18 Monday we're going to look at the damage assessment
19 continuation and close out and if some of those don't get the
20 green light, then you're knowing we'll not go ahead with the
21 funding.

22 MR. BRODERSON: But -- but everything else,
23 all the restoration studies and everything else, the damage
24 assessment close out, the continuation we're to assume interim
25 funding until a final decision is made?

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1 MR. PENNOYER: The final decision on what's
2 even going to go out to public review on restoration will be
3 made on the 28th or 29th, and I assume if the decision was
4 negative, we wouldn't go ahead.

5 MR. BRODERSON: But that then leaves us
6 needing roughly two weeks to a month's worth of money to give
7 (ph) people pink slips. I'm still back to the question we had
8 earlier about employees without funding come March 1st.

9 MS. RUTHERFORD: For restoration projects,
10 Mr. Chair, that is the prob- -- that is the probable, Mark.

11 MR. PENNOYER: I guess I don't know any way
12 around it unless we try and meet earlier than that and then
13 take the -- I'm amenable to a meeting of some kind, by
14 teleconference or otherwise the week of the 18th, which would
15 be -- still would give you two weeks lead to -- to March 1st.

16 MR. BRODERSON: Well, what I'm suggesting, a
17 possibility is that you just assume interim funding on this
18 until the project is cut off and then you have two weeks after
19 that to close it down.

20 MR. PENNOYER: Oh, I see what you're saying.
21 Yeah. Okay. That probably would be a reasonable -- but you
22 wouldn't go out and fly a bunch of surveys, or put a bunch of
23 collars on or something, (indiscernible, simultaneous
24 speech)

25 UNIDENTIFIED: I would hope not.

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1 MR. PENNOYER: Gives employees two weeks to
2 tie up their business.

3 MR. BRODERSON: We have no projects in that
4 category, so I can categorically state we would not, but I
5 would hope the other agencies would not also.

6 MR. PENNOYER: Further comment from the
7 Restoration Team? Marty, do you have an answer -- another
8 answer for that?

9 MS. RUTHERFORD: No, I just -- I think that
10 whatever date you set towards the end of the -- of this month,
11 you need to make sure that -- that Mr. Spies will be able to
12 respond with his review, working with us on the restoration
13 projects.

14 MR. PENNOYER: Dr. Spies, did you hear that
15 conversation?

16 DR. SPIES: I came in a minute or two ago,
17 and

18 MR. PENNOYER: Okay. Then let me review for
19 you then where we are right

20 DR. SPIES: I want to be clear exactly what's
21 being asked of me.

22 MR. PENNOYER: Before you run out of the room
23 screaming, we're still on board for a Monday teleconference,
24 time still uncertain, on the damage assessment close out and
25 continuation projects, and we're going to do a green light/red

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1 light on those on Monday.

2 DR. SPIES: Understood.

3 MR. PENNOYER: The current plan because we
4 can't get to it here, and can't get your review with the
5 Restoration Team on the restoration projects, is to go and
6 look at the restoration projects, Trustee Council will look at
7 them probably the last week in this month, although we haven't
8 set the date, and the hope would be that you could get
9 together with the Restoration Team and provide us an input
10 before that time. And then on that date we would make a
11 thumbs up/thumbs down, taking into account consideration of
12 what Mr. Broderon has said in terms of employees and not --
13 hopefully not -- if we have a thumbs down, it's not going to
14 mean you're just gone right away. There will be some close-
15 out period. We probably -- we need to consider some close-out
16 period on each project if we decide to terminate it.

17 Anybody have any further comment at this time?

18 Please, if you have a problem with that, let me know. Mark?

19 Do you have any further comment?

20 MR. BRODERSON: I -- I think that's fine. I
21 just wanted to make sure that we weren't leaving people in
22 the lurch or needing to give pink slips next week.

23 MR. MORRIS: I would think we would need to be
24 able to present some interim budgets to the Council members on
25 these projects so they know what they're buying in the

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1 meantime.

2 MR. PENNOYER: In the meantime? Before
3 February 29th?

4 MR. MORRIS: No, I mean while -- while some of
5 these are out for public review, that -- that face layoffs of
6 -- of staff.

7 MR. PENNOYER: You mean during the times --
8 before the final decision is made, what we might spend between
9 February 29th and April 1st or whenever we get the public
10 review back?

11 MR. MORRIS: Yes, the

12 MS. RUTHERFORD: Maybe you mean -- maybe you
13 mean by just the close out? What it would take to close down
14 the projects they

15 MR. MORRIS: No, I was -- I was referring to
16 what Mark was saying, March 1st, some interim funding of --
17 for these projects before the

18 MR. PENNOYER: I'm lost again?

19 MR. MORRIS: You were worried -- concerned
20 about if -- if you approve them conditionally -- conditionally
21 approve them that people will go out and fly surveys that they
22 don't need to fly. That -- that's a legitimate concern, they
23 could be spending money full speed ahead. I -- I think what
24 we're saying is that these projects just need to -- to be
25 maintained, personnel kept on board, nothing done that doesn't

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1 need to be done until you get the final approval. What would
2 that be the -- the cost of that project say maybe for the
3 months of March, April and -- and May or so.

4 MR. PENNOYER: Well, my assumption is you're
5 going to have at least interim approval on -- from the Trustee
6 Counsel on February 29th. Now, in fact if something does come
7 back that dissuades us from that in the final assessment in
8 April, whenever we make it, yeah, I guess I assume you're only
9 going to do critical activities until the final approval was
10 completed. In other words, if you don't have to go out and
11 buy a boat, don't go out and buy the boat.

12 MR. MORRIS: But you'll need to know how much
13 that should cost I think.

14 MR. COLE: Mr. Chairman?

15 MR. PENNOYER: Yes, Mr. Cole?

16 MR. COLE: You know, I sort of see where we're
17 going. We're going to be virtually locked into these projects
18 come May or decision date, we would have had major expense
19 March and April and some of May. There will be equipment
20 purchased I presume. There will be other work done, and then
21 we'll be in a position of saying, "look at all this waste. We
22 really -- to get our money's worth, we should finish up the
23 projects which are half done now." I mean, you know, we
24 should see that coming, because that's likely the way it will
25 be, you know, so you just as well recognize that right now and

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1 not kid ourselves.

2 MR. McVEE: Mr. Chairman?

3 MR. PENNOYER: Well, Mr. Cole, I guess the
4 only comment would be is if -- maybe if we do what Byron says,
5 on February 29th we look at what the expenditures might be
6 between March 1st and May 1st or whatever, and that will be
7 part of our decision matrix in approving or not approving the
8 project. If we think we would get backed into something we
9 might not like, maybe we'll take a different view of it. At
10 least we would have that information in front of us, so I
11 think what Mr. Morris has proposed is probably appropriate.

12 Mr. McVee?

13 MR. McVEE: Yes. On -- on a number of these
14 projects where there's contracts involved, that may be the
15 most time critical element is starting that contract process,
16 to contract for boat, aircraft or -- or whatever kind of
17 service is necessary to -- to for the -- the project, and I
18 don't think that at least in Interior that we can get a
19 contract officer to -- to sign off and -- and move a contract
20 without certification that there's funds available. And so,
21 you know, in -- in some of our projects, for example, I know
22 that unless we can come up with alternate -- alternative
23 funding sources, we're probably dead on a couple of these even
24 waiting until the February date. I -- I guess -- you know, we
25 may have to fact that as the -- as -- as the ultimate, but

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1 that is a problem.

2 MR. PENNOYER: Mr. McVee, I guess I don't
3 totally understand that, because we've always assumed that we
4 were going to send these projects out to public review,

5 MR. McVEE: Uh-huh.

6 MR. PENNOYER: and if in fact we got
7 compelling information back, we might still terminate them, so
8 how do you issue contracts in any case when you don't
9 know

10 MR. McVEE: Yeah.

11 MR. PENNOYER: absolutely, positively
12 the total amount of the budget until

13 MR. MORRIS: Yeah.

14 MR. PENNOYER: May.

15 MR. MORRIS: Mr. Pennoyer, though -- some --
16 some contracting people will not -- will not initiate a
17 contract if they don't know the funds are available; however,
18 the contract can be cancelled if -- if the -- the project does
19 not need the contract and the money isn't spent. But it has
20 to be somewhere available in some circumstances or you -- you
21 can't start the contract procedure, say, for a charter vessel
22 or something like that.

23 MR. PENNOYER: Well, I -- I guess again as you
24 originally proposed, if we come back February 29th and approve
25 something and you give us what interim cost

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1 MR. MORRIS: Yes.

2 MR. PENNOYER: would be, we will have
3 approved that interim cost, because we're not going to change
4 our minds until we get it back from public review. So you'd
5 have that anyhow.

6 Is there further discussion on this? Is there any
7 objection to proceeding in this fashion?

8 MR. COLE: I'm having -- I'm having big
9 trouble.

10 MR. PENNOYER: I would welcome -- welcome any
11 suggestion to change that. I don't know right now how we get
12 the review that Mr. Sandor's notion implies -- requests and we
13 all approved unless we do something like this as we've just
14 discussed.

15 MR. COLE: Well, then, Mr. Chairman, we should
16 ask Mr. Sandor that question.

17 MR. PENNOYER: Mr. Sandor?

18 MR. SANDOR: Well, Mr. Chairman, all we can do
19 is the best we can do and I'm confident that this meeting, the
20 teleconference on Monday that we'll, you know, get that
21 segment of these projects out of the way. Under this process,
22 people are on notice that -- that these projects are to be --
23 the remaining ones are to be, you know, reviewed again on the
24 -- the last week of -- of February and they -- they know that
25 this is going out for public review and there may be comments

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1 coming from that that's -- that's going to take these things
2 off the track or modify them in some way. I'm an optimist and
3 -- and I think this is going to work.

4 MR. MORRIS: Mr. Chairman.

5 MR. PENNOYER: Mr. Morris?

6 MR. MORRIS: Since -- since we had the -- the
7 review in December, we've -- we've developed additional
8 information, materials on these projects. One is the detailed
9 study budgets and now we have for most projects detailed study
10 plans which could be available for Dr. Spies to have in his
11 hands when he -- he does this review. They're -- they're at
12 CACI right now. If that would help.

13 MR. PENNOYER: I think that was Marty -- Marty
14 Rutherford's part of the -- the recommendation was that they
15 do -- the Restoration Team do provide Dr. Spies with those
16 materials, and he would have that

17 MS. RUTHERFORD: That's correct.

18 MR. PENNOYER: and include those
19 discussions before our meeting on the 28th or 29th of
20 February.

21 MR. MORRIS: Well, it's -- some of it could be
22 useful for him this weekend as well.

23 MR. COLE: Mr. Chairman?

24 MR. PENNOYER: Mr. Cole?

25 MR. COLE: Is -- are we going to execute -- or

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1 the agencies execute binding contracts between now and March
2 1? That's what I would like to know. Is it the intent of
3 any agency to do that?

4 MR. PENNOYER: The question was would you
5 execute any binding contracts on these studies before March 1?

6 MS. RUTHERFORD: For the -- for the damage
7 assessment continuation close out, potentially, yes, after you
8 give us the indication on Monday.

9 MR. COLE: Yeah, Monday, but

10 MS. RUTHERFORD: But for restoration

11 MR. COLE: for other than that, there
12 will be no binding contracts entered into by any agency prior
13 to what, final approval in May?

14 MR. GIBBONS: Mr. Chair?

15 MR. PENNOYER: Dave?

16 MR. COLE: And that

17 MR. GIBBONS: I might help to clarify this.
18 The damage assessment projects, both -- both close out and the
19 continuation are funded I understand through March 1st, so
20 there should not be any new binding before the -- the end of
21 that -- that period.

22 MR. COLE: Well, what -- what I'm getting at
23 is I -- I just want to make sure that where we are is that if
24 -- if these -- because I think Mr. Morris brought this
25 question up, if -- if these projects are subject to

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1 cancellation following public -- public review, then we -- we
2 potentially have contract problems between March 1 and final
3 approval following public review. And that's what I just --
4 you know, just thought I'd bring up to make sure we're (sic)
5 all have an understanding of what will happen. If we have
6 those contracts and then it's not -- following public review
7 the project is not approved, we'll have cancellation of those
8 contracts and we'll be subject to -- to actions for breach of
9 contract. I mean, I -- I just bring it up so we recognize
10 that that's what we will be faced, likely be faced under those
11 circumstances. And then when we get to that point or
12 decision, we'll -- we'll have to say, well, you know, do we
13 want to get sued on all these breaches of contract, you know,
14 if we don't go ahead with the project, so as long as we think
15 about that and the staff's addressed it, I'm comfortable.

16 MR. PENNOYER: Would the R.T. make sure they
17 address that as part of their information to us on the last --
18 whenever we meet the last week in February regarding the cost
19 of projects that might be incurred between March 1st and
20 whenever we finally get them back from public review?

21 MR. MONTAGUE: Yes, we will.

22 MR. PENNOYER: You'll include that as part of
23 it? Okay. Thank you.

24 MR. COLE: That -- thanks.

25 MR. PENNOYER: Any objection to proceeding at

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1 this time with our -- with what we've laid out? Okay.

2 Everybody clear on where we are as we can be? Okay.

3 Dave had some additional items that we either skipped
4 over and have to come back to, or some additional things he
5 needs to do. Dave, why don't I just turn it over to you and
6 lead us back through the appropriate sections.

7 MR. GIBBONS: Okay. I -- I know yesterday we
8 -- we deferred the decision on the restoration planning
9 subgroup, and I'd like to bring that -- that discussion back
10 to -- to the floor. We've had quite a bit of discussion the
11 last couple days on what this planning subgroup is going to
12 do, the framework plan, the draft restoration plans, so I -- I
13 think revisit that -- that budget again if -- if we could.

14 MR. PENNOYER: Okay. Fine. Do you want to
15 lead us through it again, or do you just want us to review it
16 and talk it up?

17 MR. GIBBONS: Well, I -- I guess I can't add
18 anything new to what was stated yesterday with -- with the
19 presentation of the budget with the six full-time FTG's and
20 all. We just -- I just need some -- some guidance from the
21 Trustee Council on this subgroup and -- and the workload. The
22 -- the NEPA I think would come into play, too.

23 MR. PENNOYER: Mr. Barton?

24 MR. BARTON: Again, what is our target date
25 for having a final restoration plan?

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1 MR. GIBBONS: A draft restoration plan is in
2 September. I think the final, we're shooting for January.

3 MR. BARTON: I move we approve five-sixths of
4 this budget.

5 MR. PENNOYER: Five-sixths?

6 MR. BARTON: We're going to have the plan the
7 first of January.

8 MR. PENNOYER: Do I have a second to approving
9 five-sixths of this budget?

10 MR. McVEE: I'll second.

11 MR. PENNOYER: Would you elaborate on how you
12 got the five-sixths, please just for elaboration?

13 MR. BARTON: Ten months out of 12.

14 MR. GIBBONS: Mr. Chair?

15 MR. PENNOYER: Yes, Mr. Gibbons?

16 MR. GIBBONS: If -- if we get the plan out and
17 it's finalized, I -- I think that -- we -- don't have to --
18 because the budget's -- budget's approved, we don't have to
19 spend it all. We can -- we can put the money back into the
20 joint account if -- when that plan is completed, so what --
21 these are estimate now with -- with -- on the framework and
22 the draft and when the final is, and -- and if it were done
23 in -- in January and we have one-sixth of the budget left, we
24 can move that back into the -- into the joint account if
25 that's what the Trustee Council likes.

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1 MR. PENNOYER: Mr. Barton?

2 MR. BARTON: I would rather approach it the
3 other way. If you need more, we provide more.

4 MR. PENNOYER: Further questions or
5 discussions?

6 MR. ROSIER: We're talking -- Mr. Chairman?

7 MR. PENNOYER: Does anybody have an
8 amend-?

9 MR. ROSIER: Mr. Chairman, we are talking
10 five-sixths of nine -- the budget for 949.3? Okay.

11 MR. PENNOYER: That's correct. So you're
12 including the need for 4.25 FTEs, but at five-sixths of a
13 year? Further amendment or discussion or comment?

14 MR. COLE: Mr. Chairman?

15 MR. PENNOYER: Mr. Cole?

16 MR. COLE: Do -- do we need six people to
17 prepare the restoration planning subgroup along with six
18 people on the Restoration Team? That's 12 people. It would
19 seem that -- if I'm firmly assured that it's necessary, you
20 know, that's good enough, but it seems like a lot of people to
21 prepare this plan, but

22 MR. K. RICE: Mr. Chairman?

23 MR. PENNOYER: Mr. Gibbons, did you want to
24 elaborate on the difference between the -- or, Mr. Rice, the
25 difference between the restoration planning work group

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1 and

2 MR. COLE: Excuse me.

3 MR. PENNOYER: the Restoration Team?

4 MR. COLE: Just let me say this, I

5 MR. PENNOYER: Charlie?

6 MR. COLE: missed it a little bit.

7 There were six people on the Restoration Team, six people on
8 the restoration planning subgroup, plus 4.25 FTEs for
9 technical support, plus another 135,000 for contract services?
10 That's -- comes large to a million and a half. It seems like
11 that's a lot of people to me, but maybe I don't have a sense
12 of the work involved?

13 MR. K. RICE: Mr. Chairman, I'll -- I'll try
14 and take a stab at that. We -- we do have a lot of people in
15 there. They're doing a multitude of jobs. Some of them are
16 working on the restoration framework plan right now. That's
17 due out in March. We had an additional task added on to do a
18 NEPA document which is going to require additional effort
19 beyond what we had anticipated in getting a draft framework,
20 or getting a draft plan out. I don't know how -- you know,
21 how to -- how to display without some effort of all of the
22 steps that go into putting a plan together and the reviews and
23 the re-writes and the -- the thought processes that have to go
24 into that. The evaluation of all the restoration options that
25 are out there. It -- it takes a lot of work, and frankly in

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1 my mind this is a minimal budget to get a -- to get a
2 framework plan out, or to get a framework plan document out,
3 to get a '92 work plan out, to respond to the '91 comments and
4 get a draft EIS out.

5 MR. PENNOYER: I think the sense of the
6 Council, too, is that we want to push this plan forward as
7 quickly as possible, and I suppose if it takes extra people to
8 do that, that's fine, but I think Mr. Barton's notion is
9 clearly saying we don't want this to go on forever. This is a
10 crash process to get this restoration plan out to form the
11 basis of our future actions, and we're going to have to
12 reserve judgment on what's required to maintain that plan. I
13 assume the plan is a living document and it doesn't just quit
14 when we get the first one in place. But it is our hope that
15 -- that you're closely looking at ways that we can maintain
16 that plan without necessarily having somebody from every
17 agency. And so, you know, if -- if this is what it takes to
18 gear up to do it in the short term, okay.

19 Mark?

20 MR. BRODERSON: Mr. Chairman, one more task
21 that the Restoration Team has before them during this exact
22 same time period is trying to put together the '93 work plan
23 which will start earlier this coming year than it did this
24 last time around so we don't find ourselves in this bind. And
25 we're also going to try with Trustee Council concurrence to --

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1 to pull in all of the public into this development of this
2 work plan, which we're not doing for '92. The Restoration
3 Team I suspect will be totally swamped just preparing the '93
4 work plan, considering it will be the first year of public
5 participation in that work plan as far as both reviewing
6 proposals and also putting proposals in. I don't see that
7 there will be much time for the Restoration Team other than on
8 an over-sight basis to participate in the development of the
9 restoration plan.

10 MR. McVEE: Mr. Chairman?

11 MR. PENNOYER: Mr. McVee?

12 MR. McVEE: Yes. I guess I don't want to be a
13 nuisance but, you know, this -- this was the subgroup where I
14 felt like that because of -- of the -- the lands involved that
15 we needed to have both -- both of the -- the Bureaus, agencies
16 within DOI, and -- and, well, that flies in the -- in the face
17 of a critical discussion about six versus seven, I guess.

18 MR. PENNOYER: Mr. McVee, are you proposing we
19 raise it to seven, and -- and raise the budget a commensurate
20 amount?

21 MR. McVEE: I don't -- I don't know whether we
22 need to raise the budget, but I think that we need to
23 recognize that there would be seven people I think, but we can
24 probably -- we can handle the budget aspect. I see Cordell
25 shaking his head, so I'm getting some confirmation there, but

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1 I think that -- that we wanted to be sure that both the --
2 that Fish -- Fish and Wildlife Service and Park was
3 represented on the subgroup.

4 MR. ROY: Right.

5 MR. PENNOYER: Mr. Sandor?

6 MR. SANDOR: No, Mike was first.

7 MR. PENNOYER: Mr. Barton?

8 MR. BARTON: Could you elaborate on the
9 135,000 for contractual services?

10 MR. K. RICE: Mr. Chairman?

11 MR. PENNOYER: Yes, go ahead.

12 MR. K. RICE: Some of the costs that are
13 identified in that 135,000 may be involved in, for example,
14 contracting out to put a monitoring program together. We feel
15 that going through a contract on that and -- and pulling in
16 the services of somebody who's -- and through developing a
17 large monitoring plan, would give us a good basis for
18 identifying what the monitoring needs are over the year and
19 the long term.

20 MR. BARTON: I guess -- and you have cast
21 about and 135,000 is what you determined was a likely figure
22 to do that, or?

23 MR. K. RICE: I think that's the majority of
24 it. I -- I don't think that's all of the -- all of the 135,
25 and I -- I can't remember what other components we had in

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1 there. Maybe some of the other team members?

2 MR. PENNOYER: Is it your -- go ahead. Go
3 ahead, Mark?

4 MR. BRODERSON: Mr. Chairman, there -- there's
5 also a small amount of month that's left in here to take care
6 of things like workshops that we bring together. An example
7 of that this year that happened was the workshop where we
8 hired Joe Stokes to take care of the workshop on looking at
9 management alternatives that existed within both the state and
10 federal governments for land management that either exist --
11 for -- for lands that either exist now or for lands that might
12 be -- be acquired by the government in the future or
13 cooperative measures. We've actually spent a fair amount of
14 time looking at that already. Those kinds of projects of --
15 of any scale before they were actually spent will be brought
16 back to the Trustee Council for approval of actual
17 expenditure. Small projects on the order of a couple thousand
18 dollars we would probably just tell the Restoration Team and
19 allow them to go ahead at their discretion.

20 MR. PENNOYER: Mr. McVee has brought up the
21 fact that he needs two members from Interior on the
22 restoration planning group. Is it still your sense, Mr.
23 Barton, that we leave the budget at the same level? Are
24 these both full-time members that have to be on there, or is
25 it

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1 MR. McVEE: Yes, I think that -- I think --
2 yes, I think the -- I think they would -- it would be best to
3 have them full-time members. If the -- if the committee's
4 going to operate on a -- or subgroup is going to operate on a
5 vote basis, we've always expressed the opinion that there
6 would only be one vote, however, for Interior.

7 MR. PENNOYER: Mr. Barton, is the sense of
8 your motion to keep the total the same and you could sort of
9 mix and match with them there?

10 MR. BARTON: I understood that the Department
11 of Interior had no trouble absorbing the seventh position, so
12 I would not change the bottom line in my motion.

13 MR. PENNOYER: The only thing that would
14 change would perhaps be the guidelines for the work
15 (indiscernible, coughing)?

16 MR. BARTON: Yeah.

17 MR. STEELE: The space requirements.

18 MR. PENNOYER: Is that the sense of the group?
19 Is there further discussion?

20 MR. BARTON: We don't have

21 MR. PENNOYER: Mr. Sandor?

22 MR. SANDOR: Well, the -- I want to I guess
23 make just a point of clarification. On the next page of the
24 budget items, the agency program support, which is 3,267,000,
25 this -- that coupled with adjusted 3,834,000 and -- brings

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1 that -- although five-sixth of 949 reduces that some, we still
2 have essentially then \$7 million in overhead. It -- it --
3 overhead for this activity in '92? Is that what this -- is
4 that what we're saying?

5 MR. BARTON: Just about.

6 MR. PENNOYER: As I understand it, the agency
7 program support is project overhead,

8 MR. SANDOR: Well,

9 MR. PENNOYER: and the restoration
10 planning subgroup is administration of the program.

11 MR. SANDOR: I wonder if

12 MR. PENNOYER: And I -- we have not signed off
13 on the agency program support yet.

14 MR. SANDOR: Well, I -- I guess that's what
15 concerns me, because in addition to this over- -- overhead
16 item, and then if we approve the next overhead item, which
17 will be 7 million, it's my understanding that there's a
18 number of projects, how many, that have overhead built into
19 them. I don't know if that's case -- if that's the case. But
20 even at the 7 million level, that's an overhead of a total of
21 three -- 30 million, and about 23%, and we heard last night
22 and in -- in earlier public comment section that, hey, we, you
23 know, ought to reduce the amount of overhead, and I'm not sure
24 we're listening. I'm not sure we -- what we can do about it.
25 But I think we've got a problem. May- -- and I'll -- but --

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1 so we have not yet approved the second overhead item of -- of
2 3,267,000?

3 MR. PENNOYER: I think, Mr. Sandor, I -- I
4 believe our instructions, and -- and maybe it hasn't been
5 formalized yet, is that next week a budget team is going to
6 meet and start looking at the question of consistency in
7 budgeting in the projects. That would include the overhead
8 in the projects, and also I would hope that we get a layout of
9 what this program support overhead is. On the 29th we can
10 come back and look at both of those and make up our minds as
11 to how to proceed.

12 MR. SANDOR: Okay. Thank you.

13 MR. PENNOYER: Further comment? Mr. Cole?

14 MR. COLE: Mr. Chairman, are we going to
15 address the agency support program this afternoon?

16 MR. PENNOYER: Mr. Cole, I think the -- what
17 we're going to do on that is next week have the budget team
18 come together and look at the projects, determine what
19 overhead is in the projects versus what's in these budgets,
20 get a detail on these budgets, and then hopefully on the 29th
21 we need then to make a decision on this agency program
22 support. At least that's what I understood we were going to
23 do.

24 MR. COLE: Is any of the agency program
25 support going to be directed to the restoration planning?

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1 MR. PENNOYER: Since I don't know what's in
2 those budgets, I -- I guess I can't tell you that. Do any of
3 the agencies want to comment?

4 MR. ROY: Yes, in one instance, Mr. Cole, the
5 second Interior member is a full-time -- to the restoration
6 planning subgroup is a full-time oil spill division manager in
7 the Fish and Wildlife Service, and that person is fully funded
8 and their -- their funds are represented in that agency
9 overhead. That doesn't mean they work 100% of their time on
10 restoration planning with that subgroup, however. They are
11 also supervising projects and providing managerial support to
12 their agency.

13 MR. PENNOYER: So in effect the restoration
14 planning subgroup budget we just are -- are talking about
15 signing off on is not the whole restoration planning subgroup
16 expenditure. Some of it is also over

17 MR. ROY: You could look at it -- at

18 MR. PENNOYER: in agency project
19 budgets?

20 MR. ROY: it that way, in that one -- in
21 that one very small instance.

22 MR. PENNOYER: I guess I had assumed that the
23 agency program support budget was primarily support for
24 project monitoring, whereas restoration planning was mostly
25 over here. That's not correct?

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1 MR. ROY: No, not in that one.

2 MR. MORRIS: That's -- that may be the
3 exception of Interior. With NOAA it's the rule that program
4 support was taken out of the NOAA budget and put into the
5 restoration subgroup for any restoration planning effort.

6 MR. PENNOYER: So as you come back to us with
7 a breakdown on the agency program support, we could see that?
8 That would be part of what would be shown to us?

9 MR. ROY: We could project that.

10 MR. K. RICE: Mr. Chairman?

11 MR. PENNOYER: Mr. Rice?

12 MR. K. RICE: There is one other instance at
13 least in Interior -- or I mean in Agriculture where there is
14 some program support that the agency is providing, that is an
15 assistant to the restoration planning subgroup. It's a co-op
16 institute. So there -- there are some -- there are some
17 agency program support dollars that -- that are in assistance
18 to the -- the restoration subgroup, and -- and we'll be able
19 to display those for you later at our next meeting.

20 MR. COLE: Mr. Chairman?

21 MR. PENNOYER: Mr. Cole?

22 MR. COLE: Assigned to what agency are these
23 six full-time restoration planning subgroup individuals?

24 MR. GIBBONS: They're -- Mr. Chair?

25 MR. PENNOYER: Mr. Gibbons?

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1 MR. GIBBONS: There's one from -- from each
2 Trustee agency.

3 MR. PENNOYER: And then there are some
4 additional ones from each Trustee agency that are over under
5 agency program support?

6 MR. GIBBONS: Yeah. I think that the way to
7 deal with that is just to let us come back in February with a
8 great amount of detail on what this agency program support is,
9 and in -- if you would like, we could even -- we could provide
10 names, the -- the tasks, everything associated with -- with
11 that program -- agency program support. And it will help
12 clear the situation up.

13 MR. PENNOYER: Okay. I -- I guess I'm --
14 Mr. Sandor, go ahead.

15 MR. SANDOR: Well, I was going to say that
16 perhaps what we should do is give no more than conditional and
17 -- and temporary approval until this process is evolved. I
18 think what we really need to do is look at the total
19 administrative costs of running this total program, and if we
20 approve this 383 or 3834 or whatever now and then come back
21 and -- and we're dealing with the 3267, and then we find
22 these -- yet there's some administrative costs -- costs in the
23 projects, we should really have a sense of -- of how much
24 administrative costs this -- this is running and, you know,
25 maybe 23 is -- is defensible. Perhaps 15%, you know, would

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1 have been more reasonable. But I -- I'm troubled that we
2 would make a permanent long, binding commitment that we're
3 going to go with these six personnel and then come back two
4 weeks later and then approve this other segment, which is the
5 other half of this \$7 million, and -- and I don't feel
6 comfortable quite frankly with a \$7 million administrative
7 services overhead package. And that's the problem. I will go
8 along with this with an understanding that when we get back
9 together and look at this total administrative cost package
10 that we may want to make an adjustment. Is that in keeping
11 with your motion, Mike?

12 MR. BARTON: I think we need to keep in mind
13 that we've asked this group to produce a restoration framework
14 by when?

15 MR. GIBBONS: March 15th.

16 MR. BARTON: Given that, then subject to that
17 then, yes, that's in keeping with my motion.

18 MR. SANDOR: Okay. I -- you

19 MR. PENNOYER: Mr. McVee?

20 MR. McVEE: Yes, Mr. Chairman, you know, it
21 seems to me like that -- that just reiteration of guidance
22 that was provided earlier concerning, you know, costs and --
23 and the -- the size of this budget, that there needs to be a
24 direct relationship between this overhead and -- and the level
25 of project work that's being conducted by -- by each entity,

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1 by each agency, because here we're talking about basically
2 program management type people in the agencies that are
3 managing the program for that -- for that agency. So I think
4 there needs to be a relationship illustrated that -- in -- in
5 that respect. In -- in some degree it should be consistent I
6 think, you know. Granted that maybe some programs might
7 require more management than others because of the number of
8 contracts and so on, but there should be some consistency in
9 that -- in -- in those numbers.

10 MR. PENNOYER: Mr. Barton?

11 MR. BARTON: But that's exactly the problem at
12 the moment, that I don't think there is consistency, and
13 that's what the restoration team is going to identify for us
14 and give us an opportunity to deal with and -- and to bring
15 some consistency to that.

16 I think the thing we need to be very careful about is
17 that we don't end up shifting reductions say in the
18 restoration planning subgroup budget over to additions in the
19 agency, whatever we call that other budget, agency program
20 support budget, and we -- I think that may be what's bothering
21 a number of people is that we just can't make that kind of
22 shifting around. And I -- perhaps that's at the bottom of
23 your suggestion, John, about needing to look at this bottom
24 line. We've looked at this piece by piece, but I think that
25 we need to aggregate it all up and I've been operating under

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1 the assumption that once we see the whole package, that we
2 then are free then to go back and adjust pieces of it if we
3 choose to.

4 MR. PENNOYER: I have a -- before we finalize
5 the motion one way or the other, I have a question, too, and
6 that is what are we going to go forward with on an interim
7 basis to get some money into the administration of this
8 project, which is going to include at least to start with
9 these items that we've passed here today so these groups can
10 continue working? Mr. Barton?

11 MR. BARTON: Well, yeah, I -- I think that
12 we -- we need to get some money into this process and those
13 budgets that we have approved, I think we should consider as
14 authorized. That does not mean that we won't modify them or
15 refine them later, but for the purposes of the present, I
16 think that the group should go ahead as we've authorized them.
17 But I -- are we not still dealing with the restoration
18 planning subgroup budget?

19 MR. PENNOYER: That was your motion, yes.

20 MS. RUTHERFORD: Mr. Chair? Could -- could
21 the motion be restated? I -- I missed it and I'm supposed to
22 be trying to keep track of the dollar here.

23 MR. PENNOYER: As I recollect, the motion was
24 that we fund the restoration planning subgroup at five-sixths
25 of the indicated amount of 949.3 thousand.

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1 MS. RUTHERFORD: Thank you.

2 MR. PENNOYER: And the intent was that the
3 plan would be written and completed in ten months and we would
4 somewhere along the line review where they are and decide if
5 in fact it should be either contracted or expanded.

6 MS. RUTHERFORD: Thank you.

7 MR. PENNOYER: Any further discussion? Given
8 Mr. Sandor's caveat that we're going to come back and review
9 the agency program support, and sort of make sure we don't
10 have apples and oranges here, can we proceed with the items
11 that we -- we have approved -- I mean, the -- with the motion
12 as seconded?

13 Okay. Dave, what's -- what's next? Why don't we go
14 back to Mr. Rice's presentation?

15 MR. GIBBONS: Yes. Why don't we move to the
16 habitat/

17 MR. PENNOYER: You had a question?

18 MR. GIBBONS: protection of lands
19 discussion?

20 MR. PENNOYER: Mr. Cole?

21 MR. COLE: Before we do that, can I bring up
22 another lingering issue, and that's

23 MR. PENNOYER: Sure.

24 MR. COLE: do we have any money in the
25 bank account now? A small matter. Maybe Mr. Tillery could

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1 give us a -- or somebody -- is Mr. O'Connor here today?

2 MR. PENNOYER: No.

3 MR. McVEE: Regina has some -- Regina?

4 MR. TILLERY: The answer is we've got 36 and a
5 half million dollars in Texas. We have no money here. We can
6 get money within -- the best estimate of the clerk of the
7 court, they haven't done this before, but she's estimating
8 five days from the time we present the order to the judge and
9 he signs it, which should be -- I think Judge Holland's acting
10 quickly.

11 MR. COLE: And -- and once that money gets
12 here?

13 MR. TILLERY: We don't -- we have to have a
14 place to put it, because we want to do it by electronic
15 transfer, and to some extent the question raised by
16 Mr. O'Connor yesterday creates new problems that have to be
17 resolved at the same time.

18 MR. COLE: Just -- just one second.

19 MR. PENNOYER: Okay.

20 MR. COLE: Just one second.

21 MR. PENNOYER: Go ahead.

22 MR. COLE: Well, where does the money go once
23 it leaves Texas?

24 MR. TILLERY: Well, electronically it will
25 flow into the court registry in Anchorage, and then

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1 electronically it will flow into some account. And the
2 question is whether it's going to be a bank account
3 established by this group, or a bank account established by
4 the federal government, or one established by the state, or
5 what.

6 MR. PENNOYER: Yes? Yes. Do you want to
7 speak into the microphone?

8 MS. SLAETER: In terms of where the money
9 could go as opposed to where it will go, the Congress of the
10 United States passed a law which the President signed on
11 December 12th, which created an account in the Department of
12 Interior called Natural Resource Damage Assessment and
13 Recovery Fund. It's a revolving, interest-bearing, and it's
14 been designated to be the depository of funds received by the
15 federal government for use in oil spill recovery work. And it
16 is our understanding that for projects administered by the
17 federal government in this process, those monies must flow
18 through the NRDAR account. That account is established, it
19 does have an electronic number. I -- I have worked under the
20 assumption that the Attorney General's Office would be
21 designating an account for their money, for the monies for the
22 projects administered by the State. And I think that -- that
23 that is the basic scheme that Mr. O'Connor was -- would have
24 been leading up to yesterday if we'd got into the discussion
25 of where the fundings go, and I'll put in a plug for the NRDAR

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1 account, which is -- not only is it interest-bearing, but it's
2 revolving. Monies that aren't used in there don't go any
3 place and expire at the end of the year or anything else.

4 MR. PENNOYER: Mr. Cole?

5 MR. COLE: Well, is it your conception that
6 we're somehow dividing this money now or just dividing it on
7 the basis of to what federal agency it goes?

8 MS. SLAETER: I would say the later. I don't
9 think we're dividing the money so much as, as you've seen, the
10 projects are proposed by the various agencies, and this is a
11 mechanism for getting the monies to the federal agencies.
12 This was something that -- that dealt with this fall in D.C.
13 and it's something we can work with, which is if it's going to
14 be a Department of Agriculture led project, the Secretary
15 re- -- the NRDAR account in Interior is set up to transfer the
16 funds out to the Department of Agriculture to administer their
17 project. If it's a NOAA project, it could go out. If, for
18 example, for convenience's sake the rental of the Simpson
19 Building is carried by the Department of Justice as it is now,
20 the money can be transferred to Justice out of that. You
21 don't have the Clerk of the Court writing -- setting up 15
22 different transfers. There's basically a single transfer for
23 the United States and then the other mechanism is handled
24 internally.

25 MR. COLE: But it's the theory that all money

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1 then that comes from this fund has to go through this federal
2 Congressional bank account?

3 MS. SLAETER: No, sir.

4 MR. COLE: How -- how would it otherwise go?
5 Suppose we said, well, let's send the money out here to North
6 Pacific Aerial Surveys, for example, how would the money flow
7 then?

8 MS. SLAETER: Well, I think it would -- I
9 think you will run into something that hasn't been resolved
10 yet, that the Trustee's Council will have to resolve, which
11 is, one, you have the projects coming not from an agency, how
12 is the monitoring going to be done of that project? How are
13 you going to establish compliance of that project? I don't
14 think the Trustee's Council have resolved that yet.

15 I believe one way of handling it, which would be
16 sufficient is if one's being monitored, is that the
17 responsibility of a given agency, say ADF&G, which has a lot
18 of expertise in fish management, and there's a project that
19 the public has proposed that deals with fish, the logical
20 monitoring place for that project is with the staff, with the
21 agency expertise that already exists in ADF&G. Therefore the
22 administration of the whole contract would logically flow to
23 ADF&G.

24 MR. COLE: So are you saying that all monies
25 that are in the trust fund therefore are required to flow

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1 through a state or federal agency at the end of the day -- or
2 at, beginning of the day?

3 MS. SLAETER: I don't know if it's been thought
4 out to include all monies. But I think in terms of the
5 projects that are currently before the Trustee's Council and in
6 terms of the need to get them on the ground right now that
7 that's the mechanism that Congress' has established for the
8 federal funds.

9 MR. PENNOYER: Are you assuming that the state
10 and federal funds will be handled separately, is that -- we
11 don't know.

12 MS. SLAETER: Well, I don't feel that I can
13 volunteer to be banker for the State without the State asking
14 me.

15 MR. PENNOYER: But it could be the same?

16 MS. SLAETER: I really haven't looked that, Mr.
17 Pennoyer.

18 MR. PENNOYER: Further questions or comments.

19 UNIDENTIFIED VOICE: Could we have just a
20 minute?

21 MR. PENNOYER: Further comments?

22 MR. COLE: No.

23 MR. PENNOYER: This does bring another question
24 to mind though, when and how do we instruct staff to prepare
25 something for the court yet interim funding to operate the

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1 administrator's program before we finalize the '92 work order?
2 We should do that? Should we have somebody actually dealing
3 with setting up our first request to the court for funding to
4 go into some account? I'm not sure which yet.

5 MR. TILLERY: That's fine but the request needs
6 to identify where it's going. The clerk's office requested
7 that so that they don't handle it.

8 MR. PENNOYER: No. I understand that, but we
9 need to have somebody working on that both where it goes and
10 what we want to ask for. Mr. Cole?

11 MR. COLE: I just somehow this early have great
12 trepidation about putting "the State's share of this money in a
13 federal bank account."

14 (Off record laughter)

15 MR. COLE: See, as I've read that federal
16 statute, there's some involvement with the Office of Management
17 and Budget, you see, and it just isn't a clear in and out that
18 somehow the Office of Management and Budget sort of get
19 tenacles on this money and we might have to say that that --
20 hey that -- really troubles me, Mr. Chairman.

21 MR. PENNOYER: We'll get a clarification.

22 MS. SWIDERSKI: If I can offer yet another
23 attorney's opinion on -- I'm Areil Swiderski and I represent
24 the Department of Agriculture, Office of General Counsel. And
25 the way that I read the statute, the Dire Emergency Bill that

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1 was passed by Congress in December, it only speaks to federal
2 money it does not speak to State money. Therefore, it stated
3 that monies that go to State projects, the State is on its own
4 and has to designate whatever account it wants to place its
5 money into.

6 MR. COLE: So, in your view, we can't put any
7 of the State supposed money in that account.

8 MS. SWIDERSKI: I believe that was the intent
9 of Congress that it was only for Federal monies, it does not
10 speak to State monies whatsoever.

11 MR. COLE: Zamorall (ph) is still there at the
12 Department?

13 MS. SWIDERSKI: Absolutely.

14 MR. COLE: He's a wonderful lawyer. I enjoyed
15 working with him in settlement.

16 MR. PENNOYER: Mr. VcVee.

17 MR. McVEE: Yes, the Federal folks, as we
18 understand it, we will have to go to OMB and that OMB will be
19 monitoring the federal programs. And they specified that
20 there's two aspects of that

21 (Off record comments)

22 MR. McVEE: Some of us are in the dark. But
23 the OMB will monitor the Federal program in two particular
24 areas. And this is what we heard so far. And that will be
25 FTEs and overhead and that's, you know a basis for some of my

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1 concerns about these overhead costs. And that we expect that
2 from a Federal standpoint our programs will have to go to the
3 respective departments if some departmental sign-offs OMB and
4 to Congress for a 30 day notice, so we got some delays, built-
5 in delays there, in getting money even after -- or before it's
6 released by the court.

7 MR. PENNOYER: We need to take formal action to
8 start petitioning to get some of the money released.

9 MR. McVEE: Mr. Chairman, it seems like, you
10 know, we've done quite a bit of work on the budget as it would
11 be appropriate for our new budget committee to make a cut at
12 what might be the immediate needs and put it in a form,
13 justification type form, appropriate to cover these initial
14 expenditures.

15 MR. PENNOYER: Dave, given our instructions
16 about next week and a budget team meeting, is that an
17 appropriate place to start this process?

18 MR. GIBBONS: Yes, I think so.

19 MR. PENNOYER: Will both State and Federal
20 folks be there on the assembly?

21 MR. COLE: Mr. Chairman?

22 MR. PENNOYER: Mr. Cole.

23 MR. COLE: As we address where this money goes
24 and how, suppose that we just want some operating funds, you
25 know, for whatever. People are not going to go to the Federal

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1 agencies or the State. We always think we do sometimes, you
2 might think petty cash or something. Is it the Federal
3 Government's view that we're prohibited from doing that?

4 MR. GIBBONS: Yes, that you're prohibited from
5 doing that.

6 MR. PENNOYER: The question was if we decide to
7 -- we have funds, for example, for the Office of the
8 Administrative Director, I don't know if they're State or
9 Federal. I mean they're just basically administration, sort of
10 like a revolving account to keep the process going, what do we
11 do with that? Are we precluded from any joint account or that
12 type of thing?

13 MR. GIBBONS: I might have a solution for you,
14 Mr. Chairman. I happened to find an example of a cooperative
15 agreement that's been signed by the State and Federal
16 Governments on reaching an establishment of a joint Federal
17 State pipeline office. And it details all of the means of
18 reimbursing the various people involved with a joint office and
19 how to keep it open to the public. And it's a cooperative
20 agreement that was signed in 1990, it handles financial parts
21 of it, the whole -- this could be a solution to this.

22 MR. PENNOYER: Next week's budget team meeting
23 for getting together, can we have some legal advice from the
24 State and Federal Government present to discuss some of these
25 aspects and see if they can get back to us in some way as to

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1 what we're going to do in terms of requesting some start-up of
2 funds? All right. Let's go on from there. Dave, you were
3 going to what next, the Lions?

4 MR. GIBBONS: I've got the number (sic) of
5 people are curious of what we've got right now in that kind of
6 administrative area. It's 2.821 million dollars. And that's
7 what's in the restoration team, the public resource center, all
8 the things that happened in the last two days. No projects
9 involved. No agency overhead support or any of those.

10 MR. PENNOYER: Okay. The teleconference is
11 going to start at 5:00 o'clock. I'd like to take about a 10
12 minute break before it starts, so can you go ahead -- are you
13 going to be prepared at the start of the teleconference to make
14 a little review of what we've done then?

15 (Off record comments)

16 MR. PENNOYER: Why don't you go ahead and lead
17 us to the lands part or whatever.

18 MR. GIBBONS: Okay. We presented the lands
19 habitat protection proposal last night. We wanted to come back
20 and revisit that. Commissioner Sander mentioned that we should
21 perhaps discuss a moratorium proposition and I guess that's
22 where we're at with this. I think everybody's got copies of
23 our proposed procedures but it's open for discussion.

24 MR. PENNOYER: Well, this has been a day. Do
25 you want Ken to briefly review what's in this proposal for us?

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1 In terms of the decisions to be made we have a time line and
2 you don't have to go through the whole plan, let's just review
3 the time line with us and what decisions we need to make about
4 how to proceed.

5 MR. K. RICE: Certainly. The time line that we
6 developed in order to respond to a short term perceived needs
7 and develop possible moratorium for certain lands is on the
8 third page of the lands habitat protection write-up that we
9 have. What we're proposing is that by the 21st of February the
10 lands sub-group which is made up of restoration team members
11 and probably a few restoration planning sub-group members,
12 would circulate a draft of objectives and criteria to the
13 Trustee Council. These would be reviewed, a revised list of
14 objectives and criteria would be developed by the 28th. On
15 March 2nd the Trustee Council would publish the objectives and
16 criteria and announce their willingness to accept nominations
17 or proposals from land owners and the public. By the 27th of
18 March based on the nominations proposals received the Trustee
19 Council would publish a master list of properties that
20 minimally meet the draft criteria and invite public comment on
21 the list and criteria.

22 And we would recognize that the list would have two
23 tiers. The first tier being those lands that are identified
24 from a willing seller -- willing buyer, or at least willing
25 seller basis. The second tier would be only those lands that

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1 had been nominated by the public without an identified willing
2 seller.

3 By April 30th, we would have public comments back on
4 that list and we would start, and I emphasize the word start,
5 the process of reviewing, a thorough review of the list that we
6 had applying the criteria in a very rigorous manner looking at
7 possible protection mechanisms from a cost effective standpoint
8 and negotiating with any land owners on moratoriums or any kind
9 of acquisition program, whether it's fee simple or some other
10 mechanism. And that could take quite a long time. It could
11 vary from project to project from several months to several
12 years.

13 MR. PENNOYER: Ken, how -- this says final
14 deals being closed sometime, I guess this summer. How do you
15 dovetail this in with the other criteria development and the
16 fact that we don't have a restoration plan yet? The fact that
17 you're going to look at alternatives to use public lands and so
18 forth, how do we end up ranking these proposals in some type of
19 restoration framework?

20 MR. K. RICE: I think that's an excellent
21 question. I think what we were proposing with this schedule is
22 that we would be a little bit ahead of the ball game in terms
23 of having a full restoration plan but it would be using some
24 criteria to look at immediate needs, immediate perceived
25 threats. That this would be an ongoing process that we would

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1 incorporate into a final restoration plan. And each year we
2 may receive additional proposals from land owners to have their
3 lands looked at for possible acquisition. This wouldn't be a
4 final list. It would -- we would continue to receive requests
5 to have it looked at.

6 MR. BARTON: What are the criteria that are
7 associated there with February 21st? Criteria for what?

8 MR. K. RICE: It would be criteria for
9 evaluating the land for its suitability for meeting the
10 objectives that were laid out in the Federal Register notice.
11 For example, habitat directly linked to injured resources would
12 probably be one criteria.

13 MR. BARTON: When will we have developed that
14 map that's called for somewhere earlier or inventory of
15 critical habitats? On step one on the first page we talk about
16 identification to key-up on habitats that are linked to the
17 recovery of injured resources.

18 MR. K. RICE: I think what would happen this
19 year is that we would be using best professional judgment and
20 pulling in experts to look at those land basis and give us
21 their best shot at what those habitats are. From the long term
22 we have several proposed projects that would deal with this in
23 a more systematic basis and provide us much more scientifically
24 based information that -- where we would make that link.

25 MR. McVEE: I'm not sure we can accomplish this

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1 this fast, I guess. I mentioned before I think, you know, we
2 need to do it expeditiously I guess that we have to be sure, I
3 feel, that the damage resources drive this. I realize that,
4 you know, an option is a replacement of damaged resources as an
5 option but it seemed to me like that in our first year that
6 that should be a critical -- the first criteria. The other
7 thing is that -- and I know this stretches the program out a
8 little bit, but if we go out and ask for nominations before we
9 have processed the objectives, the policy criteria through,
10 aren't we raising some expectations on the part of the public
11 at that point because we haven't finalized those criteria?

12 MR. K. RICE: Mr. Chairman, I think the time
13 line that we've developed would have some objectives and
14 criteria outlined in through a Trustee Council review for
15 public comment. And that would give the public an idea as to
16 what those criteria are for they sent any nominations in or
17 what any land owners sent in. But, they would not, obviously,
18 be incorporated into a final restoration plan if we move
19 forward with this time frame.

20 MR. PENNOYER: And so based on deciding on
21 priorities for acquisitions for example, you couldn't really do
22 that because you wouldn't have the whole spread of them in
23 front of you. So this would put something in front of us that
24 we could decide to do or not to do.

25 MR. K. RICE: Absolutely.

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1 MR. PENNOYER: Are you going to go through a
2 lot of work that would be better spent dealing with a little
3 more considered time line and final decision process or do you
4 think you may have covered a couple of real jewels that we
5 really ought to take advantage of, is that the purpose of this?

6 MR. K. RICE: Well, I think the original
7 purpose of this was to respond to some proposals that have come
8 forward already and see whether they meet the criteria. When
9 we formally receive proposals then we would be able to apply
10 the criteria to those and see if they did fit. What we
11 wouldn't be able to do is take those lands and evaluate them to
12 other lands that maybe are not on the -- at the table yet.

13 MR. PENNOYER: Mr. Barton.

14 MR. BARTON: In regards to the criteria, we
15 need to approach that very carefully and very thoughtfully. I
16 think, for example, the criteria needs to contain -- or one of
17 the criteria needs to be a demonstrable link; the habitat to
18 the injured resource and demonstrable benefit in terms of
19 restoration of the resource; an evaluation of the increment of
20 benefit to be derived as a result of that acquisition in terms
21 of restoration resource and a comparison of that increment to
22 other alternative measures.

23 MR. K. RICE: When we had our close-out meeting
24 with the Nature Conservancy we discussed some of these
25 criteria. And I think you put it very well, where the wording

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1 that we had in front of us was much broader than that and we
2 need to tighten those up so that they are really well spelled
3 out.

4 MR. PENNOYER: Noticing your time frame could
5 you put some sort -- before we decide whether to proceed
6 further with this, could you put some set of criteria in a
7 little more detail in front of us at the meeting on the 28th or
8 29th of February? And we could make a decision at that point,
9 whether to solicit proposals.

10 MR. K. RICE: We certainly could have some
11 draft objectives and criteria to you by that date.

12 MR. PENNOYER: I have a little trouble
13 envisioning what this is all going to look like when we get
14 done with it. Are there further questions of Mr. Rice or
15 proposals? Do we wish to instruct the habitat, I forgot your
16 full title Habitat
17 work group, let's call it that. Habitat work group to prepare
18 those criteria and some idea of what a draft plan would look
19 like for this year along this line by the February 28th or 29th
20 meeting if, in fact, we have one. I'm assuming we will.

21 MR. BARTON: Yeah, I think we need to have it
22 well in advance of the meeting so that we can give it the
23 consideration that it deserves, though.

24 MR. PENNOYER: It says the 21st of February,
25 circulate draft objectives and criteria to Trustee Council, I

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1 thought that would be enough of an advance.

2 MR. McVEE: I think that's reasonable if they
3 can do that, but one of the problems I thought was that we
4 haven't appointed members to this work group and that we've got
5 one person working on it. Maybe we need to look around some of
6 our agencies and see if we can't add some people to this
7 effort.

8 MR. PENNOYER: Is that agency overhead?

9 MR. McVEE: No, this is contributed resources.

10 MR. K. RICE: Mr. Chairman, believe me, I'm not
11 the only person working on this. We have not put forward a
12 recommendation for what the lands or habitat protection sub-
13 group would look like. And we would be prepared to do that in
14 the next several days.

15 MR. PENNOYER: Would you include that in your
16 memo out to us then along with the criteria and objectives?

17 MR. K. RICE: Yes, sir.

18 MR. PENNOYER: Further discussion? Can we
19 proceed in the outlined fashion then? Dave, what else do you
20 have to bring before us before the teleconference?

21 MR. GIBBONS: I just have two short items here.
22 Once is the next Trustee Council meeting is -- I've heard it
23 28th and 29th, that's a Friday and Saturday, is that the dates?

24 MR. BARTON: How long a meeting do you think we
25 need?

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1 MR. PENNOYER: At the rate we're going, a week.

2 (Off record comments)

3 MR. McVEE: 29th's a free day this year, isn't
4 it, so

5 UNIDENTIFIED VOICE: Do we have this
6 coordinating on the 26th.

7 UNIDENTIFIED VOICE: A no cost day.

8 MR. BARTON: I would suggest either the 25th or
9 the 27th.

10 UNIDENTIFIED VOICE: It makes no difference to
11 me.

12 UNIDENTIFIED VOICE: Does anybody have a choice
13 of the 25th or the 27th. I rather we do the meeting on the
14 (indiscernable) 27th we could extend to the 28th if we thought
15 it was going to be required.

16 UNIDENTIFIED VOICE: I'd prefer the 27th.

17 MR. COLE: I'd prefer the 25th, sir. The
18 Governor has summoned me the 27th.

19 MR. SANDOR: What day of the week is the 27th?

20 MS. RUTHERFORD: 25th is a Tuesday.

21 MR. COLE: The 27th is Thursday.

22 MR. SANDOR: The second Tuesday the Governor
23 summons all of us.

24 MR. SANDOR: Well, it could be done if it's not
25 in Juneau that'd be fine. The second and fourth Tuesdays are

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1 mandated cabinet meeting.

2 MR. COLE: What's wrong with the 28th?

3 MR. PENNOYER: The only problem was that Mr.
4 Barton's going to be up here on the 26th. Could you find
5 something to do on the 27th or go back and come back?

6 MR. BARTON: Whatever the pleasure of the
7 group.

8 MR. PENNOYER: The 28th then? As the time of
9 date for the meeting unless changed by extingencies (ph) after
10 the fact.

11 UNIDENTIFIED VOICE: I agree we could move the
12 subsistence board meeting to the 27th.

13 MR. COLE: I could make it on the 27th, I could
14 just say I can't make it. If it's really important and
15 preferable to have it on the 27th, I'll just

16 UNIDENTIFIED VOICE: Okay.

17 MR. PENNOYER: Let's do it on the 27th. Let's
18 shoot for the 27th. All right. Mr. Gibbons, what else?

19 MR. GIBBONS: Mr. Chairman, we've got a lot of
20 work to do. Is there a possibility we can hold the 28th as an
21 option, as a carryover option for the meeting so they make sure
22 that we get all of our important items done?.

23 MR. PENNOYER: Anything you want to do. Is
24 that acceptable, the 28th as a carryover date if needed? Okay.
25 Where is it going to be, here?

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1 MR. COLE: Well, is that here in the Supreme
2 Court chambers?

3 MR. GIBBONS: Can we hold it at the -- I think
4 we have the space at the Simpson Building, can we hold it at
5 the first floor of the Simpson Building?

6 MR. PENNOYER: Well, I think the chambers
7 probably have better chairs, but

8 (Off record comments)

9 MR. COLE: Do we have enough room at the
10 Simpson Building, that's the first question?

11 MR. GIBBONS: Yes, we've looked at it. It can
12 hold 100 people.

13 MR. BARTON: Why don't you organize the
14 meeting.

15 MR. PENNOYER: Dave, why don't you organize the
16 meeting for where it has to be with the agenda and so forth and
17 get back to us -- talking about facilities and so forth.

18 MR. GIBBONS: Okay.

19 MR. PENNOYER: I assume we'll want a
20 teleconference as part of that as well. Start at what time on
21 the 27th? Anybody have a preference?

22 UNIDENTIFIED VOICE: 10:00 o'clock.

23 MR. PENNOYER: 10:00 o'clock the 27th.

24 MS. RUTHERFORD: 9:00 o'clock.

25 MR. PENNOYER: Dave are you done with your

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1 cleanup?

2 MR. GIBBONS: There's one agenda item we passed
3 by and I'm not sure we want to deal with it now. But, I want
4 to point out that we have prepared draft operating procedures
5 for the restoration team. They're in the package here. If
6 Council would like to review those and we can discuss them at
7 the next meeting or how ever the Council wants to deal with
8 that.

9 MR. BARTON: Maybe we could deal with it on
10 Monday.

11 MR. PENNOYER: Do we need to?

12 MR. BARTON: Well, we need to deal with it.

13 MR. PENNOYER: Are you going to have a problem
14 if we don't deal with it until the 27th?

15 MR. ROY: No, they're pretty simple. Basically
16 they're cut down.

17 MR. BARTON: I move we adopt them subject to
18 later amendment.

19 (Off record comments)

20 MR. BARTON: How's that?

21 UNIDENTIFIED VOICE: Second.

22 MR. COLE: That makes as much sense as anything
23 else we've done.

24 MR. McVEE: Mr. Chairman, I was wondering if we
25 just submit, you know, our comments to the RT and they take

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1 those and finalize them for the next meeting?

2 MR. PENNOYER: That sounds like an excellent
3 idea. Is that acceptable to the maker of the motion. And is
4 there a second. Any objections. Okay. Does that do it Mr.
5 Gibbons?

6 MR. GIBBONS: That does it.

7 MR. PENNOYER: You can write your summary notes
8 up for the teleconference and I think Mr. Cole has

9 MS. RUTHERFORD: Mr. Chair?

10 MR. PENNOYER: Yes.

11 MS. RUTHERFORD: Okay. I have the information
12 about the Monday meeting if you'd like to go over it.

13 MR. PENNOYER: Why don't you do that.

14 MS. RUTHERFORD: We found out that the
15 Legislative Information Office system is not available Monday
16 at 2:00 o'clock. And that information needs to be announced at
17 the teleconference that starts at 5:00 o'clock because that
18 impacts all the remote sites that they want to hook in. We
19 were able to set up a teleconference through Alascom at 2:00.
20 We would hold the meeting at the Wildon Marston Theater of
21 Loussac Library and all the remote sites including all you
22 gentlemen who will be in Juneau would have to call a number, I
23 can give you that number now, contact Rebecca Williams tomorrow
24 at 278-8012 and tell her the telephone number where you can be
25 reached. The same is true of all the remote sites. And that's

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1 what you'll have to advise them, that they can't go through
2 their legislative information offices.

3 MR. COLE: Mr. Chairman.

4 MR. PENNOYER: Mr. Cole.

5 MR. COLE: Is the teleconference system
6 available at any time on Monday?

7 MS. RUTHERFORD: I think she determined that it
8 was not. Is LJ around?

9 MR. COLE: I don't think 2:00 o'clock's a magic
10 hour.

11 MR. BARTON: No. We could do it at 8:00
12 o'clock.

13 MS. RUTHERFORD: LJ, was the LIO available any
14 time other than 2:00 for our teleconference? Would the morning
15 be all right?

16 (Off record comments)

17 MR. ROSIER: If it's not too early, I have
18 another conference call early in the morning.

19 MS. RUTHERFORD: What time?

20 UNIDENTIFIED VOICE: I'm out on business all
21 Monday morning.

22 MR. COLE: Well, maybe up at 4:00 o'clock in
23 the afternoon or something like that.

24 MS. RUTHERFORD: This is going to go on to,
25 it's a major hearing so it's going on

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1 MR. COLE: We could do it 3:00, 4:00 or 5:00 in
2 the afternoon, preferably as early as we can.

3 MR. BARTON: Well, we don't need to sit here
4 while we're doing this.

5 MR. PENNOYER: Let's take our break.

6 MR. COLE: Can I bring up one quick issue.

7 MR. PENNOYER: Mr. Cole, if we're done with our
8 business, go ahead.

9 MR. COLE: I'm not sure that in the course of
10 our deliberations and the preparation of the restoration plan
11 we have given consideration to the fact that the acquisition of
12 equivalent resources include substitution for an injured
13 resource with a resource that provides the same or
14 substantially similar services. And I would say that as part
15 of the restoration plan, we should make sure that that is
16 covered. It has not been discussed here and, perhaps, in the
17 course of the preparation of the plan it certainly regularly
18 would be. But I just wanted to mention that we should not
19 overlook that because I think it's a wide body of the public
20 which is interested in that.

21 MR. BARTON: Thank you. Can you read that
22 again?

23 MR. COLE: Well, let me read the magic
24 language. It's contained in 43 CFR, Section 1114 and I'll read
25 it. Replacement "or acquisition of equivalent resources" is

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1 defined as: Substitution for an injured resource with a
2 resource that provides the same or substantially similar
3 services. When such substitutions are, in part, in addition to
4 any substitutions made or anticipated as part of the response
5 action and so forth. Reading on: The key to restoration under
6 the regulations is identification of the services provided by
7 the injured resource. Services are defined as "the physical
8 and biological functions performed by the resource including
9 the human uses of those functions. These services are the
10 result of the physical, chemical or biological quality of the
11 resource. Thus, services performed by a resource can include
12 both services to the eco-system such as habitat or food or
13 services to humans, such as food, recreation or aesthetic
14 enjoyment." And I -- in saying that we would want to be
15 certain to include consideration of that subject as far as the
16 restoration plan. I presume it would in the due course but,
17 nevertheless, I just wanted to mention since we haven't
18 discussed it any of our meetings. Thank you.

19 MR. PENNOYER: Is there further business before
20 we adjourn for a few moments and let the teleconference come on
21 line. Okay. We stand adjourned for the moment. Recess.

22 (Off record)

23 (On record)

24 MR. PENNOYER: Can we go ahead and get started
25 now. I assume all of the legislative -- all the teleconference

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1 sites are on the line.

2 BRIDGE: They're on line.

3 MR. PENNOYER: Have you called the role call
4 yet to see if people are on the line? I'll give a role call of
5 the teleconference sites and if you could reply so we know
6 who's out there. Chenga Bay? Anybody there from Chenga Bay?

7 BRIDGE: Chenga Bay is not on line right now.

8 MR. PENNOYER: Cordova? Cordova's on line?

9 MAYOR WEAVER: This is Mayor Werling from
10 Cordova, we're on line.

11 MR. PENNOYER: Fairbanks are you on line?

12 BRIDGE: Fairbanks is not on line right now.

13 MR. PENNOYER: Juneau? Juneau on line?

14 JUNEAU: Mr. Chairman, Juneau is on line.

15 MR. PENNOYER: Homer? Homer on line?

16 HOMER: Homer is on the line.

17 MR. PENNOYER: Kenai Peninsula? Kenai?

18 SOLDOTNA: Soldotna's on line.

19 MR. PENNOYER: It's actually Soldotna, yes I
20 apologize. Kodiak?

21 KODIAK: Kodiak's on line.

22 MR. PENNOYER: Seward?

23 SEWARD: Seward's not on line.

24 MR. PENNOYER: Tatitlik?

25 TATITLIK: Tatitlik is on line.

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1 MR. PENNOYER: Valdez?

2 VALDEZ: Valdez is on line.

3 MR. PENNOYER: And Whittier?

4 WHITTIER: Whittier is on line.

5 MR. PENNOYER: Okay, thank you. We'll go ahead
6 and proceed with our teleconference hearing then. This is a
7 meeting of the Trustee Council and we've been meeting earlier
8 today to review projects and the work plans for the 1992
9 season. And I'd like Dave Gibbons, the interim Executive
10 Director and Chair of the restoration team to give you a brief
11 overview of what we accomplished today. Dave.

12 MR. GIBBONS: Thank you, Mr. Pennoyer. Am I
13 coming through to all the teleconference sites?

14 MR. PENNOYER: Go ahead.

15 MR. GIBBONS: The first item on the agenda was
16 the Public Advisory Group. The Trustee Council decided to have
17 a restoration team prepare a draft generic charter for the
18 Public Advisory Group with the subsequent development of a
19 detailed charter after the public meetings that are in
20 progress. Next item was the discussion of the Public Resource
21 Center or OSPIC. The Trustee Council has decided to select
22 option 3B which was to keep the library in place at a reduced
23 level with the further development of an interest to move the
24 facility to the university library. The Trustee Council
25 deferred the budget for the Public Advisory Group until the

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1 next meeting and more information can be obtained from the
2 public meetings. Trustee Council directed the restoration team
3 to explore additional sites for the Trustee Council meetings
4 and the Public Advisory Group meetings. However, approved the
5 temporary budget for one specialist and a space on the half of
6 the first floor of the Simpson Building in the interim to
7 conduct these meetings. Trustee Council approved three
8 positions in the Public Outreach budget. One public
9 information specialist and two librarians to be housed in the
10 Public Resource Center on the first floor of the Simpson
11 Building, 645 G Street. A proposal passed out by the U.S.
12 Department of the Interior, Kirk McVee on the NEPA process.
13 This has not been teleconferenced to the sites, it was just
14 passed out today. I'll make sure this copy gets to the sites.
15 It was approved, accepted by the Trustee Council. The Trustee
16 Council next directed Bob Spies to do a critical review of the
17 damage assessment of closeout and continuation study proposed
18 by the restoration team and come back with his recommendations
19 to the Trustee Council on the teleconference at 2:00 o'clock
20 p.m. on Monday.

21 MR. PENNOYER: Dave, one correction on that.
22 Because we couldn't get the office -- the teleconference on
23 Monday will be at 3:30 o'clock p.m. at the same LIO sites that
24 are on line except Anchorage will be at the Legislative
25 Information Office, 3301 C Street.

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1 MR. GIBBONS: Thank you. Trustee Council also
2 directed the restoration team to take the restoration proposals
3 that were on the table today, to go back to the chief scientist
4 and selected peer reviewers of all the restoration programs and
5 to come back to the Trustee Council on February 27th with a
6 recommended program that includes chief scientist review and
7 recommendations and peer review. Also to come back with cost
8 projections for the projects that were recommended by this
9 group for a period of March 1st to May, to get an idea of costs
10 that will be incurred during this period. Trustee Council
11 approved five-sixths of the restoration sub-groups budget which
12 presently 949,300, they approved five-sixths of this budget.
13 Trustee Council directed the restoration team to come back at
14 the February 27th meeting with a detailed organizational budget
15 and agency program support budget. It is a combined package so
16 the Trustee Council can see the entire costs associated with
17 the support of the program. Trustee Council decided to submit
18 in writing comments concerning the draft operating procedures
19 for the restoration team. These would be submitted to the
20 interim Administrative Director in a final operating procedure
21 presented at the next meeting on the 27th of February. The
22 habitat protections lands sub-group discussions, the Trustee
23 Council decided to direct the restoration team to develop draft
24 evaluation criteria and objectives for the February 27th
25 meeting. That's the notes I have. The February 27th meeting

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1 will be at 10:00 a.m. in Anchorage at 645 G Street, the Simpson
2 Building.

3 MR. PENNOYER: Thank you, Mr. Gibbons. Any
4 Trustee Council members have any comments they wish to make at
5 this time. I think we'll proceed on with the hearing then.
6 And I have a couple of requests for people who got passed over
7 last night that wanted to go first. The gentleman here in
8 Anchorage and then Mayor Selby in Kodiak. Sir, do you want to
9 testify now?

10 MAYOR SELBY: Is that for Kodiak?

11 MR. PENNOYER: No, you'll be second. The
12 gentleman here in Anchorage needs to go first.

13 MAYOR SELBY: Okay. Thanks.

14 MR. RUSHER: Mr. Chairman, the Council, my name
15 is Jerry Rusher with Rusher Services. And I'm here on an
16 emergency action as far as our priority project. And in the
17 Council's operating procedures you have an emergency action
18 procedure. It's number 11 on page five. This is a priority
19 project dealing with restoration of the shorelines in Prince
20 William Sound. The endorsements of the consideration of a fair
21 trial in the process of restoration of this priority project
22 speaks for itself. The endorsement from the largest Native
23 land corporation owner in the Prince William Sound, Chugach
24 Alaska Corporation, the largest individual land owner, Alamar
25 Properties, Incorporated, and small parcel property owners from

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1 Knight Island. First and -- very interesting numbers have led
2 to this priority project. In 1989 the Exxon Valdez Spill, 40
3 percent of the oil was recovered and three years later 41
4 percent was recovered on the Cook Inlet Spill, a gain of one
5 percent. According to Dr. John Teelo, a senior scientist after
6 20 years we can still find oil. This is in reference to a past
7 spill. This tells me two very important facts. Cleanup
8 technology was not
9 -- was inadequate and restoration technology was inadequate.
10 The eyes of the world are on us to see what approach will be
11 made. As a prominent Alaskan, I hope the Exxon Valdez Trustee
12 Council will take a lead position in restoration of the
13 shorelines from 20 years of sub-surface oil. The lead position
14 could be by the attention and consideration of this priority
15 project. Scientific data from 1989 and 1990 placement of the
16 environmental 75 sub-surface and surface has shown beach work -
17 - beach worm subtracted to the control test site. Beach worms
18 are very important to the bird migration of the Prince William
19 Sound. They are part of the food chain. With strict
20 application of environmental 75 a natural restoration can occur
21 by attracting beach worm movement to speed the rates of natural
22 degradation of sub-surface and surface contamination. In
23 laymen terms, worm movement would aerate the soil of the
24 shorelines. The opportunity to help a natural army of workers
25 to restore the shorelines of Alaska is at our disposal. David

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1 Gibbons directed me to present this proposal to you this
2 evening. And I would ask that this be a priority project and
3 that possibly there could be something done by the 1st of May
4 in the Prince William Sound or the Gulf of Alaska.

5 MR. PENNOYER: Thank you, sir. Do we have that
6 in writing yet? Do you have a copy of your proposal to us?

7 MR. RUSHER: I've got 18 copies so everybody
8 can have one.

9 MR. PENNOYER: Would you please distribute them
10 tonight?

11 MR. RUSHER: I will.

12 MR. PENNOYER: Are there questions by any
13 Trustee Council members?

14 MR. COLE: Yes. Has that proposal been
15 submitted to the restoration team?

16 MR. RUSHER: A one-page introductory was sent
17 to them. It just depends on how many boxes of paperwork they
18 want to look at. I'll bring it in. Documented paperwork.

19 MR. PENNOYER: Further questions. Thank you
20 very much, sir. Second will be because of SMI (ph) last night
21 plus the sole available when we got to Kodiak, Mayor Selby do
22 you wish to comment?

23 MAYOR SELBY: Yes, thank you very much Mr.
24 Chairman, members of the committee. Thanks again for the
25 opportunity. I can be fairly brief. I just wanted to call

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1 your attention to the packet that we had put together here in
2 Kodiak. As I discussed briefly with you at the last meeting,
3 we did put our -- what we call our shoreline committee together
4 during the Oil Spill, we're calling it the restoration
5 committee now to keep up with current times a little bit. But
6 we did sit down and have developed, and I hope you have it
7 front of you, some suggested criteria for you folks to consider
8 in your process of developing criteria for project selection.
9 We hope that's useful and I'd be glad to answer any questions
10 about those if you have any. And the other thing that I did
11 want to call your attention to is we do have now a four-page
12 set of projects which we are continuing to work on down here in
13 Kodiak which you should also have copies of again. And I
14 realize that the first year there's not a whole lot of money
15 available for projects and we understand that. And certainly
16 we've got some fairly substantial projects that we're working
17 on on this list that -- we're not advocating get funded the
18 very first year that we know we need to do some more work on
19 them. But we did want you to be aware that we are looking at
20 them and that's why they're on the list. There are also a
21 couple of them there that really aren't going to wait real well
22 that we'd sure like for you to take a close look at -- if you
23 could squeeze out the funding for them this year, I think it
24 would be excellent. One of them is the Red Lake overescapement
25 study, it's only \$45,000.00, it's not a lot, but I think it

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1 would be pretty important for the Department of Fish & Game.
2 Another one is the operation of the Uganik River fish weir
3 that's under control of the Federal Fish & Wildlife folks,
4 which again it looks like there's no other funding available so
5 we will lose that opportunity entirely if it's not funded. I
6 know the federal parks folks are fairly concerned about their
7 brown bear study. I'm on page two now. Brown bear study,
8 federal parks, about \$60,000.00 to study the continued impact
9 on the bear population over there. And then, the other one
10 that would be a high priority, we hope you could consider is
11 the Kitoi Hatchery early marine salmon habitat utilization
12 study. Again, it's only \$45,000.00, I'm on the bottom of page
13 three now, if you're following along. I kind of just skipped
14 through there. Some of the other projects are important to us,
15 but we're trying to go through with short funding this year and
16 identify for you the ones that are -- possibly opportunity
17 would be lost if they aren't funded this year. Most of the
18 rest of these -- well, we would like for you to fund them but
19 we can wait, really. If there are any questions on either the
20 criteria or the projects, I would be glad to answer that. We
21 continue to look forward to continuing to work with you folks.
22 We're going to try to do our homework and get good solid
23 information and facts up to you. Anything else we can do for
24 you, we'd be glad to help.

25 MR. PENNOYER: Thank you very much, we

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1 certainly appreciate your input. I'm not sure we've received
2 the package you've referred to.

3 MR. PIPER: Mayor Selby, this is Ernie Piper.
4 As we discussed, the packet came back up here and we've
5 referred those to each of their respective working sub-groups
6 that deal with them. Some of them were lands and some of them
7 were the actual scientific studies that the Mayor mentioned.
8 And they'll be reviewed to make sure there's no overlap or
9 duplication from projects that are already on the list.

10 MR. PENNOYER: I've got a -- I'm wondering,
11 have copies of these projects been provided to the Trustee
12 Council members or are they basically comments on the list we
13 already have?

14 MR. PIPER: They're not -- they don't show up
15 on the list you already have. This list that you got today,
16 that went over, was already in the works but, what we thought
17 is to consider them separately to make sure that you did get a
18 hold of them but not as part of this.

19 MR. PENNOYER: Some of the ones that the Mayor
20 quoted Red Lake and the brown bear and some of these

21 MR. PIPER: Were on the list already. But some
22 of the other ones that the Kodiak group put together --
23 particularly habitat acquisition ones were not on the list you
24 had.

25 MR. PENNOYER: Questions of Mayor Selby or

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1 comments? Mayor Selby, thank you very much, appreciate your
2 input.

3 MAYOR SELBY: Thank you.

4 MR. PENNOYER: What we'll do now is go around
5 the teleconference sites and take testimony from Chenega Bay.
6 Chenega Bay? Is there anyone there that wishes to testify
7 tonight?

8 FAIRBANKS: Mr. Chairman, were you calling
9 Fairbanks?

10 MR. PENNOYER: No. I was calling Chenga Bay.
11 Okay. Cordova, anybody there wishes to testify tonight?

12 CORDOVA: This is Cordova. There are two
13 people here who'd like to testify this evening. Can you hear
14 me all right?

15 MR. PENNOYER: Yes, very well. Go ahead.

16 CORDOVA: We, however, are having some
17 difficulties receiving some transmissions from your end. If
18 you could instruct the people to speak directly into their
19 mikes.

20 MR. PENNOYER: Duly noted. Thank you. Can you
21 hear me all right?

22 CORDOVA: Yes, very well, thank you. The first
23 person who'd like to testify this evening is Mr. Gary Thomas
24 from the Sign Center here in Cordova.

25 MR. THOMAS: I'd like to thank the trustee's

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1 for this opportunity for input. I'm speaking this evening to
2 bring you up to date on the status of the funding of Prince
3 William Sound Oil Spill Recovery Research Institute as outlined
4 in OPA '90. As you know, Congress added a half a million
5 dollars to notice FY '92 appropriation during the House Senate
6 conference. These funds were included in the appropriated
7 level for the office of Oceanic Atmospheric Research, OAR, as
8 is the case with all congressional add-ons, but no controllers.
9 We (indiscernable) the funds until the intent of Congress is
10 absolutely clear and until there's a spending plan on which
11 distribution of funds is established. The Science Center has
12 submitted a draft proposal as a spending plan and last week a
13 comptroller concurred that the plan was consistent with the
14 intent of Congress and agreed to release the entire \$500,000.00
15 for establishing the Oil Spill Recovery Institute. We should
16 have the funds by early February. In the meantime it was
17 suggested that I take several preparatory actions as the
18 principle investigator for the proposal that provides support
19 for the establishment of the Institute and as the nominee for
20 the Institute. I should begin preliminary discussions with the
21 Center's board of directors and with inter-State local agencies
22 and organizations to identify possible nominees for the
23 Institute's advisory board and scientific technical committee.
24 These discussions will include identification of useful topics
25 for research as well as the members of the scientific advisory

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1 board which allocates funds for specific projects and a
2 scientific technical committee which will make recommendations
3 and peer review and proposals. The advisory council is
4 composed of 11 voting state members and five voting federal
5 members. The Alaska Fish & Game, (indiscernable) are all
6 represented. The federal agencies Interior, Agriculture,
7 Transportation, Navy and EPA are represented. And four
8 representatives, residents from affected communities in Alaska
9 are represented, and three Alaska natives are on the board. I
10 will proceed to establish this Institute which was established
11 to provide service to the State of Alaska and communities
12 affected by the Exxon Valdez Oil Spill. And I encourage the
13 trustees to consider how this Institute can best fit into their
14 plans to provide restoration and minimize administrative costs.
15 That's all and thank you.

16 MR. PENNOYER: Thank you very much. Questions
17 from the Trustee Council?

18 MR. THOMPSON: Are there any questions?

19 MR. PENNOYER: Questions or comments? Okay,
20 well, thank you very much. Could you provide us with some
21 written materials on the background of what
22 -- where you're going now, where you're proceeding now?

23 CORDOVA: We will.

24 MR. PENNOYER: Fine. Somebody else from
25 Cordova?

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1 CORDOVA: Yes, this is Mayor Werling from
2 Cordova. Again, you're breaking up at your end. Gentlemen,
3 thank you for the opportunity to testify. Before you have
4 attended the other teleconferences regarding matters of
5 restoration and trustee's help, the City of Cordova has sent
6 some information on a Resolution 91-92, 92-04 Summary of
7 General Recommendations, our proposal regarding the timber
8 assets held by Sharestone, Inc., and minutes from the Cordova
9 Community Workshop public hearing that we held regarding
10 possible expenditure of money for restoration. This packet was
11 sent on January 8th. I would only like to reiterate our
12 position in the Summary of General Recommendation that Cordova
13 believes as passed by the City Council, has priority use Exxon
14 settlement monies to be the acquisition of equivalent resources
15 in the form of threatened habitat and around Prince William
16 Sound and the downstream still impacted areas. We are very
17 concerned here after reading in the newspaper that no funds
18 would be available for the first year's expenditure for
19 acquisition. I was not able to attend the teleconference last
20 evening as I had to chair a Council meeting but, I would point
21 out that the definition of a trustee is a person or agent
22 holding title and administrating property for a beneficiary.
23 And I would submit that beneficiary are the public and would
24 strongly suggest that the projects you have endorsed have a
25 great deal of merit. The overwhelming testimony that I've

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1 heard passed from the beneficiaries has been for the
2 acquisition of assets and would encourage you to find some way
3 to follow the suggestions of this hearing. Thank you very
4 much.

5 MR. PENNOYER: Thank you, we've heard a
6 presentation from a habitat acquisition -- land acquisition
7 group and we've asked them to provide us with criteria and
8 objectives for that program with the idea of perhaps going out
9 and soliciting projects from land owners in the area. So we're
10 proceeding on that, we have not yet finally signed off on any
11 of the projects. We're having a teleconference on Monday to
12 look at the damage assessment and to close out continuation of
13 considered restoration projects on the meeting of the 27th so
14 we're still looking at a mix of programs that we're going to
15 have for 1992. Do any of the Trustee Council members want to
16 make any comment? Mr. Cole?

17 MR. COLE: Mr. Mayor, this is Charlie Cole.
18 And I would like to say that one of the reasons we don't have
19 money available or little money available for the acquisition
20 of habitat this year is because of the studies which in
21 paragraph

22 BRIDGE: Okay. Gentlemen, excuse me for
23 breaking in, we can't hear -- but we'd like to hear this.

24 MR. COLE: It's because of the studies which
25 you recommend in paragraphs one, two, three, and four of your

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1 letter, the undertaking, so we're trying to find the balance
2 between how much money we spend on studies at this time vis-a-
3 vis how much money will be available for the acquisition of
4 habitat. It's a difficult call and we're trying to make -- use
5 our best judgment and the professional judgment and make that
6 balance. So thank you, we've read -- at least I've read fully
7 your letter of January 30th. Thank you for appearing.

8 MR. PENNOYER: Other Trustee Council members
9 want to comment or question? Thank you, very much. Is there
10 anybody else from Cordova who wishes to testify tonight?

11 CORDOVA: That's all from Cordova.

12 MR. PENNOYER: Thank you. Fairbanks, is there
13 anybody from Fairbanks who wishes to testify tonight?

14 FAIRBANKS: Yes, I have one participant to
15 testify.

16 MR. PENNOYER: Go ahead, please.

17 MS. SKELTONS: Well, my name is Cybil Skeltons.
18 I have two projects that you could call habitat related. One
19 is a method of cleaning up oil. I talked about this before
20 and, quite frankly, I don't know whether to try to patent it or
21 wait for somebody to totally take it away from me, if it's
22 supposed to be married to me or what. Anyway, so much for that
23 one. Then, could you as a project here -- I don't know how
24 broad you're talking about improving the environment but
25 Fairbanks could use horticultural money pro- -- you know, a

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1 grant for horticultural purposes and I have about six more
2 projects. Some of them are patentable ideas and I'd like to
3 ask you, in view of the fact that I have two sons in jail that
4 are related to this Exxon situation, would it be possible to
5 get money from you people or am I wasting my time? Or should I
6 try some other foundation or try to get it to my sons to use it
7 for community service or just what should I do besides jump off
8 the planet?

9 MR. PENNOYER: Well, ma'am, the projects we're
10 accepting have to be tied into restoration of injured resources
11 in Prince William Sound or the acquisition of the accrument
12 resources and I'm not sure the projects that you've mentioned
13 directly address that.

14 MS. SKELTONS: What do you think about the
15 method of cleaning up oil spills?

16 MR. PENNOYER: We haven't decided on cleanup
17 methodology as being a restoration activity yet, although we've
18 had several proposals to look at that type of thing. If you
19 have a particular proposal or project in mind, I encourage you
20 to send it to Mr. Gibbons of our restoration team and we will
21 certainly look at it.

22 MS. SKELTONS: Well, what can I say, is that
23 about as far as you can go?

24 MR. PENNOYER: I think it is at this time. We
25 have a lot of proposals and we haven't finally signed off on

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1 them, but we have our chief scientist and our restoration team
2 look at proposals both from the agencies and the public and we
3 are encouraging public participation. We certainly couldn't
4 sign off on a project at a teleconference.

5 MS. SKELTONS: Okay, thank you very much.

6 MR. PENNOYER: Anybody else from Fairbanks?

7 FAIRBANKS: That's it, thank you.

8 MR. PENNOYER: Juneau. Anybody from Juneau
9 want to testify?

10 MR. KNUDSEN: Yes, there's one person from
11 Juneau. My name is Skip Knudsen and I'd like to read a
12 statement by Representative Loren Leman. He would've liked to
13 have read these himself but unfortunately the Legislature is
14 already hopping. Can you hear me okay?

15 MR. PENNOYER: Yes, you're coming in loud and
16 clear. Go ahead, please.

17 MR. KNUDSEN: I'd like to direct a few comments
18 to the Council regarding project number 117, Sport Fish
19 Restoration and Enhancement in Cook Inlet. I have participated
20 in the plans for improvement to the Fort Richardson Hatchery
21 Water Pipeline the past two years and am familiar with their
22 engineering and economic aspects. I support funding of this
23 project and urge you to weigh it carefully with the other
24 proposals before you. Studies of the effects of the Exxon
25 Valdez Oil Spill have indicated that the closure of the Kenai

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1 River system will have a substantial negative impact on both
2 sport and commercial fishing. 1993, '94, and '95 have been
3 targeted as particularly bad years. Although this Fort Rich
4 project cannot mitigate all negative impacts of the Spill, the
5 hatchery project, if funded in a timely fashion, would provide
6 good alternative opportunities for sport fishermen in the Cook
7 Inlet Basin as well as throughout the railbelt during these
8 particularly bad years. This project is one of only a few
9 intended to enhance, primarily, sport fishing resources.
10 Timing is crucial, I think Council endorsement of this project
11 will allow design and construction to proceed. Thank you very
12 much for your time. End of statement.

13 MR. PENNOYER: Thank you. Are there questions
14 from the Trustee Council members? Somebody's arguing in the
15 background and cutting the speakers in and out. If you could
16 please restrain, thank you. The project that you referenced is
17 on our list for consideration and will be considered by us at
18 the February 27th meeting, so thank you for your input.

19 MR. KNUDSEN: Thank you very much.

20 MR. PENNOYER: Anybody else from Juneau?

21 JUNEAU: Not at this time, Mr. Chair.

22 MR. PENNOYER: Thank you. Homer, anybody from
23 Homer who wants to testify?

24 MS. HILSTRAND: Yes, I do. This is Nancy
25 Hilstrand and I just arrived down here from Anchorage. I'm

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1 sorry I missed the rest of your meeting there today but I
2 thought it would be better if I come back down home. So, I'm
3 very thankful for this opportunity to speak on this issue and
4 address my concerns. I know that by now you're quite weary
5 after two days of deliberating on this, so I thank you very
6 much for listening. I just want to express how important I
7 feel the settlement monies are. We need to be very, very
8 careful in conscientious in spending of this, as I'm sure you
9 well know, or it will be gone in a blink of an eye and we will
10 be wishing we had something to show for this. We in Homer were
11 deeply impacted on a personal level and I desire these monies,
12 for as much as is possible, to be spent on securing
13 unfragmented quality habitat acquisition. If we purchase lands
14 with the money, we will have a living physical testimony in
15 exchange for the settlement. Also, we will be giving wildlife
16 what they need the most and that is unfragmented impact
17 habitat. The other thing, too, that these lands, if we can
18 design, you know, which lands are bought, it can provide
19 positive attributes for fish, for waterfowl, for upland
20 wildlife and also for the quality of oceans in the lines of
21 siltation (ph) or whatever by protecting them from any further
22 development. Also, the one question I have pertaining to
23 acquisition of these is, and maybe you can tell me this or look
24 into it for me, and that is that, I'm wondering, if you do
25 and -- buy these lands, can they be set aside for perpetuity.

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1 So, I just wonder if there's a mechanism to do this to assure
2 that they will be there for future generations to look at so
3 they'll be able to remember, you know, this sad thing that
4 happened to us down here. Also the things I feel we should not
5 spend the money on is, I do not feel we should do anymore
6 research or invasive research on any of the wildlife. I feel
7 that they've had enough at this point and I really feel that we
8 should just do the best thing which I feel would be to give
9 them clean undeveloped habitat for them to try to continue on
10 in their lives. And I also feel that any response teams or
11 contingency planning of any sort should not be -- or should be
12 funded by the oil companies and not be funded by this
13 settlement money. I really don't want to subsidize the oil
14 companies with this money to -- on the job that they need to do
15 and of course, we pay for with, you know when we buy fuel.
16 That's up to them to do. I also feel that some people are
17 looking at this as a career to make -- with this money. And I
18 would encourage you to continue to carefully scrutinize the
19 objectives and self-interests served by the spending of this
20 money. It's, as I said before, this money will be gone in a
21 blink of an eye and, you know, it would really be nice if we
22 could have something that future generations of animals and
23 humans both can have for the future. Also considering dealing
24 with people and talking with people this is great, this
25 teleconference. But I know that some people have a hard time

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1 coming out, like we're in the middle of -- we have a lot of
2 snowfall here and there was -- I don't know if any of you saw
3 the five year offshore lease teleconference or were involved in
4 that, but it worked really well where people actually called
5 the people up and they were sitting in their own homes and were
6 able to, by teleconference, give their ideas on the offshore
7 drilling aspects. So that might be something you can look
8 into. It was put on by the Minerals Management Service. Also
9 with the advisory committees, I think we should go by a census
10 rather than a majority or minority vote type of deal and I
11 thank you, very, very kindly and I know you're getting real
12 tired at this point. So, thank you very much for listening to
13 us at this time.

14 MR. PENNOYER: Thank you very much. Does any
15 Council member care to answer the question on perpetuity?

16 MR. BARTON: Well, presumably any acquisition
17 to insure the perpetuity would require fee simple acquisition.
18 Did you hear that?

19 MS. HILSTRAND: No, I didn't.

20 MR. BARTON: I think that one of the ways to
21 insure perpetuity is to acquire fee simple ownership in the
22 name of a public agency. I don't know if you can do any

23 MS. HILSTRAND: I'm sorry you broke up really
24 bad there, I'm sorry I didn't hear any of that.

25 MR. BARTON: One of the ways to insure

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1 perpetuity is to use fee simple ownership, acquire fee simple
2 interest in the name of a public agency in the lands to be
3 acquired. I guess I would ask, is that what you're advocating?

4 MS. HILSTRAND: Well, if I understand you
5 correctly, I don't think I do really understand, to tell you
6 the truth. I guess the main thing I'm wondering is, I'm just
7 hoping that in 10 years I'm not going to have to get out of my
8 rocking chair and come and, you know, say these lands should be
9 set aside again for the wildlife. I'm just kind of hoping for
10 future generations it will be set aside and have plaques made,
11 I don't know, put out maps that this is what the land is for.
12 Something so we can be reminded in a physical form of what
13 happened here.

14 MR. PENNOYER: Mr. Cole, comments?

15 MR. COLE: I don't think that acquiring title
16 in fee simple alone would give the result which Ms. Hilstrand
17 desires because there would be nothing to prevent a
18 subsequent -- as far as that's concerned Commissioner Hines
19 from trading it away if he saw fit. I'm not suggesting that he
20 would because frankly I have a lot of confidence in his
21 judgment, but I think that the mechanism has to be a couch (ph)
22 in a reversionary concept or some other conveyancing form that
23 would prevent trading or sale or land exchange of the property.
24 But that can be done.

25 MS. HILSTRAND: Well, okay. Well, maybe you

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1 can mark it on your long list that you have there. That's the
2 one part that does worry me and also it's not necessarily
3 Commissioner Hines, but in 10 years or 20 years under another -
4 - under someone else, you know, maybe they wouldn't remember or
5 maybe they weren't in Alaska when it happened so they wouldn't
6 realize how important it was. Thank you very kindly.

7 MR. PENNOYER: Thank you, Ms. Helstrand. Is
8 there anybody else from Homer who wishes to testify?

9 HOMER: No, sir. That's all at the moment.

10 MR. PENNOYER: Thank you, very much. Going on
11 the list, Soldotna? Anybody in Soldotna wishes to testify?

12 MS. JERUE: Yes. Pat Jerue, president of the
13 Public Awareness Committee for the Environment and I would like
14 to go on record as saying I agree with Kelly Werling, the Mayor
15 of Cordova and Nancy Hilstrand from Homer. I would also like
16 to recommend a couple more points -- these might have already
17 been recommended. I do not -- in the studies that are to be
18 done, many of them are to end in one year or two years. We
19 would like to recommend that a research endowment of two
20 million yearly be established for a 10 year long ecosystem
21 study and monitoring program of Prince William Sound, Kodiak,
22 Shelikof Strait and Cook Inlet and such program should be
23 locally based and provide the necessary infrastructure to
24 support ongoing scientific studies. Our concern is that one
25 year studies will not come up with what we need to know about

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1 the Exxon Valdez Spill. Many of these have already been
2 mentioned. I would like to drop down to
3 -- we would like to recommend that scholarships be established
4 to support the education of residents from all the regions hit
5 by the Exxon Valdez Spill. Some of these scholarships should
6 be in conservation, natural resource science, marine science
7 and environmental law. We also recommend that all money spent
8 should have the maximum benefit to the regions harmed from the
9 Exxon Valdez Oil Spill. Thank you.

10 MR. PENNOYER: Thank you very much. Questions
11 or comments from the Council members? Mr. Sandor?

12 MR. SANDOR: I'd just like to say that your
13 comments on an endowment for research are timely. We referred
14 yesterday to the restoration team, one possible set of options
15 for an endowment. This will be considered along with others
16 and I guess I would suggest and strongly urge that the
17 various -- not only the various federal and state agencies, but
18 organizations such as you represent and individual communities
19 get their impressions on endowment proposals to the restoration
20 team as it's envisioned that this team will develop
21 recommendations and present them to the Council and
22 subsequently to the state and federal agencies. Thank you.

23 MR. PENNOYER: Thank you very much. Further
24 comments from the Trustee Council members? Thank you. Anybody
25 else from Soldotna?

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1 SOLDOTNA: No, there isn't.

2 MR. PENNOYER: Thank you very much. Kodiak,
3 anybody further besides the mayor wish to testify from Kodiak?

4 MS. JOHNSON: I believe there's a few of us
5 here in Kodiak. My Name is Kristen Stall-Johnson and I
6 represent the Kodiak Environmental Network and I'd like to
7 thank you, as Nancy Hilstrand did, for your time. I know after
8 two days you're probably very tired. I got the impression from
9 the end of Mayor Selby's testimony that you possibly did not
10 have the Kodiak packet with you, is that correct?

11 MR. PENNOYER: Apparently the Kodiak packet has
12 been sent to the appropriate sub-committees of the group. It
13 was not provided to the Trustee Council at this meeting but we
14 will request that it be circulated to us.

15 MS. JOHNSON: Okay, thank you. One thing that
16 I would like to point your attention to is the very first page
17 is a suggested criteria for project selection. There are eight
18 criteria there and I strongly support several of them. I will
19 point out, too, the long term resource benefits is something
20 that is really important to all of us and also the -- another
21 item on there is the even spread of resources across the entire
22 Spill area. These are -- but it is a very excellent list of
23 suggestions for your criteria. Furthermore, I'd like to
24 quickly go through some other items that I'd like to point out.
25 In the Kodiak restoration list there are several things --

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1 proposals and there are many people who can support several
2 various ones. But I'd like to point out two that I think are
3 very important. The Kodiak (indiscernable) Association has a
4 proposal there to look at the archaeological implications of
5 the Spill and the restoration studies in that many, many more
6 archeological sites for discovery during the Spill cleanup time
7 -- of the 22 sites that were battlized during that time period,
8 17 of them are in Kodiak. Kodiak area has some of the most
9 rich -- richest archeological potentials in the country
10 according to some of the archeologists that've been here. So I
11 would like to point your attention to the proposal to look at
12 those types of things in our area. Also, land acquisition and
13 habitat acquisition in northern Afognak and the (indiscernable)
14 holdings in the Kodiak National Wildlife refuge area are very
15 important to have -- habitat acquisition can't replace the
16 damage to the systems, but it certainly can mitigate the future
17 and imposing threats to these equivalent resources. And I'd
18 like to -- reiterate what Ms. Hilstrand had to say about
19 habitat acquisitions and perpetuity for the future. We need to
20 make sure that even if these lands are fee simple under the
21 purview of either state or federal agencies, that they are
22 forever kept aside as habitat ecosystems and preserved
23 ecosystems so we don't have to do a battle over them in the
24 future, such as we're doing with the ANWR situation now. If
25 some kind of real important mineral showed up, we don't want

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1 them to be destroyed. Also there's -- I've seen a lot of
2 discussion -- heard a lot of discussion on ecological
3 monitoring that that concept of an endowment for research in
4 ecosystem studies over the long term is a good one. But my
5 personal experience in the past, having worked 12 years for
6 National Marine Fisheries Service, I am aware of long term
7 studies from the Outer Continental Shelf Environmental
8 Assessment Program and how its data has been generated and how
9 much information's out there that actually has never been used.
10 And it's important to me that all these different discussions
11 on where environmental monitoring is going all gets integrated
12 into something that makes sense. We have spent millions and
13 millions of dollars on environmental monitoring but it needs to
14 be -- distilled down into something that the public can use,
15 i.e., during the summer of 1989 we had many questions about the
16 effects of that Spill in our community and knowing that that
17 OCS data was out there __ was quite surprised that we couldn't
18 answer very many, if any of them. So those are very important.
19 However, this endowment for research< short and long term
20 ecosystem studies, should be seriously considered and public
21 education and awareness tied into it so that we don't just have
22 scientists and laboratories making studies or out in the field
23 doing studies. But that we actually bring the public into
24 knowing what this is all about. We've talked about wilderness,
25 but few people outside of these areas that have been impacted

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1 really know what wilderness means. My final point is that the
2 prevention does not seem to be part of the definition of
3 restoration with these civil settlement monies. Prevention is
4 our key to having to mitigate against -- to not having to
5 mitigate against a catastrophe in the future. The Kodiak area
6 is very vulnerable, as are other areas but we are vulnerable
7 from both Cook Inlet and Prince William Sound and though Prince
8 William Sound has very good prevention measures in place, you
9 have very little of that type of technology outside of Prince
10 William Sound. And I would hope that the Trustee Council could
11 see in the future that we don't really want to have another
12 Trustee Council over another spill, that we could please put as
13 much effort and, I guess, monies and manpower towards the
14 concepts of prevention. Thank you.

15 MR. PENNOYER: I have a request that the
16 Trustee Council members speak very directly into the microphone
17 because the sites are having trouble hearing us otherwise.
18 Anybody else wish to testify from Kodiak?

19 MR. MALLOY: Mr. Chairman and Council members,
20 my name is Larry Malloy and I'm with the Kodiak Regional
21 Aquaculture Association and, after discussing with members of
22 our group, and after attending the staff meeting here on the
23 30th of January, we would like to support the idea of advisory
24 groups for each of the three impacted areas, specifically
25 Prince William Sound, Cook Inlet and Kodiak. Our support for -

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1 - we also offer our support for specific interest groups which
2 were listed on the handout provided at that meeting. And we
3 would like to include, of course, the category of aquaculture
4 as identified to any membership list, that the local
5 aquacultural associations for each of those three areas,
6 specifically the Prince William Sound group and Cook Inlet
7 group and our own Kodiak group, be recognized as qualified
8 associations which are very actively involved in restoration
9 and rehabilitation efforts in each of the areas. These
10 associations have a long range salmon restoration and
11 enhancement plan which would complement any restoration
12 efforts. Also from -- we discussed, too and we thought about
13 the idea of additional consideration be given to the listing of
14 the representative from the Kodiak -- from any of the Fish &
15 Game advisory committees on such an advisory committee to the
16 Council. These -- the members on such committees themselves
17 are required to be familiar with the resources, the fish & game
18 resources within their particular areas and with the habitat.
19 In terms of specific proposals which our association identified
20 as extremely worthy are the restoration efforts that Fish &
21 Game is proposing for the Red Lake sockeye as Mayor Selby spoke
22 to earlier where production was adversely impacted by excess
23 escapement which occurred in 1989. Also would be the
24 mitigation efforts that Fish & Game is proposing for the
25 development of an early run sockeye fishery to replace the

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1 projected loss of fisheries or fishing opportunity on that
2 stock. Again, these were alluded to earlier by Mayor Selby.
3 And particularly the last one, the mitigation efforts, this
4 would be a study or proposal which would require fairly
5 immediate attention to be able to hone in or zero in on the
6 lost fisheries or fishing opportunities which are projected to
7 or will occur in 1994 and '95. Also, the association would
8 like to support the acquisition of what would be perceived as
9 an equivalent resource to those that are impacted by the
10 purchase of several of the fish weir sites on Kodiak and
11 Afognak Island. Now these are sites which are needed to
12 monitor the stock status of effective stocks on both of those
13 islands. These are fish counting weirs which do yield long
14 term information on stock status and are used to evaluate over
15 and under production of these stocks.

16 Additionally, the association strongly supports the
17 acquisition of sensitive habitat on Afognak Island. We
18 strongly support that and which habitats support a wide variety
19 of salmon production. I think the destruction of this type of
20 a habitat, either through logging or other activities, it's
21 always been a prospect of an adverse impact on salmon
22 production and this in turn would require our organization to
23 fund restoration or rehabilitation efforts to stabilize
24 production. Also, the association supports the initiation of a
25 new and expansion of existing studies which would monitor

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1 coastal ocean conditions and other factors which affect early
2 rates of survival for salmon. We feel this is a critical
3 proposal for, actually, all three of the areas. And, finally,
4 we would support the creation of, in our case, a satellite oil
5 spill response facility at the hatchery to deal with resource
6 sensitive locations such as a hatchery -- specifically to deal
7 with future events. Again, Mr. Chairman, we thank you for the
8 opportunity to testify and we would like to, again, to support
9 Mayor Selby's previous testimony.

10 MR. PENNOYER: Thank you, Mr. Malloy. Any
11 questions or comments from the Trustee Council members? Thank
12 you very much. Is there anybody else from Kodiak that wishes
13 to testify?

14 KODIAK: No one else wishes to testify.

15 MR. PENNOYER: Seward. Is there anybody in
16 Seward that wishes to testify tonight? Seward? Anybody on the
17 line that wishes to testify? Okay, thank you. Tatitlek.
18 Anyone from Tatitlek that wishes to testify?

19 MR. KOMCOFF: Yes, sir, Mr. Chairman. My name
20 is Gary Komcoff and I'm the president of the Tatitlek Village
21 Council. First of all, let me thank you for this opportunity
22 to address the Council on these issues that are so important to
23 the residents of the impacted area. The process of reviewing
24 the potential restoration project, we feel that it is very
25 critical for the Trustee Council to recognize the fact that

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1 many residents of the community in the Spill zone are as
2 dependent on subsistence activity as they are on commercial
3 activity for their livelihood, making the impact on natural
4 resources much more damaging to the lifestyles and cultures of
5 these residents. Surveys conducted by the Alaska Department
6 Fish & Game Subsistence Division are showing a constant decline
7 in subsistence resource harvesting by Native residents since
8 the Exxon Valdez Oil Spill in 1989. We attribute this too very
9 noticeable decline of the availability of subsistence resources
10 in most of the impacted areas. Very poor commercial salmon
11 seasons have intensified our dependence on subsistence harvest,
12 it's because of low availability, but the surveys still show a
13 continuous decline. The continuation of long term research
14 studies of the effects of oil on subsistence resources, as well
15 as on residents who rely on the resources is very important.
16 We encourage the Trustee Council to provide for these studies
17 and to continue providing for the restoration of many of the
18 beaches that were damaged as a result of the Oil Spill. We
19 feel, however, that the deer population of Prince William Sound
20 was severely damaged and provisions should be made for the
21 restoration of this resource because of its importance to
22 residents of all communities. Public participation in this
23 process is essential and because of the diversity of lifestyles
24 and cultures involved, the Council's speaking on behalf of the
25 Public Advisory Group is critical. We feel that in order to

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1 insure that the issues are properly addressed, people of the
2 impacted community should have a representative on the Advisory
3 Group and that sub-committees should be formed to address
4 concerns of individual special interest groups. Again, I want
5 to thank you for this opportunity to testify.

6 MR. PENNOYER: Thank you very much. Does
7 anybody have any questions or comments from the Trustee
8 Council? Mr. Cole.

9 MR. COLE: As I understand it, the Department
10 of the Interior is making a very detailed study of that very
11 issue as part of the settlement between the State and Federal
12 Government and Native interest isn't that the case?

13 MR. PENNOYER: Mr. McVee.

14 MR. McVEE: Yes, that's the case. At the
15 current time the study is just starting to get organized with
16 the time frame of trying to have it completed by -- we're
17 proposing by next September, but that would be a complete study
18 of subsistence impacts from the Oil Spill for the entire impact
19 area.

20 MR. KOMCOFF: Okay, I wasn't aware of that,
21 thank you.

22 MR. PENNOYER: Thank you. Anybody else from
23 Tatitlek who wishes to testify tonight?

24 MR. KOMCOFF: No, there isn't.

25 MR. PENNOYER: Okay. Thank you very much.

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1 Valdez, anybody from Valdez who wishes to testify tonight?

2 VALDEZ: Yes, Mr. Chairman.

3 MR. PENNOYER: Go ahead, please.

4 MR. MCCOLLEN: This is Paul McCollen, I'm the
5 executive director for Valdez Fisheries Development
6 Association. I, too, appreciate the opportunity to speak and
7 I'll try and keep it brief. I like Nancy Hilstrand's comments
8 on the perpetuity, I think that's an important issue, and also
9 Mr. Komcoff on the people that live out there who are trying to
10 make a living, I think they need assurance that they're going
11 to be plugged into the process. My prime concern, I guess I
12 wanted to relay and follow-up with some questions that I've
13 heard that there may be as little nine million left over from
14 the 50 million after legal expenses and, you know, I don't know
15 the details of that but, I guess, assuming that the
16 administration of these funds and the potential bureaucracy
17 that may evolve out of all this is certainly a threat to what
18 will be left over to distribute it to actual resource
19 restoration. And because of that I have concern on the land
20 acquisition, I'm -- I would certainly hope that there's ways
21 legislatively and administratively to deal with land
22 preservation rather than just trying to buy out all the land.
23 You know, I would think a plan could be put together that
24 possible -- private ownership, grandfather rights, that sort of
25 thing, and have a fixed amount of time for them file contempt

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1 to develop and have some fairly strict criteria on trying to --
2 particularly Prince William Sound. And I would just strongly
3 urge that as much funding as possible is left for the agencies
4 particularly ADF&G, Department of Natural Resources, DEC and
5 others, you know, possibly -- a lot of these other agencies
6 have been intimately involved in and especially the ones that
7 were intimately involved in the assessment work are pretty much
8 lined out on how they'd like to go with restoration projects.
9 And the Oil Spill Recovery Institute might be an avenue for
10 reviewing projects, but I guess I'm concerned about what's
11 going to be left for actual resource restoration. And I want
12 to strongly urge that other means are used to secure the
13 -- I don't think land necessarily has to be secured financially
14 to accomplish the same goals. And I would strongly urge that
15 other sources are explored. And so, I also wanted to let you
16 know that you probably will get a proposal from the Cooperative
17 Fishery & Oceanographic Studies Organization which is a
18 consortium of the University of Alaska, Institute of Marine
19 Science, Alaska Department of Fish & Game, the Regional
20 Aquaculture Associations up here in the Southcentral Prince
21 William Sound area and, of course, Valdez Fisheries. And
22 there's apparently -- you know, there's a lot that's going to
23 need to be done and I appreciate being able to comment on that
24 also. So I'll follow-up here with a question maybe to the
25 attorney general but if legislative action is taken on

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1 dispersal of these funds, where does that leave the Trustee's
2 if land is -- if monies or if dedicated legislatively, where
3 does that -- how does that fit together? I'm not clear on
4 that. And also I'd like just a quick response, if possible, to
5 what -- if there's any line on what's actually going to be left
6 of these funds after legal fees and that sort of thing. Thank
7 you.

8 MR. PENNOYER: Mr. Cole.

9 MR. COLE: First, addressing the funds which
10 will be available. At the present time we have approximately
11 35 million dollars. The proposed projects of the restoration
12 team total 30 million dollars composed of 7 million dollars of
13 administrative expense. Approximately 23 million dollars for
14 studies and I would say limited restoration activities during
15 this calendar year. If the budget as proposed is adopted there
16 will be approximately 5 million dollars this calendar year
17 which is not committed. Does that give you a summary of the
18 type you were asking for about the monies that are now
19 available?

20 MR. MCCOLLEN: Yes, I appreciate that, thank
21 you.

22 MR. COLE: All right. Now with respect to your
23 question dealing with the Legislature. I would say my response
24 is identical with yours. I'm not clear on that. I don't know
25 exactly what the Legislature has in mind. Whether the

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1 Legislature will pass legislation endeavoring to maintain an
2 element of control over the expenditures or if they won't. So
3 we'll just have to see what happens there.

4 MR. PENNOYER: Any other Trustee Council member
5 care to comment? The packet already (ph) in front of us it
6 does show a total of about 10 million dollars for restoration
7 implementation which is combination of studies and actual
8 enhancement projects. We've not decided on any of that yet and
9 are going to take it up again next Monday by teleconference and
10 then on the 27th in a meeting here in Anchorage. So we're
11 still looking at that. And thank you very much for your input.
12 Any further testimony from Valdez tonight?

13 MR. MCCOLLEN: No, none other at this time,
14 thank you.

15 MR. PENNOYER: Thank you, very much. Whittier,
16 anybody from Whittier wish to testify?

17 WHITTIER: No, Mr. Chairman, there's no one
18 here to testify but we appreciate the opportunity to listen.

19 MR. PENNOYER: Thank you. Okay, we'll move to
20 Anchorage now and ask how many people want to testify here in
21 Anchorage. Okay, let's start with you, sir.

22 MR. WALKER: Thank you. My name is Bill
23 Walker. I am a 28 year resident of Valdez and I'm the city
24 attorney for Valdez. I also serve on the Regional Citizen
25 Advisory Council on behalf of the city of Valdez. And I'm here

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1 tonight speaking on the behalf of the City Council of the city
2 of Valdez, they passed Resolution '92 which they asked me to
3 read into the record and give you a copy of. It was passed at
4 the meeting of February 3rd. A resolution of the City Council
5 of the City of Valdez, Alaska expressing its support for the
6 expenditure of funds out of the Exxon Valdez negotiated
7 settlement by the Exxon Valdez Settlement Trustee's Council
8 towards the enhancement of Prince William Sound. Whereas the
9 effects of Exxon Valdez Oil Spill were felt by all residents of
10 all communities in Prince William Sound and areas effected by
11 that Oil Spill; and Whereas the Exxon Valdez Oil Spill brought
12 a greater environmental awareness to all residents living in
13 the Prince William Sound and; Whereas the time has come to
14 minimize the studying of the effects of the Exxon Valdez Oil
15 Spill and proceed with definitive steps towards restoration and
16 enhancement of Prince William Sound and the effected areas and;
17 Whereas the Memorandum of Agreement and Consent entered into
18 between the Federal Government and the state of Alaska states
19 that the Government shall jointly use all natural resource
20 damage recoveries for purposes of restoring, replacing,
21 enhancing, rehabilitating and acquiring the equivalent of
22 natural resources injured as a result of the Oil Spill and the
23 reduced or lost services provided by such resources and;
24 Whereas in the expenditure of funds the Exxon Valdez Settlement
25 Trustee's must take into consideration there needs to be some

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1 recognizable benefit to those affected residents of the
2 communities of Prince William Sound and the areas affected by
3 the Exxon Valdez Oil Spill and; whereas by definition,
4 enhancement means to make greater as in value and
5 attractiveness to heighten and improve, to increase in value or
6 price; Therefore be it resolved by the City Council of the City
7 of Valdez, Alaska supports expenditures of the settlement
8 monies by the Exxon Valdez Settlement Council towards the
9 enhancement of Prince William Sound and the areas effected by
10 the Oil Spill to make those areas and communities
11 environmentally cleaner and a better place to live and
12 recreate. Passed and approved by the City Council of the City
13 of Valdez, Alaska, this 3rd day of February 1992 signed by
14 Valdez Mayor, John Harris. I'm sorry I do not have copies of -
15 - part of this I do have now, I'd like to give you them to you.

16 MR. PENNOYER: Fine, if you would.

17 MR. WALKER: I'd be happy to answer any
18 questions you might have from

19 MR. PENNOYER: Questions or comments, please
20 from Trustee Council members.

21 MR. PENNOYER: Go ahead, Mr. Cole.

22 MR. COLE: Aren't we all a little -- what did -
23 - did they have anything particularly in mind with --
24 encompassed in the language environmentally cleaner and a
25 better place to live and recreate, they must have had something

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1 in mind.

2 MR. WALKER: Yes, I do. They have a list of
3 which projects as we've heard previously and we will submit
4 those. What the message that we conveyed -- we had a work
5 session prior to that council meeting and their message was
6 they were hoping that there would be sort of a master plan,
7 sort of macro approach to the expenditure of funds rather than
8 sort of an immediate expenditure prior to looking at sort of
9 master plan. They will -- they did have a list a fairly
10 lengthy list which I will be happy to submit to you tomorrow.

11 MR. PENNOYER: If you would please.

12 MR. COLE: I would appreciate that if you
13 would, please.

14 MR. WALKER: Thank you.

15 MR. PENNOYER: Other questions. Okay, thank
16 you. You, sir, are next.

17 MR. MCKEE: My name is Charles McKee, I would
18 be here earlier today but unfortunately they scheduled another
19 meeting pertaining to Valdez Petro-Star Refinery joint venture.
20 Maybe that's what they're considering in regards to the
21 environmental improvement of such of an area that we're talking
22 about just moments ago -- the gentleman before me. I am
23 Charles McKee. Again, I was against the settlement, the first
24 one, and I'm against this one and I have to be the one, I
25 guess, to promote blue-green algae which is what Prince William

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1 Sound really had provided without any mutation involved. There
2 are several companies actually manufacturing that for sale, one
3 in Hawaii and another one in Klamath Falls. They're quite
4 expensive to say the least and it's a foundation of the food
5 source for all marine environment, I might add. But that isn't
6 really wanted to talk about. What I want to talk about is
7 money, the reason being is I had the unfortunate experience to
8 have a mishap that resulted in an injury while I was commercial
9 fishing or employed there in Kodiak. And which resulted in my
10 experience with the true owners of the oil industry as well as
11 the dictates to our national government and state government.
12 And I have here a letter from Office of the Clerk, U.S. House
13 of Representatives, Washington D.C., Donald K. Anderson, Clerk
14 of U.S. House Representatives addressed to me, Charles E.
15 McKee, 7800 DeBarr Road, East Number 63, Anchorage, Alaska
16 99508. And I haven't opened it, I know what's inside of it.
17 Quite frankly, two dollar notes, United States America, two
18 dollar notes. 1963 Jefferson -- 1953 and the 1928, United
19 States notes, not Federal Reserve Notes and they have the
20 original treasury seal, not the current seal that's been
21 stripped of its meaning. Now, what we need to do since we're
22 talking about money is to determine who owns this money and
23 who's controlling not only our resources but our industry and
24 dictating to our policy makers to what degree they are going to
25 bring about a cartel against our resources and us ourselves.

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1 You must read a book titled Tired Power, The Coming Shape of
2 Global Competition by Chimie Chee Omeria. It's a free press, a
3 Division of McMillan Incorporated, New York. And if you read
4 that book it will impress upon you the fact that while you guys
5 are arguing over this money and who's -- and you're making
6 reference to the Federal Government and the State Government
7 and actually you're paying -- they're giving us the money
8 -- the Federal Reserve Corporation which is an insurance based
9 diabolical and then we have to pay it back which is we pay it
10 back to the insurance industry and the (indiscernible) which
11 really basically, they don't need to pay anymore for the
12 lobbyists because it's already done and said. I wouldn't be
13 presenting this currency with you if it's not documents and
14 fact. I had to purchase this out of -- from a collector and I
15 could spend this, it's \$2.00 but it actually cost me more than
16 that to acquire them. If you want to have some results in this
17 restoration, you first have to focus on our debt which is
18 compounded as we use this currency. The Federal Reserve
19 currency that is -- that is we use a Federal Reserve currency.
20 It's all documented and that's why I've been promoting this
21 information to the environmentalist. They do not focus on the
22 fact that they are aiding and abetting the problem by not
23 mandating Congress to reissue this old currency, The red-
24 sealed currency. Presidents have been assassinated because of
25 this situation. And we have to bring back the United States

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1 currency so we can resolve the debt crisis that our nation's
2 facing, this state is facing and the consumers out there on the
3 street. Middle class, upper class and the homeless. And so,
4 if you face the issue you'll resolve the continued degradation
5 of the environment. I know we're not at fault, none of us are,
6 but we need to address the problem.

7 MR. PENNOYER: Do any Trustee Council members
8 have any questions? Thank you, very much. Show of hands for
9 somebody who's next. Ma'am, do you want to go? Go ahead,
10 please.

11 MS. COOKE: My name is Allison Cooke and I'm
12 representing the Knik Canoers and Kayak Herds, a recreational
13 boating club located in Anchorage primarily but with members
14 throughout Alaska. I think I'm having problems with the mike.
15 It isn't -- it's, like I said, a non-motorized recreational
16 boating club which enjoys the waters in Prince William Sound,
17 Kachemak Bay, Kodiak and some of the other areas that have been
18 mentioned in this hearing this evening. Kayaking is a sport
19 along with other recreational boating which is enjoyed by many
20 Alaskans and also by many people who see this as an
21 international destination. I did participate this last summer
22 with a group of international people who come to Alaska
23 specifically for that reason. I would like to say that on
24 behalf of recreational boaters and recreationalists in general
25 that we would like to see most of the funds from the settlement

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1 diverted towards the acquisition of prime habitat. And I would
2 agree with the other two that have spoken here tonight
3 including that habitat in perpetuity for future generations.
4 Are there any questions?

5 MR. PENNOYER: Thank you, very much. Are there
6 any questions?

7 MR. COLE: Her last name.

8 MR. PENNOYER: Could you repeat your last name?

9 MS. COOKE: Yes, it was Cooke.

10 MR. PENNOYER: Thank you. Any other questions
11 or comments by Trustee Council members? Thank you, very much.
12 I'm informed that Juneau has come back on line and there's
13 another person in Juneau who wishes to testify. Perhaps we'll
14 take them at this time.

15 BRIDGE: One moment, Mr. Chairman. We are
16 having problems in hearing you at this time. I will let my
17 witness in Juneau that you're ready to take his testimony,
18 thank you.

19 MR. PENNOYER: Juneau, is the person nearby?

20 JUNEAU: Yes, I'm very nearby, can you hear me?

21 MR. PENNOYER: Just fine. Yes, you are very
22 nearby, go ahead.

23 MR. DAVIDSON: Yes, good evening. My name is
24 representative Cliff Davidson and I represent District 27 which
25 includes Kodiak Island and the Chignik area, Chignik Lagoon and

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1 Chignik Lake, Chignik Bay as well Ivanoff and Perryville. My
2 constituency was severely impacted by the Oil Spill. And I'm
3 at somewhat of a disadvantage because a lot of what I've been
4 getting from the newspapers so I'm sorry if my comments miss
5 the mark. But I do feel that there's a couple of things that
6 have to be said. I would hope that the Trustee's can see fit
7 to attend to business in a way that does more to repair the
8 damage and get on with the task of enhancing and restoration.
9 I understand, I believe, the problem of insuring that we have
10 the scientific expertise to determine what exactly what we
11 should acquire and I understand the need for ongoing scientific
12 analysis and analyzing the situation. but clearly it appears to
13 me that having read the newspapers today that it appears that
14 we're seeing yet another effort, that bureaucrat stuffing their
15 agency budget suitcases with Exxon Valdez restoration and
16 enhancement dollars. And, clearly, I feel that the suitcases
17 should not get a ticket to travel very far. I think, first,
18 let's repair the damage and then beef up bureaucratic budgets
19 after we've repaired the damage to the environment. And I say
20 that I do realize that we must have more study, but to spend so
21 much money in administrative overhead and not listen to what
22 the public would like for us to do because after all it was
23 that public that was certainly affected; their livelihoods,
24 their property as well as their lifestyles. So I would ask
25 that the Trustee's listen to the people, listen first to those

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1 scientists who realize and get into to -- to continue our
2 studies, let's also underscore of the importance of and the
3 need for getting the dollars out there to -- to acquire those
4 resources that can help nature repair itself. I think
5 reimbursing government agencies and reimbursing Government is
6 something we can wait a little while longer. And I think if we
7 wait too much longer we're going to miss an opportunity to help
8 the natural processes help heal the damage. And so with that I
9 would thank you for taking my testimony and I also wish you
10 good luck in your very difficult task. And if there's any way
11 that I can assist the Trustee's in any way, I would certainly
12 give it my best -- my best shot. But, thank you again, for
13 taking my testimony.

14 MR. PENNOYER: Thank you Mr. Cole.

15 MR. COLE: Mr. Davidson, this is the attorney
16 general. I wondered if we could get a little more content in
17 your views that you've expressed this evening. You might be
18 able to help us a little bit. We have an organizational budget
19 of 3.8 million, that's for the administrative staff. Would you
20 care to express your views on that, sir?

21 MR. DAVIDSON: Mr. Cole, without understanding
22 a little bit more about how we're allocating that 3.8 million,
23 no I would not care to get in what depth I can -- maybe if we
24 could spend a little more time -- I must apologize. There are
25 so many issues that were pressed here in the Legislature, we

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1 must depend on you people's perspective. But I think in terms
2 of the administrative budget, I don't know. I don't know what
3 3.8 million dollars would buy you.

4 MR. COLE: Well, let's go to the next --
5 there's an agency program support of 3.2 million, now that goes
6 to the governmental agencies in support of this calendar year's
7 effort and would you care to express any views on that, sir?

8 MR. DAVIDSON: Well, again, I don't have the
9 figures right in front of me. You've told me what they are.
10 I'm just saying that if we're going to reimburse those who did
11 the damage before we make the effort to acquire the resources
12 that will enhance restoration, then I think we're spending our
13 money in the wrong place. I think the government can wait a
14 little bit longer for its money. So if we're talking about
15 administration as where those dollars are going out to
16 different agencies such as Fish & Game, whose work has been
17 very important to continue the studies to help us monitor what
18 we have to do in the future. I can't give you one way or
19 another.

20 MR. COLE: Well, one other thing I'd like to
21 ask then, Mr. Davidson, then there has been considerable
22 comment about the State and Federal Governments being
23 reimbursed for their expenditures here in the early stages of
24 the restoration planning. The State Government received about
25 29.5 million this year for that purpose. The Federal

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1 Government received slightly in excess of 24 million. Would
2 you be agreeable just with your own views toward the State
3 deferring, not canceling but deferring in setting back its
4 reimbursement schedule so as to allow more monies in the early
5 stages of the restoration plan to be devoted to restoration
6 rather than reimbursement of Government out of pocket expense?

7 MR. DAVIDSON: Yes, I would say that I would be
8 so inclined.

9 MR. COLE: All right, sir. Thank you.

10 MR. PENNOYER: Any other questions or comments
11 from the Trustee Council members? Thank you representative
12 Davidson for participating.

13 MR. DAVIDSON: Thank you.

14 MR. PENNOYER: Here in Anchorage, does somebody
15 else wish to testify?

16 FAIRBANKS: Mr. Chairman, this is Fairbanks.

17 MR. PENNOYER: Yes.

18 FAIRBANKS: I have one individual who's waiting
19 to testify.

20 MR. PENNOYER: Okay, fine. We'll get back to
21 you in a minute as soon as we finish here. Thank you.

22 MR. STARR: Mr. Chairman, members of the
23 Trustee Council, my name is Tom Starr. I'm general manager of
24 the Municipal Light & Power Department of the Municipality of
25 Anchorage. I'm here to testify in support of restoration

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1 project R117. That will provide for alternative opportunities
2 for sport fishermen. We'd like to add that this money will be
3 multiplied, be actually multiplied many time over because in
4 addition to the State matching funds it will be able to use our
5 waste heat resources and some of those and the water utility
6 has resources that will also go to this project. And this
7 grant should bring all of those things together to bring this
8 project to fruition. Thank you.

9 MR. PENNOYER: Questions of Mr. Starr. Thank
10 you, very much, sir. We appreciate that. You, sir and then
11 we'll go to Fairbanks after you. Fairbanks you will be next.

12 MR. TOMINGAS: My name's Henry Tomingas and I'd
13 like to speak on habitat acquisition. And I would like to add
14 to what Ms. Hilstrand said that if we are going to get into a
15 habitat acquisition program with this money, that they take a
16 close look at the economic zones around the different coastal
17 communities with special regard to the marine waterways that
18 are around there as well as, I assume that she's referring to
19 the logging on the other side of the bay. What I mean
20 specifically is like Kachemak Bay itself if there is
21 acquisitions in this area, I would like to see acquisitions of
22 the commercial fishing rights for those zones around the
23 communities so that they wouldn't be fished so hard. That's a
24 rough way of saying it, but basically if you go out right now
25 and go down to Kachemak Bay or any time in the summer, next

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1 summer or in the past summer you wouldn't be able to take one
2 crab out of Kachemak Bay for your use. And yet there's a
3 commercial fishery that fishes that every winter. Now, they do
4 have a -- what they call a personal use fishery that takes
5 place in approximately October which is, I think, paying lip
6 service to it because there's not very many people that are
7 going to go out and boat in October. And lastly, I'd like to
8 say, that as far as -- it looks like in some ways it's going to
9 be a battle between acquisition of res- -- properties and
10 scientific studies. And I would be a proponent of, at least,
11 paying special attention to the budgets for this coming year in
12 regard to the scientific studies. Acquisitions are something
13 that can take place now, a year from now, two years from now,
14 they're not critical. The studies that are taking place -- and
15 I've worked on some of those with the Fish & Game and with the
16 University, those studies if they're not continued -- their
17 data can be damaged just by the fact that they can't continue
18 their study. That's about it.

19 MR. PENNOYER: Thank you, sir. Comments or
20 questions? Mr. Rosier.

21 MR. ROSIER: Yes, just one comment. In regard
22 to the personal use fishery in Homer. I think that issue will
23 be taken care of before summer.

24 MR. TOMINGAS: Okay, well, thank you. Yeah, I
25 talked to you earlier about that, I appreciate that. Thank

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1 you.

2 MR. PENNOYER: Thank you. Fairbanks, do you
3 want your person to come on the line now?

4 FAIRBANKS: Oh, can you hear me?

5 MR. PENNOYER: Yes, I can.

6 MR. GANNON: My name is Brian Gannon.

7 Mr. Chairman, members of the Trustee Council, I understand that
8 injury assessment of the cultural resources sites, in other
9 words, archeology and historic sites have been completed. The
10 results are not yet fully submitted nor incorporated into the
11 decision making process. I would hope that cultural resources
12 are being adequately considered in the restoration planning.
13 Any neglect could result in even more damage to cultural
14 resources and I, therefore, urge the Trustee's to carefully
15 consider these sites as fully as any other resource. Thank
16 you.

17 MR. PENNOYER: Thank you, very much.
18 Questions, please, comments? Thank you very much for your
19 input. Anyone else here locally in Anchorage? Yes, ma'am.

20 MS. IVANOFF: Good evening. My name is Gail
21 Ivanoff. I'm from Chenega Bay. A group of us in Chenega Bay
22 just yesterday morning received a copy of the document that
23 obtains all the plans for restoration protection of

24 JUNEAU: This is Juneau, we are hearing nothing
25 on the teleconference, are we at work at this time?

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1 MR. PENNOYER: Would you speak directly into
2 the microphone, please.

3 MS. IVANOFF: I was started to say that most of
4 us in Chenega Bay yesterday morning received the document that
5 contains the plans for restoration, protection, assessment, and
6 enhancement of the resources in Prince William Sound or coastal
7 communities from Valdez down to Kodiak. I think -- why I'm
8 standing before you is I'm bringing one message and that is,
9 that we can't understand why we're talking this level of
10 repairing when there's still so much harm continuing to happen
11 down in the Prince William Sound. We have a lot of oil still
12 bleeding off the beaches. We have -- when I say zero, I mean
13 zero resources as a community people that we live off; subsist,
14 live off. Prince William Sound is no longer -- does no longer
15 provide a livelihood. Just yesterday we were quite surprised
16 to see in Crab Bay two very large processors from the west
17 coast and there was boats all over coastal communities in
18 Southcentral Alaska, Southeast and down Press Bay area that's
19 bringing bottom fisheries to it. And that alarms us immensely
20 that's just another resource that's going to be lost to us,
21 literally as we are being very quickly educated on the dragging
22 technique that they're using. But my message here is we want
23 to clean -- see the oil cleaned out of the Prince William Sound
24 beaches. I don't make that statement lightly at all as we're
25 the ones that are living down there, always have, always will.

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1 But the public is in the Prince William Sound and we're a part
2 of Alaska and we'd like to see the beaches cleaned. Thank you
3 very much.

4 MR. PENNOYER: Thank you. Questions or
5 comments from any Council members? Commissioner Sandor.
6 Ma'am, you have one question here or a comment.

7 MR. SANDOR: Yes, thank you for your comments
8 and concern, I'm going to ask Ernie Piper who's the State on-
9 scene coordinator who's about to begin the process with Federal
10 on-scene coordinating which is found on the cleanup plan for
11 this year. I think it's worth while taking this time.

12 MR. PIPER: Hi Gail.

13 MS. IVANOFF: How are you?

14 MR. PIPER: Thank you. We'll be out on a
15 survey this spring and we're going to go out on May 15th. I
16 got the letter from Chuck with the list of additional survey
17 sites that you requested were put on. I don't have them with
18 me right now. We have a supplemental State survey like we did
19 last year as well. And if for some reason that we can't cover
20 things all in the Federal survey and you're familiar with the
21 system, for some reason we can't do that we have that State
22 vessel available to do that and we're prepared to do cleanup if
23 we have to. But we'll go out and look at it and you're welcome
24 to come with us.

25 MS. IVANOFF: I'd like to say, Ernie, that I'll

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1 be there. Those are the very segments although lesser than the
2 letters that we've been writing you in previous summers. But
3 surveys are one thing, documenting the oil is another, and
4 removing it is our heart's desire. I can't see wasting time
5 picking up other debris when it's sub-surface oil and it keeps
6 coming up. We need to get down there and get it out.

7 MR. PENNOYER: Thank you. Further questions?
8 Thank you, very much. Sir, I'd rather take other people who
9 haven't testified yet.

10 MR. McKEE: I just want to submit this.

11 MR. PENNOYER: Go ahead for review, okay. Who
12 do I give that to? Give it to Mr. Gibbons, here please. All
13 right. Yes, ma'am.

14 MS. LESKO: My name is Nancy Lesko and like
15 Gail, I share her grief over what happened. As many of you are
16

17 BRIDGE: Excuse me. This is teleconference and
18 we're having difficulty in hearing the current testifier.

19 MR. PENNOYER: Yes, she's now speaking in the
20 microphone.

21 MS. LESKO: Hi, my name is Nancy Lesko and I
22 just said that we share Gail's grief of what happened in the
23 Prince William Sound and appreciate all of you who are here to
24 try and work on the restoration. As many of you know, we've
25 had a charter boat in Prince William Sound for the past 18

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1 years. Seventy-six percent of the anchorages that we used in
2 the two years prior to the Oil Spill were oiled. The Federal
3 courts say that tourism cannot have -- recover economic
4 damages. The Memorandum of Law from former Judge Gordon for
5 capital funds indicates that he is opposed to tourism,
6 recovering economic damages, permitting the restoration
7 studies. I saw no restoration studies that were done on back
8 country tourism because there was a feeling that our losses
9 would be somehow covered by the courts. We can't bring back
10 those animals that we really like to be part of the planning
11 and advising for the recovery of Prince William Sound.

12 I'd also like to make some comments on the question of
13 enhancement. We really would like to see the emphasis placed
14 on restoration and on scientifically justifiable restoration of
15 the natural resources with very careful consideration given to
16 the question of how does one type of restoration or enhancement
17 project oppose the possibility for injury or damage to another
18 resource or group of source users. Thank you.

19 MR. PENNOYER: Any questions of the Trustee
20 Council on this? Thank you, very much. Bob, did you want to
21 testify?

22 MR. ANDERSON: I'll be very short tonight. I'm
23 Bob Anderson, one of many democrats in support for the building
24 of the Copper River highway. I think you know this but I
25 thought I had to publicly say it that I want you to know the

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1 full resources or what resources we have at Sharestone are
2 available to the Trustee Council and further in looking at our
3 proposal and we're more than willing to further refine it for
4 you at any time. I know that the services of the landowners,
5 EYAK Corporation are available to you also. Thank you.

6 MR. PENNOYER: Thank you, very much, Bob. You
7 were probably here when we instructed our habitat group to
8 start developing criteria and to report back to us. So I'm
9 sure they'll be working with you. Are there any other
10 comments, Mr. Anderson? Dave?

11 MR. GIBBONS: Mr. Chairman. Charles McKee can
12 you come forward, please? I'd like to hand this back to you.
13 We've noted what's in it and I'd like to return it back. It's
14 noted on the record.

15 MR. MCKEE: Thanks.

16 MR. GIBBONS: It's three two-dollar bills.

17 MR. PENNOYER: Thank you. We're going to wrap
18 this up in about 10 minutes. Is there anybody else? Yes, sir.

19 MR. GRAHAMS: My name is John Grahams. And I
20 was born and raised here and I've been interested in paying
21 attention from the point of view of an individual citizen to
22 issues like the Valdez Harbor and when this man before me, I
23 think it was Mr. Anderson, mentioned the Cordova Road. Well,
24 if I'm not mistaken the Valdez Harbor is quite congested for
25 the terminus of a gas pipeline, so the reason that Hickel is

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1 putting a road into Cordova is for the gas pipeline. Otherwise
2 it will have to go to Haines or Fire Island. But anyway, back
3 about maybe 20 years ago now before they built the pipeline
4 through a democratic process, we passed a bill that in -- that
5 was sponsored by Chancy Croft when he was president of the
6 Senate which would have prevented this Oil Spill. And like I
7 say, it went through a democratic process until it was thrown
8 out by Judge Fitzgerald and the contingency plan that was left
9 over from this original legislation which was brilliantly
10 conceived and some of the money was from a law that was passed.
11 And I spent a considerable amount of time, money and effort in
12 order for the best cure which is prevention. And the bill was
13 that the State of Alaska would reinsure the insurance companies
14 that insured tankers coming out of Valdez because they didn't
15 want to do it. And the more safety features that they had the
16 lower their premiums, so you're talking their language. And
17 the oil companies brought in all these expert witnesses and I
18 remember them saying that they could clean up hundreds -- I
19 mean 10 foot wave and all these spills and they'd just write
20 that off their taxes. So they took it to court, Judge
21 Fitzgerald was able to -- he was rewarded with a Federal
22 Judgeship and -- because of that. And he threw it out because
23 he said it was inter-state commerce. Meanwhile the Republicans
24 took control of the Governor's office and the Senate,
25 Dankforth, who's an oil company senator and they didn't pursue

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1 it into a higher court. Now, the reason I bring this up is the
2 oil companies brought all this onto themselves. And Governor
3 Hammond said; are you saying that I'm the cause of the Oil
4 Spill and I said, yes, you are. So the problem here is just
5 the way you people are appointed autocratically to these
6 committees and people get to come before you and, you know -- I
7 don't know whether you listen to all this public testimony and
8 that takes care of the democratic process. The democratic
9 process was usurped and as I said before, there would never
10 have been a single hull tanker in Valdez Harbor -- in fact,
11 they made quite a few tankers with that legislation in mind
12 which was the law. So what I see here is people bewildered
13 because they have no influence and no effect on government and
14 things are just being done for them and yeah, they get to speak
15 up but they don't get to participate. And I noticed a lot of
16 you people here are from the Bar Association or from the oil
17 companies that make a considerable amount of money off the
18 people's resources. So you're going to solve the problem which
19 you created. And it's going to be another disaster and every
20 day citizens are going to get the short end of the stick, I'm
21 sure. And lawyers are going to get wealthy and judges and
22 politicians will get more power and the oil companies multi-
23 natural corporations that don't give a damn about Alaska will
24 make more money because the profit motive is the only one that
25 they care about. I don't see any real just plain citizens

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1 here. And that's the problem with the while process.

2 MR. PENNOYER: Questions or comments from
3 Trustee Council members? Thank you. Anybody else here wish to
4 testify? Yes, sir.

5 MR. WARREN: Thank you, Mr. Chairman. My name
6 is Dan Warren of Prince William Sound Aquaculture and I know
7 the Trustee's have a lot of our information already. I just
8 wanted to summarize two main points. The Prince William Sound
9 Aquaculture supports current and joint agency and Prince
10 William Sound Aquaculture studies of salmon ecology and wild
11 and hatchery salmon interaction in Prince William Sound and
12 rehabilitation projects for salmon in Prince William Sound.
13 I'd like to stress that we need these studies to continue with
14 responsible enhancement and rehabilitation work. I'd also like
15 to stress that these projects are not one year projects. Many
16 of them need continuity and funding to be effective. We can't
17 go from year to year not knowing whether these projects are
18 going to be funded. The other point is the public involvement
19 portion that Prince William Sound Aquaculture feels they could
20 play a very important role on the Public Advisory input
21 section. And being that our board of directors represents a
22 large spectrum of salmon users in the Prince William Sound
23 region that we could offer some very valuable input. Thank
24 you.

25 MR. PENNOYER: Thank you. Questions for Mr.

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1 Warren? Next? Yes, ma'am.

2 MS. MILLER: Is this coming through all right.
3 My name is Pam Miller, I'm with the Wilderness Society here in
4 Alaska. And I'd like to speak right up front for our
5 importance of the priority of taking immediate efforts to
6 acquire lands that are imminently threatened and that should be
7 a priority of the restoration team. That said, I'd like to
8 speak to the responsibilities of the trustees and the
9 relationship between what goes on between this group of council
10 members and the trustee's of the natural resources for the
11 public which is beyond what goes on with the decision making in
12 this room. And the relationship between those two processes
13 has not been addressed, at least for the public to know what
14 funds are being extended and what studies are being done that
15 are for
16 -- what studies of the birds, for example, or other resources
17 in Prince William Sound and the other effected areas that are
18 outside of this process. So money for continued monitoring of
19 bird populations that might related to the outer continental
20 shelf studies or that are related budgets within a certain
21 agency. We don't have the benefit of knowing whatelse you
22 folks are doing and what else in the long run these agencies
23 should be doing to protect the resources that were effected by
24 the Spill. And as a senior scientist pointed out earlier today
25 one of the major drawbacks we have with determining damages is

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1 the lack of base line studies from before the Spill. That was
2 a failure of the trustee's to fulfill their responsibilities to
3 look at what is out there that will be affected by potential
4 projects, in this case the Trans-Alaska Pipeline. And because
5 we didn't have that data, we are now in the situation of
6 assessing damages without information. So we don't want to see
7 restoration funds used for the work that ought to be done on a
8 continuing basis by these resource agencies. If you need help
9 trying to get more funds for the work that's sorely needed,
10 that's another story but it's not part of this process. And
11 I'll speak specifically for one case of monies that were
12 appropriated by Congress in the Interior Department's
13 appropriation for a study and I'll read it from the
14 Congressional Committee record. Within the acquisition
15 management account is \$250,000.00 to conduct a one year study
16 of approximately 150 acres on Afognak Island, Alaska owned by
17 Afognak Joint Venture, and to study lands in the Prince William
18 Sound area for possible acquisition once an oil spill
19 settlement is reached. And this study is to be done in
20 cooperation with -- by the Interior Department with the State
21 of Alaska, the Natural Resource Trustees, their restoration
22 planning staff, Afognak Joint Venture, and the nature of
23 conservancy. And I don't know if this study was discussed
24 today but it sounds appropriate that the Trustee's need to be
25 aware of what's being done in the branch of government with

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1 monies that Congress deemed important enough to pass in their
2 appropriations. And is there anyone here who can address what
3 is being done in that study in terms of coordination between
4 interior on acquisitions throughout the Prince William Sound.

5 MR. PENNOYER: Mr. McVee.

6 MR. McVEE: Yes, the Fish & Wildlife Service
7 Prevention has the responsibility for that study. They have
8 just started the design and I guess within the last week or so
9 they briefed me on what they're doing. And they requested me
10 to advise the Trustee's Council that they would be willing at
11 any time to make a presentation before the Trustee Council or
12 the restoration team. And their desire, of course, is to
13 coordinate their study with some of the efforts of the Trustee
14 Council so that they can obtain the maximum amount of work for
15 the dollars that they have. I think that to some extent their
16 placing -- I don't know all the reading behind this but they're
17 placing primary emphasis on Afognak Island and I don't know the
18 reason but I know that's where their primarily interest is.

19 MS. MILLER: I guess, to complete my comments,
20 I appreciate that information and I'd like to see some sort of
21 a chart of the other things the agencies are doing with the
22 resources in Prince William Sound and elsewhere besides what's
23 happening with this Trustee Council. And finally, in closing
24 I'd like to request that the presentation made by the senior
25 scientist be made for the public because I think it was quite

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1 an interesting presentation. The public deserves to hear it.
2 Thank you.

3 MR. PENNOYER: Thank you. Questions or
4 comments? Is there anybody else who wishes to testify? Yes.

5 MR. STEINER: Hi again, Rick Steiner from
6 Cordova. I just thought that it would be appropriate sometime
7 maybe this spring -- the Trustee Council could block out four
8 or five days of your time and tour the region because there's
9 really no substitute for actually being on the water. You can
10 see the beaches that Gail Ivanoff, Evanoff or whatever her name
11 was from Chenega is talking about. You could go and visit the
12 communities. You could see the forests that are imminently in
13 danger of clear cutting. You could talk to the logging
14 companies. You could talk to the communities. And I think you
15 could do it in a three or four day period. You could get a
16 real good sense much more than all the notebooks sitting here
17 of what the realities are of the situation. So we'd be glad to
18 help you set it up as well.

19 MR. PENNOYER: It sounds like a lot more fun
20 than sitting here, anyway. Thank you. Anybody else care to
21 comment? Is there any other public testimony?

22 MR. GIBBONS: Mr. Chairman. Excuse me a
23 minute, Pam Miller, we have met with the Fish & Wildlife
24 Service already, the restoration team, the coordination has
25 started on that study. I just thought I'd let you know that.

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1 MR. PENNOYER: Okay, well then we're recessed
2 until Monday afternoon and in announcing that it's going to be
3 at 3:30 p.m. on Monday. All the same sites that are on
4 teleconference as today accept at Anchorage, it will be at the
5 Legislative Information office at 3101 C Street. Thank you
6 very much.

7 (END OF PROCEEDING)

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