

1 EXXON VALDEZ OIL SPILL

2 TRUSTEE COUNCIL

3 Public Meeting

4 Thursday, September 7, 2006

5 11:00 o'clock a.m.

6 441 West 5th Avenue, Suite 500

7 Anchorage, Alaska

8 TRUSTEE COUNCIL MEMBERS PRESENT:

9 STATE OF ALASKA - MR. DAVID W. MARQUEZ

10 DEPARTMENT OF LAW: Attorney General

11 (Chair)

12 U.S. DEPARTMENT OF INTERIOR: MS. DRUE PEARCE

13 U.S. Department of Interior

14 STATE OF ALASKA - DEPARTMENT MR. LARRY DIETRICK for

15 OF ENVIRONMENTAL CONSERVATION: MR. KURT FREDRIKSSON

16 Commissioner

17 U.S. DEPARTMENT OF COMMERCE, MR. CRAIG O'CONNOR for

18 National Marine Fisheries Svc: MR. JAMES W. BALSIGER

19 Administrator, AK Region

20 U.S. DEPARTMENT OF AGRICULTURE, MR. JOE MEADE

21 U.S. FOREST SERVICE Forest Supervisor

22 (Telephonically) Forest Service AK Region

23 STATE OF ALASKA - DEPARTMENT MR. McKIE CAMPBELL

24 OF FISH AND GAME: Commissioner

25 (Telephonically)

1 TRUSTEE COUNCIL STAFF PRESENT:

2	MICHAEL BAFFERY	Acting Executive Director
3	BARBARA HANNAN	Administrative Officer
4	CHERRI WOMAC	Administrative Officer
5	KIM TRUST	Science Director
6	MICHAEL SCHLEI	Analyst Programmer
7	CARRIE HOLBA	ARLIS Librarian
8	HEATHER BRANDON	ADF&G
9	CAROL FRIES	ADNR
10	DEDE BOHN	U.S. Geological Survey
11	RITA LOVETT	Alaska Department of Law
12	GINA BELT	Department of Justice
13	JENNIFER KOHOUT	U.S. Fish & Wildlife Svc.
14	DOUG MUTTER	DOI

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P R O C E E D I N G S

(Anchorage, Alaska - 9/7/06)

(On record - 1:35 p.m.)

CHAIRMAN MARQUEZ: Trustee Pearce is with

us so I think we're ready to call the meeting to order.

This is David Marquez with the Alaska Department of Law.

The first item is the consent agenda and the approval of

the agenda. Does anyone have any suggested changes to the

agenda?

MR. O'CONNOR: I do, Mr. Chairman. I have

a couple of recommendations.

CHAIRMAN MARQUEZ: Trustee O'Connor.

MR. O'CONNOR: I would like first to amend

the agenda to add a discussion of the six previously

awarded multi-year projects and add that at some

appropriate time.

MR. BAFFREY: Probably right after eight

would be appropriate.

MR. O'CONNOR: After eight, okay. And the

other is I would like to have the executive session convene

immediately after the close of the public comments, so we

can talk about matters of litigation and personnel. And I

would so move that those amendments.....

CHAIRMAN MARQUEZ: There's a motion to

amend the agenda as outlined by Trustee O'Connor. Is there

1 a second?

2 MR. DIETRICK: Second.

3 CHAIRMAN MARQUEZ: Any objection to the  
4 amendments?

5 (No audible responses)

6 CHAIRMAN MARQUEZ: Hearing none, the  
7 amendments are adopted. Is there a motion to approve the  
8 agenda?

9 MR. O'CONNOR: I move to approve the agenda  
10 as amended.

11 CHAIRMAN MARQUEZ: Is there a second?

12 MR. DIETRICK: I'll second.

13 CHAIRMAN MARQUEZ: Do we need a roll call  
14 vote or can we just say any objection?

15 MR. O'CONNOR: No objection.

16 CHAIRMAN MARQUEZ: Hearing no objection,  
17 the agenda is approved as amended. Next item would be the  
18 approval of July 28th, 2006 Trustee Council meeting notes.  
19 Do we have a motion to approve those meeting notes?

20 MR. O'CONNOR: I would move.

21 MR. DIETRICK: And I would second.

22 CHAIRMAN MARQUEZ: We have a motion and a  
23 second. Any discussion?

24 (No audible responses)

25 CHAIRMAN MARQUEZ: Any objection to the

1 approval of those meeting notes?

2 (No audible responses)

3 CHAIRMAN MARQUEZ: None. Hearing none, the  
4 meeting notes of the July 28th, 2006 Trustee Council  
5 meeting are approved. Next will be Public Advisory  
6 Committee comments. Is there anyone here present that is  
7 ready to provide those comments?

8 MS. STUDEBAKER: Yes, this is Stacy  
9 Studebaker online from Kodiak. I'm the Vice Chair.

10 CHAIRMAN MARQUEZ: Go ahead.

11 MS. STUDEBAKER: Good morning. And since  
12 the PAC has had really no formal meetings and only some  
13 informal briefings from staff, we haven't really had a  
14 chance to discuss anything collaboratively or collectively  
15 in recent -- several months. And I missed the most recent  
16 briefing as it came up pretty suddenly and I was out of  
17 town. And no minutes that I am aware of for this meeting  
18 were taken or circulated afterwards. So I really don't  
19 have a -- I only have a really vague idea what the few  
20 members of the PAC that did attend were briefed on.

21 So if anybody has minutes of that meeting,  
22 I would certainly appreciate seeing them. I never did get  
23 any. And if any of those few PAC members are present  
24 today, online or there in the office, maybe they could  
25 provide you with some additional comments when I'm done

1 about that meeting, the nature of that meeting.

2                   The PAC really needs a face-to-face meeting  
3 this fall to get up to speed and discuss so many things  
4 that are moving pretty fast here and they deserve our  
5 attention and our input. And we -- it's really hard to do  
6 that when we're given a few days notice to get online for a  
7 briefing. And that's not adequate public input. So  
8 anyway, I encourage you to give us a little more time and  
9 encourage staff to provide us with a face-to-face meeting  
10 sometime very soon. And that's really all I have to say  
11 this morning. Thank you.

12                   CHAIRMAN MARQUEZ: Any further comments  
13 regarding the Public Advisory Committee?

14                   MR. TREADWELL: This is Mead Treadwell, I'm  
15 a member of the Public Advisory Committee.

16                   CHAIRMAN MARQUEZ: Go ahead, Mead.

17                   MR. TREADWELL: Hi, David. I just wanted  
18 to thank the Trustees. I did not apply to be renewed as a  
19 Public Advisory Committee member because about two weeks  
20 ago President Bush appointed me Chairman of the U.S. Arctic  
21 Research Commission and that's going to have me deeper into  
22 Arctic science and just I wouldn't be able to give the PAC  
23 the time that I was hoping to give it.

24                   But I did want to say in that role as  
25 Arctic Research Commission Chair, that even though Prince

1 William Sound and the effected areas is not in the Arctic,  
2 many of the things that we've done in the Sound would be at  
3 -- and working together on the Arctic Ocean -- or I'm  
4 sorry, the Alaska Ocean Observing System or the various  
5 long term monitoring projects and synthesized science is  
6 very important and we'll continue to work with the Trustees  
7 where we can there.

8                   The second thing I wanted to say was, I'd  
9 like to thank each of the Trustees individually for the  
10 courtesies you've given me and Mr. Baffrey and especially  
11 the Chair and Co-Chair of the PAC, Dr. Gerster, who's been  
12 fighting a health battle, and Stacy for her help in really  
13 bringing consensus to you that comes from a very diverse  
14 group. And I appreciate the fact that you've listened to  
15 the PAC during the time that I've been on it.

16                   And then finally I just wanted to encourage  
17 you to move forward as aggressively as you can in the  
18 herring studies and the herring restoration projects that  
19 are before you and I'll try to help there where I can as  
20 well through my role on the Prince William Sound Science  
21 Center board. And ladies and gentlemen, I just wanted to  
22 say thank you and wish you well.

23                   CHAIRMAN MARQUEZ: Thank you, Mead.

24                   MR. O'CONNOR: Thanks, Mead.

25                   MR. KOPCHAK: Congratulations on the

1 appointment, Mead.

2 MR. TREADWELL: Thank you.

3 MR. MEADE: I'd to like to add that -- this  
4 is Joe Meade -- as well.

5 MR. TREADWELL: Okay.

6 CHAIRMAN MARQUEZ: Any further Public  
7 Advisory Committee comments?

8 MR. KOPCHAK: Quickly, if I might, this is  
9 RJ Kopchak, I'm a commercial -- I represent the commercial  
10 fishing interest in Prince William Sound on the Public  
11 Advisory Committee. I have just a couple of quick  
12 observations and comments.

13 Number one is that I would share Stacy  
14 Studebaker's request and desire to get a PAC meeting  
15 underway, a formal PAC meeting underway here as soon as  
16 possible. The fishing seasons are of course winding down  
17 and the summer gathering and hunting seasons and work  
18 seasons in Alaska (telephonic beep) for a face-to-face.

19 The other is, I will mirror my friend  
20 Mead's remark and say let's continue to move the herring  
21 component forward. We had a tremendously successful  
22 herring planning workshop that Mr. Baffrey helped put  
23 together and it was -- I think helped set the tone and set  
24 some marks for us to shoot for over the next year and I  
25 support that effort and the continued involvement of

1 herring fisheries participants working alongside the  
2 researchers and coming up with comprehensive plans. so  
3 let's continue to move that forward expeditiously.

4 I know before you there's a resolution to  
5 provide some funding for the Trustees to participate and  
6 help provide additional direction and cohesion to that  
7 planning process. And my assumption that will continue to  
8 involve fishermen and scientists together to accomplish  
9 that with those funds. So I encourage you to continue on  
10 with that and as well to expeditiously, when appropriate,  
11 fund herring proposals that you'll be seeing.

12 So thank you all very much and  
13 congratulations, Mead. And I'll look forward to our next  
14 full PAC meeting.

15 CHAIRMAN MARQUEZ: Any further Public  
16 Advisory Committee comments?

17 MR. ZEINE: This is Ed Zeine. I just  
18 appreciate the opportunity to give the comments and I thank  
19 the fellow Public Advisory members for commenting on  
20 herring and I think what they say should be understood that  
21 it has very strong backing and I appreciate it very much.

22 CHAIRMAN MARQUEZ: Thank you everyone  
23 that's commented so far. Anyone else?

24 (No audible responses)

25 CHAIRMAN MARQUEZ: Hearing none, we'll move

1 into the public comment period. The first person that I  
2 have signed up is Ross Mullins. Do you have comments to  
3 make?

4 (No audible response)

5 CHAIRMAN MARQUEZ: Hearing none, do you  
6 have any additional comments, Stacy Studebaker?

7 MR. MULLINS: I'm sorry.

8 MS. STUDEBAKER: No.

9 MR. MULLINS: Ross Mullins is here. I had  
10 it on mute and didn't realize it.

11 MS. STUDEBAKER: Go ahead, Ross.

12 MR. MULLINS: Hello. Okay. I hope I don't  
13 become offensive at all and if I do, please, I apologize in  
14 advance. But I received the tentative motion at about 5:00  
15 o'clock last night that you planned to address under the  
16 formal action item number 9, herring restoration. This  
17 motion calls for a planning meeting -- let me see here,  
18 where it is. The motion speaks to a top down control  
19 process, apparently, that is a new addition to anything we  
20 were cognizant of here in Cordova. Speaks of funding using  
21 the 75,000 that had been approved for planning which  
22 originally had been intended to have a planning process  
23 prior to the invitation for proposals, was my  
24 understanding. That money is still there on the table and  
25 I guess you folks want to fund the staff to prepare a

1 preliminary draft herring restoration plan. And it say  
2 noted herring experts will assist in developing and guiding  
3 the planning document.

4                   So, you know, and the draft plan will be  
5 presented at public meetings in the winter of 2/06, 2/07 in  
6 the affected communities. That in my mind implies a, one,  
7 probably no work getting started in the spring of '07,  
8 because if work is going to be attempted in the spring of  
9 '07, I believe we have to accelerate that planning process.  
10 And I would like to point out that PWSFRAP here in Cordova,  
11 that is a currently funded EVOS Trustee Council project,  
12 submitted a planning proposal to bring together -- and this  
13 was as a result of an understanding that we had gleaned  
14 from speaking with Kim Trust at some length. It was our  
15 understanding that after the normal sequence of the  
16 invitation that was published in the scheduled milestones  
17 of the invitation, we assume that that scheduling would be  
18 followed and that our planning proposal for bringing  
19 together the PI's that were found worthy of funding in the  
20 planning RFP or in the RFP, that those folks would be  
21 brought together to try to form a comprehensive overview of  
22 how to proceed in the best and most effective manner.

23                   Now it appears that the time schedule is  
24 shifting five or six months forward. I just wonder what  
25 the schedule and milestones for the invitation now

1 represent in your minds. These were -- this was a  
2 published document that I don't know the number of  
3 proposals you received. I've heard it's 55. But I am sure  
4 every proposer had in mind that the schedules and  
5 milestones of the invitation were going to be followed, and  
6 that meant a draft work plan released and on September 18th  
7 with a public comment period and that the Trustees would  
8 fund approved projects on November 1 and notify those  
9 participants on November 3rd.

10                   This change to me is a, again, abrogation  
11 of the public process to get this proposed motion at the  
12 11th hour without adequate time to notify people what it  
13 may mean, what it may not mean, what it s going to do with  
14 to the process, I don t feel is an appropriate way to do  
15 business and I actually feel there may be legal questions  
16 involved here if the schedules and milestones of the  
17 original invitation are not followed. If you re not going  
18 to follow them, the public needs to know that and we need  
19 to know the thinking behind it.

20                   We ve been working our butts off here in  
21 Cordova to try to bring this process together in a way that  
22 will ensure a successful outcome for the herring  
23 restoration and recovery that you all have pretty much  
24 signed onto. After the reopener hearings, where herring  
25 was not given consideration, it became clear that the

1 intent would be that the Trustee Council would aggressively  
2 move forward with a herring restoration plan and implement  
3 it in 07. I ve seen several of the proposals from very  
4 reputable scientists. I don t know if they re the noted  
5 herring experts you refer to in your motion but, you know,  
6 these folks had a different scenario in mind. They would  
7 be working in 2007.

8                   So I would like to leave you with this  
9 thought, to please clarify where we stand. My own  
10 involvement and that of my collaborators here in Cordova  
11 under the PWSFRAP group heading, Prince William Sound  
12 Fisheries Research Applications and Planning group, we have  
13 been predicating everything on this process that was  
14 outlined. And if you re going to change it, we have to  
15 have some kind of dialog to understand what kind of road  
16 map we re following here.

17                   So thank you for your time and attention  
18 and I hope you ll give these questions that I ve raised  
19 some consideration in the discourse of your meeting today  
20 because frankly, if you will review the planning proposals  
21 submitted from Cordova and that was signed off by all the  
22 stakeholders in this region, I think you ll find a very  
23 adequate planning process that will bring a collaborative  
24 group together where we can all work in an effective manner  
25 for -- hope -- you know, to achieve a successful outcome on

1 herring recovery and restoration. Thank you very much.

2 CHAIRMAN MARQUEZ: Ms. Studebaker, did you  
3 have any additional comments?

4 MS. STUDEBAKER: No, I don't. I'm just  
5 listening today. Thank you.

6 CHAIRMAN MARQUEZ: Ed Zeine, did you have  
7 any additional comments?

8 MR. ZEINE: No, thank you.

9 CHAIRMAN MARQUEZ: Ken Adams? I have you  
10 down. Do you have any comments?

11 MR. ADAMS: Yes, I have a brief comment.  
12 Very brief. And not to be redundant to what Mr. Mullins  
13 has presented to you, I would just like to urge your  
14 support for taking a proactive approach to herring recovery  
15 and urge your deepest consideration in favor of the  
16 interventive approach that we've espoused here in Cordova.  
17 We have noted that mother nature is not necessarily being  
18 very kindly to herring and that herring have not recovered  
19 when left on their own. Predation is an issue and who --  
20 and we don't know all the other factors involved in keeping  
21 that herring population down. And we believe that we can  
22 aid the process of herring recovery by taking an  
23 interventive approach.

24 Those of you who attended the hearings  
25 prior to the reopener -- and I know that's a term that you

1 want to shun, or at least not delve into, but the Attorney  
2 General lead the group that visited this community, as well  
3 as several others, and we gave a good ear full. And  
4 apparently we got some attention. The ear full was based  
5 upon herring recovery with an interventive approach. And  
6 now that same type of approach is being presented again as  
7 a component within your -- hopefully your herring  
8 restoration plan. At least it s a proposal presented  
9 within this group of proposals that you ll be reviewing.

10                   We propose that, in one of the proposals we  
11 propose to form a collaborative group, even though there  
12 was no intention initially to form a collaborative group,  
13 those people who are awarded, successfully awarded  
14 proposals in 07, we believe we can work collaboratively  
15 with them and aid the communication between researchers,  
16 which may not often be the case. We would like to speak in  
17 terms of collaboration and foster communication and really  
18 find out what is going on with herring and take the  
19 interventive approach to bring herring back on its feet as  
20 a resource, not only of economic importance to our  
21 community and other communities in the general Cordova  
22 metropolitan area, but also the importance for herring as a  
23 keystone species in the marine environment of Prince  
24 William Sound.

25                   Again, we urge your consideration for

1 taking the interventive approach which we've presented  
2 within our proposal and also it was a topic that was  
3 discussed quite thoroughly in late April in that herring  
4 summit meeting held at the EVOS office. We had a number of  
5 -- quite a number, I'm sure you'll agree, of herring  
6 researchers present at that meeting. And there seemed to  
7 be a general agreement in favor of a collaborative approach  
8 for -- an interventive approach for herring.

9                   So thanks. Nothing further on this at this  
10 moment.

11                   CHAIRMAN MARQUEZ: Thank you, Mr. Adams.  
12 Mr. Kopchak, did you have some additional comments?

13                   MR. KOPCHAK: No, thank you. Appreciate  
14 it.

15                   CHAIRMAN MARQUEZ: Is there anyone else on  
16 line that would -- has any public comment?

17                   MR. PATRICK: Yes, this is Vince Patrick in  
18 Cordova.

19                   CHAIRMAN MARQUEZ: Go ahead, Mr. Patrick.

20                   MR. PATRICK: I'd like to thank the Trustee  
21 Council for what it's done in the past several years in  
22 getting things refocused on restoration and recovery. It's  
23 been an important contribution of the overall process. I  
24 think as time goes past as it may go forward, that  
25 contribution going to be reckoned more and more. So you

1 have set the -- done something that's going to be recorded  
2 in history as having made a -- been a turning point going  
3 forward.

4                   At this crossroads with -- your resolution  
5 rate is an issue because the resolution is vague and it's  
6 hard to understand what you're doing. I guess we will  
7 learn later what it is you have in mind and why the boat is  
8 needed, a motion is needed. But it brings to -- it  
9 highlights an issue that we raised and but has not gotten  
10 quite enough discussion, and that is the stability of the  
11 restoration process.

12                   One of the shortcomings of the process has  
13 been its stability. It takes a stable, consistent,  
14 adaptive effort over a long period to restore a species  
15 that lives to nine and 10 years and has a four year  
16 juvenile period and recruits in mid-life. This -- a cycle,  
17 a political cycle and an employment (ph) cycle that  
18 sometimes is going -- is as short as two years has to make  
19 that process more difficult. By including a much -- more  
20 inclus -- making a more inclusive process that involves  
21 the community, which is here for the long haul. Then that  
22 process will help to stabilize it. It will give it a  
23 corporate memory and will smooth out some of the changes  
24 and give a more careful and more longer term perspective on  
25 when to go in this direction, when to go in that direction.

1                   So as you adapt to and allocate the 75,000  
2 to the planning process, keep in mind that we're -- it's a  
3 good -- a second legacy to what you've already done for the  
4 restoration process is to do things that in the long term  
5 are going to stabilize and smooth out the bumps that have  
6 created the problems that you discovered very thoroughly  
7 when you did your synthesis. You found the holes, you  
8 found the gaps, and you got this all -- the way to not --  
9 to avoid those going forward is to stabilize the process.

10                   So whatever you do on the decision-making,  
11 keep in mind that stability is going to come from the  
12 stakeholders. And that's the end of my comments and thanks  
13 very much.

14                   CHAIRMAN MARQUEZ: Thank you. Anyone else  
15 on line with public comments?

16                   (No audible responses)

17                   CHAIRMAN MARQUEZ: Hearing none, is there  
18 anyone here present in the Anchorage office that has public  
19 comments?

20                   (No audible responses)

21                   CHAIRMAN MARQUEZ: Seeing none, we'll close  
22 the public comment period. Thank you all for your  
23 comments. Do you have a motion?

24                   MR. O'CONNOR: Oh, are you ready. Oh. I  
25 move that Trustee Council go into executive session at this

1 point to address legal and personnel matters.

2 CHAIRMAN MARQUEZ: Is there a second?

3 MR. DIETRICK: Second.

4 CHAIRMAN MARQUEZ: Any opposed?

5 (No audible responses)

6 CHAIRMAN MARQUEZ: Just off the -- not off  
7 the record but how long do you think that this will take,  
8 Mr. O'Connor?

9 MR. O'CONNOR: Hopefully not more than half  
10 an hour.

11 CHAIRMAN MARQUEZ: Was it the pleasure of  
12 the Council that we take a lunch break?

13 MR. BAFFREY: Not yet.

14 UNIDENTIFIED SPEAKER: Lunch is being  
15 delivered at 12:30.

16 MR. MEADE: This is Trustee Meade. I need  
17 to, if at all possible, my participation today to be done  
18 by 2:00. If I need to continue to be on at 2:00, I'll have  
19 my alternate continue in the discussions.

20 CHAIRMAN MARQUEZ: All right. We'll forego  
21 a lunch break and we'll go into executive session and we  
22 contemplate that we'll be back out of executive session  
23 around noon. Thank you.

24 (Off record - 11:32 a.m.)

25 (On record - 12:20 p.m.)

1                   CHAIRMAN MARQUEZ: Which Trustees do we  
2 have online?

3                   MR. CAMPBELL: This is McKie, I'm here.

4                   CHAIRMAN MARQUEZ: Joe?

5                   MS. PEARCE: Joe was going to take a two  
6 minute break and be right back.

7                   MR. MEADE: Joe's back.

8                   MS. PEARCE: That was fast.

9                   CHAIRMAN MARQUEZ: Joe's back. I'd call us  
10 back to order then. I will report that we discussed legal  
11 matters and personnel matters in executive session and no  
12 action was taken. And so we're ready to go back into the  
13 public portion of our Trustees meeting. I believe next up  
14 is the Executive Director's report. Or did we want -- yes,  
15 Executive Director's report. Mr. Baffrey.

16                   MR. BAFFREY: Will you please get that  
17 sprout off of your cheek? Thank you. Well, I was going to  
18 reintroduce you to Catherine but I'll wait until she comes  
19 in. So I will pre-introduce you to Shane St. Clair, which  
20 I believes starts on the 25th.....

21                   MR. ST. CLAIR: 25th.

22                   MR. BAFFREY: .....of this month. He will  
23 be our new Analyst Programmer III. That brings us to full  
24 staffing at that point. So it's has been a great ride and  
25 now we've got a lot of help. So -- and I'm also in the

1 process of working with Kim's home agency on extending her  
2 IPA agreement through the end of the calendar year. And  
3 that hopefully will give her time to finish the projects  
4 that she's already got started.

5                   Let me talk about schedule. That's that  
6 kind of perennial topic that we have. And here's Catherine  
7 right now. Catherine Boerner. I introduced you at the  
8 last Trustee Council meeting but something about talking to  
9 a teleconference just didn't quite -- wasn't quite  
10 fulfilling. Catherine is our new program analyst, the  
11 position vacated by Carolyn that -- and she'll be tracking  
12 the projects. She's been incredibly helpful in terms of  
13 the proposals and getting that process under control and  
14 will just be a tremendous asset to this office.

15                   So, and Kim, I talked about, while you were  
16 gone, I talked about the fact that I'm working with your  
17 home agency to extend your IPA through December instead and  
18 that would -- that maybe it would give you time to finish  
19 some of the projects that you've started. Schedule.

20                   And I want to focus on the FY-07 work plan.  
21 The 53 proposals that we received in response to the '07  
22 invitation have been through peer review. They -- the peer  
23 review comments and the proposals have been given to the  
24 science panel and the science panel will meet September 25  
25 and 26 in this room. That will be a public meeting. The

1 -- due to the proprietary nature of -- that's contained in  
2 the proposals, much of that -- I anticipate much of the  
3 meeting will be conducted in executive session.

4                   We will post a draft '07 work plan on our  
5 website no later than October the 2nd. And the liaisons  
6 will meet October 11th and 12th to go over the -- review  
7 the proposals and to make funding recommendations to the  
8 PAC. Stacy and I had talked, we'll either meet on the 17th  
9 or 18th of October and do the same and make  
10 recommendations. And the Trustee Council meeting that will  
11 address approving the funding for the FY-07 work plan is  
12 scheduled for November 14th.

13                   The next revised final draft report of  
14 Project 060783, that's Integral's information synthesis and  
15 recovery recommendations, we endearingly refer to that as  
16 EVOS II, that is due in this office I believe a week from  
17 tomorrow, September 15th. The -- when that report is  
18 finalized, we will -- that will trigger the release of the  
19 preliminary draft of the 2006 update to the injured  
20 resources and services list.

21                   Let me shift to reporting procedures. I  
22 would like to thank the Trustee Council for supporting a  
23 modification to the reporting requirements for annual  
24 reports. I have informed the PI's of active projects that  
25 annual reports are due September 1, including the year,

1 their final funding year. I've informed them that the  
2 annual and final reports are critical key components for  
3 evaluating past performance and I also informed them that I  
4 would not be recommending funding for proposals where the  
5 submitting PI's had delinquent reports.

6                   We did something unique, I think it's  
7 unique to the FY-07 process. We also soliciting,  
8 requested, and received pre-proposals. These were one page  
9 concept papers where we just -- the Trustee Council wanted  
10 to know, are there other ideas out there that may warrant  
11 funding. If there are, then we would go back to the  
12 submitting potential PI and have them flesh out a proposal.  
13 We received 12 of these and we will run the review of the  
14 one-page proposals through the recommendation process  
15 concurrent with the 53 full proposals that were received.  
16 The science panel will look at them; the liaisons will look  
17 at them; the PAC will look at them; and then you will have  
18 presented at your November meeting the one-page proposals  
19 that we think you should request full proposals be  
20 developed. And you'll make that decision on November 15th  
21 -- 14th.

22                   MS. PEARCE: What were the parameters?

23                   MR. BAFFREY: It was.....

24                   MS. PEARCE: No parameters.

25                   MR. BAFFREY: .....pretty wide open. You

1 know, the nexus was to restoration and of course the spill  
2 effected area. That is my Executive Director's report. I  
3 know that there's a lot of people online that -- several  
4 people online that had addressed the situation of the  
5 herring restoration plan and the invitation. And I'm -- I  
6 would like to suggest that maybe we move item number nine  
7 up to my Executive Director's report and -- so they  
8 wouldn't have to stay on through the nitty gritty details  
9 of PAC nominations and the budget items.

10 CHAIRMAN MARQUEZ: Fine.

11 MR. BAFFREY: Good to go?

12 CHAIRMAN MARQUEZ: Any objection by any of  
13 the Trustees to that proposal by our Executive Director?

14 MR. O'CONNOR: Not here.

15 (No audible responses)

16 CHAIRMAN MARQUEZ: Hearing none.....

17 MR. O'CONNOR: I don't mind -- can I just  
18 ask you a question?

19 MR. BAFFREY: Uh-huh. (Affirmative)

20 CHAIRMAN MARQUEZ: There was reference to a  
21 motion. Is the motion that was mentioned in the public  
22 comment period in our packets?

23 MR. BAFFREY: The one on the herring  
24 restoration plan?

25 MS. WOMAC: No.

1 MR. BAFFREY: I'm sorry, which one?

2 MS. WOMAC: It was sent out last night.

3 MR. BAFFREY: So -- but which one is it?

4 MS. WOMAC: The herring one.

5 MR. BAFFREY: The herring one.

6 MR. O'CONNOR: Can we get a copy of it? I  
7 need something.....

8 CHAIRMAN MARQUEZ: And who's motion was  
9 that?

10 MR. BAFFREY: It was whichever person is  
11 going to be making it. Yeah, it was a suggestion motion.

12 CHAIRMAN MARQUEZ: Oh.

13 MR. BAFFREY: I can read it, assuming that  
14 I've got it. We'll wait till Cherri gets back.

15 CHAIRMAN MARQUEZ: Why don't you go forward  
16 then? I'm.....

17 MR. BAFFREY: All right. Ross, are you  
18 online? Thank you.

19 MR. MULLINS: Yes, I am. I can't hear Mr.  
20 Baffrey very well though. He's been quite weak.

21 MR. BAFFREY: Can you hear me now?

22 MR. MULLINS: Much better.

23 MR. BAFFREY: Great. Ross, I was a little  
24 confused when you were talking about -- what schedule you  
25 were talking about.

1 (Off record conversation)

2 MR. BAFFREY: All right. Thank you. Ross,  
3 I was a little confused about the schedule. You had stated  
4 that the FY-07 invitation work plan process was being  
5 deferred and in reality that's only sliding two weeks. The  
6 -- I don't know, did you understand from what I said in my  
7 report about the schedule for the proposals?

8 (No audible response)

9 MR. BAFFREY: Apparently -- Ross, are you  
10 still having a hard time hearing me?

11 (No audible response)

12 MR. BAFFREY: That would be.....

13 MR. MULLINS: Can you hear me?

14 MR. BAFFREY: I can hear you; can you hear  
15 me?

16 MR. MULLINS: Yes, I hear you fine,  
17 Michael, thank you.

18 MR. BAFFREY: Okay.

19 MR. MULLINS: You're a lot better.

20 MR. BAFFREY: Ross, did you -- when I went  
21 through the schedule for the FY-07 work plan, did that  
22 answer -- clarify some of the confusion you had over the  
23 schedule?

24 MR. MULLINS: Yes, it did. It just seemed  
25 like a shift of a couple of weeks, so.....

1 MR. BAFFREY: It is. It is. So we're.....

2 MR. MULLINS: And my que -- my concern was  
3 though, the planning process that's enunciated in the  
4 motion that is going to be submitted, apparently to the  
5 Trustees for a vote, that puts the planning process.....

6 MR. BAFFREY: Right.

7 MR. MULLINS: .....into the -- under the  
8 control of the Trustee staff and doesn't seem to really  
9 incorporate the communities that are going to be mostly  
10 impacted by these studies and intervention efforts that may  
11 be forthcoming. And since PWSFRAP had submitted a planning  
12 proposal that we had hoped to initiate after funding  
13 potentially was available in November that we could have  
14 the PI's come to Cordova that got awards and work with them  
15 to coordinate and pull together a comprehensive three year  
16 program.....

17 MR. BAFFREY: And you know what, that.....

18 MR. MULLINS: .....that they can all agree  
19 to.

20 MR. BAFFREY: Ross.

21 MR. MULLINS: We've spoken with many of the  
22 PI's and they are all in agreement that they would like to  
23 see a process like that go forward. It would be to some  
24 degree similar to the Sound Ecosystem Assessment program  
25 that took place in 1994, so that everybody is working from

1 the same page and not at cross references or at odds with  
2 each other. And I think that's important and when, you  
3 know, your motion just refers to the Trustee Council staff  
4 preparing a preliminary restoration plan using noted  
5 herring experts, it's a little bit vague and I didn't  
6 really feel comfortable with it.

7 MR. BAFFREY: All right. Well, thanks for  
8 that. Let me tell you what our plan is. And back in the  
9 May 23rd meeting when the Trustee Council funded --  
10 authorized \$75,000 for the preparation of a herring  
11 restoration plan and team, we were supposed to have that  
12 done over the summer.

13 MR. MULLINS: Right.

14 MR. BAFFREY: That -- just let me finish.  
15 That conflicted with the invitation process and the team  
16 that we would hopefully put together, there were conflicts.  
17 Because many of you, as you did, submitted proposals  
18 against -- you know, in response to the FY-07 invitation.  
19 What I had talked about at that last Trustee Council  
20 meeting at the end of July was that because of that  
21 apparent conflict, was deferring the process until after  
22 the Trustee Council made their funding decision in  
23 November. And so in no way do I intend to prepare a plan  
24 in isolation. We will -- that's what the reference in the  
25 motion about the noted experts.

1                   We will still bring a group of experts  
2 together to prepare a plan and our intent, once that is  
3 done, is to do a community forum, going to the communities,  
4 and we said, you know, the five communities listed in the  
5 motion. And that well could not be a one shot time, you  
6 know, a one time event in the communities where we take it  
7 and it's interactive with the scientists, with the natives,  
8 with whoever would like to participate in the development  
9 of that plan. Out of that process we would then have a  
10 collective plan that we can go forward with. So that's  
11 what.....

12                   MR. MULLINS: Yes, I understand that. What  
13 was your intent in the -- when you refer to the winter of  
14 '06, '07? What time frame do you anticipate trying to  
15 complete that -- this in?

16                   MR. BAFFREY: Well, as soon as we get the  
17 funding decision on the FY-07 work plan, we're going to --  
18 this is the project that's on the plate to go. So assuming  
19 we got -- and I'm just winging it right here -- but  
20 assuming we got the funding decision on the proposals right  
21 now, we got those in in mid-November, we would -- should  
22 easily have a plan developed by mid-January that would.....

23                   MR. MULLINS: I see. So that wouldn't  
24 interfere with an '07 startup for the science projects.

25                   MR. BAFFREY: No, I mean, our goal is to

1 get this going. The real purpose of the motion was is that  
2 we couldn't get it done in summer of '06, what's our best  
3 alternative? And that was wait until the funding decision  
4 was made and then hit it hard.

5 MR. MULLINS: I see. Well, that's good.  
6 That sounds good.

7 MR. BAFFREY: All right.

8 MR. MULLINS: Thank you very much for the  
9 clarification.

10 MR. BAFFREY: Well, thanks for your  
11 comment. That's it.

12 MS. PEARCE: So, Mr. Chairman. I don't  
13 understand why we need a motion.

14 MR. BAFFREY: The motion is that it was '06  
15 monies and we're going to do the task in '07. I just need  
16 you to say okay.

17 MS. PEARCE: Okay.

18 MR. O'CONNOR: So I've got a motion  
19 here.....

20 MS. PEARCE: I don't know why we need a  
21 motion.

22 MR. O'CONNOR: .....that I thought up. It  
23 looks like this. I would move to approve pursuing the  
24 herring restoration planning efforts using the 75,000  
25 approved at the May 23rd Trustee Council meeting to cover

1 the costs of EVOS staff preparing a preliminary draft  
2 Herring Restoration Plan. Noted herring experts will  
3 assist in developing and guiding the planning document.  
4 The Draft Plan will be presented at public meetings in the  
5 winter of '06 and '07 in the affected communities, Cordova,  
6 Chenega, Tatitlek, Kodiak, and Anchorage. We should have  
7 public input solicited and incorporated into the document  
8 before it is finalized. I would so move.

9 CHAIRMAN MARQUEZ: Is there a second?

10 MR. MEADE: I'll second that.

11 MS. PEARCE: So.....

12 CHAIRMAN MARQUEZ: We have a motion and a  
13 second. Discussion.

14 MS. PEARCE: I have a question.

15 CHAIRMAN MARQUEZ: Trustee Pearce.

16 MS. PEARCE: So Michael.....

17 MR. BAFFREY: Yes.

18 MS. PEARCE: .....we will have approved or  
19 funded some projects.....

20 MR. BAFFREY: Right.

21 MS. PEARCE: .....specific, and so you're  
22 have projects there and then you're going to go have  
23 meetings turn into -- meld those into one larger plan and  
24 seeing where the gaps are figuring out what you ought to do  
25 with the gaps?

1                   MR. BAFFREY: Ideally that would be the way  
2 to do it. But regardless, we're going to be putting  
3 together a comprehensive restoration plan. And that was  
4 the intent that we had, that we came out of the May 23rd  
5 meeting with.

6                   MS. PEARCE: Uh-huh.

7                   MR. BAFFREY: That's what we want to do.  
8 How this melds with what Ross is talking about with the  
9 collaboration between the PI's, that's -- if that happens,  
10 I'm very supportive of that.

11                  MS. PEARCE: Okay.

12                  MR. DIETRICK: Yeah, a question on how this  
13 request relates. The Herring Restoration Plan on the 75 is  
14 '06 money, correct?

15                  MR. BAFFREY: Right.

16                  MR. DIETRICK: And the '07 budget has a  
17 herring plan for 75,000. Are those.....

18                  MS. BAFFREY: It's the same money.

19                  MR. DIETRICK: .....one in the same?

20                  MR. BAFFREY: Same money.

21                  MR. DIETRICK: So do -- since it's part of  
22 the '07 budget, when the budget is approved, does it have  
23 to also then be approved separately? I mean, it seems to  
24 me if that's the same 75 that's already in the budget  
25 document that.....

1 MR. BAFFREY: Right. It will be.....

2 MR. DIETRICK: .....action is -- takes  
3 care.....

4 MR. BAFFREY: It's carried forward money.  
5 So you're approving the budget but some of that money is  
6 going to be carried forward from '06. Is that correct?

7 MS. HANNAH: Yeah, in '06 we had planned to  
8 use NOS grant funds. The NOS grant expires September 31st.  
9 We've asked for an extension and a modification in scope to  
10 cover all the herring restoration activities in the budget.  
11 So what we wanted was for you to approve the funding in '07  
12 for it should the NOS grant not get extended and the funds  
13 have to be returned to NOAA. But we have encouraging word  
14 that it's -- that the NOAA representative has said that --  
15 he's commented in favor of the extension in modified scope.  
16 And that that -- those funds would replace the funds that  
17 you'll.....

18 MR. BAFFREY: Okay.

19 MS. HANNAH: .....invest.

20 MR. DIETRICK: Not to belabor it, but is  
21 the project in the budget then the same that's -- project  
22 that's the subject to the motion?

23 MR. BAFFREY: Right.

24 MR. DIETRICK: And the amount of money is  
25 the same and I heard the explanation but I'm not sure what

1 the answer was. Is it -- do we need to take two or not  
2 then? I mean, isn't it -- when we approve the budget and  
3 the 75 is there, does that not take care of it then?

4 MS. LOVETT: Mike.

5 MR. BAFFREY: Please.

6 MS. LOVETT: Part of the reason for a  
7 revised motion was the fact that the 75,000 was initially  
8 approved by the Council for a particular purpose and that  
9 purpose has slightly changed since it didn't happen over  
10 the summer as planned. So that's part of the reason  
11 there's a separate motion today. It's a change in purpose  
12 for the funds.....

13 MR. DIETRICK: So.....

14 MS. LOVETT: .....will be used for.

15 MR. DIETRICK: .....we're not approving 75  
16 twice then?

17 MR. BAFFREY: That's correct.

18 MS. LOVETT: Right.

19 MR. DIETRICK: Thank you.

20 MR. O'CONNOR: I would call for the  
21 question.

22 CHAIRMAN MARQUEZ: The question has been  
23 called.

24 MR. BAFFREY: Do roll call? Okay. Joe.

25 MR. MEADE: In favor.

1 MR. BAFFREY: Okay. Larry.

2 MR. DIETRICK: Yes.

3 MR. BAFFREY: McKie.

4 MR. CAMPBELL: Yes.

5 MR. BAFFREY: Drue.

6 MS. PEARCE: Yes.

7 MR. BAFFREY: Craig.

8 MR. O'CONNOR: Yes.

9 MR. BAFFREY: David.

10 CHAIRMAN MARQUEZ: Yes.

11 MR. BAFFREY: All right. Thank you.

12 CHAIRMAN MARQUEZ: Mr. Baffrey, does that

13 conclude Item number 9, the Herring Restoration Plan?

14 MR. BAFFREY: Yes, it does. Thank you.

15 CHAIRMAN MARQUEZ: Did you have any further

16 action on the Executive Director's report?

17 MR. BAFFREY: No.

18 MS. PEARCE: I have a question for the

19 Executive Director. We have in our packets the investment

20 reports. Do we have an active investment working group and

21 have they continued to meet?

22 MR. BAFFREY: That is a great question. To

23 answer your question about continued to meet, no. So that

24 probably speaks to the active part of investment.....

25 MS. PEARCE: Okay.

1                   MR. BAFFREY:   .....working group.  We do  
2  have an investment working group.

3                   MS. PEARCE:  Okay.

4                   MR. BAFFREY:  And Gary Bader did want to  
5  address the Trustee Council at this meeting.  And he had a  
6  conflict and he also said that because of the fullness of  
7  the agenda, that this probably wouldn't be the time to do  
8  it.  So my plan is to bring him here to talk about just  
9  exactly that at the next Trustee Council meeting.

10                  MS. PEARCE:  Okay.  I just.....

11                  MR. BAFFREY:  I hope you're here.

12                  MS. PEARCE:  .....wondered because I think  
13 as part of our audits, we have to have a group that.....

14                  MR. BAFFREY:  Uh-huh.

15                  MS. PEARCE:  .....does whatever magic they  
16 do.

17                  MR. BAFFREY:  We do have the group,  
18 correct?

19                  MS. HANNAH:  There is a group that I've  
20 seen in the paperwork in the office and they meet annually  
21 to reevaluate the investment strategies.  And Gary Bader  
22 was one that I wanted to get in contact with because Callan  
23 & Associates has presented the previous investment  
24 strategies and recommendations to the Council, and so  
25 that's another thing that I have on my calendar to do.

1 MS. PEARCE: Okay. Well, that was my  
2 question. I want to make sure it doesn't drop through the  
3 cracks because it's something that -- it's my understanding  
4 we are supposed to be doing it. I know Barry Roth from our  
5 solicitor's office has been a member in the past.....

6 MR. BAFFREY: Okay.

7 MS. PEARCE: .....and I wasn't sure whether  
8 he had been to a meeting lately or not but, okay.

9 MR. BAFFREY: There has not been a meeting  
10 since I've been here.

11 MS. PEARCE: Okay.

12 CHAIRMAN MARQUEZ: Any further questions  
13 for the Executive Director?

14 MR. O'CONNOR: How do you like your new job  
15 so far, Michael?

16 MR. BAFFREY: It's been great.

17 MR. O'CONNOR: Good.

18 CHAIRMAN MARQUEZ: Would the record reflect  
19 his response, please. The next item on the agenda is the  
20 Public Advisory Committee selection. Mr. Baffrey, did you  
21 have any introduction or any instruction.....

22 MR. BAFFREY: I think I'm going to defer  
23 that to Doug Mutter, so if I can get you to come forward.

24 MR. MUTTER: What do you want to know?

25 MR. BAFFREY: Well, first of all your

1 federal coordinator title would be great.

2 MR. MUTTER: Okay. Doug Mutter, I'm with  
3 the Department of the Interior. I'm the designated federal  
4 official under FACA for your Public Advisory Committee.

5 MR. BAFFREY: And maybe you could just give  
6 brief introduction as to the process we're going through  
7 right now.

8 MR. MUTTER: Sure. Under FACA, every two  
9 years advisory committees, federal advisory committees  
10 sunset, and so you have to go through a renewal process.  
11 And we did the charter renewal, if you'll recall, at the  
12 May meeting. And that charter has been approved and signed  
13 by the Secretary of the Interior. The way the work is  
14 divvied up by the Trustee Council, interior one, that  
15 particular activity to take care of the FACA business, and  
16 I was designated to handle the day-to-day stuff.

17 So we've also set up all the members of the  
18 Public Advisory Committee to sunset every two years as  
19 well. And you have 15 members, because we've made a  
20 reduction in the charter from 20. And so right now those  
21 members are up for nomination. You approve the nomination  
22 package and then I send that back to the Secretary of the  
23 Interior who signs the appointment letters. And with  
24 Drue's help, that will happen fairly quickly. Sometimes it  
25 takes awhile. But we want to make sure that we have the

1 appointments of the PAC members ready before they meet  
2 because we can't meet until they're officially appointed.  
3 And the next meeting is mid-October. We got to hustle to  
4 get that happening.

5 MR. BAFFREY: Okay. Thanks.

6 MR. O'CONNOR: Mr. Chairman.

7 MR. MUTTER: I'll stay here.

8 MR. O'CONNOR: Mr. Chairman.

9 CHAIRMAN MARQUEZ: Yes.

10 MR. O'CONNOR: At this point then, what we  
11 have been given by the Executive Director is the list of  
12 recommended members for that committee. In your capacity  
13 as the federal representative, have you -- do you have any  
14 concerns with regard to any of the recommendations or do  
15 you feel comfortable with the package that's being put  
16 forward?

17 MR. MUTTER: Right. And only three of the  
18 people proposed are new. The rest are people that have  
19 been active in the PAC, at least for the last term, and  
20 have been involved. So the package looks good. We just  
21 need your action on the recommendations for nomination.

22 MR. O'CONNOR: I would move the approval of  
23 the recommended -- of the members who have been recommended  
24 as nominees to the Public Advisory Committee. They are  
25 referenced in our packet of materials. We were also

1 provided, Mr. Chairman, with a notebook of background  
2 materials on the individuals. And after my review of that,  
3 I feel comfortable with those individuals who are being  
4 recommended by the Executive Director for appointment to  
5 the Public Advisory Committee for the October '06 to  
6 September '08 term and would so move their approval. And  
7 I'd be happy to read the list if anybody.....

8 CHAIRMAN MARQUEZ: Would you read the list,  
9 please?

10 MR. O'CONNOR: .....put that on the record.  
11 I was afraid you were going to say that. Mr. Gary Fandrei.

12 MS. PEARCE: Turn a page. This is the  
13 correct list. That one doesn't have all 15 on it. It's  
14 the next page.

15 MR. O'CONNOR: Okay.

16 MS. PEARCE: There you go.

17 MR. O'CONNOR: All right. Here we go.

18 MS. PEARCE: Still Vern McCorkle isn't on  
19 there.

20 MR. O'CONNOR: I'll need some help.....

21 UNIDENTIFIED SPEAKER: Who is it?

22 MS. PEARCE: Vern.

23 MR. O'CONNOR: .....and apologize in  
24 advance with some -- do we have a second motion?

25 MS. PEARCE: Oh, I see. I'm sorry.

1                   CHAIRMAN MARQUEZ: Do you want me to plug  
2 it in first?

3                   MR. O'CONNOR: It says your name on these.  
4

5                   CHAIRMAN MARQUEZ: Oh, okay.

6                   MR. O'CONNOR: In the category of  
7 Aquaculture and Mariculture, Gary Frandi [sic].

8                   MR. MEADE: Fandrei.

9                   MR. O'CONNOR: Fandrei. Okay. Commercial  
10 Fishing is RJ Kopchak. Commercial Tourism is Ron Peck.  
11 Conservation and Environmental is Pat Lavin. Local  
12 Government is Ed Zeine. Did I pronounce it right?

13                  MR. BAFFREY: Zeine.

14                  MR. O'CONNOR: Zeine. Marine  
15 Transportation is Torie Baker. Recreational Users is Stacy  
16 Studebaker. Native Land Owners is Larry Evanoff. Tribal  
17 Government is Mark King. Subsistence is Martha Vlasoff.  
18 For Sport Hunting and Fishing is Kurt Eilo. Science and  
19 Technical is Martin Robards. Regional Monitoring is Steve  
20 Lewis. And the Public at Large would be Vern McCorkle and  
21 Jason Brune.

22                  MR. BAFFREY: Great.

23                  MR. O'CONNOR: I sort of feel like I'm on  
24 American Idol.

25                  CHAIRMAN MARQUEZ: Is that a second to

1 Trustee O'Connor's motion?

2 MS. PEARCE: Second.

3 MR. MEADE: As long as the second is on the  
4 American Idol component.

5 CHAIRMAN MARQUEZ: We have a motion and a  
6 second. Any discussion?

7 MR. CAMPBELL: This is McKie. I had the  
8 opportunity to talk with Michael about this several times  
9 and I initially had some concerns that one, the level of  
10 response that we received in our advertisements and such  
11 was not greater. And this is not any inference against  
12 anyone who's on there, but I was just concerned about  
13 reaching out to a wide variety of folks and seeing about  
14 getting people there. And two, I also had some concerns  
15 about the appropriateness of some of the folks representing  
16 the particular categories they were nominated for. Michael  
17 has discussed those with me and sent me some information  
18 and I guess belatedly my concerns to the extent that I will  
19 support this measure.

20 CHAIRMAN MARQUEZ: Thank you, McKie. Any  
21 other comments? Discussion?

22 (No audible responses)

23 MR. O'CONNOR: Call for the question.

24 CHAIRMAN MARQUEZ: Could we have a roll  
25 call vote, please.

1 MR. BAFFREY: Oh, yes sir. McKie.  
2 MR. CAMPBELL: Yeah.  
3 MR. BAFFREY: Joe.  
4 MR. MEADE: In favor.  
5 MR. BAFFREY: Larry.  
6 MR. DIETRICK: Yes.  
7 MR. BAFFREY: Drue.  
8 MS. PEARCE: Yes.  
9 MR. BAFFREY: Craig.  
10 MR. O'CONNOR: Yes.  
11 MR. BAFFREY: David.  
12 CHAIRMAN MARQUEZ: Yes.  
13 MR. BAFFREY: Thank you.  
14 CHAIRMAN MARQUEZ: The motion passes.  
15 Congratulations to the new EVOS Public Advisory Committee.  
16 The next item on the agenda is the administrative budget  
17 070100. Mr. Baffrey.  
18 MR. BAFFREY: Barbara. Barbara Hannah is  
19 our admin manager and she will lead us all through this  
20 process.  
21 CHAIRMAN MARQUEZ: Welcome to the Council.  
22 MS. HANNAH: Thank you. Do all of you have  
23 the budget comparison sheet that I put out on the table  
24 this morning? I had -- no?  
25 MR. O'CONNOR: I forgot to pick it up.

1 I'll go get it.

2 UNIDENTIFIED SPEAKER: I'll get it. I'm  
3 already up.

4 MS. HANNAH: This was.....

5 MR. MEADE: Is.....

6 MS. HANNAH: .....the budget comparison  
7 sheet was -- excuse me?

8 MR. MEADE: I was going to say, this is  
9 Joe, I know I have the budget data that was in the packet.  
10 If there was something distributed this morning that is a  
11 comparison, I don't know that I have that.

12 MS. HANNAH: It was emailed this morning as  
13 well.

14 MR. MEADE: I do -- I have not had access  
15 to be able to pick up anything off of email that was sent  
16 out late this morning.

17 MS. HANNAH: I apologize for that. The  
18 comparison was a resource that I used, that the office used  
19 in compiling the administrative budget. And it just seemed  
20 like such a good tool to present to you to help you  
21 understand the methodology in formulating the budget this  
22 year. We really tried to mirror last year's budget that  
23 was approved finally after the first of the year. This  
24 year, with the reorganization of the office and changing  
25 the staff and everything, it just seemed the best approach.

1 And so if you have any questions in regards to it, I'll do  
2 my best to answer them.

3 CHAIRMAN MARQUEZ: Joe, are you at a place  
4 where we could fax you a copy?

5 MR. MEADE: A faxed copy won't help me  
6 either. I just need to remind Michael that -- as I did  
7 with our last Executive Director -- getting information out  
8 timely is pretty critical for my digital access to it. But  
9 I tend to be in support of what I saw in the budget, so  
10 it's not a concern over what I saw packaged and sent out in  
11 advance. Just I didn't have any opportunity to pick things  
12 up this morning. So I would recommend just talk through  
13 the budget and I'll pay attention.

14 MR. BAFFREY: Joe, I do apologize.

15 MR. MEADE: Understood. I mean, if you've  
16 been very good about. This was just -- it caught me by  
17 surprise. But no, please continue and I'll listen closely.

18 CHAIRMAN MARQUEZ: Thank you, Joe.

19 MS. HANNAH: Okay. The first page of the  
20 budget sheet, the draft that was compiled on August 23rd,  
21 is like a summation. It's pretty much the same as last  
22 year, just kind of identifies that this office intends to  
23 try to complete all the interim guidance document items  
24 that Trustee Council presented. And there's just a few  
25 changes within the budget, the NOS grant funds. If they

1 become extended and become available this year, they will  
2 be used entirely for the herring restoration efforts. And  
3 so therefore you'll see some budget changes because  
4 investment funds will have to take up where administrative  
5 staff costs were supplemented by the NOS budget.

6                   So, and also the STAC component is not  
7 within this budget. We've moved the science panel within  
8 the science management section. And we've added this year  
9 the ARLIS budget within this component, which seemed  
10 appropriate. So you'll notice that addition as well.

11                   MR. O'CONNOR: Can we ask questions as we  
12 go?

13                   MS. HANNAH: Uh-huh. I don't want to like  
14 lead the whole thing but if you've had a chance to review  
15 it and you have some primary concerns, I'd be happy to  
16 address them.

17                   MR. O'CONNOR: My question, Mr.  
18 Chairman.....

19                   CHAIRMAN MARQUEZ: Go ahead.

20                   MR. O'CONNOR: .....has to do with just the  
21 way the entries are made. Where you're showing a  
22 difference, in some areas we're seeing a significant  
23 difference between the '06 and the '07. And that's being  
24 noted, at least in my parlance, as a positive. It's a --  
25 rather than a reduction. Wouldn't the reductions be in

1 parentheses and the.....

2 MR. BAFFREY: I agree.

3 MR. O'CONNOR: Okay?

4 MS. HANNAH: Okay.

5 MR. O'CONNOR: Okay. Then it's not just  
6 me. Good.

7 MS. HANNAH: Oh, that's a good thing to  
8 note, the difference.

9 MR. O'CONNOR: Okay. All right.

10 MS. HANNAH: Okay.

11 MR. O'CONNOR: Good. I got it.

12 MS. HANNAH: And that's just kind of a  
13 summation page. In formulating the budget, I actually  
14 looked at historical information from '05. It's a little  
15 hard to pull in information when it comes from different --  
16 when the method of coding things has changed from year to  
17 year. But it seemed like -- actually to use last year's  
18 '06 budget was the best method to do again this year for  
19 '07, just so you have something to compare against. You  
20 approved '06's so hopefully it will be noticeable any  
21 things that you can spot that you might want to inquire  
22 about why there may be some changes in the funding amounts.

23 MS. PEARCE: Mr. Chairman.

24 CHAIRMAN MARQUEZ: Yes.

25 MS. PEARCE: Michael, it was -- was it '06,

1 am I correct, that Scott Nordstrand went through.....

2 MR. BAFFREY: Uh-huh. (Affirmative)

3 MS. PEARCE: .....kind of line by line,  
4 penny by penny?

5 MR. BAFFREY: Yeah.

6 MS. PEARCE: So you based this on.....

7 MR. BAFFREY: Correct.

8 MS. PEARCE: .....the work that he and  
9 others did.

10 MR. BAFFREY: Uh-huh. (Affirmative)

11 MS. PEARCE: Okay. And I have one other  
12 question. What's built into the personnel lines on each --  
13 in each category for raises?

14 MS. HANNAH: Actually the amounts that are  
15 added in here is what I put into the state's automated  
16 budget system and we project what we're using for the FY-07  
17 management plan in ABS. So we're using those ranges that  
18 have already built in the increases and any benefit costs  
19 or any salary increases that just became effective on July  
20 1st. So to be consistent, I used what I just updated in  
21 ABS, in the automated budget system for the state. And  
22 plus the amounts for -- Michael's is budgeted in there at  
23 his actual rate, even though it shows a range and step  
24 should a state executive director be in there. It shows  
25 that range and step but the actual dollar amount is what's

1 in his IPA. And then in Kim's, it shows the range and step  
2 is higher but we left it at what -- I was consistent in  
3 that methodology as well. Michael did want me to be  
4 consistent and to show what that pay would be for her  
5 should she be extended for the full year.

6 MS. PEARCE: So for everybody except  
7 Michael and Kim, whatever the increase was when the  
8 legislature left town and the budget was signed is the  
9 increase. Whatever.....

10 MS. HANNAH: Uh-huh. (Affirmative)

11 MS. PEARCE: .....that was.

12 MS. HANNAH: It is, uh-huh.

13 MS. PEARCE: And does your IPA call for a  
14 board review and increase on an annual basis?

15 MR. BAFFREY: No, but I think that's a  
16 great idea.

17 MS. PEARCE: Well, that's what we've always  
18 done in the past, and I just wondered.....

19 MR. BAFFREY: Except for the minimal basis  
20 part.

21 MS. PEARCE: Pardon?

22 MR. BAFFREY: Except for the minimal basis.  
23 You know, but it does not.....

24 MS. PEARCE: Okay.

25 MR. BAFFREY: Correct?

1 MS. HANNAH: Correct. It's just the dollar  
2 amount was figured at the same rate across the whole.

3 MR. BAFFREY: Right. And I'm not really --  
4 I mean, in the IPA process, we can get our normal raises,  
5 our normal promotions, but that does not happen through  
6 this office. That happens through our -- something that we  
7 would be entitled to normally through our home agencies.  
8 So the federal -- I think your question is, the federal  
9 annual increase, we still get that.

10 MS. HANNAH: It's my understanding that the  
11 general finance office intends to request reim -- will  
12 provide reimbursement on the figure given by the agency  
13 quarterly. So whatever the act -- because you have five  
14 weeks of payroll, you have more pay periods during the  
15 period. So we're going to ask them for a figure amount for  
16 reimbursement. So that would include, that would pull in  
17 any of your -- whatever ra -- however your ranges and  
18 payroll increases are figured in.

19 MR. O'CONNOR: Mr. Chairman.

20 CHAIRMAN MARQUEZ: Go ahead.

21 MR. O'CONNOR: On the personnel costs, the  
22 amounts that you're reflecting, they include the benefits  
23 as well. So you just -- we just have an aggregate number  
24 on the.....

25 MS. HANNAH: Yep, I wish I got what that

1 says. It's benefits, it definitely is.

2 MR. O'CONNOR: All right. I would -- and  
3 what percentage is used by the state or -- roughly for  
4 benefits? Is it 23.....

5 MS. HANNAH: Oh, I don't know that offhand.  
6 I could pull that information out of ACIS.....

7 MR. O'CONNOR: That's okay.

8 MS. HANNAH: .....or out of ABS for you.

9 MR. O'CONNOR: That's okay. I was just  
10 curious as to.....

11 MS. HANNAH: It's consistent. It's what's  
12 in the state system.

13 MR. O'CONNOR: Okay.

14 CHAIRMAN MARQUEZ: Joe or McKie, do you  
15 have any questions?

16 MR. CAMPBELL: I don't have a question. I  
17 would like to just make one comment and I've already made  
18 it to Barbara and Michael but I want to make it in front of  
19 the full Trustees, is my administrative staff down here has  
20 been tremendously appreciative of the difference that  
21 Barbara's made since she's arrived and really appreciate  
22 your work.

23 CHAIRMAN MARQUEZ: Good.

24 MS. HANNAH: Thank you.

25 MR. MEADE: And I'll just, this is Joe,

1 that Steve and I looked over the budget, it was methodical.  
2 It tracked very closely to what we saw in '06, and it's on  
3 a conservative or a -- it's recommending a slight decrease.  
4 It's on the trends that the Trustees have asked for. I  
5 felt very solid about the budget package and submittal. So  
6 again, please, my comments earlier with the digital data  
7 coming in this morning wasn't acceptable but the package  
8 looks excellent.

9 MR. BAFFREY: Thank you.

10 CHAIRMAN MARQUEZ: Any further questions.  
11 Larry.

12 MR. DIETRICK: Yeah, the references made to  
13 the budget process last year. There was an expectation  
14 that -- there was a budget work group last year that did  
15 the transition and it was chaired by I think Scott  
16 Nordstrand, or at least he was involved. Was that group  
17 going to be activated this year? I think they also dealt  
18 with the revenue side and some of the other budget issues,  
19 like how much is available this year for '07, what is the  
20 revenue stream, and then how much will be available, you  
21 know, in '07 if, you know, additional amounts were taken  
22 out of the '07 project this year and how does it affect the  
23 budget then in '07.

24 MS. HANNAH: Well, in formulating the  
25 budget, I had help with I believe the same parties that

1 were involved last year. Not with Nordstrand but -- and  
2 then I also work closely with Jeff Hoover in Juneau as far  
3 as getting the information from -- and Divina Pelayo, the  
4 accountant there, and the finance officer, Christine  
5 O'Sullivan, and making sure the information, we're doing  
6 our management plan in ABS right now, so that -- to ensure  
7 that all the appropriated receipt authorization is there.  
8 And then I provided elapsed forward amounts for the state  
9 year to them as well. And so being the new state year,  
10 there should be plenty of receipt authorization to receive  
11 the funds. I don't know if that answers your question, but  
12 that was my understanding.

13 MR. O'CONNOR: I would move approval of the  
14 administrative budget as submitted by the Executive  
15 Director and by Barbara. What is your title?

16 MS. HANNAH: Administrative Manager.

17 MR. O'CONNOR: Adminis -- okay.

18 MS. PEARCE: I would second.

19 CHAIRMAN MARQUEZ: All right. Further  
20 discussion?

21 (No audible responses)

22 CHAIRMAN MARQUEZ: Mr. Dietrick, did you  
23 have any.....

24 MR. DIETRICK: Yeah, well we still had some  
25 concerns about some items but if you want to move -- if

1 somebody has a motion and then discuss it in regard to that  
2 motion or do you want to just.....

3 CHAIRMAN MARQUEZ: We've got a motion and a  
4 second, so now is the time for discussion.

5 MR. DIETRICK: Is the motion the one that's  
6 in the notebook? Or what is the nature of the motion then?

7 MR. O'CONNOR: I just invented it. I said  
8 I move approval of the budget as submitted by the Executive  
9 Director and Program Manager.

10 MR. DIETRICK: Be -- the notebook documents  
11 acknowledge that there would be a revised budget for the  
12 support program pending the '07 awards. So there would be  
13 some revisions coming back, some amendments to the budget.  
14 That's why I was wondering if there was -- if the budget  
15 work group had convened and if they were going to be acting  
16 in the interim to deal that. Because if we're acting on  
17 the motion in the notebook, it says then that there will be  
18 a process between now, right, and the '07, and that there  
19 will be some revisions proposed.

20 MS. HANNAH: The same group of people that  
21 helped me formulate this will help on that end as well once  
22 the funded projects are identified and we know which ones  
23 have been assigned to the liaisons to make sure they have  
24 sufficient funds for their services.

25 MR. DIETRICK: And so the motion then would

1 be to approve the work plan but that's subject then to the  
2 work group identifying what revisions need to be submitted  
3 probably, what, at the next Trustee Council meeting?

4 MS. HANNAH: Uh-huh. That's kind of what  
5 the last sentence was abbreviated in the motion I believe.

6 MR. DIETRICK: Right. And if that's -- I  
7 just want to get clear what we're acting on because we had  
8 some other questions about some things that we didn't see  
9 in the plan but we don't want to hold up approval today but  
10 we're willing to -- if we can open that door a little bit  
11 -- have the work group also consider those in the interim  
12 and then bring those revisions back.....

13 MS. HANNAH: I'd be happy to.....

14 MR. DIETRICK: .....at the same time.

15 MS. HANNAH: .....address any of your  
16 concerns.

17 MR. BAFFREY: Is that not based upon the  
18 projects that are funded?

19 MS. HANNAH: Uh-huh, yes. Uh-huh.

20 MR. BAFFREY: So that will not happen at  
21 the November meeting. That's when we -- Trustee Council  
22 will fund the projects. It would be the meeting after that  
23 that there would be revisions to the budget. Correct?

24 MS. HANNAH: I'm not exactly sure. I  
25 thought that once that the projects were identified and the

1 liaison -- and the project is assigned the liaisons, then  
2 that formula could be incorporated and then we could make  
3 the change.

4 MR. BAFFREY: True but that will not happen  
5 until after the next meeting when you approve the work  
6 plan.

7 MR. DIETRICK: Could the liaisons perhaps  
8 not assess that in the interim when they get together to  
9 review those proposals and then know what those are and how  
10 many -- how that might impact them and then.....

11 MR. BAFFREY: If we can do that.....

12 MR. DIETRICK: .....provide you all  
13 with.....

14 MR. BAFFREY: .....fine.

15 MR. DIETRICK: .....estimates at that  
16 time.....

17 MR. BAFFREY: Yeah.

18 MR. DIETRICK: .....such that it could be  
19 arranged to do it then?

20 MR. BAFFREY: If it can be done, we will do  
21 it for the next meeting.

22 MR. DIETRICK: Okay.

23 MS. HANNAH: Very well. I'd like to  
24 try.....

25 MR. DIETRICK: And then have.....

1 MS. HANNAH: .....and do that for you. Uh-  
2 huh.

3 MR. DIETRICK: Because there was some other  
4 things too. There was no cost item in here that we'd like  
5 to have the group look at too for the habitat acquisition  
6 catalog. We don't know if that was finished up and if --  
7 we didn't see any money in there for that so we'd like to  
8 maybe talk to you about that, whether or not there should  
9 be a line item for that to finish that up. And then IGD  
10 also calls for revi -- moving on into '07 for a revised  
11 science plan and we didn't see any line item for that and  
12 we thought there may or may not be some costs that might  
13 need to be added for that.

14 So there's a number of things like that,  
15 that if we can punt them to the work group, have them dive  
16 into those, we'll articu -- give you the ones that we were  
17 wondering about, have them work it out, and then bring  
18 those back as a package.

19 MS. HANNAH: That would be great, uh-huh.

20 MR. DIETRICK: Okay. Well, Mr. Chairman,  
21 then, yeah, if that's the caveat in which the motion is in,  
22 we would support that, I think. And we didn't have the  
23 actual language here, so I didn't know if we were acting on  
24 the one on the -- that was prepared.

25 CHAIRMAN MARQUEZ: Trustee O'Connor, do you

1 want to restate your motion?

2 MR. O'CONNOR: Would you like me to read it  
3 again? All right. I move that the Trustee Council -- I'm  
4 reading the right thing now, right?

5 MR. BAFFREY: Is he?

6 MS. HANNAH: Yes. Go ahead.

7 MR. O'CONNOR: Correct me where I'm wrong.  
8 The Trustee Council approved the FY-07 annual program  
9 development and implementation budget for fiscal year 2007  
10 as presented in the 16 page draft dated August 23rd, 2006.  
11 That was my motion. I want to modify that slightly here to  
12 say the following, the total budget is to be funded in the  
13 amount of \$2,062,447 with Exxon Valdez oil spill investment  
14 funds. That's the funding source. Immediately upon the  
15 National Oceanic and Atmospheric Administration's  
16 affirmative determination for the one year extension and  
17 modified scope for the NOS grant number NA03NOS4730188 --  
18 always been my favorite. The total grant's lapsed forward  
19 amount will be applied to the science management budget for  
20 the herring restoration activities for '07 and the funding  
21 amount supplemented by the NOS grant will be returned to  
22 the investment fund. The Trustee Council will agree to  
23 consider a revised budget for the program support and  
24 project component following the adoption of the FY-07 work  
25 plan.

1                   CHAIRMAN MARQUEZ: Any objection by the  
2 second to that restated motion?

3                   MR. DIETRICK: Is this where I would  
4 introduce then modifying that last one to include other --  
5 the program support and other project components, to open  
6 that up to -- for other revisions then?

7                   MR. O'CONNOR: And other revisions as may  
8 be appropriate as -- after review by the liaisons.

9                   CHAIRMAN MARQUEZ: Well, maybe we need an  
10 amendment then to the motion.

11                  MR. DIETRICK: Either way is fine by me.  
12 If Craig just read it into the original, we're okay with  
13 that, if that's part of the original or do we need to amend  
14 that?

15                  MR. O'CONNOR: That's -- I forgot to read  
16 that part, Mr. Chairman.

17                  CHAIRMAN MARQUEZ: Does the second have any  
18 objections to all of this?

19                                (No audible response)

20                  CHAIRMAN MARQUEZ: Hearing none, anything  
21 -- any further discussion of the budget or any further from  
22 the staff?

23                                (No audible responses)

24                  MR. O'CONNOR: I call for the question.

25                  CHAIRMAN MARQUEZ: Do we have a roll call,

1 please?

2 MR. BAFFREY: Larry.

3 MR. DIETRICK: Yes.

4 MR. BAFFREY: McKie.

5 MR. CAMPBELL: Yes.

6 MR. BAFFREY: Craig.

7 MR. O'CONNOR: No. Just kidding. Just --

8 yes.

9 MR. BAFFREY: Joe.

10 MR. MEADE: In favor.

11 MR. BAFFREY: Drue.

12 MS. PEARCE: Yes.

13 MR. BAFFREY: David.

14 CHAIRMAN MARQUEZ: Yes. Thank you very

15 much.

16 MR. BAFFREY: Thank you.

17 CHAIRMAN MARQUEZ: Thanks for your hard

18 work on this. Very good. Yes. Thank you.

19 The next item is amendment to monitoring

20 projects. Mr. Baffrey.

21 MR. BAFFREY: Back in May, at your May 23rd

22 meeting, you passed a motion that would allow the four

23 monitoring projects that we were requesting one year

24 extensions for at that time to -- not to have interim

25 funding that allowed for them to stay active through the

1 decision on the FY-07 work plan. Subsequent to -- the  
2 problem with that, as I understand, is that there was no  
3 dollar figure associated with that, is that correct? So  
4 this motion is to attach a dollar figure to that motion and  
5 then it -- the question was how do we do that? The -- one  
6 of the four projects the PI Okkonen, has chosen not to  
7 apply for FY-07 funding. So that one is off the table.  
8 And the other three do have proposals in and are still  
9 viable projects. Our recommendation and the way the motion  
10 reads is to fund them at one-quarter of the amount that  
11 they received in FY-06 and that should carry them through  
12 the decision that you make on the FY-07 work plan. And  
13 there should be a motion to that effect in your packet.

14 CHAIRMAN MARQUEZ: The one referenced is  
15 Okkonen. This covers Okkonen as well but we should just  
16 delete that from the proposed motion.

17 MR. BAFFREY: Is there -- is that a current  
18 -- Cherri, is that a current one?

19 MS. WOMAC: I guess not.

20 MR. BAFFREY: You get to read yet again.

21 CHAIRMAN MARQUEZ: What's the pleasure of  
22 the Council? Does anyone have a motion?

23 (Laughter)

24 MR. O'CONNOR: I love saying grace at  
25 dinner too, so -- yes, I do, Mr. Chairman. I move that the

1 Trustee Council -- should I read -- this new one, right?  
2 Make this a lot easier. The Trustee Council approve the  
3 interim funding for the following FY-04 monitoring  
4 projections: 040340 - Weingartner, the long-term  
5 monitoring of the Alaska Coastal Current for \$16,238.  
6 Money to go to the State of Alaska, Alaska Department of  
7 Fish and Game. Project number 040624 to Batten. The  
8 Acquisition & Application of CPR Data in the Gulf of Alaska  
9 for \$33,800, that goes to the un -- to NOAA. Number  
10 040699, the Cokelet project, which is the Biophysical  
11 Observation Aboard the AMHS. That's \$36,475 divided 15  
12 percent to ADF&G and 85 percent to NOAA. \$5,836 to go to  
13 the State of Alaska ADF&G and that's 30,000 going to --  
14 30,639 going to NOAA.

15                   The interim funding be authorized in the  
16 amount of \$86,513. This interim funding is to be insur --  
17 to insure continued monitoring activities between FY-06 and  
18 the pending funding approval of the FY-07 invitation. The  
19 interim funding is authorized at one-quarter of the FY-06  
20 authorized amount and is contingent upon the satisfactory  
21 receipt of project annual reports and progress.

22                   I would move that -- and I would add a  
23 comment. I discussed this yesterday with the  
24 representative from my agency on the allocation of monies,  
25 the one-quarter up-front funding. Talked with Pete and

1 with Barb about that and NOAA particularly is very  
2 comfortable with this approach with regard to those two  
3 projects that were responsible for the Batten and Cokelet  
4 projects.

5 CHAIRMAN MARQUEZ: Do we have a second to  
6 this motion?

7 MR. MEADE: I'll second it.

8 CHAIRMAN MARQUEZ: Any discussion?

9 MR. MEADE: I'd to ask some discussion, or  
10 ask for some discussion. I'd like to recommend -- I don't  
11 know if it needs to be a motion amendment or not. I guess  
12 I'll ask our budget folks there, Michael and Barbara. It  
13 would seem pertinent to me to use any efficiencies in our  
14 '06 expenditures that have not been -- or obligations in  
15 '06 that haven't been expended as efficiencies to cover  
16 these costs. And there's kind of a triage, if there are  
17 not any efficiencies there, to look at any reimbursements  
18 made available to the State or the Federal codes and  
19 exhaust that, and as a last resort actually use '07 or use  
20 funds associated to the trust fund so to say. If that  
21 makes sense.

22 MR. BAFFREY: That makes sense and that is  
23 our plan.

24 MR. MEADE: Does that need to be a matter  
25 as a motion so that we know that we're first going to

1 exhaust -- scrub the books, find any '06 efficiencies prior  
2 to expending against our base?

3 CHAIRMAN MARQUEZ: Hold on a second, Joe.

4 MS. HANNAH: That was what we intended  
5 originally, was to use any funds within NRDA and GeFONSI,  
6 any balances that were in there from lapsed funds or  
7 returned funds, plus any earnings in there before going to  
8 the investment funds. So hopefully we won't have to go to  
9 the investment fund. But the problem was, is that we  
10 needed to identify a dollar amount. So we came up with  
11 this dollar amount and hopefully if the agencies will first  
12 use whatever is available -- you know, they can't really  
13 project what's anticipated for the interim period, but this  
14 way it gives them a dollar figure to work with and wanted  
15 to be more general about it. Really wanted to be able to  
16 have them come when they had a need. But this gives them  
17 flexibility and the assurance that their projects and the  
18 monitoring will continue. So that's why a dollar amount is  
19 identified.

20 MR. MEADE: Sounds good. Sounds like the  
21 intent is to scrub and utilize before we go to the investment  
22 funds. So I'm comfortable. Thank you.

23 CHAIRMAN MARQUEZ: Any further discussion?

24 (No audible responses)

25 CHAIRMAN MARQUEZ: Hearing none, could we.....

1 MR. BAFFREY: Call.

2 CHAIRMAN MARQUEZ: .....have a vote, please.

3 MR. BAFFREY: All right. Joe.

4 MR. MEADE: In favor.

5 MR. BAFFREY: Larry.

6 MR. DIETRICK: Yes.

7 MR. BAFFREY: McKie.

8 MR. CAMPBELL: Yeah.

9 MR. BAFFREY: Craig.

10 MR. O'CONNOR: Yes.

11 MR. BAFFREY: Drue.

12 MS. PEARCE: Yes.

13 MR. BAFFREY: David.

14 CHAIRMAN MARQUEZ: Yes.

15 MR. BAFFREY: Okay.

16 CHAIRMAN MARQUEZ: Thank you. Trustee

17 O'Connor, did you have an item that you wanted to have

18 inserted?

19 MR. O'CONNOR: Any further readings from NOAA?

20 CHAIRMAN MARQUEZ: I as soon to be your hand

21 servant here today. Is there anything else you'd like to do

22 today?

23 MR. O'CONNOR: Well, I want to make sure that

24 we take care of the Corr property but I think we're done on

25 the administrative budget, unless I missed something. It's

1 good you could show up though, David. It's appreciated.

2 CHAIRMAN MARQUEZ: Well, there was an

3 additional.....

4 MR. BAFFREY: Exactly. We're not quite done.

5 By the way.

6 MR. O'CONNOR: What else did I have? Oh yes,

7 I had this. I knew this. I -- do I read.....

8 MR. BAFFREY: Do you want me to give the

9 background?

10 MR. O'CONNOR: Why don't you give the

11 background, yes.

12 MR. BAFFREY: There were six multi-year

13 projects funded back in FY-05 that in the -- and it's spelled

14 out in the invitation, these are proposals that did not need

15 to request funding in FY-07, fundings that had been pre-

16 approved. However, on an annual basis, you need to make a

17 motion to continue the projects. And that's what's before you

18 today, is the six projects.

19 MR. O'CONNOR: And I would move to amend the

20 September 7th agen -- well, I've already amended the agenda,

21 so I would move approval of the -- what he just said.

22 MR. BAFFREY: Okay. Do you -- Cherri, do we

23 have the actual motion for this?

24 MS. WOMAC: For the projects?

25 MR. BAFFREY: Right.

1 MS. WOMAC: I have it right here.

2 MR. BAFFREY: Okay. Great. I guess you have  
3 to read it, unless you want me to read it for you.

4 MR. O'CONNOR: No, I'm getting into this now.  
5 I'm justifying my \$12.80 an hour for sitting here. I move  
6 that the Trustee Council approve the FY-07 funding for the FY-  
7 05 through FY-07 continuing projects identified as follows:  
8 PJ 050742, the Matkin, Monitoring of Killer Whales, in the  
9 amount of \$23,800 going to NOAA. PJ 050743, Baird, Connecting  
10 Coastwalk; Linking Shoreline Mapping. That's \$11,900 going  
11 through ADF&G. PJ 050749, the Hoover-Miller project, which is  
12 Harbor Seal Monitoring in the South Kenai Fjords. \$82,300  
13 going to ADF&G. Project PJ 050763, the Short and Long-term  
14 monitoring of the anthropogenic Hydrocarbons. It's 58,900  
15 going to NOAA. The PJ 050765, the Willette project,  
16 Management Applications: the Kenai Salmon Runs in the amount  
17 of 67,000 going through ADF&G. And finally the 050769  
18 project, that's Otis, the Temporal Stability of Fatty Acids  
19 for \$16,100. ADF&G receiving 9,000 of that and the balance  
20 going to NOAA. No, excuse me, 16,100 going to ADF&G and 9,000  
21 going to NOAA. The FY-07 funding is authorized -- to be  
22 authorized in the total amount of 269,000 with 177,300 going  
23 to ADF&G and 91,700 going to NOAA, and is to be contingent  
24 upon the satisfactory receipt of annual reports and progress.  
25 And I would so move.

1 MS. PEARCE: Second.

2 CHAIRMAN MARQUEZ: We have a motion and a  
3 second. Any discussion?

4 (No audible responses)

5 CHAIRMAN MARQUEZ: Hearing none.....

6 MR. O'CONNOR: I'd call for the question.

7 CHAIRMAN MARQUEZ: Can we have a roll call?

8 MR. BAFFREY: Okay. Larry.

9 MR. DIETRICK: Yes.

10 MR. BAFFREY: Joe.

11 MR. MEADE: In favor.

12 MR. BAFFREY: McKie.

13 MR. CAMPBELL: Yes.

14 MR. BAFFREY: Drue.

15 MS. PEARCE: Yes.

16 MR. BAFFREY: Craig.

17 MR. O'CONNOR: Yes.

18 MR. BAFFREY: And David.

19 CHAIRMAN MARQUEZ: Yes.

20 MR. BAFFREY: Now to Corr property?

21 MR. O'CONNOR: Do I have anymore dramatic  
22 readings to refer to?

23 MR. BAFFREY: No, but -- yeah, you do but it's  
24 short.

25 CHAIRMAN MARQUEZ: We'll go to our -- the next

1 item on the agenda then is the small parcel. Corr property.  
2 Mr. Baffrey.

3 MR. BAFFREY: Back in, again, May of -- May  
4 23rd, you gave the green light to due diligence on four small  
5 parcel properties. That process has been ongoing. One of  
6 those properties is ready for your decision to buy or not to  
7 buy, and that's the Corr property down on the Kenai. It is  
8 the largest remaining tract of land in the lower -- on the  
9 lower Kenai River. It's three -- 138 acres, almost a mile of  
10 river frontage. It abuts already acquired ADF&G property.  
11 It's a project that has matched funding. The appraised value  
12 was \$2,100. The resolution that -- the motion before the  
13 Trustee Council will be for a million of that. It will be  
14 private donations and the North American Wetland Conservation  
15 Act will fund the balance. So it's going for less than  
16 appraised value. It's a choice piece of property that  
17 warrants your serious consideration. There is a mineral lease  
18 on a portion of the property. The sub-surface is owned by the  
19 State of Alaska. There is a portion of the property that has  
20 a mineral lease on it. It is my understanding that no action  
21 can be taken to exercise the activities on that lease unless  
22 there is both state and federal action. You may have to help  
23 me here, Carol. I am so sorry.

24 MS. FRIES: That's okay.

25 CHAIRMAN MARQUEZ: Could you identify yourself

1 for the record, please?

2 MS. FRIES: My name is Carol Fries with the  
3 Department of Natural Resources. There is the -- the state  
4 owns -- Michael is correct. The state owns the subsurface on  
5 the Corr parcel. A portion of that has been leased to  
6 Marathon Oil. There are mitigation measures in place  
7 associated with the lease sale that protects the parcel a half  
8 a mile back from the river. Within the first quarter mile  
9 there is no drilling allowed. Within the second quarter mile,  
10 the concurrence or the approval of ADF&G and DNR, Division of  
11 Oil and Gas, the director, is required. But we thought it  
12 would -- it was important for you to understand that the state  
13 does own the subsurface and that that lease is in place. The  
14 Conservation Fund has been working with Marathon Oil to try to  
15 make sure that there's a clear understanding of the interest  
16 that the state has. We don't anticipate this being a problem  
17 but we felt it needed to be brought to you attention. And if  
18 you have any further questions, Brad is also here as well.

19 CHAIRMAN MARQUEZ: Any further questions of --  
20 yes.

21 MS. PEARCE: Well, I have a question.

22 CHAIRMAN MARQUEZ: Could you.....

23 MS. PEARCE: I'm not sure who it's for.  
24 Perhaps McKie. I was zooming through this quite happily until  
25 I got to the second page under the proposed management

1 paragraph. And I'm -- what I need to know is whether the way  
2 I'm reading this is correct or not. It reads that ADNR in  
3 cooperation with ADF&G will manage the parcel to protect the  
4 environmentally sensitive river frontage and provide  
5 recreational opportunities for the public as appropriate on  
6 the remainder of the parcel. The way that reads to me, there  
7 will be no fishing on the banks of this parcel. And I note  
8 that the Kenai River Sport Fishing Association letter lends  
9 their support with a condition, and that be that there be  
10 provisions made for public sport fishing access. So what does  
11 that language to protect the environmentally sensitive river  
12 frontage mean?

13 MR. CAMPBELL: I will give you my  
14 interpretation of that language but I promise -- I claim no  
15 greater authority than simply my interpretation. And that is,  
16 that there are parts of the property that are subject to --  
17 readily subject to degradation. If there's fishing from them  
18 that those parts of the property where they can provide  
19 fishing without the degradation, that they will do so. And  
20 we've had a great deal of luck working with the Kenai River  
21 Sports Fishing Association in the past and in areas of the  
22 river where the banks are highly susceptible to erosion or  
23 trampling, et cetera, in establishing, you know, small docks  
24 or fishing platforms or other things. And I think this would  
25 also be a prime candidate for that.

1                   MS. PEARCE: Well in the past, it's been a  
2 trend that when we've approved these, it was to provide public  
3 access over the last few years as opposed to pick up a  
4 property so that the public access that's happening now  
5 couldn't continue. And I'm a little uncomfortable with that.  
6 I certainly understand that there are erosion problems along  
7 the banks of the Kenai but I would certainly hope that ADF&G  
8 sees fit to -- or ADNR, whomever, sees fit to continue to  
9 allow access to the maximum possible.....

10                   MR. CAMPBELL: That's the business we're in  
11 and we certainly would -- had you seen the paragraph on page 1  
12 that talked about approximately half the riverbank is low and  
13 readily accessible by bank fishermen? The remainder of the  
14 riverbank is high bluff and exhibits some erosion.

15                   MS. PEARCE: I did but I wasn't sure that that  
16 -- the fact that it's low and readily accessible, maybe that  
17 was what was then the problem. It's.....

18                   MR. CAMPBELL: Yeah. I would just say from a  
19 state perspective, we're in the business of providing access  
20 and we continue to approach it from that point.

21                   MS. FRIES: And if I may, I would say that  
22 DNR's position would be the same. We're very much in support  
23 of providing recreational access. And perhaps that sentence  
24 could have been rephrased a little better.

25                   CHAIRMAN MARQUEZ: But it -- who's authored

1 this document?

2 MS. FRIES: I did.

3 CHAIRMAN MARQUEZ: Would it be possible to  
4 change that sentence.....

5 MS. FRIES: Yeah, I.....

6 CHAIRMAN MARQUEZ: .....so that.....

7 MS. FRIES: I'm happy to.....

8 CHAIRMAN MARQUEZ: .....the action of the  
9 Trustee would reflect our intention that we encourage  
10 protection of environmentally sensitive river frontage, it's  
11 our understanding that not the whole frontage would be  
12 unavailable. That part of the frontage would be available for  
13 recreational usage.

14 MS. FRIES: Okay. I'll be happy -- I -- this  
15 was developed in conjunction with Fish and Game and we can go  
16 back and work with that and amend this paragraph to.....

17 MR. CAMPBELL: Yeah, I'm sure we can do that  
18 as well.

19 MS. FRIES: .....address that.

20 MR. MEADE: This is Joe. I'd like to, I  
21 guess, contribute to the discussion to be sure that what I  
22 would hope would be in that language is what everybody here is  
23 speaking to. What I hear is interest in both conserving the  
24 state's ability to manage the subsurface in accordance with  
25 distance from the waterway. And I hear that the second piece

1 is that we would be able to protect the property from  
2 subdivision development. That we would promote and encourage  
3 public access to the extent that degradation issues were  
4 addressed through appropriate recreation access investments.  
5 That last piece I've added and I don't know if that's the  
6 right -- what I'm trying to say, no different than we have up  
7 on the Russian River, is we don't want to encourage  
8 degradation to occur. We want to encourage and accommodate  
9 public access. That access may be curtailed until appropriate  
10 public investments are made so that access can occur in a way  
11 that do not degrade the watershed condition.

12 MR. CAMPBELL: This is McKie. We promised to  
13 provide access to the maximum degree possible but we're not  
14 going to do anything that will try to degrade to banks. And  
15 we will work actively on both and we have a real successful  
16 history up and down the Kenai River of doing both.

17 MS. FRIES: Rita just pointed out Item G in  
18 the resolution authorizes the funds states that the state will  
19 provide public access, so that may address some of your  
20 concerns. Item G on Page 2 of the Corr small parcel  
21 resolution. The state shall manage the parcel as open to  
22 public access.

23 MR. O'CONNOR: Question, Mr. Chairman.

24 CHAIRMAN MARQUEZ: Question or a motion?

25 MR. O'CONNOR: No, question. I have a

1 question. What is the duration of Marathon's lease?

2 MS. FRIES: It is a seven -- what I've been  
3 able to find in the land administration system is it's a seven  
4 year lease.

5 MR. O'CONNOR: And do you know when it's  
6 supposed to expire?

7 MS. FRIES: It should expire 2011, I believe.

8 MR. O'CONNOR: And is there a renewal  
9 provision?

10 MS. FRIES: That is unclear to me at this  
11 point. My guess -- well, I can't offer an opinion as to  
12 whether or not it's renewable or not but.....

13 MR. O'CONNOR: Worst case scenario, what would  
14 we anticipate Marathon doing on this property if it's going to  
15 develop its lease holding interest? What would they do?

16 MS. FRIES: Brad, do you have any.....

17 MR. MEIKLEJOHN: They currently.....

18 MS. FRIES: There's.....

19 MR. MEIKLEJOHN: .....don't have any plans to  
20 develop.

21 MS. FRIES: Yeah. There's a very small corner  
22 in the northwest section that they may be able to access. I  
23 would think that in terms of public opinion in that particular  
24 area, it -- I just can't imagine that it would be in their  
25 best interest from a public relations perspective to impact

1 that subsurface negatively. But there is -- I mean, there is  
2 no guarantee that, you know, they won't.

3 CHAIRMAN MARQUEZ: Can you identify yourself,  
4 please?

5 MR. MEIKLEJOHN: Yeah, Brad Meiklejohn, I'm  
6 with the Conservation Fund and I've been working on this  
7 project for about four years. We did recently meet with the  
8 lands folks from Marathon Oil and they were receptive to our  
9 concerns. We've asked them to relinquish that portion of the  
10 lease. They haven't done that yet. They're considering it.  
11 I found them very receptive and amenable to working with us  
12 and I don't think they're going to be an impediment to this  
13 transaction or at least from what they've said, they don't  
14 seem to have any intentions on defiling that property or  
15 creating any problems for us. We're still working with them.  
16 We're hoping to come to some resolution with them and so far  
17 things are going well.

18 MR. O'CONNOR: But they do have the right to  
19 explore for oil.

20 MR. MEIKLEJOHN: Yeah, they could do surface  
21 occupancy on at least a portion of this property right now.

22 MR. O'CONNOR: And how invasive would that be  
23 if they decided to go forward?

24 MR. MEIKLEJOHN: I can't -- I don't know  
25 enough about oil and gas work to tell you. You know, we're

1 concerned because some of our money is coming from the North  
2 American Wetlands Conservation Fund and they have a similar  
3 concern that their investment isn't going to be undermined, so  
4 to speak, by oil and gas activity. So we're trying to find a  
5 resolution to keep them off the property and they have  
6 expressed the likelihood that if they were to try to get into  
7 that area, they would go in the form of directional drilling.

8 MR. O'CONNOR: I've got some concerns about  
9 what it is we're buying and what might happen to it. Has  
10 there been any exploration with regard to any kind of  
11 restrictions that might be imposed beyond what's already  
12 contained in DNR's lease where we could protect our interest  
13 in this property and the resource values that are associated  
14 with it?

15 MR. MEIKLEJOHN: Vis-a-vis Marathon?

16 MR. O'CONNOR: Yeah.

17 MR. MEIKLEJOHN: I don't know that that's  
18 within my control. I'd kind of punt to the state to.....

19 MR. O'CONNOR: I'm just wondering if it's been  
20 explored at all. You're recommending that we move forward  
21 with this acquisition and I want to know, are we protecting  
22 ourselves if we do that or we just throwing a million dollars  
23 into a pot and we're going to hope that Marathon is going to  
24 be a good corporate citizen and not degrade the property -- or  
25 degrade the interest that we have in the property.

1                   MR. MEIKLEJOHN: We're hoping to have an  
2 agreement with Marathon before the deal closes. It's an issue  
3 that we're working on getting resolved. I don't have a  
4 resolution at the moment.

5                   MR. O'CONNOR: Carol, did you want to anything  
6 to the.....

7                   MS. FRIES: No, that's fine.

8                   MR. MEIKLEJOHN: And I would remind the  
9 Council that the rest of the property is going to be covered  
10 by a fairly stout conservation easement. As Carol mentioned,  
11 there's a portion of this property that lies beyond a half a  
12 mile from the river. I haven't run the acreage figures. It's  
13 something on the order of maybe 10 to 15 acres of the total.  
14 You know, I don't know Marathon's policy or history of working  
15 with landowners and how they've acted in the past in the  
16 Kenai. I would imagine that if they're aware of the public  
17 interest in this property that they would be good actors. But  
18 I understand that you're concerned you're taking them on faith  
19 and we're trying to get it on paper.

20                   MR. O'CONNOR: Well, given recent history, do  
21 we corrosion issues on this parcel? Anything like that? I  
22 have trouble with the faith. How urgent is it that we sign  
23 off on this right now?

24                   MS. FRIES: The concern at this point was that  
25 once you, if you should choose to approve the funds, the state

1 has to go to legislative budget and audit to secure receipt  
2 authority before they can proceed. LBNA does not meet on a  
3 regular basis and so we need -- there needs to be sufficient  
4 time to take that step prior to December 31st. There's a lot  
5 of things going on at the same time. It's just -- I mean we  
6 were somewhat reluctant to wait until November to deal with  
7 this because our concern is that that doesn't give the state  
8 enough to get legislative receipt authority. And we.....

9 MR. CAMPBELL: This is McKie. I have to say  
10 while I do understand hesitations, I would be extremely  
11 concerned about our waiting until November. I think as the  
12 later we get in this year, the less and less willing LBA will  
13 be willing to act. Right now I don't foresee any problem.  
14 And with any difficulties at all, frankly it pushes the whole  
15 thing into a new administration and new folks are going to --  
16 they are drowning stuff to try to catch up on. This is going  
17 to be very, very low in their priorities and I can just easily  
18 see the whole thing slipping through the cracks. So.....

19 MR. MEIKLEJOHN: One of my concerns -- this is  
20 Brad Meiklejohn again -- one of our concerns is some of the  
21 money that we have as match expires on December 31st of this  
22 year also. So we have a tight time frame that we're working  
23 in. So the more leeway you provide, it gives us a better  
24 chance of actually pulling this off before the end of the  
25 year.

1                   MR. MEADE: This is Joe again. I'm just going  
2 to ponder, from what I've heard it seems like having a motion  
3 here that approves moving forward for legislative receipt  
4 authority and concurrently asking that the Executive Director  
5 work with the Conservation Fund to clarify language with the  
6 leaseholder that any activity will done in the acreage that is  
7 outside the impact zone or appropriate language so that both  
8 kind of pieces can be approved to move forward. Would that be  
9 a possible approach?

10                   I guess the point is, it's in the public's  
11 interest to not see this area subdivided if that's a potential  
12 element of risk. So retaining the open space for the benefit  
13 that it will bring to the watershed I think is all of our  
14 joint interests and so the issue of clarification with  
15 Marathon seems to be something that can moving on track while  
16 we're also moving forward with the legislative receipt  
17 authority.

18                   MR. MEIKLEJOHN: We do see clarifications of  
19 the Marathon lease issues as one of the contingencies of this  
20 deal. It needs to be clarified before we close so.....

21                   MR. CAMPBELL: Yeah. And that is a point I  
22 would make as well, is I think we can proceed, if the Marathon  
23 lease isn't clarified satisfactorily, this is going to come  
24 back to us automatically.

25                   MS. PEARCE: Well.....

1                   CHAIRMAN MARQUEZ: Trustee Pearce.

2                   MS. PEARCE: What does everybody mean by  
3 clarified? They have a lease and it's legal. So you're  
4 expecting them to just give up the lease?

5                   MR. MEIKLEJOHN: No, what I'd like to get from  
6 them is some formal acknowledgment that if they're going to  
7 try to get into their lease areas in that area, that they  
8 would not do any surface occupancy.

9                   MS. PEARCE: On that tract.

10                  MR. MEIKLEJOHN: On that tract. On the tract  
11 that.....

12                  MS. PEARCE: Do they have other lease lands  
13 nearby?

14                  MR. MEIKLEJOHN: They do.

15                  MS. FRIES: Yes.

16                  MR. CAMPBELL: Yeah.

17                  MS. FRIES: It's a very large area.

18                  MR. CAMPBELL: And this is small enough that  
19 -- I mean this particular parcel is small enough, that should  
20 not pose any problems for them.

21                  MS. PEARCE: Well, it would.....

22                  MR. O'CONNOR: Can we condition our approval  
23 on that contingency?

24                  MS. PEARCE: We could.

25                  MR. MEIKLEJOHN: It might in fact increase our

1 leverage with Marathon.

2 MS. PEARCE: It would seem to me that a public  
3 landowner has probably more ability to police and protect the  
4 lands should there be any surface occupancy than the private  
5 landowner sitting there now. So I think just having it in  
6 state ownership will provide additional protection even if  
7 Marathon didn't agree to going to no surface occupancy. I  
8 think if we care about protecting the river, we're probably  
9 better off to go ahead and do the purchase. But I certainly  
10 understand what Craig is saying.

11 CHAIRMAN MARQUEZ: If we don't approve this  
12 purchase, what happens?

13 MR. MEIKLEJOHN: Well, I think you'd see this  
14 property on the market fairly quickly. It's -- the values on  
15 the Kenai are going up about 20 percent a year, so we're kind  
16 of chasing the tiger's tail on this particular property. It's  
17 just getting more expensive. If you wanted to reconsider it  
18 next year, it's that much more expensive.

19 CHAIRMAN MARQUEZ: I guess my view of it is,  
20 for what it's worth, is that I would see us -- I think it's  
21 much more protective of the property for the transaction to go  
22 forward as proposed. My experience in oil and gas matters has  
23 been that they'll have to get substantial approval, even  
24 without any agreement an environmental conservation  
25 organization, they'll have to get substantial approvals from

1 the state of Alaska before they could do any operations of any  
2 sort on this property. And one of the charges of course to  
3 the state would be to exercise those regulatory  
4 responsibilities in a way that would protect the parcel  
5 probably better than any other entity.

6                   So my own feelings about it is that I would  
7 support the project going forward and as quickly as possible  
8 before the public loses this to somebody that will just  
9 develop it as a subdivision, not worry about anything else,  
10 and perhaps even try to encourage Marathon to develop on the  
11 property to obtain additional revenues.

12                   MR. CAMPBELL: I concur strongly with David.

13                   MR. O'CONNOR: Well, it just so happens I have  
14 a motion handy.

15                   (Laughter)

16                   MR. O'CONNOR: I would move to approve  
17 resolution 06-16 regarding the Trustee Council approving for  
18 funding one million dollars for the purchase of the Corr  
19 parcel and to proceed to closing on that. I do have some  
20 words to add of my own and I -- after there's a second then I  
21 think what I'll do is just ask a question before I add any  
22 words. So.....

23                   MS. PEARCE: I would second the motion.

24                   CHAIRMAN MARQUEZ: Any further -- we have a  
25 motion and a second, is there any further discussion?

1                   MR. O'CONNOR: I would ask a question, Mr.  
2 Chairman.

3                   CHAIRMAN MARQUEZ: Go ahead.

4                   MR. O'CONNOR: Would it be possible to  
5 condition -- no, to ask that whoever is going to be the  
6 governing entity, be it DNR or the Kenai River special  
7 management area, whoever is going to have regulatory authority  
8 and to have approval authority on what Marathon does, that  
9 they consult with -- and I don't mean ask for permission from  
10 but simply consult with the Trustee Council with regard to  
11 utilization of this property if it appears there's going to be  
12 any activities related at the surface of that property that  
13 might impinge upon our restoration goals, that we be consulted  
14 so we can have our two cents worth into their decisions.

15                  CHAIRMAN MARQUEZ: Can I ask a question? That  
16 would be, I take it then, part of the offer that we would make  
17 to the private landowners which they could either accept or  
18 reject.

19                  MR. O'CONNOR: Well, what I'm actually doing  
20 is asking you guys if you would be willing to agree to that in  
21 your capacity as the regulatory agencies. Is DNR willing to  
22 do that or is ADF&G willing to do that, to go back.....

23                  MR. CAMPBELL: ADF&G is willing to come back  
24 and consult with the Trustees.

25                  CHAIRMAN MARQUEZ: I'm just trying to clarify

1 whether that's a condition of our offer or.....

2 MR. O'CONNOR: No.

3 CHAIRMAN MARQUEZ: .....whether it's a  
4 condition placed upon us as a trustee council.

5 MR. O'CONNOR: No, I.....

6 MR. CAMPBELL: As I understand it, Craig is  
7 asking if Fish and Game and DNR willing to say that if we  
8 receive application for surface development that we will come  
9 back and consult with trustees regarding that.

10 MR. O'CONNOR: That's what I'm asking, yes.

11 MR. CAMPBELL: And since we have extensive  
12 public hearings with lots of folks in anything like that, the  
13 answer is definitely yes.

14 CHAIRMAN MARQUEZ: Carol, are you able to  
15 speak for DNR?

16 MS. FRIES: No, I'm not. What I can do is  
17 request that a notation be made in the land administration  
18 system that -- notes that action on this parcel should trigger  
19 a consultation with the EVOS Trustee Council.

20 MR. CAMPBELL: And I have a meeting Monday  
21 morning with Mike Menge and I'm happy to bring it up with him  
22 as well.

23 MS. FRIES: Okay.

24 MR. O'CONNOR: That's very satisfactory to me,  
25 Mr. Chairman.

1 CHAIRMAN MARQUEZ: Thank you. We have a  
2 motion and a second. We've had some discussion. Any further  
3 discussion?

4 MR. O'CONNOR: Call for the question.

5 CHAIRMAN MARQUEZ: Could we have a roll call  
6 vote, please?

7 MR. BAFFREY: McKie.

8 MR. CAMPBELL: Yeah.

9 MR. BAFFREY: Larry.

10 MR. DIETRICK: Yes.

11 MR. BAFFREY: Joe.

12 MR. MEADE: In support.

13 MR. BAFFREY: Drue.

14 MS. PEARCE: Yes.

15 MR. BAFFREY: Craig.

16 MR. O'CONNOR: Yes.

17 MR. BAFFREY: David.

18 CHAIRMAN MARQUEZ: Yes.

19 MS. FRIES: Thank you.

20 CHAIRMAN MARQUEZ: The motion passes.

21 MS. PEARCE: Mr. Chairman. Other business. I  
22 know it's not on there but.....

23 CHAIRMAN MARQUEZ: Would you like to amend the  
24 agenda to add other business?

25 MS. PEARCE: No, I'd just like the floor.

1 (Laughter)

2 CHAIRMAN MARQUEZ: Okay.

3 MS. PEARCE: On behalf of the Trustee Council,  
4 I'd like to read into the record and then present letters to  
5 both Ms. Carrie Holba and also to Ms. Cherri Womac.

6 Carrie, I'll read your first. This letter is  
7 in recognition of your long-term assistance to the Exxon  
8 Valdez Oil Spill Trustee Council and its Restoration Program.  
9 Your work with this program has been both excellent and  
10 exceptional. Your effort at the Alaska Resources Library and  
11 Information Services has immeasurably assisted the Council as  
12 a whole, in addition to the science community and the public.  
13 We wish to recognize the leadership role you assumed recently  
14 in the project file clean up working group. Your  
15 institutional knowledge and your attention to detail have  
16 aided us immeasurably on numerous occasions and they proved  
17 invaluable to this task in particular.

18 Furthermore, we are truly grateful for your  
19 coordination of the revisions to our procedures for the  
20 preparation and distribution of reports as well as your review  
21 and recommended changes to both our operating procedures and  
22 to our website, insuring consistency and scientific  
23 credibility. We appreciate how much the long-term success of  
24 this program is due to your tireless commitment and  
25 professionalism and look forward to working with you in the

1 days ahead. Signed by the members of the Exxon Valdez Oil  
2 Spill Trustee Council and dated August 12th, 2006. And with  
3 that, thank you, Carrie.

4 (Applause)

5 MS. PEARCE: The second one, dated August  
6 17th, 2006, is as I said, to Cherri. Dear Ms. Womac, this  
7 letter is in recognition of your long-term assistance to the  
8 Exxon Valdez Oil Spill Trustee Council and its Restoration  
9 Program. Your work with this program has consistently been  
10 both excellent and exceptional. Your efforts in office  
11 administration have immeasurably assisted the Council and the  
12 staff as a whole in addition to the science community and the  
13 public. Your institutional knowledge and your attention to  
14 detail have aided us on numerous occasions.

15 Furthermore, we are truly grateful for your  
16 coordination of and assistance to the Public Advisory  
17 Committee. We appreciate how much the long term success of  
18 this program is due to your tireless commitment and  
19 professionalism and look forward to working with you in the  
20 days ahead. And this too has been signed by the entire Exxon  
21 Valdez Oil Spill Trustee Council. And we also thank you.

22 (Applause)

23 CHAIRMAN MARQUEZ: Any further business to  
24 come before the Council?

25 (No audible responses)

1                   CHAIRMAN MARQUEZ: Seeing none, do we have a  
2 motion to adjourn?

3                   MR. O'CONNOR: No, I'm having so much fun, I  
4 just want to keep going. I would move we adjourned.

5                   CHAIRMAN MARQUEZ: Do we have a second?

6                   MR. DIETRICK: Second.

7                   CHAIRMAN MARQUEZ: All in favor, please stand.

8                   (Off record - 1:48 p.m.)

9                   (END OF PROCEEDINGS)

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C E R T I F I C A T E

UNITED STATES OF AMERICA )  
 ) ss.  
STATE OF ALASKA )

I, Joseph P. Kolasinski, Notary Public in and for the state of Alaska and reporter for Computer Matrix Court Reporters, LLC, do hereby certify:

THAT the foregoing pages numbered 4 through 90 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by me on the 7th day of September 2006, commencing at the hour of 11:00 a.m. and thereafter transcribed under my direction and reduced to print:

THAT the Transcript has been prepared at the request of:

EXXON VALDEZ TRUSTEE COUNCIL, 451 W. 5th Avenue, Suite 500, Anchorage, Alaska 99501;

DATED at Anchorage, Alaska this 19th day of September 2006

SIGNED AND CERTIFIED TO BY:

\_\_\_\_\_  
Joseph P. Kolasinski  
Notary Public in and for Alaska  
My Commission Expires: 03/12/08