

1 EXXON VALDEZ OIL SPILL  
2 TRUSTEE COUNCIL  
3 Public Meeting  
4 Monday, March 1, 2004  
5 TRUSTEE COUNCIL MEMBERS PRESENT:  
6 STATE OF ALASKA - DEPARTMENT MR. KEVIN DUFFY  
7 OF FISH AND GAME: Commissioner  
8 (Chairman)  
9 STATE OF ALASKA - MR. CRAIG TILLERY  
10 DEPARTMENT OF LAW: for MR. GREGG RENKES  
11 Attorney General  
12 State of Alaska  
13 U.S. DEPARTMENT OF COMMERCE, MR. JAMES W. BALSIGER  
14 National Marine Fisheries Svc: Administrator, AK Region  
15 U.S. DEPARTMENT OF AGRICULTURE, MR. JOE MEADE  
16 U.S. FOREST SERVICE Forest Supervisor  
17 Forest Service AK Region  
18 U.S. DEPARTMENT OF INTERIOR: MS. DRUE PEARCE  
19 (Telephonically) Senior Advisor to the  
20 U.S. Department of Interior  
21 STATE OF ALASKA - DEPARTMENT MS. ERNESTA BALLARD  
22 OF ENVIRONMENTAL CONSERVATION: Commissioner  
23 Proceedings electronically recorded, then transcribed by:  
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1 TRUSTEE COUNCIL STAFF PRESENT:

|                       |                           |
|-----------------------|---------------------------|
| 2 MS. GAIL PHILLIPS   | Executive Director        |
| 3 DR. PHIL MUNDY      | Science Director          |
| 4 MS. CHERRI WOMAC    | Administrative Assistant  |
| 5 MS. PAULA BANKS     | Administrative Assistant  |
| 6 MS. BRENDA RAMOS    | Administrative Assistant  |
| 7 MR. MIKE SCHLIE     | Data Systems Assistant    |
| 8 MR. PETER HAGEN     | NOAA                      |
| 9 MR. MICHAEL BAFFREY | Department of Interior    |
| 10 MS. CAROL FRIES    | AKDNR                     |
| 11 MR. KEN HOLBROOK   | U.S. Forest Service       |
| 12 MR. STEVE ZEMKE    | U.S. Forest Service       |
| 13 MS. GINA BELT      | Department of Justice     |
| 14 MR. BARRY ROTH     | Department of Justice     |
| 15 (Telephonically)   |                           |
| 16 MS. DEDE BOHN      | U.S. Geological Service   |
| 17 MR. BRETT HUBER    | ADF&G                     |
| 18 MR. CHUCK SHUCK    | U.S. Fish & Wildlife Svc. |

|    |  |       |
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1 P R O C E E D I N G S

2 (On record - 10:00 a.m.)

3 CHAIRMAN DUFFY: I would like to call the  
4 meeting to order and note that at least -- is Drue Pearce  
5 on the line now?

6 MS. BALLARD: Somebody just came on.

7 CHAIRMAN DUFFY: At any rate, we believe  
8 that Drue Pearce may or may not be on the line. But to  
9 start off, I'd like the trustees, starting with my left, to  
10 introduce themselves, please.

11 MR. TILLERY: Craig Tillery, Department of  
12 Law.

13 CHAIRMAN DUFFY: Jim Balsiger, National  
14 Marine Fisheries Service, the NOAA seat.

15 MR. DUFFY: Kevin Duffy, Department of Fish  
16 and Game, State.

17 MS. BALLARD: Ernesta Ballard, State  
18 Department of Environmental Conservation.

19 MR. MEADE: Joe Meade, Chugach National  
20 Forest with the Federal government.

21 CHAIRMAN DUFFY: Thank you. And Joe asked  
22 me, he has a brief announcement he'd like to make before we  
23 proceed with business.

24 MR. MEADE: Thank you very much. I just  
25 wanted to take opportunity today to recognize one of my

1 employees who is going to be retiring from Federal service,  
2 Ken Holbrook. And Ken has actually been very active for 12  
3 years now with the Exxon Valdez Oil Spill Board of  
4 Trustees. And I think in that entire 12 years has only  
5 missed two meetings. And I don't know what one of us can  
6 stand to that type of a legacy or heritage. So Ken, thank  
7 you for this past year of grounding me and for all that  
8 you've contributed for 12 years to such an important effort  
9 to the state of Alaska.

10 (Applause)

11 MR. MEADE: Thank you, Mr. Chair.

12 CHAIRMAN DUFFY: You're welcome. The first  
13 order of action is the approval of the agenda. A couple of  
14 Trustees had mentioned to me an interest -- we do have on  
15 the draft agenda an executive session listed. A couple of  
16 suggested to me that perhaps that we arrange our agenda so  
17 as to do an executive session over lunch. And so that will  
18 facilitate concluding that business and it won't adversely  
19 impact the public too much. So that would be a suggestion  
20 I would have relative to amending the agenda.

21 MS. BALLARD: Do you need general  
22 concurrence? Is Drue with us yet? Drue? I don't think we  
23 can vote.

24 MR. TILLERY: Yes, we can.

25 MS. BALLARD: Can we vote absent of Drue of

1 that?

2 MR. TILLERY: On this.

3 MS. BALLARD: Oh, okay.

4 UNIDENTIFIED TELEPHONIC SPEAKER: Are there  
5 other people online having trouble hearing.

6 UNIDENTIFIED TELEPHONIC SPEAKER: Yes.

7 Yes, indeed.

8 UNIDENTIFIED TELEPHONIC SPEAKER: Yeah, the  
9 sound is way -- I can hear it, yeah.

10 UNIDENTIFIED TELEPHONIC SPEAKER: Ditto.

11 CHAIRMAN DUFFY: All right, we'll speak up  
12 here at the table then. I would entertain a motion to  
13 approve the agenda with the suggested modification from the  
14 chair.

15 MR. BALSIGER: So moved.

16 MR. MEADE: Seconded.

17 CHAIRMAN DUFFY: Moved and seconded to  
18 approve the modified agenda to conduct an executive session  
19 over the lunch period. Any objection?

20 (No audible response)

21 CHAIRMAN DUFFY: Hearing none, we'll move  
22 to the next action item, which is approval of the meeting  
23 notes from the February 9th, 2004 Trustee Council meeting.

24 MS. PHILLIPS: Mr. Chairman, I do have a  
25 couple of comments or changes I would like people to make

1 on those. And if you would turn to the second page of the  
2 meeting notes, about halfway down the number 4, FY04 Work  
3 Plan, the approved motion, the approved addition of funds  
4 for FY04 Alaska Coastal Current project by Weingartner,  
5 4905, increasing GEM Science Management for FY04, that  
6 number should be 70,000, not 17,000.

7 CHAIRMAN DUFFY: I have a note to that  
8 effect, too. Thank you for that correction.

9 MS. PHILLIPS: And then on number 6, under  
10 NOS grant, the approved motion should read, approve EVOS  
11 staff applying, not accepting. Applying for the NOS grant.  
12 And that's all the changes that I have.

13 CHAIRMAN DUFFY: Okay. Do Council members  
14 concur with those changes? I certainly do. I had two  
15 notes to that effect myself. Any other modifications to  
16 the minutes in the February 9th meeting? Hearing none,  
17 motion.....

18 MR. BALSIGER: I move to accept these  
19 minutes.

20 MR. TILLERY: Second.

21 CHAIRMAN DUFFY: Moved by Dr. Balsiger to  
22 accept the minutes of February 9th, seconded by Craig  
23 Tillery. Any objection?

24 (No audible response)

25 CHAIRMAN DUFFY: Hearing none, the meeting

1 minutes of February 9th are approved. That moves us  
2 on.....

3 MS. PEARCE: Mr. Chairman.

4 CHAIRMAN DUFFY: Drue?

5 MS. PEARCE: Yes, that's me.

6 CHAIRMAN DUFFY: Good morning.

7 MS. PEARCE: I was waiting for you guys to  
8 call me but I've got the number and I'm now on.

9 CHAIRMAN DUFFY: Okay. Drue, we've  
10 approved the agenda with a modification to conduct a  
11 executive session over the lunch hour or lunch period. And  
12 then we also just approved the February 9th meeting minutes  
13 with a couple of suggested modifications from Gail  
14 Phillips. And we're now moving on to public comment.

15 MS. PEARCE: Okay. Barry Ross just joined  
16 me here in our office.

17 CHAIRMAN DUFFY: Okay, thank you. So  
18 public comment, I will proceed to go to teleconference  
19 first and I don't know exactly where we are on line.

20 MS. WOMAC: I know that Stacy Studebaker  
21 wants to make a comment.

22 CHAIRMAN DUFFY: I've been handed a list,  
23 thank you. We will start with Stacy Studebaker in Kodiak.

24 MS. STUDEBAKER: I'm here. Okay, thank you  
25 very much for the opportunity to address you all today.

1 I've been a member of the EVOS Public Advisory Committee  
2 for the last eight years, representing the recreational  
3 users. And it's really been a privilege and an honor to  
4 serve my community of Kodiak and the interests of my  
5 constituency.

6                   When the public was surveyed in the early  
7 nineties following the settlement, by far the majority  
8 favored spending the money on three things and the  
9 following were a priority: Restoration of the affected  
10 area and species; permanent habitat protection for some  
11 lands affected by the oil spill to permanently protect  
12 their natural resources; and scientific research to study  
13 the effects of the oil on the injured species and ecosystem  
14 in the spill area. That was the clear public mandate and  
15 one which I sincerely hope you will honor as we move into  
16 the future.

17                   The habitat protection program was  
18 implemented to acquire, through purchase, private lands of  
19 significant ecological value affected by the oil spill.  
20 Many of these choice parcels are now public lands and  
21 managed for habitat protection of natural resources for the  
22 use and enjoyment of all Alaskans, tourists and future  
23 generations. This has been an enormously popular and  
24 foresighted program, especially the small parcel  
25 acquisition program, which uses funds each year to buy

1 parcels of land less than a thousand acres in the oil  
2 spilled area that are of particular recreational or  
3 ecological importance to coastal communities.

4                   Two small parcels on Kodiak Island that  
5 were affected by the oil spill and nominated for the small  
6 parcel program in 1995 have high recreational and resource  
7 value to the people of Kodiak because they are accessible  
8 from our limited road system. These two parcels are  
9 Termination Point and Long Island. Both were affected by  
10 the oil spill and are covered with old growth Sitka spruce  
11 forest that is home to bears, marbled murrelets, salmon,  
12 northern goshawk, deer, sea otters and countless other  
13 important living species not in the limelight of the  
14 charismatic megafauna.

15                   Most of the lands along our road system are  
16 privately owned. So the purchase of these two parcels is  
17 significant for future recreational opportunities on Kodiak  
18 Island. The former Trustees and EVOS staff evaluated these  
19 lands, recognized their ecological value and ranked them at  
20 the top of the list and promised Kodiak that they would  
21 purchase them. Unfortunately the owner of the two parcels,  
22 Lesnoi Native Corporation, has been involved in ongoing  
23 litigation with rancher Omar Strattman and the title hasn't  
24 been clear to make a purchase.

25                   I encourage you to continue pursuing the

1 clearance of the title to these two valuable properties and  
2 I hope you will honor the wish of the former Trustees and  
3 the people of Kodiak to purchase them and turn them over to  
4 the Kodiak State Parks system to manage for the benefit of  
5 future generations.

6                   As you know, the former Trustees have  
7 purchased many important large parcels in the Kodiak  
8 Archipelago over the last 10 years that are crucial for  
9 permanent protection of ecosystems including old growth  
10 Sitka spruce habitat that is home to countless animals and  
11 many species affected by the oil spill. Through years of  
12 coordinated negotiations with local government, resource  
13 agencies, Native corporations, local, state and national  
14 conservation groups, the EVOS Trustee Council has been  
15 working to protect prime habitat on North Afognak Island  
16 and within the Kodiak National Wildlife Refuge.

17                   I thank the former Trustees deeply for the  
18 work that they have done and encourage the new Trustees to  
19 continue use of the funds set aside for the small parcel  
20 habitat protection program for the benefit of future  
21 generations.

22                   Thank you.

23                   CHAIRMAN DUFFY: Thank you for your  
24 comments, Ms. Studebaker. I have a list of some people who  
25 are on teleconference who have signed up. I will go

1 through that list first then I, in addition to that, we'll  
2 ask for anyone else on teleconference wishing to testify  
3 then. Finally, I will go here locally for public comment.  
4 The next person on the list is Glenn Elison. Glenn, are  
5 you there?

6 MR. ELISON: Thank you for the opportunity  
7 to speak to the Trustee Council. My name is Glenn Elison,  
8 I'm the State director for The Conservation Fund. This  
9 morning I urged the Trustee Council to continue a small  
10 parcel program. I think that the program to date has been  
11 very effective at protecting and restoring resources and  
12 services injured by the Exxon Valdez oil spill. Our  
13 experience is, is that there are still several good habitat  
14 opportunities out there that exist with willing sellers  
15 throughout the spill zone. Opportunities to further  
16 restore injured services and species.

17 The Conservation Fund and The Nature  
18 Conservancy have been able to, I think, work very  
19 effectively with the Trustee staff over the last couple of  
20 years. As a result of the grant that was provided, we've  
21 been able to attract about three million dollars to match  
22 the existing one million EVOS provided. During the course  
23 of the one million dollar grant, seven properties were  
24 acquired or ready to be acquired. So I think there is  
25 certainly plenty of opportunity and a good track record to

1 warrant continuing a small parcel program.

2 I would urge the Trustees to work and  
3 ensure that there's timely action and payment of any  
4 transaction costs that nonprofits like The Nature  
5 Conservancy and The Conservation Fund incur in the course  
6 of working with the Council. You have several draft  
7 resolutions before you. I'd like to speak in favor of  
8 resolutions 1, 2, 4 and 7. One of the resolutions, 5,  
9 deals with establishing an endowment for the habitat  
10 sub-account. I think that that is a worthy endeavor.

11 I think that there needs to be some  
12 additional discussion, at least I encourage additional  
13 discussion, but that in the end an endowment or some sort  
14 of a long-term commitment to a small parcel program is  
15 certainly encouraged by The Conservation Fund.

16 Those are my comments, Mr. Chairman.  
17 Again, my thanks for the opportunity to comment.

18 CHAIRMAN DUFFY: Thank you, Mr. Elison.  
19 Next on our list, I would go to Mr. Chuck Meacham. Chuck.

20 MR. MEACHAM: I don't have anything to  
21 offer personally. I can give a PAC report either now or  
22 when you get to it on your agenda.

23 CHAIRMAN DUFFY: Yeah, Chuck, that is on  
24 the agenda, if you could stay with us for awhile. We'll do  
25 that in a little bit, if that's okay.

1                   MR. MEACHAM: That's just fine, I'll be  
2 standing by.

3                   CHAIRMAN DUFFY: All right, I'll move next  
4 to Nancy Byrd from Cordova. Ms. Byrd, are you there?

5                   MS. BYRD: I'm here and I just was planning  
6 on to listen today. Thank you very much.

7                   CHAIRMAN DUFFY: Okay, thank you. Joel  
8 Cooper from Homer, are you there?

9                   MR. COOPER: Yes, I am. Yes, Council, I'd  
10 like to thank you for the opportunity to comment. And I  
11 have commented in the past couple of meetings and I guess  
12 I'm just going to reiterate what I've been saying. I  
13 submitted a proposal, 04-0700, community based sampling of  
14 watershed based and marine derived nutrients. And this  
15 proposal was recommended for funding by both the STAC and  
16 the Executive Director and then got deferred at your  
17 November 10th meeting. And I felt that was due to some  
18 confusion in regards to the placement of the proposal. I  
19 then sent you a letter dated December 10th, addressed to  
20 the Director, Gail Phillips, and then cc-ing the Council  
21 explaining that.

22                   And now I see you're finally coming to the  
23 point where you're going to address deferred projects for  
24 FY04 and I would just ask the Council that you consider our  
25 proposal and if the funds are available, which there

1 possibly could be if you use the 2003 administrative funds.  
2 I think it's important to try to get our proposal in there  
3 because it is coordinated with the other marine derived  
4 nutrient proposals that you did fund and it will kind of  
5 throw a kink in things if we have to wait another year. So  
6 I'd appreciate you deliberating our proposal when you  
7 consider the FY04 proposals.

8                   And I'd answer any questions but I feel  
9 like I've said this several times. So again, I thank you  
10 for the opportunity to comment.

11                   CHAIRMAN DUFFY: Thank you, Mr. Cooper.  
12 Dr. Bob Spies.

13                   DR. SPIES: I'm just here to offer any  
14 comments the Trustee Council would care to have from me as  
15 chairman of the lingering oil committee on a couple of  
16 proposals that were submitted by Integral Research and I  
17 don't know exactly when in the meeting that might be  
18 addressed.

19                   CHAIRMAN DUFFY: Thank you, Dr. Spies. We  
20 are talking about a number of issues in executive session  
21 today and we'll get back with you on those issues if  
22 necessary, okay?

23                   DR. SPIES: Thank you.

24                   CHAIRMAN DUFFY: You're welcome. Anyone  
25 else out on the line, teleconference, who is not signed up?

1 (No audible response)

2 CHAIRMAN DUFFY: Okay, hearing none, I will  
3 go to the audience here in Anchorage. Members of the  
4 audience wishing to testify?

5 MR. HAGENSTEIN: Thank you, Mr. Chairman  
6 and members of the Trustee Council. I'm Randy Hagenstein  
7 with The Nature Conservancy. And I just want to speak in  
8 favor of continued program and habitat protection,  
9 including the purchase of important lands for restoring  
10 some of the ecosystem services and species that were  
11 damaged by the oil spill. You've got a pretty full plate  
12 of some interesting looking proposals on the agenda there,  
13 I see today. And I guess I'd like to speak, obviously, in  
14 favor of the first habitat related proposal, the payment of  
15 funds expended to date to The Conservancy and Conservation  
16 Fund.

17 And we've had a good productive  
18 relationship with staff and Council in the past and look  
19 forward to a good continued one in the future. And I think  
20 that will bring us all up to even and look forward to the  
21 future. Again, I would urge continuation of a habitat  
22 protection program, including small parcel projects. In  
23 general I favor an endowment approach that you've got as  
24 one of the things to consider today there. I think this  
25 will allow you to deal with parcels on a long-term basis as

1 needs come up in the future. I would encourage the same  
2 level of transparency that I think we've got now with the  
3 GEM program. And whether that's handled on a case-by-case  
4 basis or through an RFP sort of approach.

5                   One of the things I'd also like to see as  
6 these sort of efforts go forward is some way that we can  
7 get formal recognition that at least 50 percent of the EVOS  
8 derived fund to be treated as non-Federal, since it is a 50  
9 percent State and 50 percent Federal body of money there.  
10 One of the biggest challenges is trying to find non-Federal  
11 money to match Federal dollars that are available to be  
12 leveraged for this sort of work. So if we could get at  
13 least 50 percent of those dollars to be officially  
14 acknowledged as non-Federal in origin, I think that would  
15 be quite helpful overall to meet the of the restoration  
16 program and leverage additional dollars on that.

17                   One of the optional resolutions in front of  
18 you authorizes transfer of the remaining unexpended funds  
19 essentially into the GEM account. While I'm strongly  
20 supportive of the GEM account, I would like to see sort of  
21 a broadly balanced approach to restoration, including  
22 long-term maintenance of a habitat protection program. So  
23 I would recommend against movement on that particular  
24 resolution to cash out the habitat sub-account.

25                   And I'll be here through the day and as the

1 last section of the agenda comes up and some of The Nature  
2 Conservancy parcels are -- if you would like additional  
3 information on those, I'll be here to address any  
4 questions.

5 CHAIRMAN DUFFY: Thank you.

6 MR. TILLERY: Mr. Chairman.

7 CHAIRMAN DUFFY: Mr. Tillery.

8 MR. TILLERY: The money is not 50 percent  
9 Federal and 50 percent State, it's indivisibly a hundred  
10 percent State and Federal. There is no way that we can  
11 characterize part of this as just State money. However,  
12 there have been a couple of places in the past where  
13 trust.....

14 MS. PEARCE: Mr. Chairman, we cannot hear  
15 the speaker at all.

16 MR. TILLERY: I was saying that it is not  
17 possible to characterize this money as part Federal and  
18 part State so that you could -- knew some of it was just  
19 state. It is indivisibly both governments. But there have  
20 been, I believe, some instances in the past where Trustee  
21 Council money has been used to match, to meet Federal  
22 matching requirements. And it wasn't land deals but it was  
23 some kind of a NOAA grant or something like that I think.  
24 But you might want to talk to the Council offices about  
25 that because there may be some precedent for using -- I

1 mean, it got to be a big deal about two or three years ago,  
2 as I recall. And so there may be some precedent for  
3 allowing it to match Federal monies.

4 MR. HAGENSTEIN: Good, I think I'll take a  
5 look into that.

6 CHAIRMAN DUFFY: Thank you, Mr. Hagenstein.

7 MR. HAGENSTEIN: Thank you.

8 CHAIRMAN DUFFY: Any other members of the  
9 public here at the meeting want to comment?

10 (No audible response)

11 CHAIRMAN DUFFY: One more option online,  
12 anyone wishing to comment?

13 MR. ELISON: Mr. Chairman, this is Glenn  
14 Elison again on The Conservation Fund.

15 CHAIRMAN DUFFY: Yes, Glenn.

16 MR. ELISON: Mr. Chairman, I'm back East on  
17 business and won't be available to talk about any of the  
18 small parcels so if I could have just a minute to refer to  
19 the four that The Conservation Fund has been working on, I  
20 would appreciate it.

21 CHAIRMAN DUFFY: Go ahead, Glenn, I'll  
22 provide you that opportunity. Please be brief, thank you.

23 MR. ELISON: Thank you very much, that's  
24 generous of you. The Conservation Fund has been working on  
25 four parcels. The Best parcel, down near Seward, the Core

1 property near Kenai, two mental health trust parcels, again  
2 on Kenai and the parcel Chokwak-2, which is an in-holding  
3 within the land the state recently acquired near Kiliuda  
4 Bay. All these properties are owned by sellers who are  
5 willing to reach agreement for sale to the Trustee Council  
6 for the restoration purposes. The best parcel in Seward  
7 and the Core parcel in Kenai are tracts where The  
8 Conservation Fund is willing to provide a 50 percent match  
9 of the purchase price, thereby resulting in significant  
10 savings to the Trustee Council, if the Council opts to move  
11 forward.

12 I think all these parcels have significant  
13 restoration benefits for injured species and services, but  
14 particularly of significant value to the State land  
15 managers and provide a lot of public access. The specifics  
16 on the tracts and their restoration benefits I think have  
17 been put in record by the staff. And I just wanted to  
18 again mention the 50/50 match that The Conservation Fund is  
19 willing to provide for those two tracts, so I'd urge your  
20 favorable consideration of those parcels.

21 Thank you, Mr. Chairman.

22 CHAIRMAN DUFFY: All right, thank you,  
23 Mr. Elison. I appreciate those comments. Hearing no one  
24 else in the audience or on teleconference, we'll entertain  
25 a motion to close public comment.

1 MS. BALLARD: I'll move to close public  
2 comment and then I have a question.

3 CHAIRMAN DUFFY: Is there a second?

4 MR. BALSIGER: Second.

5 CHAIRMAN DUFFY: Is there any objection?

6 (No audible response)

7 CHAIRMAN DUFFY: Okay, public comment is  
8 closed at 10:30 on March 1st. Ms. Ballard.

9 MS. BALLARD: I need to understand, for the  
10 sake of the people on the telephone, are these speakers the  
11 speakers which go to the telephone and these go to the  
12 court reporter? So that there are just two of these little  
13 speakers up here? All right, so we need to be careful to  
14 move them. Drue, can you hear me?

15 MS. PEARCE: Kind of.

16 MS. BALLARD: Kind of, okay.

17 MS. PEARCE: Not clear. It's not loud.

18 MS. BALLARD: All right.

19 CHAIRMAN DUFFY: All right, we'll do what  
20 we can to be diligent and loud.

21 MS. PEARCE: Thank you.

22 MS. BALLARD: If you give that one to Kevin  
23 and then spread out and then Joe and I can pull this one --  
24 there's a speaker there. That's the telephone speaker.

25 MR. MEADE: Thank you.

1 MS. BALLARD: And this other one just goes  
2 to the court reporter.

3 CHAIRMAN DUFFY: Okay, hopefully that will  
4 help. The next agenda item, we will go to Executive  
5 Director comments. Ms. Phillips.

6 MS. PHILLIPS: Thank you, Mr. Chairman. We  
7 have had an excellent meeting with the PAC last week and  
8 PAC Chairman Chuck Meacham is online and I'd like for him  
9 to make the report on the meeting.

10 CHAIRMAN DUFFY: Okay, Mr. Meacham, you  
11 have the floor.

12 MR. MEACHAM: All right, thank you. The  
13 PAC met by teleconference on February 25th and established  
14 a quorum for most of our meeting. There are three items  
15 from that meeting I'll bring to your attention. First we  
16 discussed the community involvement workshop scheduled for  
17 March 9 and 10 in Seward. And meaningful community  
18 involvement has always been extremely important to the PAC,  
19 but also extremely challenging to actually accomplish in  
20 any kind of successful fashion. We will have some PAC  
21 members present at the Seward meeting and look forward to  
22 that taking place. We also plan on having a couple of  
23 representatives participate in the FY05 proposal review  
24 process in June, along with the Science and Technical  
25 Advisory Committee.

1                   Second thing I'd like to bring to your  
2 attention is that we discussed the use of the NOS grant  
3 monies and would like to see this funding being used to  
4 support ocean observing stations at Hinchinbrook Entrance  
5 and Montague Strait rather than used for administrative  
6 type purposes.

7                   The third and last item here, and element  
8 that most discussion took place on, dealt with the habitat  
9 fund and small parcel acquisition process. Some members of  
10 the PAC were concerned about the extent of land that's  
11 already in government ownership and a number of our members  
12 felt that habitat protection dollars could and should be  
13 used for activities other than just land purchase. And the  
14 question was asked if monies could be used for such things  
15 as stream bank re-vegetation, removal of abandoned oil  
16 tanks, waste oil collection facilities being placed in  
17 rural harbors. Those kinds of things. The question was  
18 also asked if the funds could just remain dormant in that  
19 account until the Trustee Council decided some way to use  
20 them.

21                   We did, after a fair amount of discussion,  
22 actually pass a resolution. And that resolution did  
23 support continuing the habitat protection program as an  
24 endowment to include some small parcel acquisition and also  
25 opposing moving these funds into the larger endowment that

1 goes towards GEM related activities. And that was based on  
2 apparent fiscal return considerations and legal  
3 complications. That was the basis for that.

4 Those were the three most important items,  
5 I think, that we covered. And a set of our meeting minutes  
6 can be made available to you if you'd like to see the exact  
7 wording of the resolution and any of the discussion that  
8 took place.

9 So that concludes my PAC report and if you  
10 have any questions, I'd be happy to try and answer them.

11 CHAIRMAN DUFFY: Thank you, Mr. Meacham.  
12 Questions? Ms. Ballard.

13 MS. BALLARD: Chuck, this is Ernesta  
14 Ballard. I think I read in the materials that we had sent  
15 that you lost your quorum towards the end of your meeting.  
16 But I have personally lost track of how large the PAC is.  
17 Could you help me out with how many were there at the  
18 beginning and how many were there at the end of your  
19 meeting?

20 MR. MEACHAM: Okay, we started out the very  
21 beginning of the meeting with nine, just one short of a  
22 quorum, and within the first, oh, few minutes, probably  
23 five or 10 minutes we -- well, I'm not sure about that, I'd  
24 have to check there with Mr. Mutter. But in any event, I  
25 would say we had a quorum there for probably half the

1 session.

2 MS. BALLARD: And how many total members  
3 are there on the committee? Roughly, 20, 25?

4 MR. MEACHAM: Fewer than that and we've  
5 recently -- I think we have three vacancies. And if Doug  
6 Mutter is there, he could give you the exact numbers. We  
7 are at least three people short though.

8 MS. PHILLIPS: Mr. Chairman.

9 CHAIRMAN DUFFY: Ms. Phillips.

10 MS. PHILLIPS: In answer to Ms. Ballard,  
11 the PAC is a 20-member body, right now we're at three  
12 members short. And we will be starting that process of  
13 refilling all the seats in June.

14 MS. BALLARD: Good, that seems important to  
15 give them enough.....

16 MS. PHILLIPS: Yeah.

17 MS. BALLARD: .....so that they can conduct  
18 their business.

19 CHAIRMAN DUFFY: Any other questions for  
20 Mr. Meacham?

21 MR. MEADE: Yes, Mr. Chair.

22 CHAIRMAN DUFFY: Mr. Meade.

23 MR. MEADE: At our last session, I  
24 recollect there was interest on behalf of the Public  
25 Advisory Committee to have a forum to meet with us. I was

1 curious if that was discussed at the meeting, Chuck, as far  
2 as follow up to our last Trustee Board meeting.

3 MR. MEACHAM: Yes, it was and I believe a  
4 proposed date has been selected. So we very much look  
5 forward to that taking place, if it works out for all of  
6 us.

7 MS. PHILLIPS: Mr. Chairman.

8 CHAIRMAN DUFFY: Ms. Phillips.

9 MS. PHILLIPS: The Trustee Council will  
10 note that the minutes of the PAC meeting, the notes, their  
11 summary minutes, are included in your packet. And in  
12 response to Mr. Meade's question, we have tentatively set a  
13 date for the joint Trustee Council PAC meeting for the  
14 third week in May. The 19th or 20th of May are the dates  
15 that we're looking at right now. That will be after the  
16 legislative session is over and it will be after the  
17 invitation deadline. So that timing is -- it looks like it  
18 will be good timing. It will be a Trustee Council meeting  
19 rather than a PAC meeting because we have more flexibility  
20 if we need to change dates at the last minute than the PAC  
21 does.

22 MS. PEARCE: Gail, it's awfully difficult  
23 to hear you.

24 MS. PHILLIPS: Okay, I'm -- Drue.....

25 MS. PEARCE: Third week in May?

1 MS. PHILLIPS: Third week in May, the 19th  
2 or 20th. We're working on those two dates right now.

3 CHAIRMAN DUFFY: Okay.

4 MR. MEADE: Thank you very much.

5 CHAIRMAN DUFFY: Dr. Balsiger.

6 MR. BALSIGER: Mr. Chairman, since you're  
7 working on them, I would not be able to attend the 20th.

8 MS. PHILLIPS: Okay.

9 MR. BALSIGER: I don't know how you're  
10 making in the progress on it.

11 MS. PHILLIPS: Okay, thank you.

12 CHAIRMAN DUFFY: All right, any other  
13 questions for Mr. Meacham?

14 (No audible response)

15 CHAIRMAN DUFFY: Thank you for your report.

16 MR. MEACHAM: Thank you very much. Bye  
17 now.

18 CHAIRMAN DUFFY: Ms. Phillips.

19 MS. PHILLIPS: Thank you very much, Jim --  
20 or thank you very much Chuck. The next item on my report  
21 is an update on our 15th anniversary. We will have a draft  
22 CD available to send out to all the Trustees later in this  
23 week. And it looks great. It's really good and we're  
24 starting to schedule the speaking engagements for both Phil  
25 and myself to talk about the 15-year commemoration. So

1 you'll be getting those hopefully before the end of this  
2 week. Policies and procedures amen -- Joe?

3 MR. MEADE: Just real briefly, Mr. Chair.  
4 I wanted to acknowledge that over the weekend, on the 15th  
5 year anniversary, on a local TV station, I did hear an  
6 outstanding speaker speaking to the 15th year and I wanted  
7 to compliment our Executive Director for an excellent  
8 interview. I think it was some 30 minutes in length or so.

9 MS. PHILLIPS: Yes.

10 MR. MEADE: Very well done.

11 MS. PHILLIPS: Thank you, Joe, very much.  
12 Our next item is the policies and procedure amendment that  
13 Mr. Meade had requested at our last meeting. And if you'll  
14 turn to the segment in your agenda, I have provided  
15 language for proposed amendment to our policies and  
16 procedure. Currently the language reads, the Executive  
17 Director shall provide a proposed agenda and appropriate  
18 briefing material to the Trustee Council members in advance  
19 of the meeting. The final agenda for the meeting will be  
20 determined by the Trustee Council and shall include a  
21 reasonable opportunity for public comment.

22 The language that we have proposed is this:  
23 The Executive Director shall provide a proposed agenda and  
24 appropriate briefing materials to the Trustee Council  
25 members at least 10 days in advance of the meeting. All

1 materials from the public or from agency personnel for  
2 inclusion on that meeting's agenda shall be turned in to  
3 the Executive Director at least 15 days before the meeting.

4 MS. PEARCE: Mr. Chairman, may I ask a  
5 question?

6 CHAIRMAN DUFFY: Ms. Pearce.

7 MS. PEARCE: Thank you. Gail, just so I  
8 know for sure, we are talking about 15 and 10 calendar  
9 days, not business days, is that correct?

10 MS. PHILLIPS: Would you repeat that?

11 MS. PEARCE: We're talking 10 and 15  
12 respectively calendar days?

13 MS. PHILLIPS: That is correct.

14 MS. PEARCE: Okay. And my second question,  
15 I assume that we have the ability, always have the  
16 flexibility as the Council members to put something on our  
17 agenda on a last minute basis if we feel it merits that  
18 attention, correct?

19 MS. PHILLIPS: That is correct. The  
20 Trustees have until they approve the agenda at the meeting  
21 to change it. So our agendas that go out are always drafts  
22 and when you adopt the agenda at your meeting, then it  
23 becomes the official agenda and can be changed up until  
24 that last time. I would just like to say that we tried to  
25 adhere to the intent of this resolution this time and you

1 notice that you did get the materials for your packets 10  
2 days out but then there were corrections and changes that  
3 had to be made until the last minute. And I think that  
4 will probably be standard.

5 CHAIRMAN DUFFY: Ms. Ballard.

6 MS. BALLARD: Gail, I don't know if this is  
7 the right time to say this or not but it seems appropriate.  
8 The system of emailing and then changing and then changing  
9 is very difficult to be sure we have the correct  
10 information. I don't know if it would be fair to assume  
11 that if we went ahead with this language change that we  
12 could go back to better central control over the documents.  
13 I don't know whether that could be achieved in any way  
14 except the old fashion way of printing them here and  
15 mailing them down to us.

16 But at least Kevin and I have agreed and  
17 perhaps others that it's been very difficult to be sure  
18 right up to the last minute that the electronic copies that  
19 we have are the correct -- and we have them in the right  
20 order and that the books are tabbed in the correct way. I  
21 know it's a burden to make them in paper and mail them and  
22 I know that Joe needs them electronically anyhow but these  
23 last two meetings have not been satisfactory.

24 MS. PHILLIPS: Okay.

25 CHAIRMAN DUFFY: Dr. Balsiger.

1                   MR. BALSIGER: I agree with that we need  
2 the better central control and I don't pretend to be an  
3 organizer but one possibility might be to have them on the  
4 Internet website, so at least you could tell the day before  
5 you travel that the one on the web is the one you want.  
6 But I'd leave it up to the administrators to figure out how  
7 to do it. We have a number of meetings in DC where the  
8 documents are on the website and they don't mail them out.  
9 At least at the last day, you know that's the one that's  
10 there. That may not be superior or satisfactory but it's  
11 something to think about.

12                   CHAIRMAN DUFFY: Craig Tillery.

13                   MR. TILLERY: Yeah, Mr. Chairman, I've had  
14 the same problems with this new system of email and I've  
15 gotten totally lost with what's the correct and what's the  
16 current one and what's not. I think that they should go  
17 back to the old system of delivering the packets in printed  
18 tab form and then if there are any last minutes changes,  
19 they can be sent by an explanatory email saying, please  
20 print these off and replace the materials behind tab three  
21 or something like. It can be done fairly simply but I  
22 think we need to go back to the printed.

23                   MS. PHILLIPS: Okay.

24                   CHAIRMAN DUFFY: Okay. Joe Meade.

25                   MR. MEADE: I just wanted to acknowledge

1 much the same. Of course, if there is a three-ring binder  
2 that's distributed, I can get access to that either by CD  
3 or by email myself. But having a package that's compiled  
4 and that's distributed in one wrapper rather than multiple  
5 emails and then redistributed with corrections would be  
6 greatly appreciated. I just don't have the time to be able  
7 to sort through and I want to be sure I've done my due  
8 diligence in being prepared to come to the meeting. So  
9 again, it's not in any form of admonishment, it's just in a  
10 corrective manner to be sure we're getting a compiled,  
11 centralized package, both three binder posted to the web  
12 and/or email that we can use then to concentrate our review  
13 and our focus upon.

14                                   CHAIRMAN DUFFY: Yeah, I agree with the  
15 other Trustee Council members and I want to emphasize it's  
16 not meant to be anything more than perhaps constructive  
17 criticism. It's not to be negative about any of the  
18 Council member staff. We know that they work hard to keep  
19 us up to date and to keep everything as clear as possible.  
20 But there seems to be a sentiment around the Trustee  
21 Council table that perhaps going back to the old system  
22 that was a notebook distributed -- and we can talk about  
23 Dr. Balsiger's idea of having them available on the web --  
24 that a notebook distributed and then any follow up in the  
25 few days prior to the meeting that are clarifications could

1 be sent to us electronically with a note, that were they go  
2 under which tab. I think that might be a better way to  
3 proceed.

4 MS. PHILLIPS: We'll do that.

5 MS. BALLARD: Mr. Chairman.

6 CHAIRMAN DUFFY: Ms. Ballard.

7 MS. BALLARD: Does this actually require a  
8 formal action?

9 MS. PHILLIPS: Yes, you'd need a motion to  
10 change the policies and procedures.

11 CHAIRMAN DUFFY: Before we do a motion, I'd  
12 like to hear from Drue Pearce. Any comment on this,  
13 Ms. Pearce, before we possibly take some action?

14 MS. PEARCE: I've got a mountain of paper  
15 here and I was too embarrassed to say that I wasn't sure I  
16 had all the right versions of each sitting on top of the  
17 pile. But I agree, having them in a bound form where I  
18 don't have to try and keep up with the different versions,  
19 except if somebody says to me, take out what was behind tab  
20 number three and put this in. But I also think that just  
21 having each draft dated would be a help, and that usually  
22 makes it pretty clear which one -- that you've got the most  
23 current one. And that's something that the things that  
24 we've had haven't had. So I'd be happy to do it either way  
25 with dated draft on each page -- I'm sorry, I still don't

1 have a voice -- or print new books.

2 CHAIRMAN DUFFY: Okay, thank you. Further  
3 discussion on this item?

4 MR. TILLERY: Mr. Chair, just another.....

5 CHAIRMAN DUFFY: Mr. Tillery.

6 MR. TILLERY: I think it's necessary to do  
7 the change to the procedures by a vote but as far as just  
8 using a binder and stuff, that's not really a vote kind of  
9 a thing, that's just a process.

10 CHAIRMAN DUFFY: Okay. All right.

11 MR. TILLERY: I think Gail's thing works.

12 CHAIRMAN DUFFY: So if any Council members  
13 are so inclined, the Chair would entertain a motion on this  
14 issue.

15 MS. BALLARD: Well, can I just move the  
16 language that appears on the undated page behind in my  
17 book, tab two? Gail's language that we go with the 10 day  
18 and 15 day guidelines put out in this language.

19 CHAIRMAN DUFFY: Is there a second?

20 MR. MEADE: I'll second that.

21 CHAIRMAN DUFFY: Thank you. It's been  
22 moved and seconded that the language for proposed amendment  
23 on the piece of paper in front of us, amendment to policies  
24 and procedures, be adopted by the Trustee Council. I  
25 believe the intent is to send out in bound form a notebook

1 associated with the upcoming Trustee Council meeting. And  
2 I also believe the intent is if there are clarifications or  
3 changes to that, they will be sent to Trustee Council  
4 members electronically. They will be dated and they will  
5 also be referenced to the appropriate tab to identify  
6 whether they're add-ons or replacements or whatever but  
7 just a bit more clarification. Any further discussion on  
8 this item?

9 (No audible response)

10 CHAIRMAN DUFFY: Any opposition to this  
11 amendment to the policies and procedures?

12 (No audible response)

13 CHAIRMAN DUFFY: Hearing none, so adopted.

14 Ms. Phillips.

15 MS. PHILLIPS: Thank you very much, Mr.  
16 Chairman. The next motion that you have in front of you is  
17 for the subject dealing with the Trustee Council members  
18 travel budget. And if you will turn to the segment -- oh,  
19 it's still under policies and pro -- no, I'm sorry, it's  
20 under TC travel budget. Motion to approve the revision of  
21 the Trustee Council policy and procedure manual to include  
22 a motion that the EVOS budget include money for Trustee  
23 members travel. We've had requests from several of the  
24 Trustee Council members asking that the EVOS Council budget  
25 pay for the Trustee Council's travel expenses when coming

1 to an EVOS meeting.

2                   And the language that we have put forward  
3 is this: All Trustee Council member's travel expenses  
4 directly associated with attendance at a Trustee Council  
5 meeting shall be reimbursed out of EVOS TC funds.  
6 Reimbursement shall include transportation, overnight  
7 accommodations and per diem specific to the Trustee Council  
8 meeting only. EVOS Trustee Council funds will not  
9 reimburse expenses for lodging for other meetings scheduled  
10 in conjunction with the Trustee Council meeting.

11                   In other words, if you require additional  
12 days to spend.

13                   CHAIRMAN DUFFY: If I.....

14                   MS. PEARCE: Mr. Chairman.

15                   CHAIRMAN DUFFY: Ms. Pearce.

16                   MS. PEARCE: Thank you. For the record, I  
17 think we should define to ourselves, even so it's in the  
18 record, what Trustee Council meetings means because there  
19 may be times -- does the Seward meeting, for example,  
20 that's not an official Trustee Council meet -- the  
21 Trustee's meeting but it is an EVOS related meeting. So I  
22 just think we need to know the parameters.

23                   CHAIRMAN DUFFY: Yeah, I think that's a  
24 good question. The example you used in my mind would be a  
25 trip that could be reimbursable under the program. So the

1 one thing that, in some email correspondence I had with  
2 Ms. Phillips on this one, I wanted to be real clear that,  
3 at least from my perspective, if I do seek reimbursement  
4 from the Trustee Council for a related meeting, it is  
5 specific only to that meeting and it is not meant to come  
6 to a Trustee Council meeting for half a day and to have  
7 five other meetings in the next two days and then charge  
8 three days of per diem to the Trustee Council when I get  
9 home. That my charges would only be specific relative to  
10 Trustee Council business.

11                   But that is a question because it's unclear  
12 whether we mean only the formal Trustee Council meetings,  
13 as the one -- similar to the one we're having today or  
14 whether it would incorporate the meeting that is community  
15 involvement, that is being scheduled in Seward. I think we  
16 need a little more direction from ourselves on that.

17                   MS. PEARCE: Mr. Chairman, I would just say  
18 that if we're on Trustee Council related business then I  
19 think it should be reimbursable. I'd just want to make  
20 sure that we all have a good understanding of what we're  
21 talking about.

22                   CHAIRMAN DUFFY: Okay. Ms. Ballard.

23                   MS. BALLARD: I was going to move to amend  
24 the motion in exactly that way. So I think we've all just  
25 written in business instead of meetings.

1 CHAIRMAN DUFFY: Okay.

2 MS. PHILLIPS: It could be amended to, if  
3 you would like, associated with attendance at all Trustee  
4 Council related business, something like that.

5 CHAIRMAN DUFFY: The language we're  
6 currently discussing is not in front of us in the form of a  
7 motion at this point in time, it was a suggestion from the  
8 Executive Director. So I think we need a motion to have  
9 some discussion on amending a motion.

10 MS. BALLARD: Well, then I'll -- were you  
11 going to say something?

12 MR. TILLERY: Well, I was, but go ahead.

13 MS. BALLARD: All right, to get it on the  
14 table, I will move that if we have the drafted items, some  
15 of us, in front of us, that it read: All Trustee Council  
16 member's travel expenses directly associated with  
17 attendance at Trustee Council business shall be reimbursed  
18 out of EVOS TC funds and then so on, as Gail read it out.  
19 So I've just deleted the word a and meeting and substituted  
20 solely the word business. So it reads attendance at  
21 Trustee Council business. And I would be personally --  
22 well, I'll wait until we have a second.

23 CHAIRMAN DUFFY: Is there a second to the  
24 motion?

25 MS. PEARCE: I would second the motion.

1 CHAIRMAN DUFFY: Seconded by Ms. Pearce.  
2 Discussion. Ms. Ballard.

3 MS. BALLARD: I would think that we can  
4 work out what is Trustee Council business without  
5 clobbering up this motion with a list of what is and what  
6 isn't. I'm satisfied that the six of us have enough other  
7 reasons to travel and we're not looking for an excuse to  
8 get on airplanes and.....

9 MS. PEARCE: Mr. Chairman.

10 CHAIRMAN DUFFY: Ms. Pearce.

11 MS. PEARCE: I am satisfied that we all can  
12 identify when it's Trustee related business and I have no  
13 problem with that. But as the motion reads, I just also  
14 want to clarify so that I know, although I think it's  
15 cheaper for me to get to Anchorage perhaps than those of  
16 you having to come from Juneau.

17 MS. BALLARD: Probably.

18 MS. PEARCE: But if I am making a trip to  
19 Alaska, often I try to do the rest of my Alaska business  
20 while I'm up there for Trustee Council's so that I'm not on  
21 planes twice as often as I am already. But would you  
22 expect if we stay longer than for just the Trustee Council  
23 related business that we divide the actual transportation  
24 costs and so we'd only pay a portion of our ticket, because  
25 only a portion of our time was Trustee related or is that

1 not the expectation? I don't care, I just want to know.

2 CHAIRMAN DUFFY: Well, Ms. Pearce, from the  
3 Chair, I'll give you my perspective on that. I would  
4 anticipate that if you scheduled a trip for Trustee Council  
5 business from Washington, DC, came out and then conducted  
6 the other business you did, that that travel and per diem  
7 for the period of time associated with the meeting would be  
8 reimbursable by the Trustee Council. So in other words,  
9 your round trip ticket would get covered by the Trustee  
10 Council. But that's my perspective. If there's some other  
11 perspective out there about parceling out the cost of the  
12 airplane ticket, I think we should discuss that. But I'm  
13 not sure we need to go down that road.

14 Dr. Balsiger.

15 MR. BALSIGER: Thank you, Mr. Chairman. I  
16 agree, I don't think we want to be fractioning the tickets  
17 to various accounts, it's too complicated. On the other  
18 hand, just for an example, is Ms. Pearce is coming for a  
19 two-day meeting in Seward to talk about funding Arctic  
20 research and just happens to be there for a half a day  
21 meeting on Trustee business, probably that ticket is paid  
22 for by the Arctic research end of things instead of by the  
23 EVOS end of things. Just as an example. Hypothetically  
24 speaking.

25 CHAIRMAN DUFFY: Ms. Pearce, did you hear

1 that hypothetical example?

2 MS. PEARCE: Yeah, but am I supposed to  
3 answer it?

4 CHAIRMAN DUFFY: No, you don't need to  
5 respond. I think it was merely hypothetical.

6 Ms. Phillips.

7 MS. PEARCE: Well, I'll be honest and that  
8 is a good question because next week I will be in Seward  
9 and we have a meeting there and I also have a Arctic  
10 Council meeting there. But it wouldn't be my intention,  
11 frankly, to ask the Trustee Council to reimburse me for  
12 that because the original one scheduled was the Arctic  
13 Council meeting. And perhaps that's what we use, who  
14 scheduled it first.

15 CHAIRMAN DUFFY: Okay, thank you. So we  
16 have a response to the hypothetical example which seems to,  
17 nodding of the heads here at our table, they seem to concur  
18 with your perspective, Ms. Pearce. We have a motion on the  
19 table as amended.

20 Mr. Tillery.

21 MR. TILLERY: Historically, there was about  
22 a line item budget of about \$5000 per Council member in the  
23 budget for business related travel. Then that was cut off  
24 about two years ago in an effort to conserve funds in the  
25 administrative budget. The way this motion reads, it says

1 all travel and then there's a budget amendment for \$20,000.  
2 Is the intent that that \$20,000 is sort of divided up among  
3 Council members or is it all travel so that if -- and we  
4 bust the 20,000? How was that intended to work?

5 CHAIRMAN DUFFY: Ms. Phillips, I'll go to  
6 you for clarification.

7 MS. PHILLIPS: Thank you, Mr. Chairman.  
8 What we did was we anticipated in this current budget year  
9 we have four meetings left. And taking the actual price of  
10 tickets and hotel rooms, et cetera, we arrived at a strong  
11 estimate of approximately 20,000 for the remainder of this  
12 year to cover any foreseeable expenses that we would need  
13 for travel by the Trustees. If we're going to need more,  
14 we'll come back to the Trustees and make a recommendation  
15 for more.

16 And then I would just say that we --  
17 because it wasn't included as a line item in this budget,  
18 it's going to have to be a budget adjustment and that we  
19 should include a figure of \$40,000 in next year's budget.

20 MR. TILLERY: So that I understand, that  
21 all means all then, not up to a certain limit?

22 CHAIRMAN DUFFY: Correct. Any further  
23 discussion of the amendment on the floor? Mr. Meade.

24 MR. MEADE: I'd just like to be on the  
25 table here just in support of the motion. I do believe

1 that no individual agency should be penalized by the  
2 pro-activeness of the individual agencies for having such  
3 individuals participating in these meetings. So I feel  
4 that it's prudent and effective and appropriate. I think  
5 that Drue offered perhaps the guiding principle that we  
6 would use or should use, and that is, the primary purpose  
7 of your travel, as you're setting up your travel, should be  
8 the sponsoring purpose for that travel. If indeed the  
9 primary purpose is to be traveling to an EVOS related  
10 project, then certainly EVOS should bear that  
11 responsibility.

12 CHAIRMAN DUFFY: Thank you. Mr. Tillery.

13 MR. TILLERY: One final point. Where it  
14 indicates that, associated with a Trustee Council member's  
15 travel expenses, is that intended to include an alternate  
16 to a Trustee Council member who is doing something on  
17 behalf of a Trustee Council member?

18 CHAIRMAN DUFFY: The Chair's understanding  
19 of that particular issue would be that if your designated  
20 alternate that is performing on your behalf at Trustee  
21 Council related activities, then that would be reimbursable  
22 as well. I believe there was internal email discussions  
23 approximately a month ago asking us to specifically  
24 identify alternates, which I believe all Trustee Council  
25 members did. In that case, if an alternate travels on

1 behalf of their agency for Trustee Council business, I  
2 assume they would be reimbursed also. My assumption  
3 appears to be correct.

4 Ms. Pearce, do you concur with that  
5 assumption?

6 MS. PEARCE: Yes.

7 CHAIRMAN DUFFY: Okay, thank you. Any  
8 further discussion on this item. Ms. Phillips, Paula  
9 Banks, one of your staff, has requested commenting.

10 MS. PHILLIPS: Paula.

11 MS. BANKS: I'm requesting direction on how  
12 you want to administer those funds. Do you want those to  
13 be held in the EVOS budget and then administered out of our  
14 budget or do you want them to be treated as an expenditure  
15 to each individual agency to maintain and add it to their  
16 own. Because your staff would make your travel  
17 arrangements if you had other things to do and other  
18 business meetings, then you know, they would be able to  
19 arrange that much better, I believe, than our staff would.  
20 I think it would cause some confusion.

21 CHAIRMAN DUFFY: Comments from the Trustee  
22 Council members? Mr. Meade.

23 MR. MEADE: Do I hear in the last part of  
24 your statement, Ms. Banks, a recommendation?

25 MS. BANKS: Yes, I'm sorry.

1                   MR. MEADE: I think you're indicating it  
2 may be more efficient for ourselves as well as perhaps  
3 yourselves if that was in the latter?

4                   MS. BANKS: That is correct.

5                   CHAIRMAN DUFFY: So I need a bit of  
6 clarification, if I could, so that.....

7                   MS. BANKS: If the funds were transferred  
8 to each individual agency and then you'll administer those  
9 travel funds.

10                  MS. PEARCE: Can you please speak louder.

11                  CHAIRMAN DUFFY: Ms. Pearce, let me try  
12 this. Paula Banks has made a suggestion for efficiency  
13 purposes, I believe, that perhaps the way to deal with this  
14 is to allocate out of the account, Ms. Phillips used the  
15 example of \$40,000 for a year, out of the account to  
16 allocate some of that to each of the agencies and then let  
17 the individual agencies, essentially, draw down on that  
18 account, providing reports to Trustee Council on  
19 expenditures. In other words, leave the responsibility for  
20 managing the money with the individual agencies who are  
21 allocated a certain sum. Is that accurate?

22                  MS. BANKS: That's correct, yes.

23                  CHAIRMAN DUFFY: Okay.

24                  MS. PEARCE: Well, Mr. Chairman, I would  
25 just say until we've had a few months or a few meetings of

1 figuring out how this is honestly going to work, while I  
2 said that I thought travel from DC was cheaper from Juneau  
3 and I think sometimes it is, it is not in the summer. I  
4 don't know how we would decide how much to allocate agency  
5 by agency until we've got some experience.

6 CHAIRMAN DUFFY: Good point.

7 MS. BANKS: Some of it has.....

8 CHAIRMAN DUFFY: Ms. Ballard.

9 MS. BALLARD: Kevin, could this not be an  
10 administrative detail that we'll work out.....

11 MS. PEARCE: Yeah, I would think so.

12 MS. BALLARD: ....with regard to the spirit  
13 of the motion. I appreciate Paula's comment but does it go  
14 to the heart of the motion or is it a way we work it out  
15 later?

16 MR. MEADE: Administratively.

17 MS. BANKS: It was more -- I was asking  
18 more for direction because it makes a difference. And if  
19 each agency staff, because they do travel for you, perhaps  
20 they could provide us with an estimated cost of travel per  
21 trip so that we could, you know, get some sort of educated  
22 guess as to how much it would possibly cost so we can  
23 figure out what our costs are going to be over time.

24 CHAIRMAN DUFFY: Okay. Ms. Phillips.

25 MS. PHILLIPS: And I just want a

1 clarification that we the EVOS staff would not be doing  
2 your travel arrangements. Your personal staff would be  
3 doing your travel arrangements. We're just going to be the  
4 money pit.

5 MS. BALLARD: Right. I couldn't have said  
6 it better myself.

7 CHAIRMAN DUFFY: Thank you and I believe  
8 that Ms. Banks brought up a good point for clarification  
9 that would just make the system work smoother so I  
10 appreciate her bringing that issue up. And given that  
11 clarification that we will achieve through the Executive  
12 Director, I think we can go back to the motion which is the  
13 concept of providing funding for Trustee Council members or  
14 their alternates to attend Trustee Council related business  
15 meetings. Is there any further comment on that issue?

16 (No audible response)

17 CHAIRMAN DUFFY: Is there anyone opposed to  
18 the motion to approve this concept?

19 (No audible response)

20 CHAIRMAN DUFFY: Hearing no opposition, the  
21 motion is approved. Ms. Phillips.

22 MS. PHILLIPS: One last item under my  
23 report, Mr. Chairman, and that is after our community --  
24 well, maybe I missed -- do we have a community involvement  
25 report? Are you going to do a community involvement

1 report? Oh, okay. Everything is on track for the  
2 community involvement workshop in Seward going the evening  
3 of March 9th and all day on the 10th. Trustees Balsiger  
4 and Pearce will be in attendance at the meeting. We have  
5 now approximately 15 to 20 people that have signed up.  
6 We're getting names coming in all the time of people that  
7 are going to be coming. And we've put out another  
8 notification this last week about the workshop to get more  
9 people there. I just wanted to say that everything is  
10 going good. We've got an agenda out and you should have a  
11 copy of that. Okay, we'll make sure you get a copy of  
12 that, the latest agenda.

13                   And then I want to invite you all on the  
14 evening of March 11th in Anchorage, Prince William Sound  
15 RCAC is going to do their 15th observance of the 15th year  
16 anniversary of the spill. And that will be -- they were  
17 going to do it at Fourth Avenue Theater and I think they  
18 just changed it to one of the hotels. So I will make sure  
19 that you get the information on that. But it would be kind  
20 of an interesting evening if you're in town that evening.  
21 And that's March 11th, we'll get that invite out to  
22 everybody.

23                   CHAIRMAN DUFFY: Okay.

24                   MS. PHILLIPS: That's all I have,

25 Mr. Chairman.

1 CHAIRMAN DUFFY: Thank you, Ms. Phillips.

2 I would request we take a brief five minute stand down,  
3 we'll come back on the record. Thank you.

4 (Off record - 11:01 a.m.)

5 (On record - 11:15 a.m.)

6 CHAIRMAN DUFFY: Back to order at 11:15.

7 We are on agenda item number 5, discussion of archeological  
8 project near Kodiak, raising of a one hundred year old ship  
9 brought by Brad Stevens, NOAA. I would just, to start off  
10 with, point out that this is not a NOAA project per se,  
11 this is an individual employed by NOAA who is independently  
12 pursuing this option. So with that, Gail would you like to  
13 provide us any background on this or any clarification over  
14 and above what we have?

15 MS. PHILLIPS: Thank you, Mr. Chairman.

16 You will see in your packet that you do have the official  
17 request from Dr. Brad Stevens requesting a small investment  
18 of even \$5000 from EVOS that would be highly leveraged by  
19 about a ratio of 10 to one for the project of raising this  
20 archeological ship, the Russian Barque Ka'yak, which sank  
21 near Kodiak in 1860. And he's pursuing this as an  
22 archeological research project and thought maybe that EVOS  
23 funds would be appropriate for this.

24 CHAIRMAN DUFFY: Issue is open for  
25 discussion among Trustee Council members. Ms. Ballard.

1 MS. BALLARD: If we don't have a motion,  
2 there's nothing to discuss, correct?

3 CHAIRMAN DUFFY: Correct.

4 MR. TILLERY: Mr. Chairman.

5 CHAIRMAN DUFFY: Mr. Tillery.

6 MR. TILLERY: I would just note that there  
7 is a significant question about whether this is something  
8 that would be permissible under the consent decree. I can  
9 think of an argument for it but it would depend upon a lot  
10 of information about the extent to which archeological  
11 resources were -- of this particular nature were damaged  
12 during the spill, information I don't have. And in any  
13 event, it appears to me that with some of the other funding  
14 priorities that we have, it, at the moment, that this  
15 really is not a project that I would be prepared to go  
16 forward with at this time.

17 CHAIRMAN DUFFY: Okay. Dr. Balsiger.

18 MR. BALSIGER: I think this is an  
19 intriguing and interesting project but I don't think it's  
20 quite appropriate to fund it out of EVOS funds. So unless  
21 it came back with additional information along the lines  
22 with Mr. Tillery said to point out why it's appropriate  
23 here, I suggest that we not deal with it.

24 CHAIRMAN DUFFY: Thank you, Dr. Balsiger.

25 Is there a motion.....

1 MR. MEADE: Mr. Chairman.

2 CHAIRMAN DUFFY: Joe Meade.

3 MR. MEADE: I was just going to carry with  
4 the same conversation and say I think the project itself  
5 is, you know, individually fascinating. My concern though  
6 is if it's not related to the mission, the Exxon Valdez Oil  
7 Spill Board of Trustees will find other similar proposals  
8 that may be in themselves great opportunities but they may  
9 again erode the very focus of our mission. So I would be  
10 in same position as both Mr. Tillery and Mr. Balsiger.

11 CHAIRMAN DUFFY: Thank you, Mr. Meade. The  
12 Chair's sentiment is consistent with the previous speakers.  
13 I will provide an opportunity for someone to put a motion  
14 on the table on this issue. Failing a motion coming before  
15 the chair and seconded, this issue will be concluded and  
16 we'll move on to the next agenda item. Is there any  
17 Trustee Council member who wish to make a motion on this  
18 issue?

19 (No audible response)

20 CHAIRMAN DUFFY: Hearing none, a decision  
21 has been made.

22 As Chair, I have some liberty to move the  
23 agenda around and what I would suggest Trustee Council  
24 members consider before we take our lunch break for an  
25 executive session is that we move to agenda item number 8,

1 which is determine the use of the NOS grant. I think  
2 that's one we can discuss and make a decision on prior to  
3 our lunch break and I would encourage us to do that. Then  
4 we will come back, capture 6, 7, and 9 following our  
5 executive session. Is there anyone opposed to that  
6 procedure?

7 (No audible response)

8 CHAIRMAN DUFFY: Okay, we're on the NOS  
9 grant.

10 MS. PHILLIPS: Mr. Chairman.

11 CHAIRMAN DUFFY: Ms. Phillips.

12 MS. PHILLIPS: In your packet you will have  
13 the recommendation for option number 1, which is the  
14 Hinchinbrook project. And I would ask Dr. Mundy to come  
15 forward if you have any questions so that he can answer  
16 those for you.

17 CHAIRMAN DUFFY: I think that would be  
18 helpful, to have Dr. Mundy come forward and bring forward  
19 the staff recommendation and a little bit of background on  
20 this for purposes of the record.

21 MS. PEARCE: Mr. Chairman.

22 CHAIRMAN DUFFY: Ms. Pearce.

23 MS. PEARCE: This is where I get lost in  
24 the mountain of paper that I have. Gail, could you give us  
25 a little more direction as to where -- which group of

1 attachments that was with?

2 MS. PHILLIPS: Okay, there was a motion to  
3 allocate the NOS grant to fund the Hinchinbrook-Montague  
4 project. It's two pages and at the top of it, great big  
5 black lettering reads NOS grant.

6 MS. PEARCE: Okay, I have found one page  
7 which is the actual motion.

8 MS. BALLARD: That's all I found, too.

9 MS. PHILLIPS: All right and then the  
10 option was attached behind it.

11 MS. BALLARD: I don't have that.

12 MS. PHILLIPS: We can read it, if you would  
13 like.

14 CHAIRMAN DUFFY: I think that would be  
15 helpful to read into the record.

16 MS. PHILLIPS: All right. Option number 1.  
17 Allocate.....

18 MS. PEARCE: I apologize.

19 MS. PHILLIPS: No problem. Allocate the  
20 funding to fund a single project, the Hinchinbrook-Montague  
21 Project. The rationales are that this is consistent with  
22 both the GEM Science Plan and IOOS, it supports many other  
23 EVOS activities, including lingering oil investigations,  
24 and it would require a relatively small amount of staff  
25 time to accomplish. The Hinchinbrook-Montague Project is

1 preferred because number 1, it is the best match between  
2 GEM Science Plan needs and IOOS criteria applied by NOS.

3                   Number 2, it has been in planning between  
4 the Prince William Sound Regional Citizen's Advisory  
5 Council and the Oil Spill Recovery Institute, University of  
6 Alaska-Fairbanks and GEM for over two years, which would  
7 permit a proposal and budget to be submitted to NOS in the  
8 time frame available.

9                   Number 3, it would provide information  
10 necessary to distinguish impacts of oiling on Prince  
11 William Sound herring, seabirds and nearshore resources  
12 from natural forcing factors that were identified in the  
13 Sound Ecosystem Assessment studies funded by the Trustee  
14 Council under the Restoration Program.

15                   Four, it would provide information critical  
16 to effective oil spill response and management decisions,  
17 such as when and if to use dispersants in the form of real  
18 time surface current vectors.

19                   Number 5, it would support the development  
20 of the Prince William Sound pink salmon forecast model,  
21 identified by the Cordova community as a top priority for  
22 GEM in their areas, and is important for economic  
23 development in the fishery.

24                   Six, it would support development and  
25 improvement of other modeling efforts important to economic

1 development and oil spill response, such as the SEA herring  
2 model and the Princeton Ocean Circulation Model used by  
3 Prince William Sound and OSRI.

4                   CHAIRMAN DUFFY: Thank you. Dr. Mundy,  
5 anything you'd like to add at this point?

6                   DR. MUNDY: Thank you, Mr. Chairman and  
7 members of the Council. I just wanted to say that in your  
8 -- at the last meeting we were somewhat uncertain about the  
9 origin of the funding and the purpose of the funding.  
10 Thanks to the efforts of Pete Hagen at NOAA, he's done some  
11 research on this, and has basically confirmed the  
12 information that I gave you last time, which is this was  
13 provided in concert with other earmarks that were intended  
14 for use in developing the Integrated and Sustained Ocean  
15 Observing System, the IOOS, and he's provided me with the  
16 language from the authorizing legislation, which seems to  
17 be consistent with that.

18                   And I would point out that this is -- was  
19 chosen, this option was brought to the Trustee Council  
20 because it is a very close match between the objectives of  
21 GEM and the GEM program. And the background information  
22 was identified in the SEA Program as necessary for  
23 lingering oil investigations, that is, particularly for  
24 evaluating trends in injured species populations and the  
25 IOOS Program. So what we were looking for was a match and

1 that's what we believe we've found here.

2 CHAIRMAN DUFFY: Thank you, Dr. Mundy.  
3 Dr. Balsiger.

4 MR. BALSIGER: Yes, thank you. Dr. Mundy,  
5 was this proposal submitted in response to the Work Plan,  
6 the RFP, the 404, or did this come together after it was  
7 apparent there was another \$750,000 available?

8 CHAIRMAN DUFFY: Dr. Mundy.

9 DR. MUNDY: Mr. Chairman. This proposal is  
10 one that's been developed among different entities that are  
11 interested in Hinchinbrook Entrance for different reasons.  
12 It wasn't developed in response to the '04 Work Plan nor in  
13 response to the \$750,000. This is an opportunity that's  
14 been in planning for two years that we planned to fund by  
15 some means, one way or another, through whatever means were  
16 available. For example, the oil spill response entities  
17 are very interested in having good estimates of the water  
18 moving through Hinchinbrook Entrance. It helps to  
19 understand, for example, which way the oil would be going  
20 in a surface spill and also whether or not it would be safe  
21 to use dispersants, that is the path of the oil in relation  
22 to things like herring spawning grounds.

23 And as I mentioned before, we have injured  
24 species, seabirds and harbor seals that have trend lines in  
25 population abundance. We know from the Sound Ecosystem

1 Assessment investigations that the introduction of carbon  
2 and nutrients through Hinchinbrook Entrance is an important  
3 trigger for production in pink salmon, herring and other  
4 related species and, therefore, is relevant to  
5 understanding these trend lines and the dependence of  
6 these. So this was not -- this isn't just an opportunity  
7 that's presented itself.

8 MR. BALSIGER: If I could follow up,  
9 please. The proposal sounds good but I guess what takes me  
10 back a little bit is, if it's such a good idea and matches  
11 all these things, why wasn't it submitted to the RFP under  
12 the GEM program. Was it because it wasn't ready in time or  
13 didn't quite fit the parameters of the RFP or any of the  
14 other funding things? It's just that it, coincidentally it  
15 comes up right at this time. I'm curious as to why this  
16 hasn't been.....

17 DR. MUNDY: Because it's not -- I'm sorry,  
18 Mr. Chair.

19 CHAIRMAN DUFFY: Dr. Mundy.

20 DR. MUNDY: Yes, okay. Because it's not  
21 any one project. This is the concatenation of a number of  
22 different projects that have been done piecemeal. And, for  
23 example, the Vaughn Project, which would be a central piece  
24 of this, was submitted to the Trustee Council, which is  
25 just for a very limited piece of this, a mooring in

1 Hinchinbrook Entrance. This would be an opportunity for us  
2 to gather up these plans in the planning process and to  
3 accelerate this process and to get down the road. They  
4 didn't bring this all as one proposal because this would  
5 have been obviously a very, very large proposal for the GEM  
6 program. We typically don't fund projects that are much  
7 over about \$200,000 -- \$300,000 is a very big project for  
8 us. And so by bringing all of these groups together, we  
9 can make a lot of progress in a very short amount of time.

10 CHAIRMAN DUFFY: This may be more of a  
11 statement, just some clarification. If memory serves  
12 correctly, at the last meeting we passed a motion to apply  
13 for the grant. And so our action item here is selecting  
14 the approach or the proposed utilization of the funds. The  
15 staff's recommendation is that we focus on the Hinchinbrook  
16 Entrance monitoring package. So that is what we would do.

17 Now if the Trustee Council were to approve  
18 this going forward, my understanding is there would be a  
19 period of time where a proposal would be developed, it  
20 would be peer reviewed and then that information, you would  
21 basically, the applicants working through the Trustee  
22 Council would need to negotiate the terms and conditions  
23 with the NOS as the funding agency, is that correct?

24 DR. MUNDY: Mr. Chairman, that's  
25 essentially correct. A proposal would be put together and

1 submitted for the Trustees to take a look at and also  
2 submitted to NOS to go through their peer review process.  
3 And during that time, we would be working closely with NOS  
4 to make sure that all of the details were suitable.

5 CHAIRMAN DUFFY: Okay, so there will be a  
6 future decision point for the Trustee Council to basically  
7 accept and to move forward?

8 DR. MUNDY: Mr. Chairman, I would say that  
9 the process is similar to that that we've used in other  
10 cases, and that is where the technical representatives or  
11 liaisons of the agencies and that are kept informed and if  
12 there are any considerations or problems that come up, they  
13 would inform the Trustees and the Trustee could ask for  
14 some explanation or for some action if necessary. I  
15 wouldn't anticipate that that would be the case but that  
16 would be the process.

17 CHAIRMAN DUFFY: All right, before I open  
18 it up for other Trustee Council members, just an issue for  
19 me as a Trustee Council member on this. Number one, I am  
20 supportive of the moving forward with the Hinchinbrook  
21 Project from my perspective. My concern, however, lies in  
22 what future obligations we may or may not be creating on  
23 this type of a project for the Trustee Council. And given  
24 the nature of this request and that we finally clarified  
25 some of the background on this, I am supportive of moving

1 forward. But I am not supportive necessarily of a future  
2 obligation in the hundreds of thousands of dollars on an  
3 annual basis that the Trustee Council would have to pick up  
4 to maintain this project.

5 I note that there are a number of partners  
6 involved in this project. I guess what I would like to  
7 recommend to the Trustee Council, from my perspective, then  
8 I'll open it up is, that there should be some type of an  
9 MOU negotiated between the partners in this project and  
10 perhaps the Trustee Council to clarify some of these  
11 things. Because I do not want to create the expectation  
12 that this group that is moving forward on this project,  
13 that I support, is going to come back year after year to  
14 the Trustee Council for annual operational funding of this  
15 project.

16 I am hopeful that through other sources  
17 this project and the operational aspects annually can be  
18 picked up elsewhere. So with that perspective, I'll -- Ms.  
19 Phillips.

20 MS. PHILLIPS: Mr. Chairman, I think that  
21 Dr. Mundy would have a response but also just to remind you  
22 that Nancy Byrd from Prince William RCAC is -- or from OSRI  
23 is online also now.

24 CHAIRMAN DUFFY: Okay. Dr. Mundy, did you  
25 want to.....

1 DR. MUNDY: Yes, Mr. Chairman, members of  
2 the Council. I think that's a valid concern and it's an  
3 important point. I do believe that the Trustee Council can  
4 expect to be asked for operating expenses for monitoring  
5 the movement of water into and out of Prince William Sound.  
6 It's a key feature of the ecosystem and it's a key feature  
7 that controls trends and, as I mentioned earlier, injured  
8 species among others, and forage species on which the  
9 injured species depend.

10 So I think it is reasonable to expect that  
11 in the future the Trustee Council will get a request for  
12 operating expenses on this particular package. However,  
13 there are partners with long-term funding in place who will  
14 be there to also bear that burden. Oil Spill Recovery  
15 Institute, I believe, is funded through 2012 in this area  
16 and they have a strong interest in this. And the Prince  
17 William Sound Regional Citizens Advisory Council also has  
18 an interest in this area and have been working with us to  
19 develop this package.

20 So I certainly can't say, since this is  
21 probably part of -- an important part of long-term  
22 monitoring for the ecosystem in Prince William Sound that  
23 you wouldn't see requests for operating expenses, however,  
24 I believe that those would be equitably distributed among a  
25 number of partners.

1                   CHAIRMAN DUFFY: Okay. Mr. Meade.

2                   MR. MEADE: I was just ready to make a  
3 motion. I'll wait for the conclusion of this.

4                   CHAIRMAN DUFFY: Ms. Ballard.

5                   MS. BALLARD: I'm curious about the list,  
6 let's see, who provided -- Pete Hagen's memo, which I guess  
7 we all got a copy of, which was helpful. I think that this  
8 list of the other grant recipients was attached to Pete  
9 Hagen's memo. In any event, I'm curious about several  
10 aspects of it that maybe Phil, you can answer. Do we have  
11 a relationship with all these other grant recipients?  
12 Should we have a relationship with them? Are there  
13 efficiencies that can be gained by such a thing? And am I  
14 not correct that there is some sort of ocean observing  
15 system organization that Molly is now associated with and  
16 why didn't the grant go to them? Lots of questions.

17                   Oh, one other thing, in the language that  
18 Pete copied out in his memo, it talks about -- it says  
19 therefore the contrary plan to require all participants  
20 receiving funding to contribute an equal share of funds,  
21 which sounds to me like a hundred percent match. Is that  
22 how that language is meant to read?

23                   CHAIRMAN DUFFY: Dr. Mundy.

24                   DR. MUNDY: Mr. Chairman, Commissioner  
25 Ballard. Thanks, those are excellent questions. We have

1 -- the reason that the money came to GEM is because GEM was  
2 the only point of contact for ocean observing systems in  
3 the early days of the IOOS. So the reason that we have, as  
4 a small regional observing system, the reason that we've  
5 had so much leadership responsibility in this area is  
6 simply because we were the only game in town until the  
7 Alaska Ocean Observing System was established, and that was  
8 only put together just last year, late last year. So it  
9 wasn't really a going concern. I believe that had the AOS  
10 been a going concern and been ready to receive this money  
11 that the appropriation would have gone there.

12                   The question about are we in contact with  
13 these organizations, yes, we are and they have provided a  
14 tremendous amount of volunteer labor. Quite a few of the  
15 people involved with these organizations, particularly the  
16 Gulf of Maine Ocean Observing System and the U.S. Goose  
17 Steering Committee have provided scientists, volunteer  
18 labor to attend our workshops and to help us get the GEM  
19 program going. And also to review proposals, they  
20 routinely review proposals for us on a pro bono basis.

21                   So yes, we have utilized -- that was one of  
22 the main reasons for getting in touch with these people was  
23 to get some help out of these organizations and to help us  
24 get going in those areas of the GEM program that coincide  
25 with the ocean observing system. So we've tried to take

1 advantage of that. And that was a multiple part question,  
2 I'm not sure I got all the parts but yes, this integrated  
3 and sustained ocean observing system is part of  
4 legislation, Federal legislation. It is in agency  
5 budgeting process for FY 2007, Federal agency budgeting  
6 process.

7                   And yes, I would expect that components of  
8 this Hinchinbrook-Montague system would qualify as elements  
9 of that ocean observing system. So if any long-term  
10 funding comes through for this ocean back bone of coastal  
11 observing systems, we have been working hard to position  
12 ourselves so that pieces of GEM could actually be picked up  
13 by this IOOS and thereby take the funding burden off of the  
14 Trustee Council. So that was part of the long-term  
15 strategy and the reason for getting involved here.

16                   And the last part of the question, I'm  
17 sorry, I'm.....

18                   MS. BALLARD: The match. I may be reading  
19 this language wrong.

20                   DR. MUNDY: .....not able to.....

21                   MS. BALLARD: Does somebody who is more  
22 familiar with reading -- did anybody else -- was anyone  
23 else's eye caught by that?

24                   DR. MUNDY: Could you point that out to me?

25                   MS. BALLARD: It's in this memo from.....

1 DR. MUNDY: Okay, I've got the memo.

2 MS. BALLARD: Okay, the text on the bottom  
3 appears to be electronically pasted.

4 DR. MUNDY: Right.

5 MS. BALLARD: And it's that text, appears  
6 to come from the appropriation language and it appears to  
7 require a hundred percent match but.....

8 DR. MUNDY: Mr. Chair.

9 CHAIRMAN DUFFY: Dr. Mundy.

10 DR. MUNDY: Can I call on Pete Hagen  
11 who.....

12 CHAIRMAN DUFFY: Absolutely.

13 DR. MUNDY: .....drafted this memo.

14 CHAIRMAN DUFFY: Would the author please  
15 come to the table for clarification?

16 MS. BALLARD: And, Pete, thank you for the  
17 -- since we hadn't met you -- I hadn't met you before,  
18 thank you for the memo. The memo was.....

19 MR. HAGEN: I distributed it to staff to  
20 explain to my boss why it appeared there but anyway -- so  
21 and then it got distributed up. Yeah, that came from --  
22 that's attached to the table but it refers to fiscal year  
23 2005. So the money that is appropriated now is 2004. So  
24 that's an intention that the joint committee tried to put  
25 in. I believe it probably came from the house side of the

1 omnibus, kind of a consolidation bill. So it's referenced  
2 to 2005 and when I talked to the grants folks, they said  
3 yeah, there's a lot of concern about that language in there  
4 with the other recipients, the earmarks, and they intend to  
5 do something about it. But anyway.

6 MS. BALLARD: But as it sits, there's a  
7 hundred percent match for this money?

8 MR. HAGEN: No, that's -- their intention  
9 is for -- the committee that -- the conferee committee that  
10 put this together, that appropriated the language said  
11 their intentions for the 2005 to require a match, this is  
12 2004 funds.

13 CHAIRMAN DUFFY: Dr. Balsiger.

14 MR. BALSIGER: Thank you, Mr. Chairman.  
15 It's like they're putting recipients on notice, I believe,  
16 that there will be this amount of money absent the matching  
17 funds in the future.

18 MS. BALLARD: I'm on notice. I mean,  
19 that's a big match.

20 MR. HAGEN: Yeah, they actually had the  
21 same language in the previous year but it was removed in  
22 conference committee, so.....

23 MR. BALSIGER: And, Mr. Chairman.....

24 CHAIRMAN DUFFY: Dr. Balsiger.

25 MR. BALSIGER: .....perhaps -- Dr. Hagen is

1 a good biologist and he's done a lot of work on this but  
2 he's not a lawyer and so we didn't run this through any  
3 legal interpretation.....

4 MS. BALLARD: I understand.

5 MR. BALSIGER: .....it's cut and paste out  
6 of the appropriation bill and his interpretation.

7 MS. BALLARD: And let me say again, I  
8 appreciate the work you did to even dig it out. You know,  
9 we've all been completely in the dark and I think we need  
10 to be, from the point of view of financial managers, alert  
11 to the fact that as we get into this and as Phil has said,  
12 yes, it will bring an expectation that we continue our  
13 participation, that that participation will require a match  
14 in the future. Whether it's next year or the year after or  
15 the year after, that kind of language is going to get wings  
16 eventually or feet or legs or whatever.

17 CHAIRMAN DUFFY: Dr. Hagen.

18 MR. HAGEN: Yeah, I just wanted to make  
19 another point. I think an MOU would be prudent to try to  
20 put together with the entities. Because there is the issue  
21 of -- this is purchasing equipment and Trustee Council  
22 doesn't really own equipment, its agencies own it on behalf  
23 of the Trustee Council. So transferring that equipment to  
24 the other partners or some mechanism to deal with that  
25 would be good.

1 MS. BALLARD: I have still one other  
2 question.

3 CHAIRMAN DUFFY: Ms. Ballard.

4 MS. BALLARD: My other question has to do  
5 with last year's grant. And I don't know, Pete, whether  
6 you're the right guy or whether it should be Dr. Mundy.  
7 But as I recall, last year there was a grant and I thought  
8 we spread it over a number of years.

9 MS. PHILLIPS: Three years.

10 MS. BALLARD: So we have \$250,000 of the  
11 last \$750,000 grant supporting current administrative  
12 expenses. What is our plan for the other 500?

13 MS. PHILLIPS: Let me check with Paula --  
14 they are all dedicated to the administration, aren't they?

15 MS. BANKS: That is correct.

16 MS. BALLARD: All three years were.....

17 MS. BANKS: They were to support the science  
18 management, right. It's approximately 248,000 a year.

19 MS. BALLARD: And although I understand why  
20 that's not appropriate at this time and I suspect we got  
21 sort of a wrist slap last time on that, that this grant  
22 doesn't interfere with the use of the previous grant for  
23 administrative purposes?

24 MS. PHILLIPS: No.

25 MS. PEARCE: Mr. Chairman.

1                   CHAIRMAN DUFFY: Ms. Pearce.

2                   MS. PEARCE: Thank you. If it's  
3 appropriate, I have a couple of questions for Dr. Mundy.

4                   CHAIRMAN DUFFY: Proceed.

5                   MS. PEARCE: Thank you. Phil, at the last  
6 meeting when we talked about this specific land proposal,  
7 as I remember in listening to a number of, maybe,  
8 expectations for deliverables from the proposal, I opined  
9 that it sounded like there was at least some duplication of  
10 work that's already being done, at least of information  
11 that's already available, particularly about whether we  
12 were -- met sort of the -- at Hinchinbrook Entrance in  
13 particular, but also Montague Island. Has the proposal  
14 been refined in any way to either ensure that we're not  
15 duplicating these or to insure that we try to insure that  
16 the information that will come from this project will be  
17 disseminated to all comers and will go into a better  
18 integrated larger system of information.

19                   CHAIRMAN DUFFY: Dr. Mundy.

20                   DR. MUNDY: Mr. Chairman, Drue. The basic  
21 answer to that question is yes, but I have to qualify it.  
22 We don't have in hand a formal proposal for this work at  
23 this time. As I indicated in my response to Council Member  
24 Balsiger earlier, we're putting this together as the sum of  
25 several different proposals. However, I can assure you

1 that all of the players, including the multiple players  
2 from NOAA, the National Data Buoy Center and others are  
3 going to be part of this. So there won't be any  
4 duplication of effort. These will be new efforts and they  
5 are intentionally designed to avoid duplication of effort.  
6 And we assure that by having everybody who is involved in  
7 doing any kind of observing systems in this area as part of  
8 the process.

9 MS. PEARCE: While you were talking about  
10 -- Mr. Chairman, if I could continue?

11 CHAIRMAN DUFFY: Yes, please.

12 MS. PEARCE: For example, on the specific  
13 issue of whether or not -- when and where this person can  
14 be, are you -- is the Coast Guard involved in this project  
15 because they are after all the unified commander in any  
16 event in Prince William Sound. They make the decisions  
17 about dispersement.

18 CHAIRMAN DUFFY: Dr. Mundy.

19 DR. MUNDY: Mr. Chairman. Yes, they are.  
20 They're involved through the Oil Spill Recovery Institute,  
21 Prince William Sound Science Center process. And that is  
22 part of our process.

23 MS. PEARCE: Okay. Thank you,  
24 Mr. Chairman.

25 CHAIRMAN DUFFY: Okay, Trustee Council

1 members, any recommendations? Any motions on how to  
2 proceed Joe Meade?

3 MR. MEADE: I would like to propose a  
4 motion that we do accept the grant, as we did at the last  
5 meeting, and accept the recommendation that has been  
6 brought forward by the Trustee Council for execution of the  
7 grant. I'm solidly and the agency is solidly behind the  
8 aims, the principles and the ability to help defer other  
9 costs associated to GEM activity and I also respect the  
10 dialogue that's taken place. And I guess this is cutting  
11 -- I'm getting into dialogue rather than motion. My motion  
12 is to accept the staff recommendation for implementation of  
13 the grant.

14 CHAIRMAN DUFFY: Thank you, is there as  
15 second?

16 MR. BALSIGER: Second.

17 CHAIRMAN DUFFY: Seconded by Dr. Balsiger.  
18 Discussion. Ms. Ballard.

19 MR. MEADE: If I may, I was just going to  
20 add to that discussion. I do feel this is a good example  
21 and I think the questions have been very -- it's been a  
22 very good dialogue. I think it is important that the  
23 recipients of these resources see that there is going to be  
24 an important component to building relationships that are  
25 going to help sponsor this into the future.

1                   CHAIRMAN DUFFY: Thank you. Ms. Ballard.

2                   MS. BALLARD: I don't know if we should add  
3 to the motion, the recommendation that Pete made in his --  
4 both in his spoken remarks here and in his memo that there  
5 be, along with this project, some sort of a memoranda with  
6 the recipients or the owners of the capital equipment. And  
7 I also don't know how to express the issue I raised  
8 earlier, that we now do have an Alaskan Ocean Observing  
9 System and these other grant recipients seem to be that.

10                   And there ought to be some -- I mean, I  
11 don't want to set us up in competition with another  
12 organization which is linked in to a national network of  
13 things that are organized for the purpose of doing this  
14 ocean observing. And that may be an issue we deal with  
15 over time. I feel a little uncomfortable about that. I  
16 understand this came our way because we were in place and  
17 we had the seeds of what was needed. But I guess what I'll  
18 do is first ask for a friendly amendment to Joe's motion  
19 that our proposal of the Hinchinbrook Project be  
20 accompanied by appropriate memoranda with the partners.  
21 Because I think that's key to the way that project goes  
22 together.

23                   And then I'll -- if the whole thing passes,  
24 I'd like to try to come back to this other issue and hear  
25 what Phil might want to say about the Alaska Ocean

1 Observing System.

2 CHAIRMAN DUFFY: So that was a friendly  
3 amendment. I think it requires a second or not? Who's my  
4 parliamentarian?

5 MS. PHILLIPS: Yes, it does.

6 MR. MEADE: I'll second.

7 CHAIRMAN DUFFY: Friendly amendment has  
8 been proposed by the maker of amendment [sic] which would  
9 incorporate an MOU among the partners as part of this  
10 agreement dealing with -- I think Joe Meade brought up the  
11 -- or Dr. Hagen brought up the concept of there is  
12 equipment associated with this and ownership is always an  
13 issue if it's not in writing. My question to the maker of  
14 the friendly amendment and the main motion is the issue  
15 that I brought up, and that issue is that I do not want to  
16 create an expectation here that the Trustee Council,  
17 because they are accepting this grant and moving forward  
18 with the Hinchinbrook Project, I don't want to create the  
19 expectation that the Trustee Council program itself is  
20 going to be the primary or sole funding source associated  
21 with the ongoing operation of this program.

22 Now I've been told that there are other  
23 programs coming online that would logically be major  
24 players in this and I appreciate that and I want to  
25 facilitate that sort of an understanding through this MOU.

1 So would that concept, to some degree, be addressed in the  
2 MOU? Is that your understanding?

3 MS. BALLARD: Sure.

4 MR. MEADE: I would be favorable to that as  
5 well. I share your very feelings as well.

6 CHAIRMAN DUFFY: Okay, thank you. Other  
7 comments from Trustee Council members? Mr. Tillery.

8 MR. TILLERY: Mr. Chairman, can I clarify  
9 that if we approve this motion, then this does not come  
10 back to the Council formally.....

11 MS. PEARCE: Kevin, I can't hear Craig at  
12 all.

13 CHAIRMAN DUFFY: Hang on a second, please.

14 MR. TILLERY: Sorry. Yeah, I was just  
15 wanting to clarify that if this motion is approved then  
16 this project need not come back to the Trustee Council for  
17 any other formal action, simply it would come back to  
18 individual Trustee Council members on an information basis.  
19 Is that correct?

20 CHAIRMAN DUFFY: Unless I hear otherwise,  
21 that is not my understanding because if we're talking about  
22 this concept of the development of an MOU among the  
23 parties, the Trustee Council will be one of the members of  
24 the MOU. So by definition then, if the MOU is part of the  
25 arrangement, we would have a further action item endorsing

1 the MOU for implementation purposes for this project. So I  
2 would see a necessary next step for the Trustee Council as  
3 part of this program.

4 MS. BALLARD: Kevin, I think.....

5 CHAIRMAN DUFFY: Ms. Ballard.

6 MS. BALLARD: I'm not intending to waver  
7 about the Hinchinbrook Project but I think the MOU that's  
8 negotiated defining our role is rather important for us to  
9 see again. I mean, that can be a telephone meeting, it can  
10 be a single purpose meeting, but I think that the questions  
11 raised not just about the equipment and the ownership but  
12 about the operations and about the relationship of EVOS to  
13 this network, I would like to see that in writing.

14 CHAIRMAN DUFFY: Just as a follow up, from  
15 the Chair, I'm a supporter of this project. I don't want  
16 my marks to be misconstrued but I am concerned about the  
17 long-term ongoing operational costs. And I would put it in  
18 the context of taking our FY04 proposals and all the  
19 projects that were funded that by necessity creates certain  
20 obligations under the FY05 funding package. And if you're  
21 not careful about long-term ongoing operational costs  
22 associated with funding a specific project in any one year,  
23 we could, I foresee in the future, get to a point where  
24 there is very little discretion on an annual basis for the  
25 Trustee Council to fund new projects based on the RFP

1 program that we operate under. And I'm just expressing  
2 caution along those lines. That is my intent on this.

3 Mr. Meade?

4 MR. MEADE: If I may, Mr. Chair. To see if  
5 we are in full agreement, as I hear you articulate that,  
6 the expectation with this grant is that it will carry out  
7 the purposes for which it has been framed and no more. And  
8 as annual opportunity to enhance or further different  
9 components or goals that it places forward, they will be  
10 considered in a competitive manner like all other proposals  
11 that come before us. Would that not be -- in other words,  
12 it should not be under -- let it be clear that there is no  
13 long-term commitment made here. This is a commitment based  
14 on, to me, a very exciting proposal. But dimensions of  
15 that proposal that may have out year opportunity, as  
16 Dr. Mundy has noted, will need to compete through the  
17 process as all proposals do.

18 CHAIRMAN DUFFY: Yes, thank you, Mr. Meade.  
19 That captures my thoughts as well. So further discussion  
20 among Trustee Council members. Ms. Pearce, any comment on  
21 this one?

22 MS. PEARCE: No, thank you.

23 CHAIRMAN DUFFY: Okay, we have an amended  
24 motion through a friendly amendment on the table. No  
25 further discussion. Is there any opposition to the motion?

1 (No audible response)

2 CHAIRMAN DUFFY: Hearing none, so approved.

3 It is seven minutes to 12:00, the Trustee Council, do we  
4 need a motion to go into executive session? The Chair  
5 would like to entertain a motion to move into executive  
6 session over lunch. And I think we should give the public  
7 some sense of when we will come back on the record. So  
8 with that.....

9 MS. BALLARD: So are you looking for a  
10 sense of when we'll come back on the record? Have you got  
11 tea leaves that I don't see?

12 CHAIRMAN DUFFY: No, I do want to be clear  
13 about the executive session and that is, we're really using  
14 it only for discussion concerning confidential personal  
15 issues, litigation or legal advice, habitat acquisition  
16 negotiations, confidential archeological information or  
17 confidential fisheries information or other matters  
18 included under the appropriate statutes and regulations.  
19 So that is the purpose of the executive session.

20 MR. MEADE: Right, as you consider the time  
21 for the executive session, I might note that I must leave  
22 by 3:00 and I'm hoping that the executive session will be  
23 conducted in a way that allows us to complete the rest of  
24 the business we have in front of us for which we put  
25 forward our agenda as well. If we could constrain our

1 executive session to allow the rest of the agenda to yet be  
2 accomplished, that would be my hope.

3 CHAIRMAN DUFFY: Thank you, Mr. Meade.  
4 Would one hour be sufficient?

5 MS. PEARCE: Mr. Chairman.

6 CHAIRMAN DUFFY: Yes, Ms. Pearce.

7 MS. PEARCE: Thank you. Two things.

8 First, I just wanted to know what's the procedure for me.  
9 Do you call me under executive session so you can control  
10 what lines are called or do I call back in?

11 CHAIRMAN DUFFY: Yes, we'll call you back,  
12 Ms. Pearce.

13 MS. PEARCE: Okay, and my second question  
14 -- request, my DOI Anchorage staff member for the  
15 Secretary's office, Michael Baffrey, I believe is, in the  
16 room and I would appreciate his being allowed to stay in  
17 executive session. He's our Secretary key staff on all  
18 things to EVOS.

19 CHAIRMAN DUFFY: As Chairman, I will  
20 approve his participation in the executive session. The  
21 Chair is looking for a motion.

22 MS. BALLARD: I move we go into executive  
23 session to last no more than an hour.

24 CHAIRMAN DUFFY: Second?

25 MS. PEARCE: I would second.

1                   CHAIRMAN DUFFY: Thank you, it's been moved  
2 and seconded. The Trustee Council is moving into executive  
3 session and we will reconvene at 1:00 o'clock sharp.

4                   (Off record - 11:53 a.m.)

5                   (On record - 1:25 p.m.)

6                   CHAIRMAN DUFFY: We're back on record at  
7 the Trustee Council meeting. We concluded the business  
8 that was referred to in the motion for an executive  
9 session. And I believe we are on agenda item number 6,  
10 discussion, approval of additional projects for the '04  
11 Work Plan, including deferred projects, modifications and  
12 midterm requests.

13                   MS. PHILLIPS: Mr. Chairman.

14                   CHAIRMAN DUFFY: Ms. Phillips.

15                   MS. PHILLIPS: If we could have Dr. Mundy  
16 please come forward. And at our last Trustee Council  
17 meeting, you folks requested that we have all the deferred  
18 projects put up or brought forward for consideration. At  
19 that time we didn't have the complete dollar factor of how  
20 much money was left over from the 2004 Work Plan. We do  
21 have that number today, it's about \$25,000, so there's not  
22 a lot of money left in the 2004 kitty. But I would like  
23 for Phil to go through with the projects, just a very brief  
24 run down, keeping in mind that we do have a 3:00 o'clock  
25 deadline for votes.

1                   So, Phil, if you would just go through real  
2 quickly and just reiterate the projects.

3                   DR. MUNDY: Mr. Chairman, with your  
4 permission.

5                   CHAIRMAN DUFFY: Feel free. Thank you,  
6 Dr. Mundy.

7                   DR. MUNDY: Mr. Chairman, members of the  
8 Council, I refer to the memorandum dated February the 18th  
9 from Executive Director Gail Phillips to the Trustee  
10 Council. And I refer to table 1 in that memorandum. The  
11 outstanding requests fall into about three categories here.  
12 And we've tried to assign priorities to these, given that  
13 we know that there's a finite amount of money here. And  
14 we've run a cumulative sum down the right-hand column of  
15 table 1. We have a budget modification. We have a couple  
16 of midterm requests, these are proposals that are outside  
17 of the regular process that need your attention.

18                   And then we have, following the second  
19 midterm request, starting with the project labeled Bechtol,  
20 B-E-C-H-T-O-L, on the left-hand column of table 1. These  
21 are the projects that were approved by the peer review  
22 process, recommended by the Science Director and  
23 recommended by the Executive Director for consideration  
24 that wound up deferred as of the November the 10th Trustee  
25 Council meeting. So again, we've tried to arrange these

1 and organize them according to their -- sort of their  
2 immediate need and the area of the GEM program that they  
3 address and assign the priorities.

4 Over on page four of the same memo we have  
5 individually addressed each one of these projects, the  
6 rationale for each of these projects and its order in the  
7 priorities are labeled there. And in addition, over on  
8 table 2, with respect to the deferred projects, again those  
9 projects on table 1, starting with the Bechtol project.  
10 We've tried to classify these based on the opinion of the  
11 staff with respect to the State Trustee priorities with  
12 regard to lingering oil, direct impacts of the oil spill  
13 and management applications. So to give the Trustees some  
14 sense of where these fit in with respect to those  
15 priorities.

16 So with that, Mr. Chairman, in view of the  
17 amount of time we have left this afternoon, I'll conclude  
18 my remarks and take any questions.

19 CHAIRMAN DUFFY: Thank you, Dr. Mundy.  
20 Questions, Trustee Council members?

21 MS. BALLARD: I have just one.

22 CHAIRMAN DUFFY: Ms. Ballard.

23 MS. BALLARD: Phil, I looked through these  
24 and as best I can see, those that we're not able to fund  
25 this year all could be resubmitted, am I right? For '05?

1 I didn't see any that would -- in the Bechtol, on -- I'm  
2 just looking not at the midterm requests but the Bechtol,  
3 Cooper, Mazumder, Devens, Kline and Mann. My reading was  
4 that they could all be refreshed and resubmitted.

5 DR. MUNDY: Mr. Chairman.

6 CHAIRMAN DUFFY: Dr. Mundy.

7 DR. MUNDY: Yes, Commissioner Ballard, I  
8 believe that that's generally correct, although I can't  
9 guarantee that each and every one of these PI's would  
10 reapply in '05 but I'd.....

11 MS. BALLARD: No, I know that they might  
12 not, but they could.

13 DR. MUNDY: .....be -- but it could. The  
14 question is if it could. That's with respect to the  
15 projects from Bechtol on down. This budget -- the priority  
16 one, it's priority one because it's a budget modification  
17 for FY04, this summer's work that couldn't occur without a  
18 little extra money. And again, I think that Rice's  
19 additional lingering oil studies, I think he's thinking  
20 there in terms of a time line that has to do with FY04.....

21 MS. BALLARD: I was just asking about  
22 Bechtol down.

23 DR. MUNDY: .....field season. And again,  
24 this Kodiak shore zone mapping work that might be  
25 accomplished in FY05 is somewhat dependent on this. And

1 again, the reasons for that are laid out in the document.

2 CHAIRMAN DUFFY: Further questions?

3 (No audible response)

4 CHAIRMAN DUFFY: Drue, did you have any  
5 questions online?

6 MS. PEARCE: No, I don't. Thank you  
7 though.

8 CHAIRMAN DUFFY: Ms. Ballard.

9 MS. BALLARD: Well, we had the advantage,  
10 at least the State Trustees, of walking through these in  
11 light of the relatively small amount of money left and also  
12 considering the obligations that some of them propose for  
13 future budget years. And there are three that I am  
14 interested in and I don't know whether -- I'll tell you  
15 what they are, whether we want to deal with them separately  
16 or together with the \$24,000, and my three would exceed it,  
17 but would be Walker's budget modification because that just  
18 seems inevitable, but you know, we've approved that one.  
19 But the Bechtol and the Mann projects. And I understand  
20 that the Mann could be done at any time but it just seems  
21 to me that the sooner we get that completed, the better.  
22 So those are the two that I and our staff, Kevin, found  
23 compelling.

24 MR. MEADE: Can you refresh my memory, does  
25 that include the shoreline mapping in Kodiak Island or was

1 that off your list? I'm not recollecting this.....

2 MS. BALLARD: That is not on my.....

3 MR. MEADE: Okay.

4 MS. BALLARD: No.

5 MR. MEADE: Thank you.

6 CHAIRMAN DUFFY: And those three projects  
7 you're proposing or referencing, approximately \$100,000?

8 MS. BALLARD: Yeah, 18 plus 37 plus 46.

9 CHAIRMAN DUFFY: 110,000.

10 MS. BALLARD: Yeah. Why don't I make those  
11 in form of a motion to get some discussion? I don't mind  
12 moving them separately. I don't mind having a friendly  
13 amendment. But since nobody else spoke, you know me, I'll  
14 jump in to.....

15 CHAIRMAN DUFFY: So it's been moved to  
16 approve the Walker '04 marine derived nutrients, the  
17 Bechtol monitoring ecosystem parameters and the Mann FY04  
18 for history of sockeye populations. Is there a second?

19 MR. MEADE: I'll second that.

20 CHAIRMAN DUFFY: Seconded by Mr. Meade.  
21 Discussion. I'll start off the discussion. I think the  
22 Walker one should really for this Council be kind of a no-  
23 brainer. It's an administrative issue. We previously  
24 approved the project. The Bechtol project itself fits into  
25 something that I am interested in quite a bit of times and

1 that is the direct management applicability of that project  
2 to the area.

3                   And the Mann project, I think it's been  
4 spoken to a bit already, that's just wrapping up some work  
5 that has already been done. It is true it could be done at  
6 a later point in time but it's also, I think, an  
7 opportunity to conclude that work relative to Mann for 46.6  
8 thousand.

9                   Dr. Balsiger.

10                  MR. BALSIGER: This may be slightly out of  
11 order but Mr. Meade brought up this Kodiak mapping, I was  
12 wondering whether that was because he was against it or --  
13 because before I make a motion, I'd like to have his  
14 comment.

15                  MR. MEADE: If it's okay to answer that  
16 during questions, I looked through these and as I worked  
17 with our staff.....

18                  CHAIRMAN DUFFY: I'll allow it.

19                  MR. MEADE: .....in getting briefed on  
20 them, there was interest in seeing our way down into the  
21 Kodiak mapping project and to seek clarity if that needed  
22 to be funded in one year or if that could be broken into a  
23 two-year funding component. But that would be our interest  
24 and recommendation. But I certainly supported the ones in  
25 front of it and I was just going to make an additional

1 motion once this was done.

2 CHAIRMAN DUFFY: Since we're into that  
3 discussion, in fact, I as Chair, I'm going to rule that we  
4 delay that discussion until we address the three in front  
5 of us. Because we went back to a previous discussion, it's  
6 not germane to this current motion. If the motion is  
7 amended to bring it in to the discussion, that would be  
8 probably I think better.

9 MR. MEADE: I stand scolded. Thank you.

10 CHAIRMAN DUFFY: Not scolded. Any further  
11 discussion on the three in front of the Trustee Council?

12 MR. BALSIGER: Mr. Chairman.

13 CHAIRMAN DUFFY: Dr. Balsiger.

14 MR. BALSIGER: So I understand, if we vote  
15 on this, this is not -- it doesn't preclude bringing up  
16 other ones in a subsequent motion as opposed to amending  
17 this, we could do it either way?

18 CHAIRMAN DUFFY: That would be my  
19 understanding. Is there anyone opposed to the three  
20 projects in front of us?

21 (No audible response)

22 CHAIRMAN DUFFY: Hearing no opposition, so  
23 approved.

24 I'd remind fellow Trustee Council members  
25 of the '04 budget information that is in front of us and I

1 think we need to think about all that throughout all our  
2 discussion for today, the remainder of the day on all the  
3 issues.

4 Mr. Meade.

5 MR. MEADE: I would recommend or I would  
6 put forward a motion to carry forward through the Kodiak  
7 shore mapping project -- and I'm sorry, you.....

8 MS. BALLARD: Saupe is the.....

9 MR. MEADE: Saupe, thank you. My motion  
10 would be to carry our funding forward through that and I'll  
11 leave that there for -- and I'll ask the question once  
12 we.....

13 CHAIRMAN DUFFY: Is there a second?

14 MR. BALSIGER: I'll second.

15 CHAIRMAN DUFFY: Seconded by Dr. Balsiger.  
16 Mr. Meade.

17 MR. MEADE: The question I would ask to  
18 keep ourselves as nimble as we can or as frugal as we can  
19 be, perhaps Dr. Mundy can help me understand if this needs  
20 to funded entirely within one fiscal year or if it could  
21 have some logical increments that could be in part funded  
22 this year and part funded next.

23 CHAIRMAN DUFFY: Dr. Mundy, in response.

24 DR. MUNDY: Mr. Chairman. Yes, I believe  
25 that it could. For example, it contains -- a large part of

1 the budget is flying time. They could chose to do less.  
2 And anything that we could -- this is one of those fill in  
3 the blanks type operations, any of the blanks that we can  
4 get filled in this season will help us in turn prepare for  
5 planning the nearshore program in FY05.

6 MR. TILLERY: Mr. Chair.

7 CHAIRMAN DUFFY: Mr. Tillery.

8 MR. TILLERY: Maybe I'm confused but as I  
9 understood this, it's already broken into two years with  
10 205,000 one year and 185 the next year. So was Mr. Meade  
11 asking about breaking the 205 and adding that into the 185  
12 or -- and is that what you're responding to? I mean, we're  
13 already split in half, I think. Aren't we?

14 CHAIRMAN DUFFY: I think that's correct,  
15 that they are -- Dr. Mundy.

16 DR. MUNDY: Yes, Mr. Chairman, Mr. Tillery.  
17 I believe that we're only considering the FY04 budget.  
18 It's my understanding we're only considering FY04 budgets  
19 at this time and my response was with regard to putting off  
20 part of the FY04 funding into FY05 for a subsequent  
21 proposal. Is that my -- am I correct, Mr. Meade, in.....

22 MR. MEADE: Yes, you would be.

23 MR. TILLERY: So then the '04 can stand  
24 alone. We can do the '04 and we don't have to do the '05  
25 to make this project work?

1 CHAIRMAN DUFFY: Dr. Mundy.

2 DR. MUNDY: Mr. Chairman, I haven't  
3 analyzed it that way. I don't know -- I can't -- I can  
4 give you a yes but it's like a .95 yes. These projects  
5 have several different segments, they're flying, they're  
6 videotaping, they're adding expert commentary. It would be  
7 hard for me to imagine that we couldn't pull this thing out  
8 into pieces if the Trustee Council wanted to give a lesser  
9 amount of money in FY -- if the objective is to give them  
10 some portion of the funding in FY04 and allow them to move  
11 forward, I'm virtually certain that we can work out  
12 something that will allow them to move forward and make a  
13 positive contribution.

14 MR. MEADE: Mr. Chair.

15 CHAIRMAN DUFFY: Joe Meade.

16 MR. MEADE: My question was, just logically  
17 following some of the things I see our agency doing. We've  
18 got field work that likely needs to get done and we've got  
19 limited resources. My question was really, can we do the  
20 field work now in this fiscal year and roll the rest of the  
21 project into next fiscal year where that field work can  
22 then -- from the overflights and such, be compiled into the  
23 database and generated into the products that would be  
24 delivered from the program. That was the accurate nature  
25 of my question, if that helps you, Dr. Mundy.

1 CHAIRMAN DUFFY: Dr. Mundy.

2 DR. MUNDY: Mr. Chairman. Yes, that would  
3 change my answer somewhat because I am not at this point in  
4 time certain of how much of the budget proposal for FY04 is  
5 field work versus how much is analysis. And it could well  
6 be that a fairly large portion of the budget is for actual  
7 flying time, which I would -- you know, is flying the  
8 shoreline. That doesn't mean though however that we  
9 couldn't do part of the -- whatever we felt we could afford  
10 to do in FY04 field work and then follow that up again in  
11 FY05 and complete the field work in FY05.

12 CHAIRMAN DUFFY: Ms. Ballard, did you have  
13 a comment?

14 MS. BALLARD: I did. I thought Craig's  
15 question was different. Did the initial proposal have  
16 several years of component? Isn't that the question you  
17 asked, Craig?

18 MR. TILLERY: It had two years, as I  
19 understand it.

20 MS. BALLARD: And so this 205,000 is only  
21 one of the two years. Does approval commit us to the  
22 second year, regardless of whether we chose to take 10  
23 years to do two years or two years to do two years?

24 CHAIRMAN DUFFY: Dr. Mundy.

25 DR. MUNDY: Mr. Chairman. Again, my

1 understanding in my reading of this memo, the only thing  
2 that's before the Council at this time is the FY04  
3 component of these projects. This would not -- again, as I  
4 said, I can't imagine that whatever we could afford to pay  
5 for in FY04 would be wasted, because these things are done  
6 tangentially. To give you an example, the Saupe actually  
7 walked in behind our project on Kodiak. We managed to  
8 afford to do part of Kodiak in FY03 but we couldn't afford  
9 to pay for the analysis for the expert commentary on the  
10 tapes.

11                   Saupe, in her capacity with the Cook Inlet  
12 Regional Citizen's Advisory Council, had a shoreline  
13 mapping project that had some funding left over that was  
14 applicable to this. And she was able to apply that to our  
15 surveys so that we got the -- to do the analysis. So this  
16 is kind of a cooperative interactive thing that everybody  
17 wants to see completed. But we can do this in pieces, if  
18 we have to, and that's what we're committed to do.

19                   CHAIRMAN DUFFY: Okay. Go ahead.

20                   DR. MUNDY: No, no, that's my comment.

21                   MS. PEARCE: Mr. Chairman.

22                   CHAIRMAN DUFFY: Ms. Pearce. Thank you,  
23 Dr. Mundy. Sorry about that. Ms. Pearce.

24                   MS. PEARCE: I'm trying to figure out for  
25 sure the motion on the table. I know that we're talking

1 about the projects which is listed as priority three. But  
2 as I listen, it sounded to me like the maker of the motion  
3 said go down two and capture three which would say to me  
4 that we were picking up two also. Am I correct or  
5 incorrect?

6 CHAIRMAN DUFFY: That's incorrect. I  
7 believe that Joe Meade's was specific to the project that  
8 is rated as priority three, not project number 3.

9 MS. BALLARD: That's correct.

10 CHAIRMAN DUFFY: So it was the Saupe  
11 project only. It's also my understanding when the proposal  
12 came in, it did talk about a two year funding cycle of 205  
13 the first thousand and 185 the second thousand to complete  
14 the project. So I think if the Trustee Council chooses to  
15 move forward in the FY04 invitation at some level, some  
16 sum, they can anticipate that there were be an additional  
17 funding request or the project won't be completed. So we  
18 need to keep that in mind.

19 Mr. Tillery.

20 MR. TILLERY: It would concern me without  
21 knowing that they could be broken up because otherwise we  
22 could very well be faced with the inability to pay for it  
23 next year and be told that, well, we did the overflights,  
24 we got the film or whatever, but by the way, it's of no use  
25 because we don't have the money to do the analysis or

1 something like that. I mean, without knowing that it's  
2 going to be -- that it can be broken out and we can get a  
3 useful product with one year, I mean, and one can say that  
4 well, last year somebody else stepped in and picked it up  
5 but I don't think it would be -- it would not be  
6 responsible to count on money appearing from somewhere else  
7 to finish a project.

8 CHAIRMAN DUFFY: Dr. Mundy.

9 DR. MUNDY: Mr. Chairman, in response to  
10 what Mr. Tillery is asking. This again is -- you will be  
11 asked to complete all of this work. You will be asked to  
12 do all of this work. And this is an essential step in  
13 launching the nearshore monitoring. For example, if you  
14 wanted to do a lingering oil investigation and you wanted  
15 to go out and put out monitoring strips or look at clams or  
16 epifauna or anything like that within the oil spill  
17 affected area in a long-term monitoring sense and you  
18 called in the statisticians, one of the first things they  
19 would ask you was how much of each kind of habitat do you  
20 have here and what are we looking at. So, as statisticians  
21 always do, when you ask them for an answer they tell you  
22 that you have to give you all the data before they can give  
23 you an answer.

24 So you would not be able to design a  
25 stratified random sampling design on a lingering oil study

1 adequately without this kind of information. So you will  
2 be asked to complete this and this is an essential step and  
3 it will just depend on when you can afford to pay for it  
4 rather than -- that is, if you're following the GEM program  
5 and you're launching the nearshore monitoring, you will --  
6 this is somewhat different from the way that the  
7 restoration program has been conducted in the past because  
8 we can see the future here.

9                   And these proposals will be back. We'd  
10 like to finish Kodiak. We will be asking for money for  
11 mapping, probably. Again, we're not sure exactly what  
12 remains to be done in Prince William Sound but that will be  
13 part of the next Prince William Sound shoreline mapping  
14 proposal. Once we have the Kodiak and the Prince William  
15 Sound shoreline mapping done, then we will have a complete  
16 record of all of the shoreline habitat types with  
17 biological expert commentary on the biological composition  
18 of each of those shoreline habitat types. And we'll be  
19 able to allocate our effort, that is, allocate our sampling  
20 effort proportionately across those habitats. And that's  
21 what we're looking to do.

22                   CHAIRMAN DUFFY: Dr. Mundy, just a  
23 question. Does that mean that the shore mapping relative  
24 to Prince William Sound has been concluded? It hasn't been  
25 concluded but it's been initiated, is that correct?

1 DR. MUNDY: Yes, Mr. Chairman, we have --  
2 the questions that remain there is to what extent can we  
3 use existing shoreline mapping as opposed to having to use  
4 the methods that are envisioned here in that area. We know  
5 that not all of it is done but we can't tell you exactly  
6 how much remains to be done.

7 CHAIRMAN DUFFY: Thank you. Further  
8 questions. Ms. Ballard.

9 MS. BALLARD: Phil, that was a good  
10 explanation. I understand better. I wonder if there's a  
11 way, regardless of what action we take here, to look at the  
12 whole mapping undertaking and try to say, you know, we're  
13 going to pick it off in 10 years at this increment per year  
14 or something. Because, I mean, you were very honest there.  
15 You said, look, if you step into mapping, you own mapping,  
16 which I understand. So clearly we're going to own mapping  
17 if it's an integral part of the long-term program. But  
18 should we be doing 50,000 a year, a hundred thousand? Can  
19 you be sure you don't waste it by having the data sitting  
20 idle? I mean, it would be much easier to have the whole --  
21 a 10- or a 12-year program laid out.

22 DR. MUNDY: Mr. Chairman.

23 CHAIRMAN DUFFY: Dr. Mundy.

24 DR. MUNDY: Yes, Commissioner Ballard, I'm  
25 truly glad you asked that question.

1 MS. BALLARD: Oh, good. Because you're not  
2 always, so I'm glad.

3 DR. MUNDY: You may not be glad you asked  
4 that question but I am. The Couvillion proposal, the FY04  
5 coordinated coastal mapping, one of the issues that this  
6 coordinated coastal mapping program was -- that was one of  
7 the primary issues that that program was to tackle. And  
8 that's why it wound up sort of as a priority two there  
9 above the Saupe proposal. We had a workshop last year and  
10 for the first time, all the players, including Alyeska,  
11 came to the table and sat down and actually agreed to share  
12 their data. Now Alyeska had not previously agreed to share  
13 their data but they did and everyone was quite pleased with  
14 that outcome.

15 So this Couvillion proposal for coordinated  
16 coastal mapping came out of that when we realized that  
17 there are a lot of entities that have pieces of coastal  
18 maps and the data are of different types and they go down  
19 to different levels of detail. And so there's quite a bit  
20 to do if you're going to sit down and actually say we have  
21 212 kilometers of coastline in Prince William Sound left  
22 that need to be mapped. That's not an easy undertaking.  
23 So we had envisioned this Couvillion proposal as a way of  
24 cost sharing with other agencies that are doing coastal  
25 mapping, because this money is matched with other funds, to

1 kind of get that effort off the ground and get that thing  
2 coordinated.

3 MS. BALLARD: So we -- excuse me.

4 CHAIRMAN DUFFY: Ms. Ballard.

5 MS. BALLARD: Phil, you would have  
6 recommended that if we only were going to fund one of  
7 these, we'd do the Couvillion first to get a plan of attack  
8 and then we implement?

9 DR. MUNDY: Mr. Chairman.

10 CHAIRMAN DUFFY: Dr. Mundy.

11 DR. MUNDY: Yes. This will be the shortest  
12 answer you ever get out of me. Yes.

13 CHAIRMAN DUFFY: All right, we have a  
14 motion in front of us to fund the Saupe Kodiak shore zone  
15 mapping. We've heard testimony from Dr. Mundy. We've  
16 heard indication that if the Trustee Council were inclined  
17 to fund one project in this category, he might suggest  
18 another one as a priority to get a general snapshot of  
19 where we're at in the mapping program before proceeding on  
20 a specific one. So with that in mind.....

21 Joe Meade.

22 MR. MEADE: Based on Dr. Mundy's brief  
23 answer and his last remark, it leads me to suggest  
24 withdrawing the motion in that we may not have the focus on  
25 the right priority.

1                   CHAIRMAN DUFFY: Does the second concur  
2 with the withdrawn motion?  
3                   MR. BALSIGER: Yes.  
4                   CHAIRMAN DUFFY: Dr.Balsiger. The motion  
5 is withdrawn. Any other motions relative to the FY04 set  
6 of projects in front of us.  
7                   MR. BALSIGER: Mr. Chairman.  
8                   CHAIRMAN DUFFY: Dr. Balsiger.  
9                   MR. BALSIGER: I have a couple but I guess  
10 I will.....  
11                   CHAIRMAN DUFFY: Fire away.  
12                   MR. BALSIGER: .....suggest -- first I  
13 would move that we do fund the Couvillion proposal  
14 identified as priority two, which I understand now is sort  
15 of examining all of the -- well, I don't need to talk to  
16 it. I'll recommend we fund that at 71.3 thousand dollars.  
17                   CHAIRMAN DUFFY: Is there a second?  
18                   MS. BALLARD: Second.  
19                   MR. BALSIGER: I guess I won't belabor it,  
20 since we've had a long discussion on it. So I think  
21 everyone understands why we believe this should done first.  
22                   CHAIRMAN DUFFY: I would, just from the  
23 Chair, just to remind them this is a -- that Dr. Mundy did  
24 the priority rating here and I appreciate all the work he  
25 put in together but I think if you read over STAC/PAC

1 comments, you get a bit of a different perspective, so the  
2 Trustee Council needs to keep that in mind.

3 Ms. Ballard.

4 MS. BALLARD: The other point I would make  
5 affecting my vote is we're already over budget on '04 and  
6 Couvillion -- how does he pronounce it, Phil?

7 DR. MUNDY: Couvillion.

8 MS. BALLARD: Couvillion -- will be just as  
9 necessary as the first step in '05 or '06 as it is in '04.  
10 I mean it's -- apparently it's the next step we need to  
11 take. The question would be then, when did we take it.  
12 And could you elaborate slightly on what you just said?

13 CHAIRMAN DUFFY: About the priorities?

14 MS. BALLARD: The PAC and the STAC.

15 CHAIRMAN DUFFY: Oh, it's just -- well, I  
16 don't know how much off the top of my head I can elaborate.  
17 But just all I had said was Dr. Mundy provided a priority  
18 list and a rationale for those and in reviewing previous  
19 PAC and STAC comments, I would suspect that some of their  
20 priorities might, in fact, be not entirely consistent with  
21 Dr. Mundy's and I just wanted to point that out. Because  
22 it's the, you know, the public input process leading to  
23 decision-making and people need to be reminded of that.

24 Dr. Mundy, you want to respond to that?

25 DR. MUNDY: Yeah, Mr. Chairman, if I might

1 say, you're absolutely correct, these priorities have  
2 nothing to do with the PAC and the STAC, those were simply  
3 my effort -- and I laid out my reasoning -- my effort to  
4 kind of organize these for you. I mean, for example, it  
5 would be okay if you did the Saupe proposal and didn't do  
6 the Couvillion because Saupe has to do with Kodiak and we  
7 know what needs to be done down there. So that's not money  
8 wasted so I certainly wouldn't object to that.

9 On the other hand, your comment about the  
10 fact that this is the thing -- this needs to be done is  
11 absolutely correct. So this is -- that's why it got a  
12 priority two. But these priorities were just priorities  
13 that were put there by the staff to help you organize your  
14 discussion.

15 CHAIRMAN DUFFY: No, and I appreciate the  
16 effort too. Further discussion on the Couvillion?  
17 Ms. Ballard.

18 MS. BALLARD: Craig.

19 CHAIRMAN DUFFY: Mr. Tillery.

20 MR. TILLERY: I was just going to note that  
21 I also understand that the Couvillion is part one of a  
22 three part project that takes -- it takes three years to  
23 complete, is that correct?

24 CHAIRMAN DUFFY: Dr. Mundy.

25 DR. MUNDY: Mr. Chairman, Mr. Tillery. If

1 again people were encouraged to apply for three years of  
2 work, the degree to which the work in the year two depends  
3 on the work in year one or the degree to which doing work  
4 in year two is necessary to complete year one. I, at this  
5 point in time, having not read the proposal recently, I  
6 can't tell you. But I would suspect that it just simply  
7 envisioned the fact that we were going to have a  
8 coordinator on board and that people were going to be  
9 sharing expenses on this coordinator.

10 I do recall some of the discussion that we  
11 had at the STAC level and at the level of the Executive  
12 Director/Science Director regarding the advisability of us  
13 kind of throwing money into the hat to get this things  
14 started but then not wanting to be the only or the major  
15 funder of this position in the future. And so I think that  
16 the decision may have been to actually provide one year of  
17 funding. Or the recommendation may have been, I'm not  
18 certain. But in any event, we're only asking for FY04, a  
19 commitment of FY04 funding at this time. I would imagine  
20 that we would, you know, we would be back at some level for  
21 this coordinator position in FY05 as well.

22 CHAIRMAN DUFFY: Thank you, Dr. Mundy.

23 Ms. Ballard.

24 MS. BALLARD: I was going to ask Jim, I  
25 don't know if it's fair for us to ask each other. This

1 might open the flood gates to endless Trustee Council  
2 meetings, but how comfortable you would be feeling that we  
3 would initiate this. I feel that -- I wish that we had a  
4 comprehensive piece in front of us about shoreline mapping.  
5 I'm nervous that we'll either start something and not be  
6 able to fund it next year or start something and then find,  
7 as you said earlier, Craig, that all of a sudden we've  
8 advance funded all of our future years' programs.

9                   So I'm nervous we're not seeing the full  
10 picture. On the other hand, I'm mindful of the fact that  
11 without the mapping, which gives you the statistical  
12 database, it's hard to plan other studies in the future.  
13 But I wondered, Jim, whether you were comfortable saying  
14 we've set our priorities right, let's put this off a year  
15 since we've already spent all the money we've got. I don't  
16 know.

17                   CHAIRMAN DUFFY: Dr. Balsiger.

18                   MR. BALSIGER: Mr. Chairman, perhaps with  
19 the concurrence of a second, I'll withdraw that motion and  
20 make a longer, more complicated motion that may put this in  
21 a slightly different light. And.....

22                   MS. BALLARD: I'm the second here so I'm  
23 perfectly willing to let him do whatever he wants with the  
24 motion.

25                   CHAIRMAN DUFFY: Concur with withdrawal.

1 MS. BALLARD: Yeah.

2 CHAIRMAN DUFFY: Dr. Balsiger, the floor is  
3 yours.

4 MR. BALSIGER: Mr. Chairman, I would move  
5 that the Trustees modify our '04 spending plan to establish  
6 a contingency fund of up to one and a half million dollars.  
7 This contingency fund would be allocated to the Department  
8 of Law for the purpose of funding research to fill in gaps  
9 related to lingering oil. The research plan will be  
10 developed by a coordinated effort of EVOS staff, the  
11 Science Director, the Department of Justice, NOAA, and  
12 Integral Consulting Firm, which is under contract with the  
13 State of Alaska. That would be the motion. Is there a  
14 second that would speak briefly to it?

15 CHAIRMAN DUFFY: Is there a second?

16 MS. BALLARD: (Raises hand)

17 CHAIRMAN DUFFY: Seconded by Ms. Ballard.  
18 Dr. Balsiger.

19 MR. BALSIGER: Thank you, Mr. Chairman.  
20 This would be recognizing that this does some damage to our  
21 budgeting process for '04 since there clearly will be more  
22 than a million dollars over what we had intended to spend.  
23 But recognizing that we're sort of coming to a completion  
24 of a stage where we're coming to grips with aspects of  
25 lingering and it would be good to conclude this particular

1 chapter as best we can, we would have these various groups  
2 that I spoke to, mentioned, get together and consider what  
3 remains to be done. In that consideration, that group  
4 could take a look at the remaining projects in table 1,  
5 which many include some of this mapping or may not, as long  
6 as it works towards this general goal of lingering oil  
7 study completions. It may include the Rice study, which is  
8 identified here for \$112,000, as long as it's an integral  
9 part of this idea to be funded from the contingency fund to  
10 conclude lingering oil studies. Sort of get that chapter  
11 stuff behind us.

12 I think it's important to note that my  
13 intention is that this would not have implications for the  
14 long-term GEM program or the fiscal year '05 GEM model.  
15 That's still a valid concept that's been developed through  
16 a long process and so that's -- we can work on that on  
17 separate agendas and different meetings. But this  
18 particular motion, fronting a little money for '04 has no  
19 implications for the GEM model in the long run. And that's  
20 my motion.

21 CHAIRMAN DUFFY: Thank you, Dr. Balsiger.  
22 Comments, Trustee Council members? Ms. Ballard.

23 MS. BALLARD: As Jim's seconder, I just  
24 want to second his additional comments. It is a long  
25 motion, I'm not sure how much of it is in the motion and

1 how much of it is in the comments but I wanted to second  
2 the entire spirit.

3 CHAIRMAN DUFFY: Ms. Phillips.

4 MS. PHILLIPS: Thank you, Mr. Chairman.

5 Just to give the Council a little ease with the financial  
6 aspect of things, keep in mind your next motion or the next  
7 thing on the agenda will deal with whether or not you want  
8 to use the lapsed funds that are available to you also of  
9 approximately \$607,000.

10 CHAIRMAN DUFFY: Thank you. Further  
11 Trustee Council comments? Mr. Tillery.

12 MR. TILLERY: I think Mr. Balsiger's motion  
13 is appropriate. We're sort of struggling with these on an  
14 individual basis and that's probably because there's a  
15 cloud hanging over us of unfinished business, which is sort  
16 of the lingering oil, before we really embark on this new  
17 program. And some of these things relate to it,  
18 specifically the Rice study and possibly the mapping also.  
19 But I think it is appropriate for us to perhaps try to wind  
20 those all up under the sort of one heading. And then in  
21 the future we can embark on the GEM program or continue on  
22 the GEM program, sort of unfettered by this burden that  
23 we're not -- we don't quite have our arms around, so.....

24 CHAIRMAN DUFFY: Thank you, Mr. Tillery.  
25 Mr. Meade.

1                   MR. MEADE: I might add my words of  
2 support, too, to the motion as it's been described in that  
3 I feel that the work that's in front of us that I've  
4 stepped into, I don't have the history that several of you  
5 do with the lingering oil component. I have read much  
6 about the Public Advisory and the Scientific Advisory  
7 Committee input and insights towards GEM and advocacy and  
8 support for that and its long-term importance for the -- as  
9 I heard our Executive Director speak yesterday, she was  
10 highlighting to the 15th anniversary the importance of the  
11 research in front of us. This does that and I think that  
12 if there's some work to do to kind of wrap up '04 and what  
13 has been behind us, I think that's commendable and keeps us  
14 focused as well on what our citizen driven efforts have  
15 brought about.

16                   CHAIRMAN DUFFY: Thank you, Mr. Meade. Any  
17 further comments from Trustee Council members?

18                   (No audible response)

19                   CHAIRMAN DUFFY: Hearing none, the motion  
20 is in front of us. Is there any opposition to the motion?

21                   (No audible response)

22                   CHAIRMAN DUFFY: Hearing none, the motion  
23 is approved.

24                   The second action item, I think,  
25 Ms. Phillips.

1 MS. PHILLIPS: And then, Mr. Chairman,  
2 thank you. You do have \$607,310 lapsed funds from fiscal  
3 year 2003 that you can do whatever you want with. It would  
4 be available for this -- to supplement the motion that you  
5 just made for FY04 projects if you would care to do so.

6 CHAIRMAN DUFFY: I'll give people a moment  
7 to get their paperwork together unless they're ready to go.  
8 Perhaps we're ready.

9 Mr. Tillery.

10 MR. TILLERY: Yeah, I think that it's good  
11 information, I don't think it's necessary to earmark this  
12 to pay for what we just did. We just -- but I think what's  
13 important is the Executive Director and Paula identified  
14 this problem, that we have the money that's lapsed. And in  
15 the past, having it lapsed and sitting in the GeFONSI  
16 account was a good thing because the GeFONSI account was  
17 doing better than the CRIS was. That's no longer the case,  
18 the GeFONSI is not doing as good as the investment account  
19 and it's better to move this money back. And I would  
20 suggest that we do move this money back into the investment  
21 account but I would also suggest that the Executive  
22 Director and the staff might want to come up with something  
23 to add to the financial operating procedures that makes  
24 it.....

25 MS. PHILLIPS: Automatic.

1                   MR. TILLERY:   .....more of a guideline or  
2 something that -- where the Executive Director has the  
3 actual authority without even coming back to Council, to  
4 move it back when certain things are triggered. And you  
5 can probably work those out.

6                   MS. PHILLIPS: Right, uh-huh. Thanks.

7                   CHAIRMAN DUFFY: Ms. Ballard.

8                   MS. BALLARD: That would be under the  
9 concept and topic of cash management more than it would  
10 research management.

11                  MS. PHILLIPS: Right.

12                  MR. TILLERY: Oh, absolutely.

13                  MS. BALLARD: That's the spirit, yeah.

14                  MR. TILLERY: Yeah, this is cash  
15 management, I suppose.

16                  MS. PHILLIPS: Right, right.

17                  CHAIRMAN DUFFY: Mr. Tillery, would you  
18 like to make that suggestion in the form of a motion?

19                  MR. TILLERY: Mr. Chairman, I would move  
20 that \$607,310 of money that has lapsed from fiscal year  
21 2003 funds, be moved from the GeFONSI back into the  
22 investment fund and that the Executive Director be asked to  
23 come up with recommended procedures for the financial -- or  
24 amendments to the financial operating procedures to ensure  
25 that in future years lapsed money is returned to the

1 investment fund in a timely and efficient manner.

2 CHAIRMAN DUFFY: Is there a second?

3 MR. BALSIGER: Second.

4 CHAIRMAN DUFFY: Thank you. Question for  
5 clarification, the table I'm looking at talks about  
6 \$633,103. Is that total in remaining FY03 lapse. And then  
7 there's the 607.3 surplus operational lapse. I'm a bit  
8 confused. Can you clarify? Can someone clarify that?

9 MS. BANKS: Say that one more time.

10 MS. PHILLIPS: Would you come up to the  
11 front, please.

12 CHAIRMAN DUFFY: Well, in my table there's  
13 a figure of 633,000. So are we working with the 607.3, as  
14 you pointed out, Mr. Tillery?

15 MS. PHILLIPS: Yes.

16 CHAIRMAN DUFFY: Maybe I'm on the wrong  
17 table.

18 MR. TILLERY: Or this may be the forever  
19 amending.....

20 MS. BANKS: Okay, what you're doing.....

21 MS. BALLARD: I can show him, Paula.

22 MS. BANKS: You were adding it.....

23 MS. BALLARD: You have to add the -- here's  
24 the 607 and you add the 25 remaining uncommitted and that  
25 total is.....

1                   CHAIRMAN DUFFY: Okay, never mind. My  
2 error.

3                   MS. BALLARD: I had another table. That's  
4 the problem with the materials not being in the same place.

5                   CHAIRMAN DUFFY: Chairman's error. Thank  
6 you.

7                   MR. TILLERY: Does that mean my motion was  
8 okay?

9                   CHAIRMAN DUFFY: Pending further  
10 discussion, your motion is fine. Further discussion?

11                   (No audible response)

12                   CHAIRMAN DUFFY: Hearing no further  
13 discussion, the motion is on the table. Is there  
14 opposition?

15                   (No audible response)

16                   CHAIRMAN DUFFY: Hearing none, so approved.

17                   MS. PHILLIPS: Thank you, Mr. Chairman.

18                   CHAIRMAN DUFFY: I believe that moves us to  
19 agenda item number 7, discussion and approval of release of  
20 the FY05 invitation. Ms. Phillips. Dr. Mundy.

21                   MS. PHILLIPS: I would ask Dr. Mundy just  
22 to stay there and.....

23                   DR. MUNDY: Mr. Chairman, following the  
24 last Trustee Council meeting, the Trustee Council had  
25 instructed us to work with the agency liaisons. And again,

1 under the able leadership of our colleague, Dr. Hagen from  
2 NOAA, a meeting was convened in Juneau among the agency  
3 liaisons to discuss the invitation and their suggestions  
4 were forwarded to this office. To the best of my  
5 knowledge, all of the recommendations were blended into the  
6 -- we didn't have any recommendations that were not in the  
7 spirit of the GEM program and they were all blended into  
8 the invitation as it stands before you right now. That's  
9 not to say that the recommendations were taken verbatim,  
10 they were crafted so that they would fit in editorially  
11 with the sections.

12                   But our intention was is that all the  
13 recommendations we got were positive, and in the spirit of  
14 the GEM program, we did our best to get them into the  
15 invitation. So at this time, Mr. Chairman, I bring you the  
16 invitation and I believe that we have complied with the  
17 requests that were made by the Trustee Council.

18                   CHAIRMAN DUFFY: Thank you, Dr. Mundy.  
19 Mr. Meade first.

20                   MR. MEADE: If it's appropriate, I'd like  
21 to make a motion that we move forward to adopt the  
22 invitation for '05.

23                   MS. BALLARD: Seconded.

24                   MS. PEARCE: Mr. Chairman.

25                   CHAIRMAN DUFFY: Just a moment, it's been

1 moved and seconded to move forward with the adoption of the  
2 FY05 invitation. Ms. Pearce, yes?

3 MS. PEARCE: Thank you. Gail, I've got the  
4 wrong page again.

5 MS. PHILLIPS: Did you get page 20?

6 MS. PEARCE: If you would look at page 16  
7 of the draft, I have two points and conceptual amendments  
8 to the motion, I believe.

9 MS. PHILLIPS: Okay.

10 MS. PEARCE: Under introduction on page 16,  
11 in the fourth paragraph.

12 DR. MUNDY: I'm sorry, which paragraph,  
13 four?

14 MS. PEARCE: Four. Well, in the first --  
15 within -- in paragraph three we said proposals in any  
16 invited program areas that integrate communities within the  
17 oil spill area are always welcome. And then we turn around  
18 in paragraph four and say, however, stand alone communities  
19 involvement proposals are not invited at this time. We  
20 encourage people to attend the meeting which is next week  
21 -- and for some it may be short notice although I think  
22 it's fair to say that the world that is interested in this  
23 would know that we're doing the meeting. Here's my  
24 concern, we did not approve community involvement proposal  
25 for the present year and now we're asking for their

1 proposals for '05. That means the Trustee Council will  
2 have gone for two entire years without having any stand  
3 alone community involvement proposals accepted and in this  
4 case, we're saying to the people, don't even bother to  
5 bring them to us.

6 I do not think that that is something that  
7 the Trustee Council feels is appropriate. I say that for  
8 myself but I also know the other Trustees. And I don't  
9 want us to inadvertently not be able to bring some  
10 proposals back to the table if they're -- if some come out  
11 of the workshop next week which we would like to go ahead  
12 and discuss for '05. I don't quite know how to set it  
13 aside but it would seem to me that it's an important  
14 component of the Trustee Council's responsibility and we  
15 should not have two years of no projects in this area.

16 And I'll go ahead and state the second  
17 thing. I also think in the other proposals that we're  
18 inviting for consideration, I'd like us to have as a  
19 component of the proposal, as part of the scoring system,  
20 whether or not they have community involvement. That would  
21 force all those proposers out there in proposal world to  
22 think about how to involve the local communities in these  
23 projects. And if that's what we want then we should just  
24 say it. It's a requirement and it's one of the things that  
25 we're going to score. If you don't have community

1 involvement, you're going lose points or whatever.

2 CHAIRMAN DUFFY: Okay.

3 MS. PEARCE: So that's two pieces. I don't  
4 know how to phrase the first, the second I do know how.

5 CHAIRMAN DUFFY: Okay, thank you,  
6 Ms. Pearce.

7 Dr. Mundy, in the FY05 invitation, by  
8 category, when people submit proposals, isn't there a  
9 requirement that they identify specifically within their  
10 proposal the component including community involvement,  
11 related to their proposal or not?

12 DR. MUNDY: Yes, Mr. Chairman, we have that  
13 in two places in the invitation. We have printed here --  
14 I'm trying to find it here but have a list of -- oh yeah,  
15 here it is back on page eight of the invitation as it now  
16 sits, page eight and page seven, of the invitation as it  
17 now sits on our website -- we have the statement in  
18 addition to all of the contact information for all of the  
19 various communities in the oil spill affected area. It  
20 says, all proposals in any category are expected to declare  
21 the extent of which local communities are involved or have  
22 been contacted or that there were no contacts to be made  
23 due to the geographic scope of their project.

24 Even if there are no obvious synergies to  
25 be derived from contacting the city, borough, tribal or

1 other government entity or community council, it is prudent  
2 to let them know you may be working, staging or launching  
3 in the area. Proposals that have made appropriate  
4 community contacts will be rated higher by the STAC than  
5 those without, all other factors being equal.

6 CHAIRMAN DUFFY: Thank you for that  
7 clarification, Dr. Mundy. So.....

8 MS. PEARCE: Mr. Chairman.

9 CHAIRMAN DUFFY: Yes, Ms. Pearce.

10 MS. PEARCE: I'm talking about a step than  
11 goes further than just contacting a local community and  
12 saying, hey we're going to be doing a study in front of  
13 Tatitlek next summer. I'm talking about having the local  
14 community actually involved in the project. And I don't  
15 think it's worth enough just to give them extra points  
16 because they let Kodiak Island Borough know they were  
17 coming. I think Kodiak Island Borough ought to be involved  
18 on an actual -- well, not necessarily a cooperative effort  
19 because I don't disagree that there some tasks that only  
20 scientists can do. Maybe it's in the development of the  
21 proposal itself, fleshing it out, that you involve the  
22 community. But to me it's not enough just to say, oh, by  
23 the way, did you let local community X know that you're  
24 going to be there. That's not what I'm talking about.

25 CHAIRMAN DUFFY: Okay, thank you,

1 Ms. Pearce.

2 Dr. Mundy.

3 DR. MUNDY: Yes, thank you, Mr. Chairman.

4 I draw your attention to page six of the draft invitation  
5 and to item five. And this is describing seven points  
6 which authors of proposals are being advised that they will  
7 be graded on and scored on by the STAC in the evaluation of  
8 the proposals. Item number 5 reads, the degree to which  
9 the proposed activities have originated from local  
10 communities and the extent to which the proposed activities  
11 have been coordinated and vetted with local communities, if  
12 any, in the geographic area of the research as indicated by  
13 letters of support, objectives incorporating community  
14 participation and other indications.

15 So it is our intention that -- and, in  
16 fact, I can tell you it has been the case in the past, that  
17 proposals that meet Trustee Council needs that originate in  
18 the communities and incorporate community participation  
19 typically breeze through the review process. So we do have  
20 this in the scoring, we do have this in the language here.  
21 People who are writing proposals have been advised that it  
22 is activity originating from local communities and that  
23 have vetted with the local communities as meeting their  
24 needs in the area are definitely the kinds of proposals  
25 that we are seeking.

1 MS. PEARCE: If I could just add, I know  
2 the time is late, if you don't mind, can I just follow-up.

3 MS. PEARCE: Go ahead, Drue. You've got  
4 the floor.

5 MS. PEARCE: To what degree do we require  
6 that in the grand scheme of scoring these things is if you  
7 actually had real community involvement from the get-go,  
8 does that means -- is that 25 percent of the total scoring,  
9 is that just five percent, is it 50 percent? How is it  
10 working?

11 DR. MUNDY: Mr. Chair.

12 CHAIRMAN DUFFY: Dr. Mundy.

13 DR. MUNDY: These are not applied as  
14 ordinals. They're not as applied as rank scores that would  
15 receive any particular weight. It's just that these things  
16 -- I mean, for example, if we see a proposal that  
17 originated in the community that meets our needs, that's  
18 definitely singled out, it's on the fast track. Okay, so  
19 it's not that it gets a 20 percent or it gets a five  
20 percent score or any kind of a mark like that, that's one  
21 of our strategies.

22 We have two strategies in implementing the  
23 GEM program, one is management applications and the other  
24 is community involvement. So if we spot a proposal that  
25 has a management application in it or that has a community

1 involvement aspect, that proposal is singled out and we  
2 work with it. So, again, it's not a matter of an ordinal,  
3 it's simply a matter of implementing strategies that we  
4 believe have been given to us by the Trustee Council.

5 CHAIRMAN DUFFY: Thank you. Ms. Pearce.

6 MS. PEARCE: You see, that kind of makes my  
7 point, I want every project to have to have community  
8 involvement. I don't want us to just single out the ones  
9 that do, I want the people who write these projects to have  
10 to think about how they bring the local communities,  
11 whether it's a borough, whomever we're talking about, into  
12 that process. Because I'm concerned, is it all too easy to  
13 say, well, you know, they single out a couple because they  
14 clearly came from a local community, you say, okay, we  
15 dealt with that and then you look at all these kind of pure  
16 science things and say well, it doesn't have much community  
17 involvement and it doesn't -- they just told the community  
18 about it, the community is not really involved but gee,  
19 that's information we need and therefore we'll go ahead  
20 with it because we dealt with the community involvement in  
21 two projects over here. My point is that I think we should  
22 have community involvement component more than just letting  
23 the communities know in all the projects. And, I think,  
24 I'm not making myself clear.

25 CHAIRMAN DUFFY: No, I think -- this is the

1 Chairman -- I think you are being clear.

2 Dr. Balsiger.

3 MR. BALSIGER: Thank you, Mr. Chairman.

4 Ms. Pearce, for those projects that we might think are  
5 mostly, let's see, probably ill chose words, but hard core  
6 science, that it's a little bit hard to figure how the  
7 community involves, would an appropriate involvement  
8 without trying to dream up an example, would an appropriate  
9 involvement be some dissemination of results or something  
10 like that by the community themselves once the project is  
11 completed or is that still too abstract?

12 MS. PEARCE: If I could, Mr. Chairman.

13 CHAIRMAN DUFFY: Feel free.

14 MS. PEARCE: My thought would be that as a  
15 project is being designed that there would be a public  
16 dialogue between the entity that's designing the project  
17 and the local community, however expansive that local  
18 community is in the case of the particular project. As  
19 opposed to, after it's over we send them a copy of the  
20 report. I know that there are times when the local  
21 communities would not be able to actually be active  
22 participants, I fully understand that. But I think there's  
23 a place in the design where we could -- perhaps the  
24 scientists could learn a lot from the local community about  
25 using local knowledge, sometimes traditional Native

1 knowledge but sometimes just local knowledge, whether it's  
2 at the government level -- local government or whatever  
3 level.

4                   CHAIRMAN DUFFY: Okay, this is the  
5 Chairman, just in response. I'm sympathetic to your  
6 perspective and I want to figure out a way we can do this  
7 but I do know of many instances where identifying the local  
8 community itself could in fact be an impossible task. So  
9 you have to be careful about that issue at certain times  
10 when you go out into the field.

11                   Mr. Meade.

12                   MR. MEADE: Yes, hi Drue, this is Joe. I  
13 really much appreciate your interest and concern on the  
14 community engagement and particularly the incorporation of  
15 traditional knowledge. The piece that I'm apprehensive  
16 about today, March 1, is delaying getting this invitation  
17 out. We're already a little bit behind the eight ball, so  
18 to say. We agreed to delay this to today but recognize  
19 that we're pushing back and putting some pressure on the  
20 Council [sic] itself to be able to appropriately then get  
21 the invitation moving forward. I'm looking for some  
22 alternative because I am in concurrence with you to do all  
23 we can to ensure that a majority of the projects  
24 incorporate an engaged community involvement. True  
25 community involvement, not just identifying that you

1 notified the borough in writing.

2                   And to the extent we can also capture the  
3 traditional knowledge component, I'm trying to think of  
4 some friendly amendment or some way that we can move  
5 forward without slowing down the ability to get the  
6 invitation out in today's decision space.

7                   MS. PEARCE: Well, let me ask this -- and  
8 I'm not trying to delay, I see what you got to say. I  
9 understand the need for that. Could we somewhere in the  
10 '05 invitation say that once the projects are awarded we  
11 would expect -- or that we want them to build in an  
12 opportunity, once the project is awarded, to go to the  
13 local communities and involve them up front. Let them know  
14 what they're going to be doing beforehand, that sort of  
15 thing. Not have to be part of the exploring process --  
16 additional part of the exploring process but something that  
17 ensures that every entity knows going into this that if  
18 they get one of our grants, they are expected to go out and  
19 schmooze with the locals.

20                   CHAIRMAN DUFFY: Dr. Mundy, any comments  
21 relative to that?

22                   DR. MUNDY: I certainly understand what  
23 Drue is asking for and we certainly always do everything we  
24 can in community involvement. My only concern here is that  
25 we have already a truncated time period for people to

1 prepare and submit proposals for the FY05 process. Putting  
2 an additional requirement that every proposal have  
3 community involvement means time. It's a time frame thing.  
4 So given that we haven't really given proposers for FY05  
5 notice of this ahead of time, if we put such a requirement  
6 on there, I think that will severely limit what we get in  
7 terms of proposals in terms of FY05. That is, if we're  
8 saying that proposals that do not have community  
9 involvement are not responsive to the invitation, therefore  
10 not considered, then that would severely limit, I think,  
11 what we've got to look at for FY05.

12 MS. PEARCE: That's not what I said. I  
13 understand the time constraints but my point was to put in  
14 the invitation that people can bring their proposals in but  
15 once they're awarded a proposal, it is our expectation that  
16 they then go and meet with the local communities. And they  
17 may find themselves, making some minor modifications  
18 because of ideas that they come by in the local  
19 communities. So it would be an after the fact, it won't  
20 slow us down.

21 CHAIRMAN DUFFY: Dr. Mundy.

22 DR. MUNDY: Mr. Chairman, Drue. I'm sorry,  
23 Drue, I didn't understand. I didn't get that point. Yes,  
24 that's entirely, from a staff perspective, that's entirely  
25 doable. That's certainly feasible.

1 CHAIRMAN DUFFY: Joe Meade.

2 MS. PEARCE: I'm not sensing a lot of  
3 support by fellow members there.

4 MR. MEADE: No, Drue this is.....

5 CHAIRMAN DUFFY: No, Ms. Pearce, you know,  
6 you're on the phone, you're not here. And if you were  
7 sensing the body language, what you're sensing is us all  
8 trying to find a way to accommodate your needs and still  
9 move forward.

10 MS. BALLARD: Right.

11 CHAIRMAN DUFFY: So don't get the wrong  
12 impression just because you're on the phone.

13 Mr. Meade.

14 MR. MEADE: Drue, I think here again, your  
15 notion is insightful and I think if you were to capture in  
16 a friendly amendment what you highlighted that indeed we  
17 would move forward with the '05 invitation and that we  
18 would ask our Science Director to incorporate into the  
19 notification of that that those that are selected will have  
20 that responsibility to engage local communities as they  
21 move into project implementation. That, to me, would  
22 address what you're interested in here. And I would ask  
23 that we would also place a bookmark in our consideration  
24 for development of the '06 to be sure we are thinking  
25 through this piece well in advance.

1 MS. PEARCE: Thank you. Before I make a  
2 motion -- unless somebody else has a comment -- can I go  
3 back to my first point, which is, do we want to put out an  
4 '05 invitation that just says we're not taking any strictly  
5 community involvement projects this year. That we somehow  
6 leave ourselves the ability -- and I guess the Council if  
7 it votes can accept something later if it wants to but it  
8 seems like a rather definitive statement that I'm  
9 uncomfortable with.

10 CHAIRMAN DUFFY: Ms. Ballard.

11 MS. BALLARD: Drue, this is Ernesta. It  
12 had been my understanding -- and I tried to get this  
13 clarified at lunch time but I'm still not sure what the  
14 answer was -- but I thought one of the purposes of the  
15 March 10th workshop was to supplement our '05 work with a  
16 more comprehensive and thought through community  
17 involvement program. And that is why I thought we were not  
18 requesting any community involvement proposals this time.  
19 Not because we were uninterested but because we were  
20 engaging in that planning process.

21 MS. PEARCE: Okay, now I think our language  
22 currently says we're not inviting proposals at this time.  
23 Let's say community involvement proposals are not invited  
24 at this time, however, will be considered for funding at a  
25 later date, after the March -- I think we need to say what

1 you just said, Ernesta.

2 MS. BALLARD: I guess I thought we already  
3 had and I'm at a disadvantage here because in all the  
4 papers I've shuffled, I don't have the current draft of the  
5 invitation. Go ahead and read it.

6 MS. PEARCE: Okay, and I don't want to make  
7 a mountain out of a molehill but.....

8 MS. BALLARD: Maybe if Phil could just read  
9 what it says today.

10 MS. PEARCE: Could I just move what Joe  
11 Meade said?

12 CHAIRMAN DUFFY: I think we need a little  
13 more definite than that and Joe is the orig.....

14 MS. PEARCE: Darn it, Joe.

15 CHAIRMAN DUFFY: Joe was the maker of the  
16 original motion, I believe, on this one. On the '05  
17 invitation. So he cannot amend his own motion.

18 MS. PEARCE: Hey, we used to do that all  
19 the time in the legislature. Okay.

20 MS. BALLARD: If Gail reads it back, if  
21 Drue doesn't want to make the motion, I will, if Gail reads  
22 it back. Or if you've got it down, Drue -- Joe said it so  
23 well.

24 MS. PEARCE: I don't have it down.

25 MS. PHILLIPS: Add language to the

1 invitation that once a project is awarded, the PI will be  
2 instructed to contact the local communities to incorporate  
3 their involvement in that particular project.

4 MS. PEARCE: Say that again, the local  
5 communities will what?

6 MS. PHILLIPS: Add language in the  
7 invitation that once a project is awarded, the PI will be  
8 instructed to contact the local communities to incorporate  
9 their involvement in that particular project.

10 MS. PEARCE: So moved.

11 MS. BALLARD: Second.

12 CHAIRMAN DUFFY: It's been moved and  
13 seconded as a friendly amendment to the main motion that's  
14 accepted by the Chair for consideration. Any comments from  
15 Trustee Council members?

16 (No audible response)

17 CHAIRMAN DUFFY: Moving off this particular  
18 issue, I would like to provide a comment. And I know that  
19 when the Trustee Council chose, at the last meeting, to not  
20 move forward on the '05 invitation that it created some  
21 difficulties for the staff. It compressed time frames and  
22 that always increases the workload. However, the  
23 collaborative process that was undertaken in the last three  
24 weeks, I believe the approximate time frame, with Dr. Pete  
25 Hagen and some staff members from the Department of

1 Environmental Conservation as well as, at least, one member  
2 from the Department of Fish and Game, I think really has  
3 improved the FY05 invitation substantially.

4                   From my perspective, there's a little more  
5 emphasis on management applicability. There's some other  
6 emphasis that was brought in from other Trustee Councils  
7 working with their staff and I really think that the  
8 document was improved. So even though it was a time delay,  
9 I think we're going out with a more comprehensive  
10 invitation as a result of that extra effort.

11                   MS. BALLARD: Kevin.

12                   CHAIRMAN DUFFY: Ms. Ballard.

13                   MS. BALLARD: And we agreed at the end of  
14 the last one of those conversations to come up with this  
15 language, which I want to read, which I think if I had been  
16 able to make it quickly enough, was a friendly amendment.  
17 But in any event, it would be a very small addition to the  
18 invitation, not an amendment. It would be an additional  
19 example for responses in the lingering oil effects category  
20 where Phil provides examples of the type of work that we're  
21 seeking and it would be number 3 because there are already  
22 two there. And it would read, residual oil treatment  
23 removal or disposal. The Trustee Council is interested in  
24 proposals to identify and assess current technology that  
25 may be used for in place treatment of lingering oil removal

1 and disposal of contaminated media and associated habitat  
2 restoration.

3 I've got copies for those that can add them  
4 to their books and having read it so Drue and Joe could  
5 hear it. We had agreed in that interdisciplinary group  
6 that DEC would draft it and Ron did and we just didn't move  
7 quick enough to get it back. But I think Phil is not  
8 surprised at hearing this language heretofore.

9 DR. MUNDY: No. Mr. Chairman, may I ask,  
10 this is for page 19? This would be the.....

11 MS. BALLARD: It would be the third  
12 example.....

13 DR. MUNDY: Okay.

14 MS. BALLARD: .....under the lingering oil.  
15 Don't you have two there already?

16 DR. MUNDY: Right. For the people who are  
17 following on the latest draft, that would be in front of C,  
18 modeling, on page 19, at the bottom of page 19.

19 MS. BALLARD: That's where it goes, yeah.

20 CHAIRMAN DUFFY: So as Chair, is this --  
21 I'm going to have to consider this a clarification. If  
22 it's something different than that then I think I'm going  
23 to rule it out of order and we'll have to come back to this  
24 issue. Are we.....

25 MS. BALLARD: It's just a clarification

1 indeed, Mr. Chairman.

2 CHAIRMAN DUFFY: Thank you. So clarified.

3 Is there anyone that has a problem with that clarification  
4 in the invitation?

5 (No audible response)

6 CHAIRMAN DUFFY: Okay, we're back to the  
7 main motion in front of us. Any further discussion?

8 (No audible response)

9 CHAIRMAN DUFFY: Anyone in opposition to  
10 moving forward with the FY05 invitation?

11 (No audible response)

12 CHAIRMAN DUFFY: Hearing none, so moved.

13 MS. BALLARD: You're doing great. You guys  
14 that are good at being Chair just are making yourselves  
15 career jobs.

16 CHAIRMAN DUFFY: I believe that moves us to  
17 agenda item number 9, decision regarding the small parcel  
18 program of which there are a number of sub-components.  
19 Ms. Phillips.

20 (Whispered conversation)

21 MS. BALLARD: Well, if there's no motion  
22 regarding them, they need not be discussed.

23 CHAIRMAN DUFFY: Yes, just for  
24 clarification on the agenda, all issues under the FY05  
25 invitation were addressed previously so that's why they

1 didn't bring it up. Thank you for that clarification.

2 MS. PHILLIPS: Thanks. Mr. Chairman, on  
3 the small parcels, we've had several meetings on the small  
4 parcels. In your packet I have included a number of  
5 resolutions for your consideration. I've done a historical  
6 recap for you. I would recommend highly that we address  
7 number 1 resolution first, authorizing the payment of  
8 outstanding obligations due to both The Nature Conservancy  
9 and The Conservation Fund for a total reimbursement of  
10 \$202,756.59.

11 MS. BALLARD: So moved.

12 MR. MEADE: Seconded.

13 CHAIRMAN DUFFY: Moved and seconded,  
14 authorizing payment of the outstanding obligation to The  
15 Nature Conservancy and The Conservation Fund. Discussion?

16 (No audible response)

17 CHAIRMAN DUFFY: And the dollar amount  
18 again is, please?

19 MR. TILLERY: Mr. Chairman, what are.....

20 MS. PHILLIPS: \$202,756.59. Oh, wait a  
21 minute. I'm sorry. I'm very sorry. I am right. Okay,  
22 yes. Yes. We had two different numbers but the last  
23 number that you have, that is the correct -- we had a wrong  
24 chart first on the McGee parcel and so we moved the  
25 purchase price of the McGee over there. It is \$202,756.59

1 outstanding.

2 CHAIRMAN DUFFY: And that is a  
3 clarification from the previous number that there were a  
4 series of iterations trying to get straight what we had and  
5 had not done.....

6 MS. PHILLIPS: Right.

7 CHAIRMAN DUFFY: .....and we got that  
8 straightened out and we land on this figure. Thank you.  
9 Any discussion?

10 MR. MEADE: The only discussion I'd offer  
11 is I think this is pretty straightforward and we need to  
12 pay our bills.

13 CHAIRMAN DUFFY: The only think that I  
14 would add into that is I think we've done a lot good work  
15 with these organizations. I look forward to a productive  
16 relationship in the future with them and I think it's an  
17 obligation of the Trustee Council to make sure that they're  
18 reimbursed for their expenses and efforts. So any further  
19 comments from Trustee Council members?

20 (No audible response)

21 CHAIRMAN DUFFY: Any opposition to the  
22 motion?

23 (No audible response)

24 CHAIRMAN DUFFY: So moved.

25 MS. PHILLIPS: Great. I'm sure they're

1 very pleased about that, too. The second resolution before  
2 you is authorizing approval of purchase of potential  
3 acquisitions by The Nature Conservancy and The Conservation  
4 Fund. They are each shown by description and a dollar  
5 amount needed for proposed projects.

6 CHAIRMAN DUFFY: Ms. Ballard.

7 MS. BALLARD: With regard to all of the  
8 rest of the draft motions that we could consider, a number  
9 of us have given a good deal of thought, I think virtually  
10 everybody has, to this. And I'm mindful of some of the  
11 comments Drue made at our earlier meetings that we really  
12 need to make clear what our intentions are with the small  
13 parcel program. I have a motion that I'd like to read, I  
14 move, in fact, that the Trustee Council instruct the  
15 Executive Director to convene a working group to address  
16 the EVOS habitat protection small parcel acquisition  
17 program. Membership of this group should include  
18 interested Federal and State Trustees and/or their staff,  
19 appropriate agency staff, Trustee Council staff and NGO  
20 representatives as well as a representative from the EVOS  
21 Public Advisory Committee.

22 The charge for this working group includes  
23 the review of current and past process and procedures for  
24 the habitat protection small parcel acquisition program and  
25 formulating recommendations for future program

1 implementation. The product of this working group is to be  
2 prepared by the Executive Director and provided to the  
3 Trustee Council for review and consideration. And if I  
4 have a second, I'll speak to this.

5 MR. MEADE: I'll second that.

6 CHAIRMAN DUFFY: It's been moved and  
7 seconded.

8 MS. BALLARD: I didn't feel prepared to  
9 differentiate between the choices given me without a road  
10 map. And I felt that we needed one particularly given the  
11 amount of public interest that we have in this program.  
12 Much of the public interest is well intentioned with regard  
13 to the recreational needs of the community but doesn't  
14 reflect very well on the overall original purpose of the  
15 program. And much of it needs a better -- I think we need  
16 to communicate better to those willing to sell. There will  
17 always be more willing sellers than there ever will be  
18 buyers in this regard. And we just needed a better road  
19 map, I thought.

20 And so I think if we just take a little  
21 time, this one is not time critical, we could try to get  
22 this work done between now and our next meeting or now and  
23 the meeting we would have in the fall. And I'd feel a lot  
24 better prepared to go ahead.

25 CHAIRMAN DUFFY: Thank you, Ms. Ballard.

1 The motion that you just read into the record and got a  
2 second on has been handed out for us to look at.

3 MS. BALLARD: Oh, good.

4 CHAIRMAN DUFFY: I did have one question on  
5 this and that is, the item number 7, which is -- I don't  
6 have in front of me the dollar amount relative to that  
7 obligation to the Department of Natural Resources.

8 MS. PHILLIPS: To Fish and Game -- oh,  
9 Natural Resources. It's \$10,355. And that includes  
10 whether or not you take action today to approve the McGee  
11 parcel, which is ready to go. And a lot of the work has  
12 already been done on that. The McGee one would be probably  
13 the only one I would recommend that we go ahead and go  
14 through with today, approve today. And then if that is the  
15 case, then the last resolution is paying the Department for  
16 all the closing costs. And that would come to \$10,355. If  
17 you don't do the McGee, it comes to \$6,700.

18 MS. BALLARD: Well, I'd be happy to amend  
19 my motion or to have somebody who wants to speak about  
20 McGee amend it so we have one vote.

21 MS. PHILLIPS: Carol is here, we could call  
22 on her for.....

23 MS. BALLARD: Well, I know many of the  
24 Council have already dug into this and have an opinion and  
25 I feel Joe zipping up his brief case here next to me,

1 so.....

2 CHAIRMAN DUFFY: Is there someone that  
3 could give us a quick status report on McGee?

4 MS. PHILLIPS: Brett, can you? Or Randy?  
5 Good.

6 CHAIRMAN DUFFY: Thank you, Randy.

7 MR. HAGENSTEIN: Thank you, Mr. Chairman.

8 As indicated in some of the supporting material around the  
9 McGee parcel, high priority acquisition for Department of  
10 Natural Resources at the mouth of the Anchor River, most of  
11 the property is down in a very rich productive salt marsh  
12 estuary. The property is currently owned by an estate of  
13 the deceased Mr. McGee, a homesteader from the area. It's  
14 not currently being actively marketed though they have a  
15 relationship with a realtor that we have been working with.  
16 We appraised this property a year and a half ago or so for  
17 \$40,000.

18 And at this point we're prepared to move  
19 forward with negotiations if we've got a signal from the  
20 Trustee Council that those efforts would be worthwhile and  
21 would meet the needs of the Trustee Council and likely be  
22 financially supported down the road. It's impossible to  
23 predict whether or not we'd be able to bring a successful  
24 deal across the table on this one. We're going to have to,  
25 at a minimum, get an update on the appraisal and then we're

1 into the, you know, sort of the negotiation dance with the  
2 estate, see if they are in fact going to be willing to sell  
3 at the updated appraisal amount. I think what they're  
4 looking for right now is some sort of a formal offer from  
5 us and then we'd move forward based on that.

6 CHAIRMAN DUFFY: Any questions for Randy  
7 from Trustee Council members on the McGee property?  
8 Dr. Balsiger.

9 MR. BALSIGER: Mr. Chairman, correct me if  
10 I've got the procedure wrong, but I would propose to amend  
11 the main motion on the floor to authorize the approach to  
12 the McGee negotiations, as we just heard, now rather than  
13 waiting for the completion of the Executive Director's  
14 panel so we can make progress on this one, which is time  
15 critical.

16 MS. BALLARD: And I accept that as a  
17 friendly amendment.

18 CHAIRMAN DUFFY: So I'm confused. Clarify  
19 what you're doing again. My fault.

20 MS. BALLARD: So my motion reads as it  
21 is.....

22 CHAIRMAN DUFFY: Right.

23 MS. BALLARD: .....written to, but also  
24 includes moving ahead with the timely project before us,  
25 which is the McGee property.

1 CHAIRMAN DUFFY: Is that correct?

2 MR. BALSIGER: That's correct. That's what

3 I intended. I didn't say how much money was involved and

4 the idea would be to speak to the motion, if I could,

5 Mr. Chairman.

6 CHAIRMAN DUFFY: Feel free to.

7 MR. BALSIGER: To pursue these negotiations

8 with the idea that \$40,000 is the amount of money that is

9 the starting price of this. Well, perhaps that's wrong to

10 tip our hand on how much money there is.

11 MS. BALLARD: Since we're in public.....

12 MR. TILLERY: Well, it's in the public

13 record.

14 MS. BALLARD: .....the real estate world

15 will know.

16 MR. TILLERY: Mr. Chairman.

17 CHAIRMAN DUFFY: Mr. Tillery.

18 MR. TILLERY: Just to confirm, we're not

19 authorizing you to expend or anything like that, we're just

20 simply -- we'll be saying, go ahead, negotiate, come back

21 to us.

22 MS. BALLARD: Right. Correct.

23 CHAIRMAN DUFFY: Thank you for that

24 clarification. Any further comments?

25 MS. BALLARD: Thank you.

1 MR. HAGENSTEIN: Thank you.

2 MR. TILLERY: Mr. Chair.

3 CHAIRMAN DUFFY: Mr. Tillery.

4 MR. TILLERY: Before we leave this and  
5 finish friendly amending this, do we need to deal with the  
6 DNR?

7 CHAIRMAN DUFFY: I believe there is a  
8 representative from DNR here today and I would like them to  
9 come to the table, if they're available, please. Okay, I  
10 think we need clarification on this. Thank you. Please  
11 state your name for the record.

12 MS. FRIES: My name is Carol Fries, I work  
13 for the Department of Natural Resources. And the request  
14 for funding before you today is to cover the cost of title  
15 research, review of hazmat surveys, review and approval of  
16 appraisals that support the pursuit of these acquisitions.  
17 DNR is required to perform due diligence before we take  
18 title to property and there are costs and staff time that  
19 are required in support of that. And we would appreciate  
20 your consideration of those expenses.

21 CHAIRMAN DUFFY: And the dollar amount  
22 again, just for the record?

23 MS. FRIES: The dollar amount for -- I have  
24 to look at the resolution. I believe for.....

25 CHAIRMAN DUFFY: That's what I was looking

1 for, too.

2 MS. FRIES: .....all of the parcels it was  
3 \$10,355.

4 CHAIRMAN DUFFY: Okay, Mr. Tillery.

5 MR. TILLERY: Sir.

6 CHAIRMAN DUFFY: You were seeking  
7 clarification.

8 MR. TILLERY: Yes, I appreciate the  
9 clarification and I actually had a question if that's --  
10 this is money that's not available under, I don't know what  
11 it was, it was Bill-621 or something like that.

12 MS. FRIES: Under the old.....

13 MR. TILLERY: Under the old small parcel  
14 support.....

15 MS. FRIES: Correct. In other words, that  
16 money has been cut off because the -- my understanding,  
17 that money was extended in order to cover costs associated  
18 with parcels that were ongoing, such as the Old Harbor  
19 exchange and the Afognak joint venture subsurface. And I  
20 have stopped spending against that money because this is --  
21 these are different activities. And I also -- there is not  
22 that much money left in that account.

23 MR. TILLERY: That's what I was just trying  
24 figure out, was whether this.....

25 MS. FRIES: Okay.

1                   MR. TILLERY:   ....why this money is not  
2 coming out of there but that explains it, so.....

3                   MS. FRIES:   Right.

4                   MS. BALLARD:   Kevin.

5                   CHAIRMAN DUFFY:   Ms. Ballard.

6                   MS. BALLARD:   Do I then understand that we  
7 can't really do what we just charged Randy with doing  
8 unless we also -- or it would it be foolish to do that  
9 without also authorizing the 10,000 or so title search and  
10 hazmat search costs that you're describing?

11                  CHAIRMAN DUFFY:   That's my understanding.

12                  MS. FRIES:   Yes.

13                  CHAIRMAN DUFFY:   Ms. Fries.

14                  MS. FRIES:   In other words that they.....

15                  MS. BALLARD:   They go together.

16                  MS. FRIES:   Yes, right.   That's correct.

17                  MS. BALLARD:   Well, one more amendment.  
18 The associated costs of doing the work that we've asked  
19 Randy to do.

20                  MR. TILLERY:   And inclusive of the three  
21 Anchor River parcels that -- payment of the expenses.

22                  MS. BALLARD:   Yeah.   In other words, keep  
23 this time critical project moving forward and then get a  
24 road map for everything else.   Good lawyereze.

25                  CHAIRMAN DUFFY:   Thank you.   Back to the

1 main motion as amended.

2 MS. PHILLIPS: I didn't catch who seconded  
3 or not that last one.

4 MS. BALLARD: These were all friendly  
5 amendments so it's the same firster and seconder.

6 MS. PHILLIPS: Okay.

7 CHAIRMAN DUFFY: Back to the main motion.  
8 Any further discussion?

9 (No audible response)

10 CHAIRMAN DUFFY: Any opposition of the  
11 motion in front of us?

12 (No audible response)

13 CHAIRMAN DUFFY: Hearing none, so moved.

14 MS. BALLARD: You did it.

15 MS. PHILLIPS: Mr. Chairman, that's all I  
16 have for you.

17 MS. BALLARD: I move we adjourn so Joe can  
18 get to his meeting.

19 CHAIRMAN DUFFY: Is there a second?

20 MR. MEADE: I'll second that.

21 CHAIRMAN DUFFY: Thank you. It's been  
22 moved and seconded. The Trustee Council is adjourned at 10  
23 to 3:00 on March 1st. Any opposition?

24 (No audible response)

25 CHAIRMAN DUFFY: So moved. Thank you.

1 (Off record - 2:50 p.m.)

2 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 142 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by me on the 1st day of March 2004, commencing at the hour of 10:00 a.m. and thereafter transcribed by me to the best of my knowledge and ability.

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 12th day of March 2004.

SIGNED AND CERTIFIED TO BY:

\_\_\_\_\_  
Joseph P. Kolasinski  
Notary Public in and for Alaska  
My Commission Expires: 04/17/04