

**RESOLUTION 08-05 OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
REGARDING NORTH AFOGNAK CONSERVATION PACKAGE**

We, the undersigned, duly authorized members of the *Exxon Valdez* Oil Spill Trustee Council (“Trustee Council”), after review and consideration of relevant information regarding restoration of resources injured by the *Exxon Valdez* oil spill (“EVOS”) find as follows:

1. Several Native Corporation landowners in Perenosa Bay (“Landowners”) own, or expect to receive title to, the surface estate interest in approximately 6,500 acres of land as more specifically depicted in Exhibit A (collectively, the “Lands”), and have expressed an interest in selling such lands. The Lands were originally conveyed pursuant to the authority in the Alaska Native Claims Settlement Act (ANCSA) and the Alaska National Interest Lands Conservation Act (ANILCA). The subsurface rights associated with the Lands are owned by Koniag, Inc.

2. The Lands are within the oil spill affected area as defined by the Trustee Council in the Final Restoration Plan.

3. Landowners desire to sell the Lands and the EVOS Trustee Council desires to provide a portion of the funds needed for acquisition of the Lands by the State of Alaska for restoration purposes as part of the Trustee Council’s program for restoration of the natural resources and services that were injured or reduced as a result of the oil spill. The Landowners have entered into options with The Afognak Conservation Partners (ACP), comprised of the Rocky Mountain Elk Foundation and the American Land Conservancy, that provide an opportunity to acquire the Lands if selling prices are acceptable to Landowners.

4. The Lands include important habitat for various species of fish and wildlife for which significant injury resulting from the oil spill has been documented through the Trustee Council's habitat acquisition analysis. The restoration benefits to oil spill injured species for these Lands are identified in Trustee Council Resolution 02-02 attached as Exhibit B.

5. Existing laws and regulations, including, but not limited to, the Alaska Anadromous Fish Protection Act, the Clean Water Act, the Alaska Coastal Management Act, the Bald Eagle Protection Act, and the Marine Mammal Protection Act, are intended, under normal circumstances, to protect resources from serious adverse effects from activities on the Lands. However, restoration, replacement, and enhancement of natural resources, and acquisition of equivalent resources and services injured, lost or reduced as a result of the EVOS present a unique situation. Without passing judgment on the adequacy or inadequacy of existing law and regulations to protect resources, biologists, scientists, and other resource specialists agree that, in their best professional judgment, protection of habitat in the spill area to levels above and beyond that provided by existing laws and regulations will likely have a beneficial effect on recovery of injured resources and lost or reduced services provided by these resources.

6. There is widespread public support for the conservation of the Lands.

7. The purchase of the Lands is an appropriate means to restore a portion of the injured resources and reduced services in the oil spill area. Acquisition and conservation of the Lands is consistent with the Final Restoration Plan.

8. The Afognak Conservation Partners, have secured, through the State of Alaska, two U.S. Fish and Wildlife Service (USFWS) National Coastal Wetlands grants,

one U.S. Forest Service Forest Legacy grant, private donations, and several small USFWS coastal grants, to contribute approximately \$3,000,000 to the current Northern Afognak effort. In addition, ACP contributed approximately \$4,000,000 to the Northern Afognak effort and Exxon Valdez high priority habitat restoration lands in 2005 to purchase and protect lands and timber in cooperation with the Alaska Department of Natural Resources.

9. Appraisals of the Lands have been or will be completed by appraisers acceptable to the United States, the State, and the ACP. The appraisals of parcels 1-5 are currently under review. The Habitat and Acquisition Protection Policies of the EVOS Restoration Plan adopted in 1994 state: "In approving the use of joint trustee funds for an acquisition, the Trustee Council will use a standardized appraisal process and specifically consider the restoration benefits to the injured natural resources, services, and the ecosystem relative to the appraised fair market value of the land or interests in land." The Lands provide exceptional habitat for purposes of promoting recovery of natural resources injured by the EVOS, and the Trustee Council concludes that there is a compelling need for and substantial benefit to be obtained from acquiring the Lands to prevent any potential degradation of such habitat in the future.

10. The Trustee Council previously authorized \$160,000 as a contribution toward the completion of due diligence activities associated with this project.

Therefore, we resolve to participate as a partner with the U.S. Forest Service, Forest Legacy and U.S. Fish and Wildlife Service National Coastal Wetlands programs in the purchase of a combination of surface estate fee simple and access easements in the Lands as identified in Exhibit A for the State of Alaska and request the Alaska

Departments of Natural Resources and Law and as necessary the U.S. Department of the Interior to enter into negotiations regarding the Lands subject to the following terms and conditions:

(a) Trustee Council funding for each of the parcels described below will not exceed the approved Fair Market Value as determined by an approved appraisal;

Parcel	Approximate Acres
Parcel 2A – Shuyak Inc. Surface Estate (Waterfall)	1,678
Parcel 2B – Shuyak Inc. Surface Estate (Delphin Point)	439
Parcel 3A – Uganik Natives Inc. Surface Estate (Waterfall)	1,606
Parcel 3B – Uganik Natives Inc. Surface Estate (Delphin Point)	147
Natives of Kodiak Surface Estate and access easement (Portage Lake)	2,550
Timber Rights Parcel 5A	1,407
Total approximate acres in project area	7,827

The total amount of Trustee Council funding for all parcels shall not exceed \$10,000,000. The ACP and others may provide additional funding;

(b) the extinguishment, including final adjudication, of any claims or potential claims pursuant to sections 14(c), (g) and (h) of the Alaska Native Claims Settlement Act;

(c) approval of the appraisals of these Lands referenced in paragraph 9 by a review appraiser acceptable to the State and Federal governments consistent with Federal Land Acquisition standards and a final purchase approval by the Trustee Council;

(d) a hazardous substances survey completed to the satisfaction of the State of Alaska and the United States;

- (e) compliance with the National Environmental Policy Act must be ensured;
- (f) a title search and review to the satisfaction of the State of Alaska and the United States for the respective interests acquired by each government must be completed;
- (g) no timber harvesting or road development on these Lands prior to closing;
- (h) completion of a minerals survey prior to closing that is satisfactory to the State of Alaska establishing that there are no locatable minerals, sand, gravel, oil or gas deposits underlying the Lands that are anticipated to be developed or, in the alternative, simultaneous with the conveyance of the surface estate, conveyance of the subsurface estate of the Lands by Koniag, Inc. to the State of Alaska;
 - (i) landowners must agree: (a) to promptly undertake all measures necessary to comply with the applicable requirements of AS 41.17 and regulations adopted pursuant thereto concerning reforestation, revegetation, brush, slash, and debris, salvage of trees, and soil erosion and wasting of logged lands and roads; and (b) to place water bars, pull culverts and bridges, and hydroseed roads in accordance with a plan to be developed in cooperation with the State of Alaska, which plan will include provisions for compliance with the applicable road closure requirements of 11 AAC 95.320 and the applicable reforestation requirements of 11 AAC 95.375-390. With respect to actions, including but not limited to reforestation, required by AS 41.17 and applicable regulations to be implemented at specific time periods following completion of timber harvesting activities, Landowners shall agree to complete such actions in a timely fashion, notwithstanding that the time for completing the action may be after conveyance of the Lands pursuant to this Resolution; and
 - (j) landowners shall grant to the United States a conservation easement similar to that used in other acquisitions funded by the Council which will enable the

United States to enforce on a non-exclusive basis the restoration objectives of this acquisition. The form and substance of this easement and the related warranty deed for the State must also be satisfactory to the Alaska Department of Law and the United States Department of Justice.

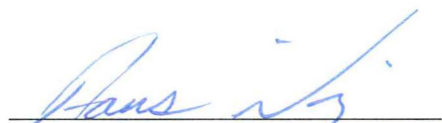
Approved by the Council at its meeting of March 17, 2008 held in Anchorage and Juneau, Alaska, as affirmed by our signatures affixed below:



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




Talis J. Colberg
Attorney General
Alaska Department of Law

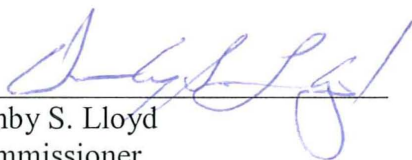


Randall Luthi
Director
Minerals Management Service
U.S. Department of Interior

*HANS NEIDIG FOR
Randall Luthi*



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



Denby S. Lloyd
Commissioner
Alaska Department of Fish and Game



Larry Hartig
Commissioner
Alaska Department of Environmental
Conservation

EXHIBIT A

Parcel 1, Shuyak Inc.

The Surface Estate in the following described lands as described in Patent Number 05-90-0647, located in the Kodiak Recording District, Third Judicial District, State of Alaska, EXCEPTING THEREFROM the subsurface estate, and all rights, privileges, immunities and appurtenances, of whatsoever nature, accruing to said estate pursuant to the Alaska Native Claims Settlement Act of December 18, 1971.

Township 21 South, Range 19 West, SM
Section 18: Lot 2
Section 19: Tract B on Plat 2004-14

Township 21 South, Range 20 West, SM
Section 3: South $\frac{1}{2}$
Section 10: ALL
Section 14: SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$
Section 15: Lot 1
Section 24: Lot 3

Parcel 2. Uganik Inc.

The Surface Estate in the following described lands as described in Patent Number 05-90-0647, located in the Kodiak Recording District, Third Judicial District, State of Alaska, EXCEPTING THEREFROM the subsurface estate, and all rights, privileges, immunities and appurtenances, of whatsoever nature, accruing to said estate pursuant to the Alaska Native Claims Settlement Act of December 18, 1971.

Township 21 South, Range 19 West, SM
Section 18: Lot 1

Township 21 South, Range 20 West
Section 20: E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$
Section 21: S $\frac{1}{2}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ Except Tract B Plat No. 2000-20, Lot 2
Section 22: Lots 1 and 2
Section 23: ALL
Section 24: Lots 1 and 2

Parcel 3, Natives of Kodiak

The Surface Estate in the following described lands as describe in Patent Number 05-98-0378, located in the Kodiak Recording District, Third Judicial District, State of Alaska , EXCEPTING THEREFROM the subsurface estate, and all rights, privileges, immunities and appurtenances, of whatsoever nature, accruing to said estate pursuant to the Alaska Native Claims Settlement Act of December 18, 1971.

Township 22 South, Range 19 West, SM

Section 5: ALL

Section 8: ALL

Section 17: Lots 1 and 2

Section 18: Lots 1 and 3

Section 20: N ½ N ½

Interests in Parcel 5A

Tract A of the Laura Lake Addition to the Afognak JV Subdivision, as shown on Sheets 4 through 10 of 14 of the Afognak JV Subdivision, according to the official plat thereof filed as Plat No. 99-25 on September 30, 1999 in the Kodiak recording District, Third Judicial District, State of Alaska, amended by the official plat thereof filed as Plat Mo. 2000-17 filed on October 5, 2000 in the Kodiak Recording district, Third Judicial District, State of Alaska.

EXHIBIT B

**RESOLUTION 02-02 OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
CONCERNING
PROTECTION OF LANDS IN PERENOSA BAY**

**RESOLUTION 02-02 OF THE
EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL
CONCERNING
PROTECTION OF LANDS IN PERENOSA BAY**

WHEREAS the Trustee Council has invested nearly \$156 million to acquire and protect habitat on and near northern Afognak Island that is critical for several species injured by the oil spill, consisting of 41,549 acres along Seal Bay and Tonki Cape acquired from the Seal Bay Timber Company in 1993, 26,665 acres acquired on Shuyak Island from the Kodiak Island Borough in 1996, and 41,750 acres acquired on northern Afognak Island from the Afognak Joint Venture (AJV) in 1998;

WHEREAS the Kodiak Brown Bear Trust, American Lands Conservancy, and Rocky Mountain Elk Foundation are proposing to seek private foundation dollars to leverage public funds to further the habitation protection and restoration efforts begun by the Trustee Council on northern Afognak Island;

WHEREAS the first phase of the effort is focused on 18,000 acres of coastal habitat in Perenosa Bay currently held by AJV;

WHEREAS the AJV lands lie within and near the lands purchased by the Trustee Council that are now within Afognak Island State Park and Shuyak Island State Park, and include timber rights on 2,000 acres of land east of Pauls and Laura Lakes on which the Trustee Council acquired surface title, and their protection would help preserve the integrity of the Trustee Council's investment in the area;

WHEREAS the Trustee Council sought to acquire these additional lands in order to provide contiguity in protection, land management strategies, and ownership but had insufficient funds available to purchase them;

WHEREAS protecting contiguous tracts of land provides further protection of wildlife movement corridors, consistency in land management strategies, and facilitates public recreational use in concert with protection of injured species and supporting habitats;

WHEREAS the AJV lands, as well as the timber reservation near Pauls and Laura Lakes, are among the lands most highly ranked for restoration value and biological significance by the Trustee Council's habitat protection process and support critical habitat for several species injured by the *Exxon Valdez* oil spill including pink salmon, Dolly Varden, Pacific herring, bald eagles, black oystercatchers, harbor seals, harlequin ducks, marbled murrelets, pigeon guillemots, river otters, and sea otters;

WHEREAS the Sitka spruce within the timber reservation represents some of the most valuable habitat for wildlife, particularly marbled murrelets and bald eagles, as well as providing stable riparian zones for pink and sockeye salmon and Dolly Varden;

WHEREAS this area has many documented anadromous streams which support populations of pink salmon, coho salmon, sockeye salmon, rainbow trout and steelhead which have significant importance to commercial fishing, subsistence fishing, sportfishing, guiding, as well as bears, eagles, and marine mammals;

WHEREAS Pacific herring spawn in Perenosa Bay and feed in nearshore waters;

WHEREAS six species of birds injured by the *Exxon Valdez* oil spill – marbled murrelet, pigeon guillemot, black oystercatcher, harlequin duck, bald eagle, and common murre -- use northern Afognak and the protected offshore waters for all or parts of their lifecycles;

WHEREAS the adjacent marine waters are highly productive and are inhabited by northern sea lions, northern fur seals, harbor porpoises, and several species of whales, with the nearshore waters of Perenosa Bay offering feeding, pupping, and calving habitat for many species of marine mammals including harbor seals and sea otters;

WHEREAS in addition to injured species, elk, deer and brown bear utilize the habitats proposed for protection and the resources they support;

WHEREAS the AJV lands in this general area contain significant archaeological and cultural resources, with some sites listed as Important by the State Historic Preservation Office;

WHEREAS protection of this area will further the Trustee Council's restoration objectives by maintaining water quality and riparian habitat for anadromous fish, river otters, and harlequin ducks; maintaining nesting opportunities for bald eagles, marbled murrelets and pigeon guillemots; minimizing disturbance to nearshore and intertidal habitat used by a variety of species; and maintaining opportunities for recreational use by Alaskans and tourists alike;

WHEREAS the Kodiak Brown Bear Trust, American Lands Conservancy, and Rocky Mountain Elk Foundation bring together knowledge of Alaska, successful experience in completing large and complex land acquisitions, private foundation support, and a significant national constituency;

THEREFORE BE IT RESOLVED that the Trustee Council strongly supports and encourages the efforts underway by the Kodiak Brown Bear Trust, American Lands Conservancy, Rocky Mountain Elk Foundation and others to seek funds for protection of the coastal habitat in Perenosa Bay.

Approved by the Council at its meeting of December 11, 2001 held in Anchorage, Alaska, as affirmed by our signatures affixed below:



DAVE GIBBONS
Alaska Region
USDA Forest Service



CRAIG TILLEY
Assistant Attorney General
State of Alaska



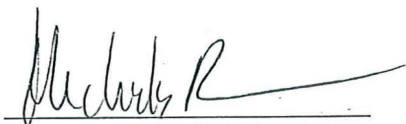
DRUE PEARCE
Senior Adviser
to the Secretary for Alaskan Affairs
U.S. Department of the Interior



JAMES BALSIGER
Director, Alaska Region
National Marine Fisheries
Service



FRANK RUE
Commissioner
Alaska Department of
Fish and Game



MICHELE BROWN
Commissioner
Alaska Department of
Environmental Conservation

EVOS TRUSTEE COUNCIL
 HABITAT PROTECTION PROJECT
AFOGNAK ISLAND ACQUISITION
 AFOGNAK ISLAND, ALASKA

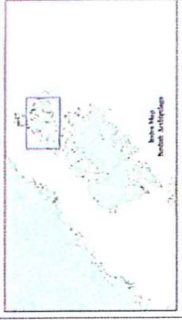
Scale 1:62,500
 UTM Zone 18N
 Universal Transverse Mercator Zone 18N

- Acquisitions**
- STATE LAND - Surface (state acquired by State)
 - FEDERAL LAND - Surface (state acquired by US)
 - NATIVE LAND - Conservation Easement with permitted public access
 - NATIVE LAND - Conservation Easement with no public access
 - NATIVE LAND - Timber Easement
 - NATIVE LAND - Timber Easement with permitted public access
 - Boundaries, adjustments may occur in these areas

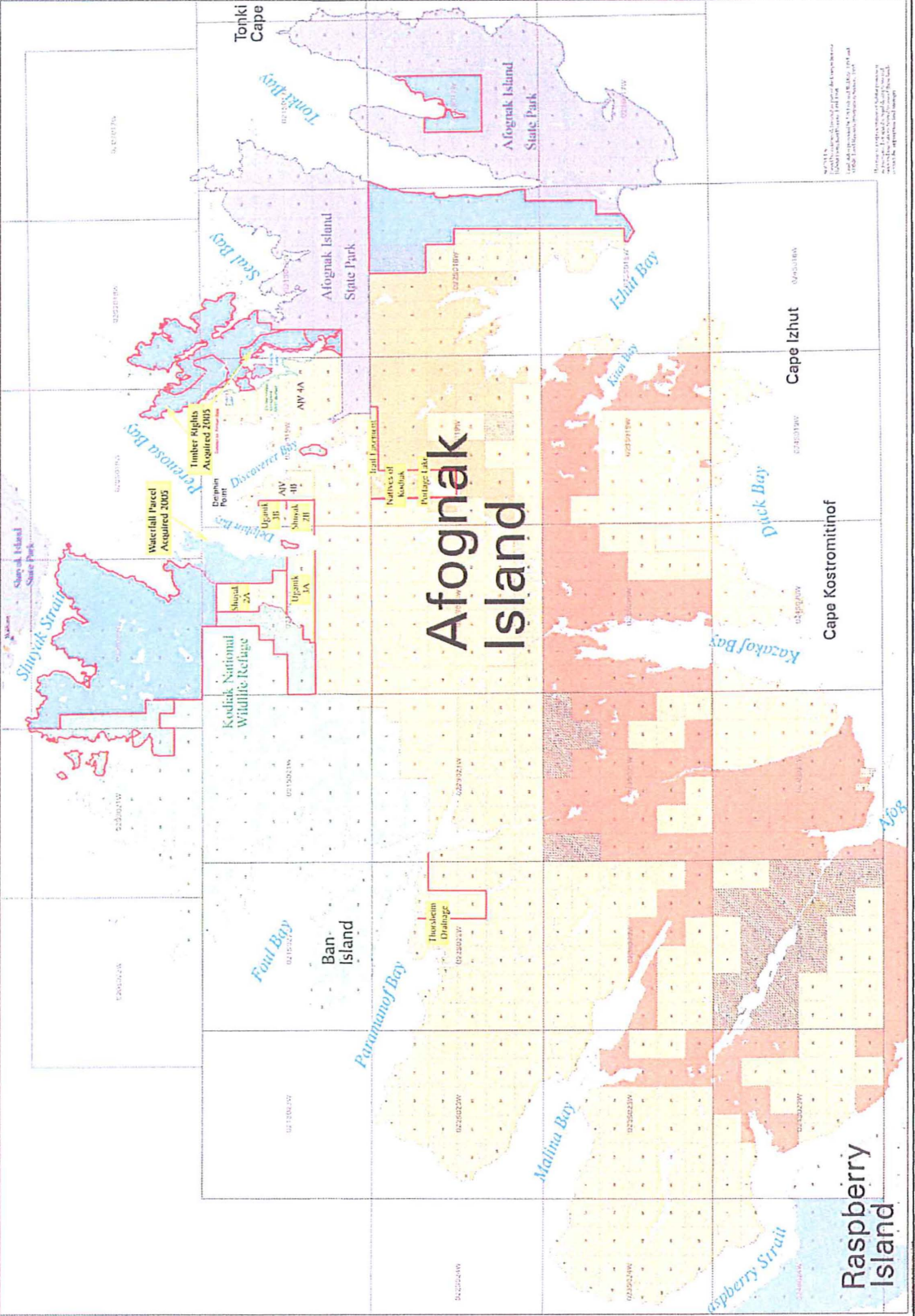
- Land Status**
- National Wildlife Refuge
 - National Park System
 - National Forest and Rangeland
 - Conservation Area
 - Alaska State Land
 - State of Alaska, National School
 - Alaska Department of Fish and Game
 - Alaska Department of Transportation
 - Alaska Department of Health and Social Services
 - Alaska Department of Education
 - Alaska Department of Natural Resources
 - Alaska Department of Public Safety
 - Alaska Department of Corrections
 - Alaska Department of Community and Public Affairs
 - Alaska Department of Administration
 - Alaska Department of Labor and Workforce Development
 - Alaska Department of Economic Development
 - Alaska Department of Energy, Land and Minerals
 - Alaska Department of Environmental Conservation
 - Alaska Department of Health and Social Services
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 - Alaska Department of Economic Development
 - Alaska Department of Energy, Land and Minerals
 - Alaska Department of Environmental Conservation

Annotation added, April 2017 redefining areas of interest and recent grant funded activity, outlined in red.

The Waterfall Parcel and two timber harvest areas were purchased December 2005 using Federal Coastal Wetlands Grant funds and private donations.



Project Title: Afognak Island Acquisition
 Project Number: 10000000000000000000
 Date: April 11, 2017



Map Data:
 State of Alaska, Department of Natural Resources
 U.S. Geological Survey, Alaska State Plane
 UTM Zone 18N
 Universal Transverse Mercator Zone 18N
 Date: April 11, 2017