MEETING SUMMARY
ALASKA WATER RESOURCES BOARD
July 14-15, 1981
SITKA, ALASKA

The Alaska Water Resources Board meeting was held in Sitka at the Centennial Building on July 14-15, 1981. Members in attendance were:

Willard Sims, Kodiak (Chairman)
Peg Tileston, Anchorage
Rocky Gutierrez, Sitka

The Department of Natural Resources was represented by Ted Smith, Director, Division of Forest Land and Water Management, and Dean Brown, Chief, Water Management Section. The Department of Environmental Conservation was represented by Commissioner Ernst Mueller.

The meeting began with a field trip to the Green Lake Hydroelectric Project near Sitka, beginning at 7:00 a.m. and lasting the entire morning. The field trip started with a description of the project at the project headquarters after which various parts of the project were visited, including the cleared reservoir area, the dam, and the powerhouse.

The meeting was reconvened at 2:00 p.m. at the Centennial Building; Chairman Dick Sims called the meeting to order. Because of other commitments on Friday by the members in attendance, the meeting was shortened to Wednesday and Thursday. Several items were rearranged to fit this. The Chair welcomed Dean Brown, the new chief of the Water Management Section, and he expressed regret over the departure of Kate Graham, formerly the DEC 208 Program public information officer. He reported on a DNR division director's meeting in Kodiak that he attended where he was able to talk, at length, with former Commissioner LeResche and Deputy Commissioner Haynes on the Board's concerns.

The summary of the previous meeting was approved unanimously.

First on the agenda was Steve Mack, Water Management Section, with a review of the Water Resources Board's achievements since reactivation in May, 1978.

Major points:

* The resolutions and letters approved since reactivation were summarized in a report distributed at the meeting. The report separated the resolutions and letters into 17 categories and gave a short description of the Board's impact in each category.

* Of 28 resolutions, 14 favored some action on new legislation. Other categories included advertising for water rights, Ship Creek adjudication, Chena River Lakes Project, data collection, regulations, coordination and organization of water programs, geothermal, Western States Water Council, active water rights, water quality testing, placer mining, maintenance of access along rivers, hydrologist job series, permits clearinghouse, coastal management, and miscellaneous problems.

* The summary was based upon the written record; the Board has also voiced its opinion in more informal ways and it is difficult to judge that impact.

Q) Dick Sims: Was the Chena River Lakes flood control project put into operation this summer?

A) Steve Mack: The gates were lowered at Moose Creek Dam. This was done more to test the system rather than to protect Fairbanks from flooding.

C) Dick Sims: Several times the Board has said that, if it is not doing anything, it should disband. The summary shows that the Board has been doing something and should stay active.

Next on the agenda was the DNR Agency report. Present for this were Ted Smith and Dean Brown. Dean Brown gave the report.

Major Points:

* The Water Management Section has organized these units: water base data, water rights administration, and special projects. The water base data unit is chiefly concerned with the water use data and the data program done in cooperation with USGS. The Water Rights Administration Program, with the proposed delegation of complete responsibility for the permits and certificates to the districts, will be concerned chiefly with audit, training, and technical support. The special projects unit will be responsible for the Water Management Section's involvement in projects of statewide importance.

* A policy has been instituted that all new employees will spend two months in a district office adjudicating water rights. This is being done to make central office staff more aware of district problems.

Q) Dick Sims: Where does the new program on dam safety fit in?

A) Dean Brown: Special projects. A civil engineer position is included in the program. The Water Management Section's involvement with the increased hydropower activity in the state needs to be evaluated.

C) There was considerable discussion on the dam safety program's relationship with FERC.

* Another program for FY-82 is the Water Use Data Program performed in cooperation with the USGS, that will be looking principally at seafood processing and agricultural water use.

C) David Hanna: The bottomfish program of the Department of Community and Regional Affairs is currently looking at impacts of that industry to communities such as Unalaska. The Water Use Data Program would probably be of assistance if it covered the same communities.

* Additional FY-82 programs are making computer terminals available to the district office audit and training programs that will go with the delegation of responsibility to the districts.

* Under the instream flow program, the regulations are currently in the review process. The item getting the most criticism is that the instream flow reservation will be issued in the name of the Department of Natural Resources, which was a decision based upon the Attorney General's review of the legislation. The Susitna Hydropower project may be a good opportunity to develop methodology to quantify flows necessary for a reservation.

* The well log program currently is on hold until an empty position is filled. A possibility exists that DEC has well data that can be put into the data program.

* In case file production the quota of 2100 case files was met. This was not done by just doing the easy cases - the number of declarations was significantly reduced. It was done at the expense of proper field work. Advertising brought in 1000 new applications.

Next was Steve Mack giving presentations of the Title III Grant Program and Basin-Wide Adjudications.

* At the March meeting, it looked as if the Title III Grant Program had escaped the federal budget cutting but shortly after it was deemed that it would be cut in two for FY-82 and abolished after that. There is a possibility that it might be funded again through Congressional support, but it is nothing to count on.

* The reduced funding will be used to fund a water resources planner position within the section, fund contracts on the Kotzebue Sound Regional Planning Guide, and the Placer Mining Demonstration Project supports interns working on area management plans and to help the Department of Community and Regional Affairs publish a watershed planning handbook.

* Leveler Basin-wide adjudications. Commissioner Katz's policy is that negotiation is preferred to litigation to resolve Federal Reserved Water Rights, and the possibility of that is being investigated, but seems unlikely. However, even if Federal Reserved Rights must be litigated, the process would be less time consuming if all the parties could resolve any differences beforehand.

* Because of the necessity to adjudicate rights to ground water, the Ship Creek River Basin adjudication has been broadened to include the entire Anchorage Bowl. Another possible basin-wide adjudication to resolve Federal Reserved Water Rights is the Indian River in Sitka.

Next Bill Long, of the Division of Geological and Geophysical Surveys, gave a presentation on DGGS's programs.

Major Points:

* The FY-81 program included six major programs: statewide surface water monitoring, statewide groundwater monitoring, groundwater

modeling, well log collection and processing, navigability studies, and the Kenai wetlands study.

* The first four programs have been continued for FY-82. Larry Dearborn, DGGS, talked in more detail on groundwater programs.

Major Points:

* The groundwater monitoring program is assistance to USGS to maintain their statewide network. DGGS is progressively funding more of the USGS field installations. The reasons for the program are baseline data collection, learning the mechanics of groundwater flow, and for management purposes.

* The well log program is operating smoothly. Eight hundred logs were processed in FY-81. The problem now is that drillers are not turning in logs. Attempts will be made to remedy that by diplomatic means.

* The third project is groundwater modeling which might be more aptly named aquifer assessment. Presently, the Matanuska Valley area is being most closely looked at.

Q) Rocky Gutierrez: What is the problem with confidentiality of well logs?

A) Larry Dearborn: Some well drillers look at it like oil data. Knowledge might give a driller a competitive edge in some areas.

Bill Long returned to talk about the recent Resource Inventory Program.

Major Points:

* The program which had been discussed at previous board meetings was funded at $2 million for FY-82. Three years ago, the cooperative program with the USGS was at $40,000; now it will be at $500,000. Because the state has expressed such an interest in water resources, the USGS is willing to match Alaska's funding.

* The state has been divided into six regions, with a surface and groundwater program for each, with quality and quantity components.

  Besides the USGS, federal agencies that have been contacted include Soil Conservation Service, U.S. Forest Service, and the Weather Service. Within the state, the Water Management Section has had much input, as well as the Division of Research and Development, Agriculture, and Parks. DEC, Fish and Game, and the Department of Community and Regional Affairs have had input but the agency with which communication could be improved is DOT/PF. The Alaska Power Authority is cooperating closely, especially in the Aleutian Chain - Alaska Peninsula Area. Municipalities have always been given an opportunity to give input.

C) There was considerable discussion on the problems of communication with DOT/PF, which has its own hydrology staff, creating incentive for them to talk to other agencies. The administrative order on applying for water rights may remedy this.

* The DGGS' water section staff has been expanded to six, plus three others working in geothermal. There should be a total of 12-16 in one year.

After a break for dinner, the Board reconvened. First that evening, was a report from Dick Dworsky of the Southcentral Alaska Water Resources Study (Level B). He gave a presentation on water resources coordination of priority setting.

Major Points:

* The state is funding water resources at a greater level, yet no formal mechanism exists for coordination and priority setting.

* The Water Resources Board is doing more in this field than anyone else. It is more informal than the legislature and any single agency. It is involved in coordination primarily through the question-answer process at the meetings.

* The Board is not formally involved in setting priorities and probably should not be - that is more the job of the legislature or the Governor's Office; however, there is a need for someone to stop the process of endless studies that repeat recommendations that are never implemented.

* A written proposal was distributed that would formally recognize the Water Resources Board as the coordinating mechanism for Alaska's water resources projects. It would not entail many changes in what the Board presently does, but would broaden its scope and involve more formal reporting to the legislature and the Office of the Governor.

Q) Dick Sims: Now that federal funds have been cut, does another mechanism exist to replace the Alaska Water Study Committee?

A) Dick Dworsky: No. An attempt was made to set up a state agency group but that has bogged down. The only working mechanism right now is the Water Resources Board. On interagency and state/federal problems there needs to be an organization that presents a united state view, but that doesn't exist now.

Wednesday, July 14, 1981

Rikki Fowler gave an update on the Wetlands Project which is part of the Fifth Grant (208).

* EPA approved the work plan in January and work started on the RFP which was advertised in March.

* Following bidding and contract review, the award was made to Dames and Moore.

* The work plan has six objectives: a manual; training; public awareness; commitment for use of the manual; develop effectiveness or evaluation materials of the three major components (manual, training, public awareness); and public participation.

* The first draft of the manual should be ready mid-October. The working draft should be out in the middle of December, and the manual will be used for a year, then revised. The intent of the manual is to assist applicants for 404 permits. the main emphasis of the manual is giving guidance in proper project design.

* Rikki Fowler said she surveyed other states for similar materials to get ideas. An interagency revew of the permit process and whether wetlands were actually being protected has also been requested. The consultant will be contacting agencies for their opinions as they review the permit and the process.

* The consultants will be doing some site visits, reviewing state-of-the-art design techniques, and seeing if there are better ways to design projects.

* Training will be held in February, 1982. Design of a training program will be primarily the responsibility of the contractor, and it will training agency people on the use of the manual.

C. Rocky Gutierrez: I've got a concern you can't help there and that's when this wetland--when private property is involved. I don't see why the federal, state, or local government should take without compensation.

A. Ernie Mueller: There have been court cases in other states, and it has been upheld that such action is not "a taking," that there does not need to be compensation.

C. Rocky Gutierrez: I have no problem if someone's going to reimburse this party. They bought the lots in good faith.

A. That's one of the major objections we hear. The Office of Coastal Management is supposed to be examining that, especially in the area of land transfer.

C. Rocky Gutierrez: The government in general is getting too heavy-handed.

C. Rikki Fowler: The Wetlands Task Force is looking at what kinds of things can be done to make it a little easier on (404) applicants.

C. Rocky Gutierrez: All I can say is, it's a good thing it isn't <u>my</u> property.

C. Had they built a few years ago, they wouldn't have had the problem.

C. Rocky Gutierrez: They were trying to find the money to build.

C. They have that problem at Kenai, too. One guy was able to run his road in and build his cabin; the other guy who applies, in many instances, has to make a modification or may be denied, whereas this person who just ignores the regulations altogether. . . .

C. Well, you've seen it yourself. If this individual had gone out and done it, I'm sure the Corps of Engineers would say, "Hey, get off there."

C. They are now . . . .

C. Rocky Gutierrez: I'll tell you, Peg, about that time they call their congressional delegation . . . I told them to contact their congressional delegation and see what kind of compensation they could get.

C. Dick Sims: The problem with the after-the-fact one is that the guy probably built with gravel, so you'd cause more damage moving it than leaving it.

C. Ernie Mueller: Frequently that's the response at the agencies where there's an illegal fill.

C. Yeah, because once you start taking the fill out, you go right to the bottom, then you have real problems.

Q. Is there any appeal from the wetlands classification?

A. Yes. We went around with DEC to start with; they interceded. And this party was entitled to a hearing before DEC.

Q. By DEC?

A. That was probably for the 401 certification. You can appeal the Corps decision; most people don't.

C. I wonder if the people knew at the time . . . when it was classified as a wetland.

A. Rocky Gutierrez: No. I'm sure they didn't know anything about this.

C. Dick Sims: You might consider in your manual at least explaining to the people the method of appeal . . . the actual appeal of the classification as a wetland.

C. Rocky Gutierrez: We built Monastery Street a good 7-800 feet from the lake. Got a letter form the Corps of Engineers saying that we'd built an illegal structure on the wetlands. Water never did back up into that area.

C. Rikki Fowler: It isn't the water; it's the flora that grows that makes the determination.

C. Rocky Gutierrez: The road's still there.

C. Dick Sims: Well, that's one of those examples, that if you went and took the road out, you'd have a worse problem.

C. Rocky Gutierrez: Anyway, they finally backed off it. Good thing it <u>wasn't</u> a wetland.

C. Ernie Mueller: Well, that road was built on muskeg, wasn't it? And that's part of the lake, really. I think they were right.

C. Well, this is after-the-fact. But one problem that really occurred was a lack of public knowledge of what this really meant. I'm sure there are areas in the state, especially in the Nome/Kotzebue area, that are going to be appealed.

C. Ernie Mueller: The law covers waters of the U.S., not wetlands, so it's true along many of Alaska's streams, where they're gravel streams, because they're navigable waters, a permit is required. Gravel removal operations, for instance, in the Yukon or Kuskokwim Rivers, all require Corps permits.

Q. Not a 404 permit?

A. I think it's a Section Ten.

C. When people see this manual, they'll wonder how they can get a changed classification.

C. Well, most applications are for either a 404 or a Section 10 and a 404.

Q. What's the effect when a water is determined non-navigable. If it's determined legally to be non-navigable, does that remove it from the jurisdiction of the permitting process?

C. There are different definitions of what is navigable. It's to our benefit to have it declared navigable from the standpoint of statehood entitlement. We don't get charged for acreage underlying navigable waters, but we do for acreage underlying non-navigable waters.

C. Dick Sims: I would do a couple of things in your manual. I would warn them of these other permit processes--problems. And also put in there a method of appeal from wetlands classification.

C. Once the Corps has determined that it is a wetland, I think you would have to go to court on that. If your permit's denied, I think there are appeals that don't have to go to court.

C. Rocky Gutierrez: I think those entire appeal processes should be outlined.

C. Ernie Mueller: As far as Alaska is concerned, circumstances that are perfectly reasonable outside have severely threatened other resources--the fisheries, crab, shrimp, and so on--and the 404 permitting process was developed to address that. The restrictions probably seem overly stringent, but if you're talking about, as an example, one of the areas outside of Washington, D.C., that had originally been a rich fishery, they filled in so much and they were getting ready to put another high-rise on it. It's a problem in which a national piece of legislation may or may not be applicable to the Alaskan situation. Nationally, the 404 has a lot of grounds to support it.

C. Rikki Fowler: We've gotten $30,000 from EPA to prepare some public information materials to explain concerns over wetlands and what kinds of things people do; we're working on the work program and will submit it to EPA quickly.

Q. Dick Sims: How are you going to distribute these 1,000 flyers? Will DEC print them?

C. Karen Cantillon: We have a pretty well established distribution system; we'd be happy to work with Rikki.

C. Dick Sims: If you can identify the landowners in wetland areas and give it to them . . . .

C. Rikki Fowler: We're hoping to develop public information materials so people will have some understanding of why permits are a necessity. The Corps is also working on some general permits that should ease things a lot. The Sitka plan has six general permits proposed in it.

C. Colonel Nunn is working on having a general permit covering an area, and he said that if the Coastal Zone Management process addressed their concerns, the Corps would be willing to go along with the general permit.

Thursday, July 15, 1981

The morning presentation was begun by Pete Authier giving a presentation on the Forest Practices Act. He started by passing out a summary of forest activity across the state.

Major Points:

* Greatest activity is occurring in southeast where most of the timber harvest occurs. The acre split shows a little more activity up in southcentral because some operations turned in notifications and huge acreages like Afognak and Irish Cove, but all of the acres are not being operated; they're just under contract. There should be more activity in southcentral as the natives start working in Prince William Sound.

* There's a new Forest Practices forester out of Ketchikan. Eventually, a new person will be hired somewhere in Southeast.

Q. Right now, what do you have?

A. Pete Authier: One in Juneau and one out of Ketchikan. There's 1/2 a person in northcentral and three people in southcentral, but one of them spends ten months of the year working on Forest Practices and the other two months on something else. Administrative personnel consists of me, Dan Ketchum, (in charge of Forest Practices), and a secretary. Budget figures are adequate, but we could use some more travel money. We got a $120,000 grant from EPA to poll personnel involved with Forest Practices. This covers DNR, DEC, and Fish and Game, and they'll be asked what they see as their training needs. Then we'll ask them to

target problems with timber harvesting activity in relation to water quality. We'll take their input and develop course outlines, visual aids, etc., to meet their needs. We're working with the Alaska Logger's Association in putting this together. The first part will be training agency personnel, then taking programs, condensing them for public presentation, and going out to logging camps and giving OJT.

* Another major point is monitoring some items for BLM under the 22K. We're checking five items:

  *a 100-acre limitation on clear cuts
  *eagle trees
  *wildlife habitat or preservation of wildlife and habitat
  *aesthetics
  *monitoring (enforcing the Forest Practices Act) and reporting to BLM.

* The first regulations have been printed in pocket-sized editions, including fire regulations and 5,000 copies have been made.

* Best Management Practices, final draft, has gone to the Board of Forestry for comment.

* The three-way cooperative Forest Practices agreement between DEC, DNR, and Fish and Game--I don't know where that stands right now. It should be finalized soon.

Q. Ernie Mueller: You don't know of any opposition to the cooperative agreement?

A. Pete Authier: No, we sat down and ironed out all of our disagreements. The problem we need answered is how we're going to conduct joint inspections and handle revisions of the BMPs and regulations.

Q. Do you have the ability to monitor fire areas and see what kind of erosion or other problems might affect water from the fire areas?

A. Pete Authier: I don't think anybody's really thought about that, but I'm sure district personnel could monitor it.

C. Ted Smith: It would be only those areas that might need it, and I'm not familiar enough with all the terrain to know if there are substantial problems.

Q. I take it the state does not have enough money for fire control?

A. Ted Smith: We have an emergency fund that's adequate, but we can't spend it until we have a fire, so there's a problem getting money available.

Q. Do you feel the personnel screening process is successful, in terms of our participation, and in terms of the whole process in general?

A. It worked well for initial screening.

Q. Have you heard anything on Katz's announcement of separating Forestry to a division?

A. A draft department order said it would be effective January 1. A committee has been formed to recommend structure for the new division.

Q. Does southcentral have such a large volume because the contracts are longer?

A. Authier: No, they just put down the whole area in which they're going to operate, but they may not operate all the acreage. Probably operating acres may be 3,000 in southcentral.

Q. Why is the inspection time almost equal in southcentral as southeastern when you have 3 or 4 times the cutting?

A. Authier: Those figures represent one person in southeast whereas, in southcentral, three people got out more times to operations. There's not much activity in Haines; Roger Schnabbel's logging, etc.

Q. What was the action taken on that one you showed us last December?

A. Authier: As far as I know, the Corps is still working on that. Ernie, do you know?

A. Ernie Mueller: I think it might be worthwhile to brief the board of our enforcement apparatus.

C. Pete Authier: The act created hearing officers (attorneys familiar with harvesting operations). If a violation occurs, we cite the alleged violator to the hearing office. But, we have no hearing officers, so what do we do if we have a violation?

C. Dick Sims: The board requested a change in the statute to create a hearing board. No action has been taken on it, and we're going to try to introduce something this year. Essentially, you have no enforcement capability.

C. Well, they have the police force, but no court.

C. The hearing officer has the power to levy civil fines and penalties. He'd get his day in court in the area where he worked.

C. Most of the attorneys familiar with timber are already working for the companies.

Q. Your existing regulations don't provide any penalties within the Department?

A. Pete Authier: They're statutory penalties, but they have to be levied by the hearing officer. We don't have any regulatory penalties that apply to private or federal land.

Q. How do these regulations apply to the Forest Service Contract?

A. Ted Smith: Only to the extent that the Forest Service wants them to.

C. If they please.

C. Right.

C. The intent of the BMPs is that following them will probably keep you out of trouble, although they're not mandatory.

Q. Dick Sims: Are there any logging operations that are on the Alaska/Canada border?

A. Pete Authier: George Pine had a small one over by Tok; the only other one was the State timber sale at Haines which was pretty close to the border.

Q. So there's no need for cooperative agreements?

A. Pete Authier: Not at this point in time.

Gary Hayden was unable to be present, so Jim Sanders gave the 208 update in his absence.

* Oil Spill Program: Andy Spear is in charge and reports that the 1980 Oil Spill Law regs are almost complete. There are two basic parts, the financial responsibility component and contingency plans (for communities and industry). Approval should occur sometime in late August. His staff is writing the state Oil Spill Response Contingency Plan, also almost complete. This plan will be part of the National Contingency Plan, and they are also assisting four communities in writing their oil spill response contingency plans. These cover land and water. They're also developing a uniform form for reporting oil spills internally in the department. That should be done early in September. They're also developing Lexitron capacity for data management. They want to track spills, contingency plans, tanker information, financial data, etc.

Q. Is this reporting state level only?

A. Jim Sanders: The information is forwarded on to EPA, but this is basically internal. EPA is aware we're the predesignated on-scene coordinator for the federal government.

Q. Does DEC have regulations to see that areas used for cutting from oil drill areas are closed in and finished up? Dump areas?

A. Jim Sanders: That's a 208 project. Industrial sludge. We're developing guidelines for that. The project is not complete. There is no regulation right now. The regional offices are the focal point for oil spills.

Q. Are they responsible for contacting federal offices?

A. Jim Sanders: Yes, but the person who's responsible for the spill is liable for reporting to all the necessary agencies.

Q. Rocky Gutierrez: But if you do report it, and clean it up there, you're still liable for a fine?

A. Jim Sanders: In cases of spills subject to the Clean Water Act, there are several mandatory fine provisions that, regardless, you have to pay.

Q. Peg Tileston: When someone reports into a region, is there a standard form that tells to whom you need to report?

A. Jim Sanders: I don't know.

C. It might be helpful if that were a standard operating procedure. When you send out draft regulations, you could include it as a memo.

C. Rocky Gutierrez: In several instances here in town, the fine doesn't justify the expense of the appeal process.

C. Dick Sims: As your doing these informational things, make sure that you include case examples where the proper response channels were not followed and what consequenses were suffered. List those who should be notified.

* Water Pollution Control is the next program, and Alex Viteri is the coordinator. The wastewater regs are almost complete, bu they've been delayed again. That's due to the recent court decision on secondary treatment waivers for southeast communities. They're now at the AG's office for review. They should be finalized this fall.

* Seafood Waste Treatment--Alex Viteri has just finished a state position paper on this. This was in response to EPA regs requiring the industry to develop a secondary treatment market for seafood wastes. The state's position has been given to Stevens and Murkowski who may prevail on EPA to accept the state stance.

Q. What do you mean by "secondary market?"

A. Such as taking waste products and developing secondary products from that. Currently, EPA wants all the processors to develop secondary markets, and in some cases, this is not very feasible.

C. They've (EPA) dropped the permit process in remote areas.

Q. You mean in seafood processing?

A. Yes, there's not been a permit issuance until they get their new guidelines done; then they can issue all the permits at once. We talked to their people in Washington, and they're trying to accomodate the state's position and make them a little more flexible.

Q. What is the State's position going to be with minimum standards on wastewater?

A. Jim Sanders: Well, we're working on it. It will probably be what Deena Henkins calls "a flexible definition of primary treatment," but

it doesn't speak to a process involved; it speaks to the removal of pollutants at a primary level.

Q. Rocky Gutierrez: What is the actual state position in that paper?

A. Jim Sanders: My understanding from Alex is that we should not require all seafood processors to develop secondary industries as a way of handling waste products. In the original EPA guidelines, the best available control technology was the screening of wastes and rendering them into usable products by fishmeal plants, or something similar. Our position was that that might not be the best available control technology. We do know that there are other alternatives that could be used to solve existing water pollution problems. We want more flexibility and removal of the mandatory requirement for screening and further processing of seafood waste.

* The next element is federal reductions. Both 205(g) and 106 monies will be reduced. The 205(g) monies are a percentage of the construction grant funds. They carry over, so there will be about $292,000 for this federal fiscal year. The 106 funds will be continued at the same or a higher level in the coming federal fiscal year. That is currently at $115,000. We're going to lose (in FY 83) the 205(g) funds, and that could have a drastic effect on the Water Pollution Control Program. Alex has developed a budget increment request. They are requesting about $500,000 to cover the two current positions, and four new regional positions. The new positions would be used to improve the on-site certification program, be involved in the petrochemical review, and develop an industrial permit section.

Q. What if you're not successful in getting that from the state?

A. Jim Sanders: It would be difficult to continue the program.

* The next program is the Drinking Water Program. They are in the process of completing drinking water regulations and have submitted the final draft to the AG's office. They have a new coordinator, Dick Farnell. They face no federal reductions in their program, so they will continue operations at the current level.

* The next issue is the Petrochemical Study. We're investigating the feasibility of developing the petrochemical industry in the state using the state's 1/8 share of natural gas. Our section has been given the task of developing the water quality issues. We're trying to determine the Dow/Shell track record in dealing with states and living up to their commitments, meeting the effluent guidelines. I'm acting as the coordinator; Andy Spear is doing technical research into transportation concerns; Alex Viteri is looking at the operational concerns.

Q. Do you find the information readily available?

A. Jim Sanders: We're having difficulty finding the information. The industry is reticent about giving necessary documentation. We've tracked down a number of consultant firms who aided EPA in compiling effluent guidelines for the petrochemical industry. We're working

with the National Hazardous Bill Contingency people. The industry won't tell us exactly what effluents will be coming from their processes. So it's real hard to track down the impact. One major problem is that occasionally you get a bad batch. Dow is a nonpatented formula, so they're particularly difficult about letting people know what's going on.

Q. Are you looking at other firms standing in the wings?

A. Jim Sanders: Well, what we're trying to do is look at the petrochemical industry as a whole.

Q. The thrust of this report comes from the Governor's office?

A. Sanders: We report to the Governor's office, right. There are two levels; you're just talking about one piece of a much bigger report handling everything from health-related issues to air quality, etc. All Dow-Shell is going to give the state is a very general feasibility study based on certain types of industrial processes and certain pricing information; they are not going to propose a location, construction, etc.

What we're doing is identifying in some depth the issues involved in petrochemical development; then, if a firm comes in with a proposal, you go into the second phase and evaluate these things in greater depth based on the specific facility proposed.

Q. How much staff time is this taking?

A. Jim Sanders: It's taking about two people from the oil spill program about 3 to 4 weeks. Then there will 2 1/2 people working full-time for the next month-and-a-half. There is potential that some things will be put on hold.

Q. Dick Sims: Do you have a position to coordinate this project?

A. Jim Sanders: Yes, Fred Ali had the position; now Deborah Kirk is filling it.

Q. How big is this petrochemical project in dollars?

A. Jim Sanders: It would probably employ 500 to 2,000 and capital costs would fall between 3 to 10 billion.

C. The state was cautioned by the Board about accepting experiences other states had had with Dow-Shell as applicable to Alaska. It was suggested that an industry-wide survey would have more value than one which looked at a single producer (Dow-Shell).

A. Jim Sanders: We do both. We like to know how a company relates to agencies in the area where it operates.

Some communities in Alaska are trying hard to keep this industry out and others are trying hard to bring it in; you can't really deal with that in an objective sense.

Jim Sanders then presented a synopsis of 208 activities.

* On-lot Site Disposal--a technical memo included in the packet gives a listing of the typical Alaska on-site cases to be evaluated, and it identifies statutory procedures and current regulations concerning on-site disposal.

* Waste Sludge Disposal--Part of that is industrial waste. The contractor is a bit behind schedule (1 to 2 months).

* Public Watershed Guidelines--We're considerably behind. Community and Regional Affairs will cover publication, graphic art, and distribution costs of the guidelines. Our end is complete and will go to C&RA for editing and compilation of the final document.

* Water Quality Problem Assessment--This project is on schedule. We've hired Ellen Fritts into Rich McConaghy's position. She is a biologist.

* Data Management System Project--This is complete. We have recommendations for the computer system development over the next five years.

* Local Waste Oil Project--This is on schedule. A new person was hired for this program, Bill Leitch. One of the communities chosen, Skagway, backed out due to distrust of EPA. We began the selection process again, and selected Cordova. This should not cause any delay.

* Forest Practices Training Project--We're a little behind schedule. Delays came from lack of agency response in reviewing draft projects.

* Placer Mining Public Involvement--This project is on schedule. EPA was displeased over the failure to air tapes produced. This has been eliminated from the workplan, but there is still internal discussion about whether to do some public announcements. If we do this, it will not be EPA-funded.

Q. Why was that decision reached?

A. Sanders: The tapes would have been offensive to industry. The department is trying to build a cooperative relationship with industry rather than antagonizing them. We don't want to use EPA money because of the strings attached.

* Placer Mining Demonstration Pond Project--The pond is complete. It washed out early in the season, and we rebuilt it. We've proposed to EPA that we reduce the evaluative period from 100 days to 50 days. We also reprogrammed the project to expand the evaluation of effluents coming from placer mines at different site locations.

Q. Why did the pond wash out?

A. Jim Sanders: They had some really heavy rains in the Fairbanks region, and they weren't watching the pond like they should have been; when they awoke the next day, the pond wall wasn't there. We're also doing monthly slide shows on the progress at the site.

C. Dick Sims: I would like to see some of the slides at the next Board meeting.

Q. Are you happy with the project now?

A. Jim Sanders: The original plan was to build the pond, let the construction sediment settle, and test the pond one year after construction. The Fairbanks staff think we're closer to the proper direction now; at the end of the mining period we will know whether the pond is working.

We'd still like to know what you do to control erosion, to prevent a washout in a pond. we also want to know what can be done to control them after you've finished with them.

Q. Do you still see value in testing a pond a year after construction?

A. Jim Sanders: Yes, but we just can't do it now.

* Agricultural Best Management Plans--Soil Conservation Service has had a number of delays in getting authority to contract with a consultant. They thought it would be the fall before they could get their clearance. I suggested that we revise the workplan and have the state develop the RFP and select the consultant. We selected Great Water Associates of Anchorage, and have negotiated the contract. We should remain on schedule.

Q. Do you know where it was lost?

A. Jim Sanders: We don't know where it was lost. Now we're waiting for the Governor to sign the budget, then we can get the project going.

* The Wetlands Construction Manual--Rikki gave you a thorough description of that yesterday.

* The Village Facilities Project--We are on schedule. The RFP was issued last spring, and we've selected the Norton Sound Health Corporation, in Nome. We're completing the contract now.

* The Clean Lakes Project--This was funded but is at a standstill. Apparently, they've identified 5 or 6 lakes which are in distress in the Anchorage area.

Q. Is the Clean Lakes Project in the federal budget?

A. Jim Sanders: Yes, the Reagan administration wanted to zero it out, but Congress dedicated 7 1/2 million or so. We may be able to obtain some of that money. That wraps up the 208 projects. I'd like to identify some problem areas. EPA has suffered a staff reduction, and we lost the 208 coordinator in Anchorage. We now deal with EPA-Seattle, and people who are unfamiliar with Alaskan problems. We also have the Anchorage oversite rule, and we hear nothing from Anchorage now that there is no EPA person there. We were given a large sum (about $200,000) to do third stage oversight, and we have no contact person in their program.

* The next item to discuss is the federal reductions and budget increments. 208 funds have been eliminated form the President's budget, and no more federal funds are available for 208. We have funds through the state fiscal year. In FY 83, we begin to run short of money both for project management and for projects we want to do in the future. We have proposed a budget increment to fund five positions in FY 83: two people in Management Planning, two in Problem Assessment, and one with the Waste Oil Project. These positions are essential to a nonpoint source pollution planning program. The budget increment is for about $500,000. A little under $250K of that is for staffing, and about $250K for projects.

  One such project is proposed by a Dr. Overton from Southern Illinois University. He wants to do a total evaluation of forest industry in southeast, looking at BMPs and developing a stream classification system for all streams in southeast.

  Other concepts include coal transportation and storage, more mining projects, placer mining projects, investigation of erosion in placer mining. This funding would see us through FY 83; by then the Problem Assessment Project will be complete, and our data management system will identify crucial nonpoint issues.

Q. Dick Sims: Why would we proceed with Dr. Overton's project if we're not going to see some public benefit?

A. Sanders: We would see public benefit. Part of the reason the BMPs are advisory now is because they've never been proven. If they haven't been established, they never go beyond being advisory.

C. Whether they are advisory or mandatory, we should put faith in the fact that they work; we shouldn't recommend practices to be taking in the forest industry if the state doesn't have confidence that they are good.

C. I don't know everybody in the forest industry, but I've never heard of Overton. If you want an independent evaluation, you put out an RFP and evaluate individuals.

C. Jim Sanders: You could do a cost-benefit analysis of BMPs. That way you could demonstrate to the industry that some BMPs are of a cost-saving nature to them.

  That sums up the status of 208.

Q. What participation have you had from the Division of Agriculture or the Agricultural Action Council on the Agricultural BMPs?

A. Jim Sanders: They had representation on the selection committee for the consultant.

Q. Who is the consultant?

A. Jim Sanders: Great Water and Associates, Bruce Rummel. Any other questions?

Q. Were you able to include any kind of maintenance budget on the training for sewer treatment--the village safe water?

A. Jim Sanders: It worked out perfectly. The proposal we received from Norton Sound included a sanitarian on board from PHS. PHS has committed tools and replacement parts.

Q. Have you identified wastewater systems that aren't working?

A. Jim Sanders: We don't have that information. We going to request funds next year to do an evaluation statewide. In the Nome project, we're doing four sites, each representing a different system that is typical of those villages.

Q. Who's expected to pay operational costs in these villages?

A. Jim Sanders: Right now the villages are. We provide some grant funding for operation and maintenance, and them some of them get revenue sharing.

Q. What is the status of PHS's involvement in wastewater treatment disposal operations?

A. Jim Sanders: I'm not sure whether they would ever have the money to do more than what they're doing now. I don't know the future funding of PHS's construction program; now it looks questionable.

Jim Sanders was asked to comment on the Village Safe Water facilities. Major points are:

* Public Health Service's authorization allows them only to provide for construction of facilities; then they have to enter into agreement with the Native community which is henceforth responsible for the operating, maintaining, and funding of the operation. Often they lack people with the qualifications to properly operate and maintain the systems. Our goal should be designing a good system initially which can be operated within the economic space of that community.

* Another problem is villages which have their electricity turned off periodically.

C. They always seem to show up with the money to pay the bill when the guy is there to pull the meter.

The next topic of conversation was the Water Testing Program.

Q. Dick Sims: Last time we addressed the Water Testing Program and recommended some advertisements. What took place?

A. Karen Cantillon: We decided to compile a list of people in the State performing this testing, then run an advertisement by region listing the availability of these tests.

C. The DEC tape explaining the hazards of drinking from the stream would be excellent.

There followed a discussion on the costs of primary testing. The figure was approximately $20.00 for basic coliform tests.

Commissioner Ernst Mueller was then asked to speak about the Kake PCB Cleanup.

About 3 1/2 to 4 weeks ago, employees of Tlingit-Haida REA and Kake disposed of a number of transformers, 9-12 transformers, in the Kake dump. The dump is managed by the city and the local logging camp.

The Forest Service went in, noticied that there were transformers disposed of in the dump, and notified us. We sent people in to take samples. We found some intact transformers, some remains, and evidence that transformer oil had been dumped out of some and was leaking out of others. We tracked around the community and found the remaining parts of the transformers which had been partially disassembled.

We contacted officials of Tlingit-Haida REA and indicated that the area should be secured and that we would take soil samples and samples of oil from the located transformers. We found 20 more transformers which were leaking. Lab tests indicated PCBs in all of them. Some had concentrations in excess of 500 parts per million, some in excess of 50 parts per million. We informed EPA, the Coast Guard, the Tlingit-Haida REA that we had found PCBs.

The press, by that time, knew of the incident, and we gave them as much information as we had. We sent a crew down, and they were joined by two EPA employees, one from Boise, Idaho and one expert on PCBs. Two people from the Division of Public Health went down and took blood samples. About 15 people were exposed to PCBs. We then issued an emergency order to Tlingit-Haida REA to clean up the contaminated area along with instructions on how to do the cleanup properly.

The current situation is that disposal of PCBs is regulated by the Toxic Substances Control Act, a federal law which does not have delegable provisions to the states; that makes it EPA's job to manage cleanups. EPA could press charges against the individuals or firms involved, and the fines are substantial.

This incident makes it clear that we ought to be doing more in terms of informing people what the problems are with these kinds of things and where to go to handle them.

Q. What does a PCB do to you?

A. Ernie Mueller: There are two problems: (1) low concentrations of chlorinated hydrocarbons cause birth defects and mutations, and are carcinogenic. In Japan about 10 years ago, there were a large number of cases of PCB poisoning from contamination of rice oil. (2) In cases where there are a lot of acute symptoms (skin disorders, nail coloration, and stuff like that) the major problem associated with acute poisoning is the liver. That's where this stuff ends up, and, concentrated in the fat in the liver, it can be fatal.

I should mention that the legislature passed a Hazardous Waste Bill last year, and we do have a couple of things going for us. We'll be taking over the federal hazardous waste disposal program. We would not be taking over the Toxic Substances Control Act responsibility that EPA has over such highly toxic substances as PCBs. This act gives us some funding to evaluate whether we should have a controlled hazardous waste disposal site in Alaska. There is a lot of mixed feeling about that.

The Board reconvened after lunch at 1:30 p.m., when Dean Brown, DNR, summarized the progress of triagency placer mining coordination.

Major Points:

*For the first time field work is being coordinated, to a large degree, between DNR, DEC, and DF&G and seems to be going well. A problem was that funds were late in coming. For DNR, in the Northcentral District, the funds became available during the period of extensive fires and no transportation was available.

* On the policy level, it is unclear what direction the triagency placer mining group is going. It is chaired by a legislative aide and it has evolved into an inquiry-and-report type forum.

Q) Peg Tileston: Does anything more need to be done with the placer mining permit process?

A) Dean Brown: Instream flow will be a problem and cooperation, while improved over the past, needs to be better.

Next Dean Brown reviewed the progress on the hydrologist job series.

Major Points:

* A draft on the job series has been received. The water management section and the DGGS have commented on it. Personnel is also working on a water resource management officer series. They are focusing on the paperwork processing aspect of the series; they should also realize that hydrology expertise is useful.

Q) Dick Sims: Does having the Personnel Section housed in DNR now help?

A) Dean Brown and Ted Smith: It hasn't yet. The people processing personnel actions are in DNR now, but the time needed to get things done hasn't improved. For establishment of a new position, the time needed has improved, but in other areas, no improvement. For example, the establishment of new job class specifications like this hydrologist series is taking a long time.

C) There was considerable discussion on the hydrologist series, and personnel in general. Bill Long said the hydrologist series was set up similar to the newly revamped geologist series and would fit in well with DGGS' organization. Dean Brown pointed out that other agencies would want to have hydrologist positions. Steve Mack expressed concern over

the amount of time needed to produce the series and had concern with tying the level of position with major or minor positions.

C) The Board members discussed what action to take regarding the Division of Personnel's relating to continuing concerns. They agreed to send a letter to the Division director noting the progress with the hydrologist series and also relating the continued problems with classifications and getting people on the registers.

Next Bill Long reviewed the DGGS and activity in geothermal in Unalaska. Thirteen people are at Unalaska doing more detailed geological and geophysical work. Similar work will be done at Akutan. Nothing more is planned for Pilgrim Hot Springs.

Q) Dick Sims: Has the Department of Community and Regional Affairs followed up on their request for flood plain information made at the last meeting?

A) Bill Long: Yes. Their requests are part of the Resource Inventory Program.

Q) Dick Sims: Has any information been obtained on the Bethel reinjection program?

A) Larry Dearborn: No. The driller doesn't have the information, and the contractor has not answered any calls. This will be pursued further.

The next presentation came from Noranda Corporation respresentatives, followed by staff members of the U.S. Forest Service, the Alaska Department of Fish and Game, and the Alaska Department of Environmental Conservation.

Steve Richardson introduced Douglas Smith, responsible for government and public relations, Sam Smith, chief engineer on the project, and Harry Noah, responsible for environmental issues. Mr. Richardson began with background material on Noranda Mines, Ltd., of Toronto, Canada. The firm is ranked as Canada's 8th largest company. They mine world-over for gold, fluorspar, copper, zinc, and lead. Noranda Mining, Inc. is a subsidiary of Noranda Mines, Ltd., and is located in Salt Lake City. The company formed in late 1979.

Major Points:

* In 1973, geologists began taking sediment samples in the mouth of Green's Creek.

* Surface mine drilling indicaed commercial values of lead, zinc, copper, silver, and gold.

* A camp was established in 1978. An adit (tunnel) was driven 4,200 feet into the mountain and showed positive values of base metals, silver and gold.

* The Green's Creek Joint Venture Project holds seven valid mining claims in the area. The claims are defined in the National Interest Lands Conservation Act. There's also a permit for exploration work in a 3/4 mile radius around the claims.

* The project is seen as an underground mine operation of approximately 1,100 tons per day, operating five days a week, and employing approximately 150 people. The system will utilize load, haul, dump diesel equipment. Two types of concentrate will be produced: lead and zinc. The quantities will be 130 to 150 tons per day. The mine area involved will be approximately 45 acres of ground. Concentrates will be shipped off the island to a smelter, possibly in the Lower 48. The precious metals will be removed in the lead concentrate.

* Method of investigation. We're looking at the project from an economic, an environmental, and an operations standpoint. Admiralty Island is a sensitive area environmentally, so we're looking at different ways of housing and transport. Transport alternatives include boat, helicopter, or fixed-wing aircraft. Once we reach the island, we're looking at two forms of transport from Youngs Bay to the cannery area. One is a road, the other is a rail. We're also considering a road (tramway) up to the mine site. Housing covers Juneau or the Island.

* Tailings disposal. We're looking at on-land disposal of tailing as opposed to marine disposal.

* The third major issue is placement of the mill.

* Water Quality. We're doing four basic things. One, we have taken data from ten similar mines (in terms of ore body characteristics) and assessed what's happening over time. Second, we've taken cross-cut material out that we're using to define our milling process. Third, we have a whole group of areas to be modified to some extent. We're attempting to identify waste streams, how they would be picked up, and how they would be treated. Fourth, we'll question the process, particularly related to permeability of tailings impoundment.

Q. How much water will this operation consume?
A. About 250 gallons per minute. The low flow period in Green's Creek is 23 cfs minimum.

Q. What is the life expectancy of the mine?

A. About 10 to 15 years.

Q. What is proposed for transporting the concentrated ore from the mine? Is it going to go by ship?

A. Yes, the concentrated would go by ship or barge.

Q. Is there any possibility of any adverse leaching problem with the tailings?

A. Our initial work says no. We're looking at 10 to the minus 6, 5, 4 in terms of centimeters per second, so over a year you might get that much movement of water. We're looking at a very impermeable area that these tailings would be laid in, and they are ground so finely that they themselves are quite impermeable.

Q. What happens after the mine closes and the water is still running through the tailings site and needing treatment, making the assumption that there needed to be some sort of treatment?

A. One of the things that we don't want to do is have water going through there after reclamation. In essence, you cap the bowl into which you've dropped the tailings. You create a natural system so the water no longer goes through those tailings, but simply runs off into the natural situation. As you drop the finely ground tailings down, they get firmer and firmer. So down here, it may be almost like bedrock. You come in and lay a material, say gravel, that would break any capillary action between any tailings and vegetation on top, then you revegetate the top. Any rainfall would flow out to wherever your watercourse was.

Q. Dean Brown: What is the composition of the tailings?

A. They'll be an ardulite and you'll have some sulfide remnants, but a very minor amount. You'll get some pyrite material also.

The next portion of the presentation was given by Bill Sexton of the U.S. Forest Service. He administers soil and water programs on the Chatham Straight area which includes Green's Creek and Noranda's proposed mine.

Major Points:

* The Forest Service is at a point in time where it would be advantageous if state agencies would become involved.

* The Forest Service lacks groundwater expertise. They're looking for "higher level" coordination, particularly in DNR, DEC, and Fish and Game.

* The Forest Service requested that the WRB give direction, through recommendations, that a little more in-depth study be done on types of tolerance limits and critical levels being used to determine water quality. Not all the things they'd like to look at have defined tolerance limits. There's a need for heavy metals limits, also biological tolerance levels, and a need for state agency expertise.

Q. (This was directed to DEC.) What do you envision in the Water Quality Standards would be lacking in doing the type of study (biological aspects of heavy metals in water) that Bill is talking about?

A. In terms of impact of effects of certain concentrations of metals and other pollutants on the kinds of biological systems you find in Alaska, data is virtually nonexistent for real bioassays on Alaskan organisms. Auke Bay Lab does have some toxicity bioassay work they've done on marine organisms, but I don't know if they do freshwater work at all.

The state hasn't officially designated a given tolerance level for certain heavy metals we might be interested in, although we could look at EPA limits; there are some steps we need to take in order to address an evaluation criterion of various alternatives.

C. It should be said that the types of studies we're discussing are extremely expensive.

C. There are two levels. You can get an initial level of what the system's like, which you can do relatively fast. The second level requires huge bucks and long time periods, and lots of speculation. You're talking about six to ten years to get a feel for what's really happening.

C. Bill Sexton: We're hoping to get some of the expertise of some of the other agencies involved in a support role with the team that will be working on the EIS in terms of giving them advice and providing expertise.

The next portion of the presentation was given by Dave Hardy with Alaska Department of Fish and Game. He said Fish and Game had decided it would be best to approach all agencies and havve one representative to serve as primary contact and as the council member and not necessarily to have formal monthly meetings. He said that K.J. Metcalf (U.S. Forest Service) was very concerned about communications and hoped to have broad enough representation of state and federal agencies that people would know who to call in to deal with specific problems.

The question was raised of state jurisdiction. The conclusion was that it depended entirely on the wording of the reservation. If mining is mentioned in the reservation on Admiralty Island, then it's within the federal reserved water right. If not, then it's within state jurisdiction because it's not one of the purposes withdrawn from the reservation.

At Forest Service request, Fish and Game is looking closely at Hawk Inlet. They did a whole flushing and current study to determine how often the Inlet flushes to get some idea of currents and dispersion of any wastewater going into the Inlet. They're taking background levels as to what water quality is like out there, and in terms of marine ecology regarding what the heavy metal concentrations are in the existing sediments, what the heavy metal concentrations are in marine organisms right now, and basically characterizing both in the cannery area and toward the Green's Creek what's in those systems right now.

The next portion was given by Rick Reed, Southeast Regional Supervisor with Habitat Division, Alaska Department of Fish and Game.

Major Points:

* The two main drainages associated with the project are Green's Creek and Zinc Creek, then Hawk Inlet where we're looking at some type of marine disposal. Green's Creek houses (in order of magnitude) pink and chum salmon, coho salmon, dolly varden, char, and cutthroat trout. Zinc Creek has all the above species plus rainbow trout. From 1970 to 1980,

the average pink salmon run was approximately 2,300 per year. There are no counts on the coho. In Hawk Inlet, three species of salmon move through on their way to or from the creeks; we have king crab, dungeness, tanner crab in the bay, some shrimp, clams, herring spawning. There are harbor seals and whales, and sea otters have been observed.

In wildlife, there are eagles, deer, brown bear, normal fur-bearers and waterfowl.

The Department hass been involved for the last 3-4 years, both as a consultant to the Forest Service, and in making recomendations as to studies we thought were necessary or sampling that should be done. We've also been conducting a limited amount of our own work out there. We've been collaring deer and have a proposed study, which will be partially funded by Noranda, in which there will be an attempt to collar ten brown bear. We're interested in what changes, if any, would occur in normal migration routes of these animals from summer to winter habitat. The collars have about a 2-year life on the transmitters.

* Another concern is that Hawk Inlet is quite popular for Juneau residents as a hunting area. The public will raise questions of access, especially if docks are constructed on the Young's Bay side.

C. Harry Noah: From our standpoint, the least amount of use on our access road obviously would be better from a safety standpoint, and we're looking for direction from Fish and Game and the Forest Service.

C. Dick Sims: I suggest that a heavy metal research or base information needs to be developed, or at least looked at carefully. What I'm hearing is that a number of different agencies are concerned about it, and I'm afraid every agency is going to be looking at one of the other agencies to put it in their budget.

The final portion of the presentation was given by Bruce Hoffman of the Southeast Regional Office of Alaska Department of Environmental Conservation.

Major Points:

* We're going to be doing continuous monitoring, responding to trends that are happening as well as evaluating current conditions. There will definitely be discharge or wastewater coming from the mine itself, and the area it would most likely go into is West Creek drainage. We're looking at maintaining the integrity of Green's Creek and monitoring the waters in the West Creek drainage.

Q. Did you say there would runoff coming from the mine site into Green's Creek?

A. Harry Noah: If the mill area were up near the mine portal, that would be a containerized area where water that might run through it would be diverted away. Water that would fall on that area will be picked up and go down to a water line into the tailing pond, so what you would do is not have runoff either from the mine portal or if the mill site was up there, so in essence, you containerize that thing so you wouldn't

have runoff into Green's Creek. So to the extent feasible, you're going to collect all the water in that area, and there wouldn't be any runoff.

After the Noranda presentation, the Board went into its business session.

* Hydrologist job series. Dick Sims requested that the Board reconsider its action. It seemed to him, after discussing this with Ted Smith, that much of the problem was within DNR, not with the Division of Personnel. It was agreed to send a letter to the Director of the Division of Personnel, noting the progress and the existing staffing problem.

* Dick Dworksy's presentation on coordination and priority setting. First, the Board discussed the impact of Dick moving from the Management Team for DWSC to BLM. The Board members agreed to send a letter to Curt McVee commending Dick for his work with the Southcentral Water Resources Study and expressing hope that he will still be available for work with the Water Board.

  Second, the Board discussed his proposal on coordination and priority setting. The Board agreed to pass it on to Commissioner Katz of DNR and to the Governor and agreed to consider how it could be implemented for discussion at the next Board meeting.

*Fire Suppression:

The Board discussed the repeated problem of losing water management personnel to forest fire fighting every summer when those people should be doing field work related to water rights. Dick Sims related the problems Ted Smith had told him concerning underfunding for fire presuppression and how that related to large forest fires. Fighting large fires understandably draws personnel from all sections of DNR.

After some discussion, the Board agreed to a resolution requesting adequate funding for the fire presuppression funding so other programs of DNR would not be affected by as many forest fires.

* Communication between DOT/PF and DGGS. The Board discussed the apparent lack of communication between DOT/PF and DGGS. It was thought that the Administrative Order on applying for water rights might improve this. The Board agreed to send a letter to Commissioner Ward of DOT/PF requesting improvement.

* Letter from Ron Hansen, Cramer, Chin & Mayo. Mr. Hansen's letter stated the Board had never had a comprehensive review of hydropower in the state and suggested that as a future topic for a Board meeting. The Board agreed to put it on the agenda for the next meeting.

* Future of 208 Planning Advisory Committee. Next, the Board discussed the impact that loss of 208 funding would have. The general consensus was that the Board would continue the same activities regardless of funding. Commissioner Mueller stated that the Department of Environmental Conservation would continue to use the Board for review of its activities. The 208 program was a mixed blessing - some projects

turned out well, others were done only because of EPA directives and did not accomplish much. It was time to take what was good out of the studies and implement it.

* Triagency Placer Mining Working Group. The Board discussed changes in direction of the function of the working group. It appeared from what was stated earlier that, at the field level, improvements had been made but perhaps the policy level group was not presently accomplishing much. Concern was expressed that a legislative aide was chairing the group. It was agreed to write a letter to the commissioners of DNR, DEC, and AF&G congratulating them for their accomplishments and suggesting that the role of the policy level group be reevaluated.

After a break for dinner, the Board reconvened.

First on the agenda was the Alaska Transportation Planning Council, represented by Cecil McClain, a member, and Elliot Lipson, DOT/PF staff person.

Major Points:

* The Alaska Transportation Planning Council is advisory to the Governor on long-term transportation planning for Alaska.

* Council projects the Water Board might be interested in include deep water ports, river transportation, and other types of coastal development.

* The Council has representation from all geographic regions of Alaska. It addresses long-range problems, but tries to stay away from political issues and not get carried away by local enthusiasm for particular projects. The council works closely with DOT/PF, but there hasn't always been agreement.

* The Council is not yet involved in site specific details but looks at broader aspects, such as mode alternatives. Projects get on the council's agenda either by general request, through DOT/PF, or by individual members.

C) There was discussion over what might be accomplished with a joint meeting. One item suggested was the earlier mentioned problem of DOT/PF communicating data to other agencies. It was agreed that a joint meeting could be beneficial to both groups, and that the groups would try to meet jointly in December.

Next, Ed Oetkin, Technical Director, Alaska Lumber and Pulp, spoke on the water resources concerns of his company.

Major Points:

* A reliable source of good quality water is a major need for their pulp mill because of the rigid standards under which their product is manufactured. The pulp mill at Sitka does not produce a paper pulp but, rather, a chemical raw material that is processed elsewhere into textile and cellophane products.

* The pulp uses 50 million gallons per day. It shares water from Blue Lake with the Blue Lake Hydro Project. During periods of low precipitation, one or the other may be forced to cut back.

Mr. Oetkin invited the Board members, staff, and friends to visit the pulp mill the next day and the invitation was accepted by Dick Sims.

Next, the Board discussed when and where to hold the next meeting. It was agreed to have the meeting on December 10-12, in Soldotna-Kenai. One suggestion for the agenda was the petrochemical study. After closing comments, the meeting was adjourned.