

1 EXXON VALDEZ OIL SPILL  
2 TRUSTEE COUNCIL  
3 Public Meeting  
4 Monday, August 23, 2004  
5 9:00 o'clock a.m.  
6 EVOS Office  
7 441 West 5th Avenue, Suite 500  
8 Anchorage, Alaska

9 TRUSTEE COUNCIL MEMBERS PRESENT:

10 U.S. DEPARTMENT OF INTERIOR: MS. DRUE PEARCE  
11 (Chairwoman) Senior Advisor to the  
Secretary for Alaskan  
Affairs  
U.S. Department of Interior

12 DEPARTMENT OF LAW: MR. GREGG RENKES  
13 Attorney General  
State of Alaska

14 U.S. DEPARTMENT OF COMMERCE, MR. JAMES W. BALSIGER  
15 National Marine Fisheries Svc: Administrator, AK Region

16 STATE OF ALASKA - DEPARTMENT MR. KEVIN DUFFY  
17 OF FISH AND GAME: Commissioner

18 U.S. DEPARTMENT OF AGRICULTURE, MR. JOE MEADE  
19 U.S. FOREST SERVICE Forest Supervisor  
Forest Service, AK Region

20 STATE OF ALASKA - DEPARTMENT MS. ERNESTA BALLARD  
21 OF ENVIRONMENTAL CONSERVATION: Commissioner

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|    |                                |                           |
|----|--------------------------------|---------------------------|
| 1  | TRUSTEE COUNCIL STAFF PRESENT: |                           |
| 2  | MS. GAIL PHILLIPS              | Executive Director        |
| 3  | DR. PHIL MUNDY                 | Science Director          |
| 4  | MR. RICHARD DWORSKY            | Science Coordinator       |
| 5  | MS. CHERRI WOMAC               | Administrative Assistant  |
| 6  | MS. PAULA BANKS                | Administrative Assistant  |
| 7  | MS. BRENDA RAMOS               | Administrative Assistant  |
| 8  | MR. ROD BOCHENCK               | Data Systems Manager      |
| 9  | MR. MIKE SCHLIE                | Data Systems Assistant    |
| 10 | MR. PETER HAGEN                | NOAA                      |
| 11 | MR. CRAIG TILLERY              | State of Alaska           |
| 12 |                                | Department of Law         |
| 13 | MR. DOUG MUTTER                | Department of Interior    |
| 14 | MR. MICHAEL BAFFREY            | Department of Interior    |
| 15 | MS. CAROL FRIES                | AKDNR                     |
| 16 | MS. MARIA LISOWSKI             | General Council's Office  |
| 17 | (Telephonically)               | Department of Agriculture |
| 18 | MR. STEVE ZEMKE                | U.S. Forest Service       |
| 19 | MS. GINA BELT                  | Department of Justice     |
| 20 | MS. DEDE BOHN                  | U.S. Geological Service   |
| 21 | MR. DAVE IRONS                 | U.S. Geological Service   |
| 22 | MR. BRETT HUBER                | ADF&G                     |
| 23 | MR. TONY DeGANGE               | U.S. Fish & Wildlife Svc. |
| 24 | MS. CARRIE HOLBA               | ARLIS Librarian           |

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

(Anchorage, AK - 8/23/04)  
(On record - 9:05 a.m.)

CHAIRWOMAN PEARCE: Good morning. Let's

call the Exxon Valdez Oil Spill Trustee Council meeting to order. It is August 23rd, 2004. It's shortly after 9:00 a.m. Trustee council members present at the moment are Ernesta Ballard, Commissioner of Adak; Kevin Duffy, Commissioner of Alaska Department of Fish and Game; James Balsiger, National Marine Fishery Service; myself, Drue Pearce from the Department of Interior; and Joe Meade from the Forrester Service. Our sixth trustee, Attorney General Gregg Renkes is not present yet but we'll go ahead with the first few -- we can't do the approval of agenda because we don't have all of our members so we'll go to public comment.

Is there -- do we need to ask who's on line or can we just go to public comment? Do you want us to ask? Okay, could we please have a tally of who's on teleconference so we will know who we have. I understand we have Chuck Meacham, is that correct, Chuck?

MR. MEACHAM: That is correct, I'm on line.

CHAIRWOMAN PEARCE: Thank you. And who else do we have on line?

MR. MULLINS: I'm Ross.....

1 MR. ADAMS: I'm Ken Adams.

2 MR. MULLINS: .....Mullins in Cordova.

3 CHAIRWOMAN PEARCE: Okay, one more time.

4 Ken Adams I heard, and who else?

5 MR. MULLINS: Ross Mullins in Cordova.

6 CHAIRWOMAN PEARCE: Okay.

7 MR. ADAMS: Yeah, I said Ken Adams in

8 Cordova as well. We're from north -- speaking from two

9 different locations but we're.....

10 CHAIRWOMAN PEARCE: Okay. Anyone else on

11 line?

12 MS. LISOWSKI: Maria Lisowski.

13 CHAIRWOMAN PEARCE: Okay. Anyone else?

14 (No audible responses)

15 CHAIRWOMAN PEARCE: Okay, thank you very

16 much. Do we have public comment this morning from here in

17 the room?

18 (No audible responses)

19 CHAIRWOMAN PEARCE: There is nobody seeking

20 to comment here in Anchorage, what about on line?

21 MR. ADAMS: No particular comments, we're

22 just.....

23 MS. BYRD: Nancy Byrd in.....

24 MR. ADAMS: .....wanting to listen in.

25 CHAIRWOMAN PEARCE: Okay, Nancy.

1 MS. BYRD: Yes, I'm sorry, I had my mute  
2 button on earlier when I tried to tell you I was here but I  
3 would like to comment briefly.

4 CHAIRWOMAN PEARCE: Okay, Nancy, you have  
5 the floor.

6 MS. BYRD: My name is Nancy Byrd, I am  
7 president of the Prince William Sound Science Center in  
8 Cordova. And I just would like to speak in support of the  
9 proposed FY05 work plan and would also like to offer my  
10 appreciation to the staff for their responsiveness to  
11 comments that we made on the earlier draft of this plan.  
12 While I would like to see funds adding to this work plan  
13 for the project proposed by Dr. Thomas Kline, titled  
14 exchange between the Gulf of Alaska and Prince William  
15 Sound. I understand the budget limitations at this point  
16 in time. Dr. Kline is working with Dr. Mundy to both  
17 adjust his bid and respond to the reviewer's comments on  
18 this project. And we hope that it can be a part of a later  
19 EVOS work plan. Regarding a second project, the shore zone  
20 mapping for Prince William Sound, I'm very pleased that  
21 this project is now recommended for funding in the FY05 and  
22 FY 06 work plan. You may know this project began this  
23 summer already with support provided from the Prince  
24 William Sound Regional Citizen's Advisory Council. And the  
25 maps/data collected will prove very useful for a wide

1 variety of purposes, from oil spill response to regional  
2 planning.

3                                 Finally I wanted to thank the Trustee  
4 Council for adopting a process providing multi-year support  
5 for research work. It's far more effective than the annual  
6 appropriations of the past that the process used in the  
7 past. Thanks for this opportunity to comment and thanks  
8 again to the staff for their responsiveness to our previous  
9 comments.

10                                CHAIRWOMAN PEARCE: Thank you. Are there  
11 any questions for Nancy? If not, I heard the telltale beep  
12 that someone else came on the line. Is there someone else  
13 who would like to provide public comment by teleconference?

14                                (No audible responses)

15                                CHAIRWOMAN PEARCE: Hearing none, one more  
16 time here in Anchorage. Anyone to provide public comment?  
17 If not, we'll close the public comment and go to the  
18 Executive Director's report, please.

19                                MS. PHILLIPS: Thank you, Madame Chairman.  
20 The first item under the Executive Director's report is a  
21 report of the PAC meeting that was held on July 21st, we  
22 had an excellent PAC meeting. And I would like to call on  
23 the PAC chairman, Chuck Meacham, to give a report on that  
24 meeting.

25                                MR. MEACHAM: Would you like me to do that

1 right now?

2 MS. PHILLIPS: Yes, please.

3 MR. MEACHAM: All right. First of all, I  
4 would refer you to our July 21st PAC meeting summary.  
5 That's probably in a tab there somewhere. But we have a  
6 current membership of 17 and 14 of those were represented  
7 at our PAC meeting, either in person or by teleconference.  
8 Three were absent. So we had a good strong meeting. I  
9 would note as well that Craig Tillery dropped by and we  
10 greatly appreciated his attendance there for a period of  
11 time while we met. That's always nice for the PAC to see.

12 We did take public comment and during the  
13 public comment period, two people provided information on  
14 specific projects. One was Ross Mullins, a fisherman from  
15 Cordova and PI of another EVOS funded project. And he  
16 spoke in favor of the Kline proposal. And we also heard  
17 from Gail Vick of the Gulf of Alaska Coastal Communities  
18 Coalition. And she spoke in favor of the project that they  
19 had submitted.

20 We noted as a PAC that there were 29  
21 proposals and if the PAC were to go through each and every  
22 one of those, there would have been less than 10 minutes to  
23 devote to each proposal. And with 14 people there, each  
24 making comments, it was unlikely that we would really be  
25 able to do any of the proposals justice or even make it



1 through. So what we did, individual PAC members actually  
2 identified those proposals, where they were in disagreement  
3 with either the STAC Science Director or Executive Director  
4 recommendations or they also identified projects that they  
5 had strong feelings about and wanted to express either  
6 positively or negatively. We in general felt it would be  
7 of marginal benefit to spend much time on proposals on  
8 which everyone was in agreement.

9                   So first I'll just summarize our key points  
10 and then go into some more additional detail on our  
11 meeting. There were four projects identified where the PAC  
12 recommendations were different from either the STAC Science  
13 Director or Executive Director. One of those was the  
14 Schoch proposal for which we supported funding. And  
15 perhaps I think now that is universally supported. The  
16 second was the Matkin proposal and we gave that  
17 considerable discussion, which is outlined in our meeting  
18 summary. But we simply could not reach consensus on the  
19 Matkin proposal.

20                   The third proposal was the Kline proposal  
21 was the Kline proposal, for which we supported partial  
22 funding now and consideration for additional funding later  
23 on. And again, I'll provide some additional detail on that  
24 shortly. The last proposal where we had a difference of  
25 opinion with the staff there was the Logerwell proposal.

1 And for that particular proposal, we recommended do not  
2 fund.

3                   So I'd like to return now to our meeting  
4 summary, where additional detailed information is  
5 presented. And on Page 3 of that summary, we identify  
6 individual proposals and some of the discussion that  
7 occurred. With regard to the Schoch proposal, our  
8 recommendation was in support of this project and we  
9 provided additional direction that they needed to  
10 collaborate with Alyeska on data exchange. We felt there  
11 was additional information there that could be put to use.

12

13                   We discussed the Vick proposal. We did  
14 agree with the staff, Executive Director and others in  
15 terms of do not funding this proposal. But we also  
16 encouraged Vick to work with McNutt and to submit a revised  
17 proposal for FY 06. And we're suggesting that the Trustee  
18 Council should strive to keep the coastal communities group  
19 as an active participant in this EVOS work.

20                   We discussed the Cooper proposal as well  
21 and agreed that this project should be funded and similar  
22 ones should be considered for Kodiak and for the Prince  
23 William Sound area. As I indicated, we talked about the  
24 Matkin proposal and had considerable discussion about it.  
25 In the end we were unable to reach consensus. There were

1 members of the PAC that felt strongly it was best unfunded  
2 and others that felt it was a high public profile issue and  
3 should be funded but we as a PAC, did not reach consensus.  
4 But we had a good open airing of the issues.

5                   On the Bodkin proposal, the PAC recommended  
6 that we fund this project or that you fund this project.  
7 On the Kline proposal, we encourage funding for that  
8 portion of the project that included the processing and  
9 analysis of the existing samples that were collected and  
10 that additional funding would be contingent upon the  
11 availability of appropriate equipment being obtained before  
12 the sampling period. And then recommended that the Trustee  
13 Council consider a special allocation at that time for  
14 funding the project.

15                   On the Otis proposal, we recommended do not  
16 fund but the feeling was that herring are very important to  
17 investigate and while we're unsure that this specific  
18 technique is the best one to use, we encourage the project  
19 investigator to take a look at the reviewer comments and  
20 resubmit the project perhaps as a pilot study again next  
21 year. And we further commented that the Trustee Council be  
22 encouraged to consider herring proposals in the future  
23 since this is still an injured species.

24                   With regard to the Moffitt proposal, we  
25 support its funding but there was question regarding the

1 timing of funding for insertion of the tags and then that  
2 portion of the funding to actually look at the returning  
3 fish. We didn't quite understand how that would happen  
4 since the fish went out in one year and returned in a  
5 different year. But we do support the proposal.

6                   With regard to the Logerwell proposal, here  
7 we were at odds with all the other recommendations, at  
8 least at that time and we recommended do not fund. And the  
9 details again are outlined in our meeting summary. There  
10 was a bit of discussion on the Irons proposal and the PAC  
11 recommended that that be funded as well. With regard to  
12 the remaining proposals, we had concurred with the  
13 Executive Director's recommendations. Now some additional  
14 discussion did take place on the McNutt and Shumacher  
15 proposals, Szarzi and Willette proposals, and the Brodie  
16 proposal. And those discussions are included in our  
17 meeting summary on Page 5.

18                   I would really like to thank you, the  
19 Trustees, for your positive comments about the PAC and PAC  
20 participation at your previous meeting. I think that  
21 encouragement motivated the PAC to conduct one of the best  
22 meetings that I've had the opportunity and privilege to  
23 chair here in this last session. So your comments were  
24 appreciated and I hope we've done a good job for you. We  
25 sure gave it our best shot. And that concludes my meeting

1 summary.

2 CHAIRWOMAN PEARCE: Thank you, Mr. Meacham.  
3 Are there any questions? I would note that we have been  
4 joined by the Attorney General. Any questions for Mr.  
5 Meacham? Yes?

6 MS. BALLARD: I just have a comment. Since  
7 I know it's on our agenda today to renew the PAC or to do  
8 the new PAC assignments and I know Chuck has chaired for  
9 some time. I want to thank him in the event he might not  
10 be the chair in the future. I have no idea, Chuck, what  
11 will transpire there, but it's appropriate to thank you for  
12 the efforts you've put in.

13 MR. MEACHAM: Thank you very much. It's  
14 truly been a privilege.

15 MR. MEADE: I would certainly second that.  
16 This is Joe Meade and in the time I've been here, Chuck,  
17 you have been a source of invaluable information for me  
18 getting myself up to speed with what it is that the board  
19 focuses on and certainly in gleaning the insights from the  
20 Public Advisory Committee.

21 CHAIRWOMAN PEARCE: Any other comments?

22 (No audible responses)

23 CHAIRWOMAN PEARCE: Thank you very much,  
24 Chuck.

25 MR. MEACHAM: Thank you.

1 MS. PHILLIPS: Thank you, Chuck.

2 CHAIRWOMAN PEARCE: ARLIS.

3 MS. PHILLIPS: Madame Chairman, would you  
4 call -- there's more people that came on line. If you  
5 would ask.....

6 CHAIRWOMAN PEARCE: Okay, I understand that  
7 we have more people who have joined us on line.  
8 Previously, Mr. Mullin, Mr. Adams, Ms. Byrd identified  
9 themselves. Who else is on line?

10 MS. MITCHELL: Tracy Mitchell with Kodiak  
11 Island Borough.

12 CHAIRWOMAN PEARCE: Okay, Tracy. Thank  
13 you. Anyone else?

14 MS. SIGMUND: Marilyn Sigmund from the  
15 Center for Alaskan Coastal Studies.

16 CHAIRWOMAN PEARCE: Good morning, Marilyn.  
17 Thank you. Anyone else that you know of, Gail?

18 MS. PHILLIPS: I just heard two.

19 CHAIRWOMAN PEARCE: Okay, thank you.

20 MS. BALLARD: The next item on the  
21 Executive Director's report is an update on the ARLIS move.  
22 You do have a report in your binder from Carrie Holba, our  
23 librarian, as to the move and I would like to ask her to  
24 come forward and just give a brief update as to where we  
25 are today with the ARLIS move.

1 MS. HOLBA: Good morning. Well, as you  
2 know, ARLIS is moving onto the University of Alaska  
3 Anchorage campus as part of the new library complex there.  
4 We'll be occupying 20,000 square feet and we're in the  
5 process of moving right now. We began the move on Monday,  
6 August 9th and it's still underway. We're hoping that the  
7 mover's portion will be complete by the end of the week and  
8 of course then the library staff will have a lot more work  
9 to do before we reopen on September 7th.

10 We're about three-quarters of the way  
11 complete with moving the contents. We've moved our  
12 journals collection, our reference collections, special  
13 collections, two-thirds of the circulating collection and a  
14 third of the cataloguing backlog in our store room. We've  
15 also moved the contents of the power files. This includes  
16 the Trustee Council public record and other EVOS materials.  
17 And we've moved most of the offices and work stations.

18 We still have to move our map cases, the  
19 remaining store room contents, our collections of furs,  
20 skulls, mounted birds and environmental education kits, the  
21 remaining circulation collection and some furniture and  
22 equipment. After that, anything that we will no longer  
23 need will be surplus or discarded. Our shelving, which  
24 was in poor condition, and our power files will be  
25 dismantled and taken to metal recycling. The map cabinets,

1 we have 10 of those that we've acquired from various  
2 agencies over the years and they were in various states of  
3 disrepair. But we've refurbished them and they've been  
4 painted electro-statically to match and look uniform.  
5 They'll be housed in wooden enclosures that were custom  
6 made by Bailey's furniture and that will provide a uniform  
7 counter top to create a work space where people can pull  
8 out maps and spread them out to work on.

9                   Two of the map enclosures will have locking  
10 doors and those will house the EVOS map cases so that those  
11 materials are secure after hours. The power file contents  
12 have been moved over to the new library and 30 new locking  
13 file cabinets were delivered on Friday. Now my job is to  
14 move the contents from, there are 135 boxes, into those  
15 filing cabinets. So that's going to keep me busy for  
16 awhile. There has been a contract in place now for the  
17 construction and installation of a custom display case that  
18 will go across the front window of the library and that  
19 will house some of our mounted birds.

20                   The computer network has been moved and is  
21 up and running and stable. Most of the staff computers are  
22 set up. There were some delays in this process, primarily  
23 due to delays by the UAA IT services staff but our network  
24 administrator personally moved to the server and there was  
25 very little down time for the ARLIS website.



1                   Our telephone system is currently in place.  
2 We're required to use the university phone utility. So  
3 this means that our phone numbers will change to 786  
4 numbers however we will be having our main ARLIS numbers  
5 forwarded so that anyone who currently has our numbers will  
6 be able to dial those and get us in our new location. And  
7 right now there are some problems with that forwarding but  
8 the phone people are working on that and that should be  
9 resolved soon.

10                   We're having patron counters installed at  
11 the four entrances into the ARLIS space. These will count  
12 entrances and exits from each of those entrances and allow  
13 us to track usage in the space and those are in the process  
14 of being installed right now.

15                   We took efforts to inform our patrons of  
16 what was happening with the move and how to find us in our  
17 new location. There's information on our website,  
18 including a map to our new location. Prior to the move we  
19 sent out email announcements to the founding agency staff  
20 patrons so that they could plan their research needs for  
21 our closure. We also have paper handouts, including a map,  
22 and these were distributed with each checked out book prior  
23 to the move and they're also available on the front door at  
24 the old location. And there was a voice mail announcement  
25 on our ARLIS line, notifying people of our move and how to

1 find us.

2                   We had some security issues. We thought  
3 that the fire doors to the space would be down while we  
4 were moving in and that would kind of keep people out of  
5 the space so that we didn't have to secure everything right  
6 away as that is difficult while you're moving things in.  
7 But that was not the case. The UAA staff did put up velvet  
8 ropes across the entrances and employees only signs and in  
9 addition, we sort of piled up tables and boxes across those  
10 entrances to discourage people from coming in. It's also a  
11 hazard for people to be in there when the large moving  
12 carts are going through the library.

13                   During the intersession, the library  
14 building is open from 7:30 a.m. to 6:00 o'clock p.m. and we  
15 have an ARLIS employee present on the premises at all of  
16 those hours. August 26th, the hours will return to 7:30  
17 a.m. to 11:00 o'clock p.m. but by that time, we hope to  
18 have all of the materials that we're worried about secured.  
19 Namely, computers, our special collections, furs and  
20 skulls, walrus tusks and things of that nature.

21                   As I said, we plan to reopen September 7th,  
22 which is the Tuesday after Labor Day weekend and we'll  
23 reopen at 8:00 a.m. Prior to that, we hope to give our  
24 founder's board a tour of the new space, once we're a  
25 little prettier. And the Trustee Council members are most

1 welcome to attend as well. There will be a grand opening  
2 for the entire library complex, and that is scheduled for  
3 October 8th, and that will include ARLIS, the University of  
4 Alaska Anchorage APU Consortium Library, the Health  
5 Sciences Information Center and the Alaska Moving Images  
6 Preservation Association.

7                   And I'd just like to say that moving a  
8 library is difficult under the best of circumstances. We  
9 have a really wonderful, hard working staff at ARLIS and  
10 we've been most fortunate to have an excellent crew of  
11 movers. And these two groups have made the move about as  
12 smooth as it could be under the circumstance. We'd also  
13 like to take this time to thank our founding agencies and  
14 the Trustee Council for their support and patience during  
15 our move. Thank you.

16                   CHAIRWOMAN PEARCE: Thank you. Any  
17 questions?

18                   MR. RENKES: And you're going to be  
19 finished by the last week of August?

20                   MS. HOLBA: Yeah, we will be open September  
21 7th, so.....

22                   MR. RENKES: September 7th, okay.

23                   MS. HOLBA: .....until that time, we'll be  
24 frantically putting things away.

25                   MS. PHILLIPS: Thank you, Carrie.

1 MS. HOLBA: Okay, thank you very much.

2 MS. PHILLIPS: The next item under the  
3 Executive Director's report is a draft meeting time line.  
4 If you'll turn to the tabbed item on that, tentative  
5 meeting dates. One of the thing that staff has been  
6 working on lately is a matrix of all the jobs that we're  
7 responsible for and trying to set that into a time line so  
8 that we can all keep on track. And we've prepared a draft  
9 time line of meeting dates for you so that you have some  
10 idea of when your services are going to be needed during  
11 the coming year. And at this point in time, it's still in  
12 a draft form.

13 CHAIRWOMAN PEARCE: Any questions or  
14 comments?

15 MR. RENKES: We'll have a chance to look at  
16 this and then provide you some feedback?

17 MS. PHILLIPS: Yes.

18 CHAIRWOMAN PEARCE: Mark your calendars.

19 MS. PHILLIPS: Right.

20 MR. RENKES: Yeah.

21 CHAIRWOMAN PEARCE: Okay, science  
22 coordinator.

23 MS. PHILLIPS: Okay, and the last thing on  
24 my report is I'd to introduce our new science coordinator,  
25 Richard Dworsky. Richard, if you would stand up, please.

1 We're very please to have Richard on line and I know he's  
2 going to be a big asset to this organization.

3 CHAIRWOMAN PEARCE: Welcome. Do you have  
4 any comments you'd like to make to the Council?

5 MR. DWORSKY: Well, it's a pleasure to be  
6 here. The Council has done just an absolutely incredible  
7 amount of work in the intervening years and I look forward  
8 to help you continue that process and help you make some  
9 conclusionary discussions where the Council and the --  
10 where you want to go in the future. My resume is in the  
11 book. I've been here 25 years. I worked for BLM for --  
12 retired from BLM as their project manager and their chief  
13 of planning. I have advance degrees. It's a pleasure to  
14 be here.

15 CHAIRWOMAN PEARCE: Thank you. Any  
16 questions? Mr. Balsiger?

17 DR. BALSIGER: I got a bachelor's in  
18 forestry from Michigan Tech in '66, so we're -- different  
19 university.

20 MR. DWORSKY: Close enough.

21 DR. BALSIGER: Yeah, okay.

22 MR. DWORSKY: Close enough.

23 DR. BALSIGER: So you can feel at home a  
24 little bit.

25 CHAIRWOMAN PEARCE: Anything else?

1 MR. DWORSKY: It's not as cold here.

2 MR. MEADE: Just note that I'm pleased that  
3 Dr. Balsiger didn't recognize the importance of a forestry  
4 background.

5 CHAIRWOMAN PEARCE: Great. Thank you and  
6 welcome.

7 MR. DWORSKY: Yes, ma'am.

8 CHAIRWOMAN PEARCE: Let's go back now to  
9 Item 1 on our agenda. After the call of order was the  
10 approval of the agenda. Do we have a motion on the agenda?  
11 Mr. Duffy.

12 MR. DUFFY: Well, I would like to propose a  
13 modification to the agenda to move the executive session,  
14 which is listed as number 11, move that up immediately  
15 following the conclusion of the Executive Director's  
16 report.

17 CHAIRWOMAN PEARCE: Would you make that in  
18 the form of a motion?

19 MR. DUFFY: Move to amend the Trustee  
20 Council agenda to move the executive session to number 4 on  
21 the list following the Executive Director's report.

22 CHAIRWOMAN PEARCE: And then leave  
23 everything in order?

24 MR. DUFFY: And everything else will be in  
25 order.

1 CHAIRWOMAN PEARCE: We have a motion, do we  
2 have a second?

3 MR. MEADE: I'd be pleased to second that.

4 CHAIRWOMAN PEARCE: We have a second by Mr.  
5 Meade. All those in favor, signify by saying aye.

6 IN UNISON: Aye.

7 CHAIRWOMAN PEARCE: Anyone opposed?

8 (No audible responses)

9 CHAIRWOMAN PEARCE: The ayes have it so the  
10 agenda has been approved as amended and we also need to  
11 approve our meeting notes of May 19th, 2004. That was the  
12 joint meeting. Madame, as the Executive Director, are  
13 there any notations or changes that you know of?

14 MS. PHILLIPS: No, there aren't.

15 CHAIRWOMAN PEARCE: Okay, do we have a  
16 motion to approve?

17 MR. DUFFY: I would move to approve the May  
18 19th Trustee Council PAC meeting notes in front of us.

19 CHAIRWOMAN PEARCE: We have a motion, do we  
20 have a second?

21 MS. BALLARD: Second.

22 CHAIRWOMAN PEARCE: And seconded by  
23 Commissioner Ballard. All those in favor say aye.

24 IN UNISON: Aye.

25 CHAIRWOMAN PEARCE: I'm sorry, Mr.

1 Balsiger.

2 DR. BALSIGER: I was wondering what -- I  
3 noted the PAC has comments here of several pages that I  
4 assume that we're not including in this motion. I think  
5 they're valuable but I don't know that we need to adopt  
6 those as part of this. I wanted to clarify if the motion  
7 included those. And I presume the motion includes just  
8 these pages which are the meeting notes but not these  
9 comments or whatever they're called.

10 MR. DUFFY: That's correct. My intent was  
11 to approve the meeting notes. Only I would also note for  
12 the Trustee Council that in comparing some notes that I  
13 took to the meeting notes, the order or the timing didn't  
14 seem to be entirely consistent but I think they captured  
15 the flavor of the discussion. So with that, I was willing  
16 to move forward approving them.

17 CHAIRWOMAN PEARCE: So we have a motion on  
18 the table to approve the minutes, that's we're approving,  
19 not necessarily the associated notes. We have a second by  
20 Ms. Ballard. We had a question, is -- all those in favor,  
21 aye.

22 IN UNISON: Aye.

23 CHAIRWOMAN PEARCE: Anyone opposed?

24 (No audible responses)

25 CHAIRWOMAN PEARCE: With that, the minutes



1 are approved, which would take us to executive session.

2 Madame Executive Director, what is our timing for a break?

3 MS. PHILLIPS: We do need to break at 10:00  
4 o'clock for purpose of taking a photograph. So we'll go  
5 until then.

6 CHAIRWOMAN PEARCE: Okay. Mr. Duffy, are  
7 you going to make the motion for executive session or  
8 who's.....

9 MR. DUFFY: Sure.

10 CHAIRWOMAN PEARCE: .....who has that?  
11 Well, what is our expected timing so we can let people  
12 know?

13 MR. DUFFY: I would guess 11:00 o'clock,  
14 since we're taking a break in the middle of executive  
15 session for a photograph, I would venture to say we'll be  
16 back on the record as a Trustee Council public meeting  
17 about 11:00 o'clock, would be my guess.

18 CHAIRWOMAN PEARCE: And what staff would  
19 you propose to have with us in executive session?

20 MS. PHILLIPS: We would need the legal  
21 staff.....

22 MR. DUFFY: Legal staff.

23 MS. PHILLIPS: .....with us.

24 CHAIRWOMAN PEARCE: Okay, and what about  
25 individual staff from nine of the 12 agencies?

1                   MR. DUFFY: I'm comfortable with staff  
2 representing the agencies sitting in on the executive  
3 session, personally.

4                   CHAIRWOMAN PEARCE: Okay, Mr. Duffy, do you  
5 have a motion?

6                   MR. DUFFY: Move to have the Trustee  
7 Council go into executive session at 9:30 a.m. and to  
8 reconvene the public meeting at approximately 11:00 a.m., I  
9 should say, and 9:30 a.m.

10                  CHAIRWOMAN PEARCE: And I believe our  
11 motion has to have a purpose.

12                  MR. DUFFY: The purpose of the executive  
13 session was to discuss some legal matters in front of the  
14 Trustee Council as well as personnel issues.

15                  CHAIRWOMAN PEARCE: We have a motion to go  
16 into executive session. Do we have a second?

17                  MR. TILLERY: Second.

18                  CHAIRWOMAN PEARCE: We have a second. All  
19 those in favor?

20                  IN UNISON: Aye.

21                  CHAIRWOMAN PEARCE: Anyone opposed?

22                  (No audible responses)

23                  CHAIRWOMAN PEARCE: With that, we will go  
24 into executive session. I expect us not to come back into  
25 full public session until at least 11:00 o'clock. And with

1 that, we're in executive session.

2 (Off record - 9:35 a.m.)

3 (On record - 12:50 p.m.)

4 CHAIRWOMAN PEARCE: We'll come back to  
5 order. It's 10 minutes until 1:00 and we do need a motion  
6 to go back into open session. Commissioner Duffy.

7 MR. DUFFY: Madame Chair, I move to  
8 conclude executive session and go back into the general  
9 open session at 10 till 1:00.

10 CHAIRWOMAN PEARCE: Do we have a second?

11 MR. TILLERY: Second.

12 CHAIRWOMAN PEARCE: We have a second. All  
13 those in favor say aye.

14 MR. TILLERY: Madame Chair, can I just  
15 point out that during the executive session the Council  
16 discussed those issues. It mentioned legal matters and  
17 personnel matters before we went into session.

18 CHAIRWOMAN PEARCE: All those in favor of  
19 going back into public session?

20 IN UNISON: Aye.

21 CHAIRWOMAN PEARCE: Or anyone opposed?

22 (No audible responses)

23 CHAIRWOMAN PEARCE: With that, we would  
24 also note for the record, that Mr. Tillery is presently  
25 sitting in the State seat of the Department of Law. We are

1 at Item Number 4, discussion and approval of additional  
2 funds for Weingartner Fiscal Year '05 project. There is a  
3 tab. Madame Executive Secretary.

4 MS. PHILLIPS: Thank you, Madame Chairman.  
5 There is, under the Weingartner tab, there's a request for  
6 an increase of \$6,297 for this project, which is long term  
7 monitoring of Alaska coastal currents. I would ask Paula  
8 Banks to come forward and give a brief explanation and  
9 answer any questions on this. Come forward, please.

10 CHAIRWOMAN PEARCE: Ms. Banks.

11 MS. BANKS: Good afternoon. For the  
12 record, my last name is Banks, B-A-N-K-S. This is an '04  
13 project. They're requesting additional funds for '05 of  
14 \$6,267. And this is an increase over what they originally  
15 had requested in '04 and actually they didn't actually  
16 request any monies for '05 and '06. It was decided during  
17 the discussion of the work plan in '04 that we would give  
18 them additional funds for '05 and '06 and it was the  
19 Council's decision to just give them what they had asked  
20 for in '04 and that the PI would come back with a revised  
21 budget. And the revised budget was received late in '04.  
22 And when they reviewed what they were going to do in '05  
23 and '06, they found that they would need additional --  
24 \$6,300, basically. And that was an increase in personnel  
25 to justify, you know, cost of living increase and a slight

1 increase in travel. And then for a research vessel, the  
2 Little Dipper. Originally in '04, the project was approved  
3 late in the year and so there wasn't as many months on the  
4 research vessel as there will be in '05. And so they  
5 needed extra funds for that. So that's what they're asking  
6 for.

7                   There was a change in '06 as well, but  
8 that's a decrease and it won't -- it doesn't require  
9 Council approval for reduction. But this is in addition to  
10 the 75,000 that they had originally requested.

11                   CHAIRWOMAN PEARCE: Are there questions for  
12 Ms. Banks?

13                   MS. BALLARD: Are you ready for a motion?

14                   CHAIRWOMAN PEARCE: We are, I believe.

15                   MS. BALLARD: Move approval.

16                   MR. DUFFY: Second.

17                   CHAIRWOMAN PEARCE: There's a motion to  
18 approve and a second. Any discussion?

19                   (No audible responses)

20                   CHAIRWOMAN PEARCE: All those in favor,  
21 signify by saying aye.

22                   IN UNISON: Aye.

23                   CHAIRWOMAN PEARCE: Anyone opposed?

24                   (No audible responses)

25                   CHAIRWOMAN PEARCE: Motion carries. Next

1 is the discussion and approval of the extension of the  
2 Kodiak Waste Management Project.

3 MS. PHILLIPS: Madame Chairman, I would ask  
4 Brenda to come forward and give a brief introduction of  
5 this project and then call on the Kodiak folks.

6 MS. RAMOS: I'm here to introduce the  
7 Kodiak Island Waste Management Project. Here today to give  
8 a short presentation is Pat Carlson with the Kodiak Island  
9 Borough, he's the manager. And also, I'm not sure if Tracy  
10 -- are you on line?

11 UNIDENTIFIED SPEAKER: Hello.

12 MS. RAMOS: Tracy?

13 CHAIRWOMAN PEARCE: Tracy, are you on line?

14 MS. PHILLIPS: Is that Tracy on line?

15 MS. RAMOS: She may not be on line right  
16 now but I'll try and call her. She is the project manager  
17 since '02 for the project with EVOS and with the Kodiak  
18 Island Borough.

19 CHAIRWOMAN PEARCE: Mr. Carlson.

20 MR. CARLSON: Madame Chair, members of the  
21 Council, with your indulgence, could I hand out -- this is  
22 kind of a synopsis. I believe this is in your packets but  
23 it's a shorter synopsis of the presentation I'll be putting  
24 on. Is this working, ma'am?

25 CHAIRWOMAN PEARCE: That's -- yes, so --

1 yes.

2 REPORTER: It's only for recording.

3 (Pause)

4 MR. CARLSON: While we're waiting, with  
5 your indulgence, you know, a lot of people ask not -- I  
6 think a lot of us were here in '89, I had just taken a job  
7 in Kodiak a month before the Exxon Valdez oil spill. You  
8 know, having worked in the oil field industry with the tugs  
9 and barges, I had been exposed to what that means to have a  
10 vessel that size run aground. And as bad as it was, and it  
11 was horrible in Valdez, the problem we had in the Kodiak  
12 region was we were downstream.

13 And we received stuff that they had -- a  
14 lot of folks called moose or moose patties, which sounds  
15 fairly benign but it's not. A lot of us, certainly my two  
16 kids, were playing in the moose and a piece of moose the  
17 size of your thumbnail would make you look like you had  
18 your hands dipped in crank case oil. It was that special,  
19 I'd guess you'd call it, because the way it reorganized  
20 itself chemically. And a big moose patty was obviously a  
21 big mess.

22 The point I'm making to that though is that  
23 I think of the about 900 miles of coastline that we have in  
24 the Kodiak Island Borough, which includes parts of the  
25 Alaska peninsula, we had far less of it that escaped the

1 oiling. All of it virtually received the moose and in some  
2 cases direct impact. So for that reason, the Kodiak  
3 region, also because it's so dependent on fisheries, has  
4 always been heavily concerned and heavily involved with the  
5 issue. I've got a map here that we put together back in  
6 the summer of '89 and it was drawn from all the multiple  
7 databases and obviously everybody had different stories.

8                   But it shows the react -- what happened  
9 with the shoreline surveys. And if you can see the areas  
10 in red, you can see why the Kodiak region is considered  
11 obviously intricately related to the oil spill.

12                   That being said, we're here today -- I'm  
13 here today actually on behalf of our smaller communities.  
14 This waste management plan was put forward as a progressive  
15 relationship between Kodiak Area Native Association, which  
16 is our regional housing authority -- I mean, I'm sorry, our  
17 regional Native association for handling the civil and  
18 social affairs of the communities, tribal organizations.  
19 The Kodiak Island Borough, the State of Alaska through  
20 Department of Environmental Conservation and the United  
21 States Coast Guard. The original plan is very  
22 comprehensive, very well done. Took awhile to do. It's  
23 paid for. And we have been attempting in fits and starts  
24 for initially at least to follow that plan.

25                   And if I may, did you notice -- like I



1 said, this plan is extended I think two other times. But  
2 it's the -- the decision is that it would end in 2004  
3 without an extension. When I started my job as manager in  
4 2002, we worked with the various folks involved and created  
5 what I considered to be traction for the program. And  
6 we've moved forward on a number of different issues that  
7 are in the plan since then. The major change that we had  
8 was to move from a contractor to a full time -- well, it's  
9 the staff person that's 50 percent for the borough services  
10 and then 50 percent for funding this project. It's totally  
11 related. And that's Tracy Mitchell, who's on line, and she  
12 can answer technical questions, should you have them.

13                   Our concern is that now after a couple of  
14 years of traction, despite the history of the program  
15 having taken awhile to get to that point, we would lose  
16 what we consider to be a sound exit strategy. Our simple  
17 request would be that you allow us to move forward with the  
18 existing funds and the existing strategy for closeout and  
19 allow us one more year to complete that. So that would put  
20 us into the fall of next year.

21                   Now as you know, the intent of the program  
22 was to basically address marine pollution from land based  
23 resources, enhance waste management practices in the  
24 smaller communities and secure participation by local  
25 communities to be involved in the decision making process.

1                   One of the reasons I thought I'd come up  
2 here today and I really appreciate you taking the time to  
3 allow me to speak, is whatever happens with this program, I  
4 hope you go away with knowing that this was a positive  
5 result. That this was money well spent. If for no other  
6 reason is this program will give you the opportunity to  
7 study what your solutions or partial solutions are in small  
8 communities that have a very different way of approaching  
9 their political environment. These are communities that  
10 range from being totally Native, IRA run to ones that are  
11 fairly cosmopolitan at the ferry, at the power grid system.  
12 Like Kodiak, they're small but -- and they're largely, you  
13 know, taxable property and a completely different  
14 environment. And then all in between.

15                   The one thing they do all have though is  
16 not only a large Native heritage but a fisheries  
17 background. Our communities are based on fishing. Seventy  
18 percent of our local economy, it's been documented by  
19 independent studies, is directly related to the fishing  
20 industry.

21                   One of the most damaging things that  
22 happened after the oil spill, despite the pollution, was  
23 the social degradation to some of our communities. The  
24 environment, the social environment, the fabric of those  
25 communities was torn apart between those that did and those

1 that didn't work with the system and those that were  
2 heavily hurt. And in all cases, virtually the whole  
3 economy was shut down. You take 70 percent of your economy  
4 and you say there's no fishing, it goes through the whole  
5 economy.

6                   Certainly the Exxon money did come back  
7 into that economy to offset that to some degree but as a  
8 bureaucrat, I can tell you my pay didn't go up. I mean,  
9 there's a lot of residual effects throughout the economy  
10 that didn't participate in that.

11                   So one of the good things that this program  
12 brought was recognizing that the folks that live in these  
13 communities want to be environmentally safe and sound.  
14 They want to have a clean environment. But largely, either  
15 they don't know how to or they haven't been given the  
16 resources. And this program, the fundamental philosophy  
17 was that we would move forward in a way that would allow  
18 them to do that. It was intentionally designed so that the  
19 Kodiak Island Borough would not receive or participate in  
20 the benefits directly of this program. Our benefit is  
21 serving our citizens in enhancing the environment of those  
22 communities, which as a fishery based economy, we're hyper-  
23 sensitive to.

24                   The success that we've had has been to do  
25 all of those things. But most importantly, it's been able

1 to create what we call the Kodiak Island Village  
2 Environmental Council. That's made up of those folks, not  
3 bureaucrats like me, not people from the big city or  
4 technicians. These are made up of citizens in those  
5 communities that care about their communities and are  
6 willing and have taken the time and effort to learn about  
7 how to have positive and efficient and effective and long  
8 term ways to address their waste management practices.

9                   Now the things that we've been able to put  
10 together here -- and again, I recognize Tracy Mitchell in  
11 her efforts but again, the people in (background noise -  
12 sirens). In Kodiak, if you get a siren, you -- like whose  
13 house is that? That we really moved forward in lock step  
14 with QIVEC. One of the things that we do, is we bring  
15 folks together. They can sit down in an environment,  
16 typically in Kodiak but also out in the other communities,  
17 to talk through their issues and to compare notes and to  
18 basically meet and greet and know and understand each other  
19 and recognize what they're up against. All of us have  
20 various degrees of obviously monetary stress right now and  
21 how to address that and do the best you can is a huge issue  
22 in these communities. But we're getting to the point here  
23 where we've been able to stockpile most of our stuff for  
24 the big move.

25                   But before we got to that, we had to do

1 things like hazardous household waste containers. So we  
2 could compile them, we could move the batteries out by  
3 compiling those. We had sent drum crushers into the  
4 communities so that they could cut the lids off the drums  
5 and then mash them flat. Then we palletize them, strap  
6 them down, and then we can take them out when they're ready  
7 to be picked up.

8                   The big thing we're moving forward now, is  
9 we've had the communities all had ROLO qualified folks in  
10 their communities that help and work with us at the  
11 landfill and in our operation to go ahead and handle the  
12 fluid removal, because it's not like the good old days,  
13 you've got to get all that junk out of those cars and four-  
14 wheelers and various boats and whatever we've got to deal  
15 with. This is an example of QIVEC going through the  
16 process of what is a car dump. There's different names for  
17 them but you can see, you get a variety of vehicles there.  
18 All of the communities have these to some degree, even the  
19 ones without roads. But not to the degree that those that  
20 have a road system would. This is the example of fluid  
21 removal, it's one of our low cost solutions in the  
22 community. It's hand pumped, it addresses the need to get  
23 those fluids out. Obviously they worked together on how to  
24 do that.

25                   This is what we call a burn box. Now we've

1 got a few different versions of this. This is the big one  
2 and this one is in Larson Bay. Again, this is addressing a  
3 bear concern. Larson Bay has a cannery, they have a large  
4 amount of daily refuse that goes into their facility. The  
5 old methods of dumping burn or slit burning, which is where  
6 you have slit, a trench, and you dump it in there and burn  
7 that, don't work because we have too many of these. We got  
8 about 4,000 of those guys and gals. And I can remember  
9 pulling up to the Larson Bay dump with garbage in the back  
10 and the neat thing was you didn't have to unload the truck,  
11 the bear would do it for you. So it's a pretty dangerous  
12 situation and folks in the community, it's to the point  
13 where they're -- in some communities they're so afraid of  
14 the bears that they won't go up to the dump. So the dump  
15 ends up being right at the edge of town because of the bear  
16 problem.

17                               So the solution that we tested in the  
18 Kodiak Island landfill where we had a sow and four cubs  
19 hanging out, was with this very relatively inexpensive bear  
20 fence. And it's worked out, it's -- we don't have the  
21 bears anymore. And we had them climbing in the dumpsters  
22 but they've learned their lesson with this bear fence that  
23 shocks them when they touch it. Otherwise it's benign or  
24 as benign as one of those get. And it's a 12 volt system,  
25 it's relatively inexpensive.

1                   So we're moving forward with that as part  
2 of our agendas, to get these landfills fenced. We have  
3 folks trained in the communities to know what to do and  
4 what their options are with these landfills. And then  
5 they're also working with things like this. Now these are  
6 waste oil burners, they create heat. They're in the city  
7 buildings in these communities and they all have been  
8 trained on how to use them and that's where you go when  
9 you change your oil in your truck or your boat. And  
10 throughout the community, including Kodiak, it's like, why  
11 didn't we always do it that way. I mean, it's not news to  
12 us anymore but it was kind of a neat idea when we first  
13 started it.

14                   This is a battery dump, as you can see. In  
15 our country, we burn up a lot of batteries. When I was in  
16 the Coast Guard, I'll be honest, we used to throw them over  
17 the side. We didn't know we weren't supposed to do that.  
18 And that's the Coast Guard. So the world's changed quite a  
19 bit. Obviously batteries are very dangerous. Now we have  
20 in the communities different totes and stockpiles for them  
21 and a process for getting them out of those communities.

22                   This is a small burner, this would be for  
23 the communities of Akhiok and Karluk, are getting these.  
24 The reason they're on tires and on a trailer is so you can  
25 move it and it's all part of the strategy with the bears

1 and making it more flexible for the community. And again,  
2 so you can see the solution that worked here is not the one  
3 that works in the other community, say at Larson Bay, where  
4 there's a cannery and bigger volumes.

5                   So I'll be straight forward with you and  
6 I'm not here to dodge anything. There's been gaps in this  
7 program. We've had difficult times getting things started.  
8 In many of these communities it's 80 relationships and 20  
9 percent effort. To the extent that the borough was  
10 involved, we've dropped our ball a couple of times. And  
11 then there's been coordination and logistical changes. DEC  
12 oversight, both philosophically and economically I'm sure  
13 has changed and gone through their issues.

14                   So the big struggle is how do we get a  
15 sense of synergy and move forward? Well, we're there now  
16 and I think that's the big concern we have, is that we  
17 would lose this program when it's so close to being  
18 accomplished to the point where I think everybody could be  
19 really proud of being a part of it. We believe this  
20 extension allow for an orderly transition and ensure these  
21 communities have a long term ability to maintain their  
22 community in the way that they wish to.

23                   The big thing we got going, as I said, is  
24 the scrap metal. And again, the piles vary from the towns,  
25 depending on their reliance on vehicles, is largely the



1 problem. We've got a lot of them pulled and cleaned up.  
2 We've got a lot of them stockpiled. And the intent would  
3 be, as part of this program, is do the final run, if we  
4 can, on these communities, to get that scrap metal out, is  
5 about the last thing we do but it was the least dangerous  
6 and most benign toxic material in these communities. So it  
7 felt -- it was down our list from day one.

8                   This shows the original authorized budget  
9 of about -- as I recall, it was about 1.7 million. We  
10 spent about a third of that to date. So these graphs will  
11 be interesting to you. Now this shows, obviously, a  
12 relatively large amount for scrap metal removal. That  
13 would be the right hand pie. Kodiak Island Borough, our  
14 day to day management and oversight for staff is expensive,  
15 obviously. And then the purple is the landfill  
16 construction and fencing.

17                   And I'll bring up a good example of these  
18 community solutions. We have the community of Ouzinkie who  
19 has a landfill that's rock. And they had a need for rock  
20 for their sewer and water system. So we hooked up with the  
21 Native tribal housing authority who needed rock for their  
22 new sewer system and worked under the existing permit to do  
23 a new slit trench for Ouzinkie to do their burn for their  
24 landfill. So everybody got what they want and it costs  
25 half as much as it normally would. And again, it's a

1 creative solution that works for that particular community.

2

3                   The lesson that we're learning here and we  
4 hope we can document is that we believe these lessons can  
5 be taken throughout the state of Alaska. We've always been  
6 kind of a study environment for statewide issues pertaining  
7 to rural communities because we have such a cosmopolitan  
8 mix. And all from, you know, roads, no roads, boats, no  
9 boats.

10                   This is our expenditures to date by 2004.  
11 And you can see the only winner on this the borough. And  
12 that's because of the term of this. The ongoing day to day  
13 structural costs of maintaining the bureaucratic oversight,  
14 because it's been so long, has not been moved into the  
15 solution of what we're trying to do here. And so you can  
16 see why that's such a bigger piece of the slice but on the  
17 other hand we're only about 30 percent spent. And we've  
18 been trying to mitigate the use of the funds and be smart  
19 about it. That's the other reason why there's a lot not  
20 spent at this point. But if we received the extension, we  
21 believe, and the dark brown is the contingency, that we  
22 could complete the pie and you can see how dramatically  
23 that money is invested back out into the solutions for  
24 landfills, scrap metal removal, getting the hazardous  
25 wastes out of the community. So we're that close to taking

1 the balance of the money, now that the framework is in  
2 place, and moving it forward.

3                   And this is kind of an interesting one too.  
4 This shows the authorized budget versus the total  
5 expenditure expectations with the extension. And again the  
6 total expenditure item shows a large amount for the borough  
7 but that's because of the so many years that we've been  
8 having this program. And again, it's not going to expend  
9 all of the money but we reduce the contingency. And again,  
10 these are estimates, it's not final amounts. It's  
11 predicated on the budgets that were provided.

12                   And I guess I'll summarize here. I think,  
13 you know, what we've done despite the struggles that we've  
14 all had, it accomplish I think to a large degree what the  
15 intent of the trustees were and is. And I think better  
16 than that, I think we've gone a long ways towards  
17 constructing what I think everybody would agree is a good  
18 vision of a communities that work between tribal and  
19 municipal and state and borough governments in order to  
20 accomplish something that's good for those citizens who  
21 don't either have the time or the inclination to get into  
22 all the politics of why the work's not getting done, they  
23 just know it's not getting done. And I think if we can  
24 show this and prove it and move forward, we'll all be  
25 better off. And we certainly do thank the Council for all

1 your support in the past years and would appreciate you  
2 extending this contract under the terms presented. Thank  
3 you.

4 CHAIRWOMAN PEARCE: Thank you. Are there  
5 questions?

6 DR. BALSIGER: Drue.

7 CHAIRWOMAN PEARCE: Yes.

8 DR. BALSIGER: Madame Chair.

9 CHAIRWOMAN PEARCE: Mr. Balsiger.

10 DR. BALSIGER: Mr. Carlson, I guess what  
11 the plan is, the community -- I think I saw that the  
12 communities will pick up the funding of this in the out  
13 years. Is that where the funding will come from?

14 MR. CARLSON: Yeah, the tough love of this  
15 program is in direct compliance actually with the Denali  
16 commission philosophy of sustainable. And that's why you  
17 see the different solutions, like the smaller burner won't  
18 work. And even though my buddy got a bigger one, this is  
19 what makes sense for my community. So they tried to be  
20 tailored not only to the size of the community but also to  
21 the abilities and the needs so that long term they'd  
22 continue to be able to maintain them.

23 CHAIRWOMAN PEARCE: Mr. Duffy.

24 MR. DUFFY: Pat, nice to see you again.  
25 The budget on this was about 1.7 million and even if we

1 grant the extension, you've got anticipated expenditures  
2 over the next 13 months, you're still projecting an  
3 approximate balance -- I want to make sure I get this -- of  
4 over 400,000 that would not be expended on the program, is  
5 that correct?

6 MR. CARLSON: Yes, sir, given the fact that  
7 we'd be under those time lines. And so what we've done is  
8 looked at the program and said well what are the key, you  
9 know, ground zero events that we need -- that we believe we  
10 really need to document a successful program. And that  
11 generates about an estimate of 800,000.

12 MR. DUFFY: Okay, thanks.

13 CHAIRWOMAN PEARCE: Yes, Commissioner  
14 Ballard.

15 MS. BALLARD: That was a very honest  
16 presentation.

17 MR. CARLSON: Thank you.

18 MS. BALLARD: I appreciate it. I  
19 appreciate the difficult situation that you're in with the  
20 delay and the extraordinary therefore expenditure on behalf  
21 of the borough. I think -- and Pat, I know you'll be  
22 disappointed to hear this -- I think the smartest thing we  
23 can do is close out the current project and encourage you  
24 to reapply with a new time frame starting from beginning.  
25 We need to be consistent with the way we handle other

1 projects and we have tried in my tenure here to be tough  
2 with principal investigators and to impose a discipline  
3 that says a project has a time line for a reason. It fits  
4 into the scope. And I can see a good deal of  
5 reorganization of the project so that it doesn't closely  
6 resemble even its first stage.

7                   And that would be my recommendation to the  
8 Council, that we not grant this extension, understanding  
9 that that closes this one out. But do that, and ask Gregg  
10 for the right term, without prejudice, so that means you  
11 can reapply. And if it then competes with current  
12 projects, it obviously competed favorably three or four  
13 years ago, five years ago, whenever it was initially  
14 approved. If it competes favorably currently, it can be  
15 re-approved next year and you can start with a new time  
16 frame. That's my -- actually, if I need to make a motion  
17 to that effect, that's what I'd do. That we not.....

18                   MR. RENKES: What would be the impact of  
19 that on your current activities?

20                   MR. CARLSON: Well, you know, I mean, we  
21 were fully aware of the legitimate concerns of the Council  
22 because this program is just sitting there, it didn't seem  
23 like it was moving. We did move forward aggressively and  
24 get traction about two years ago. The problem is, you  
25 know, we can do a structural closeout of it but to do it by

1 September, we would leave projects hanging. The scrap  
2 metal would still be in the communities, to the extent that  
3 that's an issue. The hazardous waste materials, a lot of  
4 things, because we're not a regional -- it's not a regional  
5 borough function. We're doing this as our regional  
6 government to assist those communities but the liability  
7 for it and the responsibility lies with those communities.

8

9                   So there was a couple of different  
10 philosophies out there. One of them is to directly fund  
11 the communities based on their budgets and allow them to  
12 move forward on their own. The other philosophy was to  
13 stop, reorganize, see where we're at. Of course,  
14 obviously, we're pitching that you give us another year to  
15 kind of close this thing out, one more shipping season.  
16 The reality is -- I just gave you a very long answer and  
17 I'm sorry -- is, you know, structurally, yeah, everybody  
18 will go home at night but we're still going to have a lot  
19 of stuff out in those communities, which I can give you  
20 lots of excuses for that I don't think you want to hear.

21                   CHAIRWOMAN PEARCE: Other questions?

22                   MS. BALLARD: I'll make my motion formally,  
23 and that is, I think the action before us is to grant an  
24 extension, that we not approve that extension. That's a  
25 negative, you have to -- don't to have.....

1 CHAIRWOMAN PEARCE: I think you need a  
2 positive, yeah. The motion would be to approve the  
3 extension and then there would be objection.

4 MS. BALLARD: Okay, so I don't make any  
5 motion at all.

6 MS. PHILLIPS: Or you could make the motion  
7 to approve and recommend a no vote.

8 MS. BALLARD: I'm not going to do that.

9 MS. PHILLIPS: Okay.

10 MS. BALLARD: You politicians are good at  
11 that kind of thing. Us non-politicians can't think that  
12 quickly.

13 MR. DUFFY: I'll recommend approval of the  
14 extension as a motion.

15 CHAIRWOMAN PEARCE: We have a motion to  
16 approve the extension. Do we have a second?

17 DR. BALSIGER: I second.

18 CHAIRWOMAN PEARCE: Mr. Balsiger has  
19 seconded. All those in favor of that motion, signify by  
20 saying aye.

21 DR. BALSIGER: Aye.

22 MS. BALLARD: No.

23 UNIDENTIFIED SPEAKER: No.

24 CHAIRWOMAN PEARCE: The no's have it.  
25 Craig, do we have to do a.....



1 MS. BALLARD: We can't, it doesn't matter.  
2 We can't -- without six votes, it doesn't -- wouldn't have  
3 mattered if the ayes had it.

4 CHAIRWOMAN PEARCE: I just don't know  
5 whether it has to be recorded.

6 MS. PHILLIPS: The vote has to be recorded.

7 CHAIRWOMAN PEARCE: Does it have to be  
8 recorded?

9 DR. BALSIGER: So I caused trouble, huh?

10 MR. RENKES: No, you didn't cause trouble.

11 CHAIRWOMAN PEARCE: No, you didn't cause  
12 trouble, I just didn't know the answer.

13 MR. DUFFY: What was the vote again?

14 CHAIRWOMAN PEARCE: Well, in that case we  
15 need to call.....

16 DR. BALSIGER: All you need to know is who  
17 said the no.

18 MR. DUFFY: It was my motion. I would be  
19 in favor of it.

20 CHAIRWOMAN PEARCE: Oh, he made the motion,  
21 he did the second.

22 MS. BALLARD: The no's were down here.

23 CHAIRWOMAN PEARCE: She said no. There was  
24 a no, so the motion does not carry.

25 MS. BALLARD: There were two no's.

1 CHAIRWOMAN PEARCE: There were two no's,  
2 you're correct.

3 MS. BALLARD: Yeah.

4 CHAIRWOMAN PEARCE: The motion did not  
5 carry. And is there an alternative motion? Mr. Balsiger.

6 DR. BALSIGER: Madame Chair, does it  
7 require a motion to -- I don't believe it requires a motion  
8 but our recommendation would be to reformulate the package  
9 or bring it back without prejudice to the next funding  
10 cycle but I don't believe that takes a motion.

11 CHAIRWOMAN PEARCE: It doesn't.

12 DR. BALSIGER: If it does, I'd be prepared  
13 to make it.

14 CHAIRWOMAN PEARCE: It does not require a  
15 motion. Any further comment?

16 (No audible responses)

17 CHAIRWOMAN PEARCE: Okay.

18 MR. CARLSON: Just to clarify, would we  
19 coordinate them with Council staff on that?

20 CHAIRWOMAN PEARCE: Yes.

21 MS. BALLARD: Yes, with Gail.

22 MS. PHILLIPS: And we will -- you'll need  
23 to follow us up with the invitation and everything. So we  
24 will -- I'll make sure that Brenda follows through.

25 MR. CARLSON: Okay, thank you for your

1 time.

2 CHAIRWOMAN PEARCE: Thank you. Next is  
3 discussion and possible approval of funds to support the  
4 American Fisheries Society's scientific meeting in  
5 Anchorage. Excuse me, Madame Executive Director, or does  
6 Dr. Mundy want to speak to this?

7 MS. PHILLIPS: I will have Phil come up.  
8 There's a request for \$10,000 to the American Fisheries  
9 Society for a national meeting that's going to be held in  
10 Anchorage next year. We would request 5,000 from this  
11 year's budget, 5,000 from next year's budget. I'll let  
12 Phil.....

13 CHAIRWOMAN PEARCE: Dr. Mundy, if you  
14 wouldn't mind waiting just a moment. I know that many of  
15 our agencies individually plus the Trustee Council I assume  
16 are asked from time to time to make this sort of  
17 expenditures to help fund meetings from environmental  
18 conferences to -- there's a, I don't know, global  
19 environmental conference up here next year sometime that I  
20 know all the state and the federal agencies have been asked  
21 to be a part of. Can you give us an idea? Do we know the  
22 history of EVOS in terms of sponsoring these sorts of  
23 meetings?

24 MS. PHILLIPS: I'd like to turn -- defer  
25 that to Phil.

1                   CHAIRWOMAN PEARCE: Dr. Mundy.

2                   DR. MUNDY: Madame Chairman, members of the  
3 Council. The question of the history of funding of  
4 scientific meetings is, we have, in addition to our annual  
5 January science meeting, we have from time to time funded  
6 other meetings in the past. Since FY 2003, we have  
7 increased the number of meetings that we're supporting.  
8 And this is because we changed over from an external peer  
9 review, which was a paid peer review, to an internally  
10 managed voluntary peer review.

11                   And one of our key tools in moving this  
12 from an outside paid review to an internally managed  
13 voluntary peer review was to make ourselves known at  
14 scientific meetings, to sign people up to be voluntary peer  
15 reviewers to work with our grant and contract process.  
16 This has been very successful. We have a very high rate of  
17 return on our voluntary peer review. And I think this is  
18 for two reasons. Number 1, people see the Oil Spill  
19 Trustee Council and the work that it's doing as important  
20 to their particular scientific professions as a result of  
21 our presence at these meetings. And also, we have a pool  
22 of willing purveyors. These are people who are -- we ask  
23 them if we sent you an itemized review, would you be  
24 interested in reviewing it. And so that they have to be in  
25 our database as saying that they will do the review.

1                   So we, as I say, in the past, prior to FY  
2 2003, we did occasionally support scientific meetings. We  
3 have been supporting more scientific meetings and  
4 particularly upper level, trying to get more at national  
5 meetings and large regional gatherings and those sorts of  
6 things in order to increase that pool. Because the rate of  
7 no's on voluntary peer reviews is very high. So we have to  
8 have a relatively large number of people in our peer review  
9 or database in order to get the 50 to 100 peer outside peer  
10 reviewers that we normally -- that we have used in the last  
11 three years.

12                   CHAIRWOMAN PEARCE: And a scientific  
13 meeting is one where scientific papers that have been peer  
14 reviewed are presented as opposed to, I don't know, fish  
15 expo or something?

16                   DR. MUNDY: Oh, most definitely. These  
17 would be meetings that are held under the auspices of a  
18 scientific society, such as the American Fisheries Society.  
19

20                   CHAIRWOMAN PEARCE: Questions for Dr.  
21 Mundy?

22                   MR. DUFFY: Just a comment, I'm not sure  
23 it's a question for Phil at all. I do know that this  
24 event, this national event, happens very rarely in Alaska.  
25 I don't remember the last time we sponsored one. And I

1 also know from my agency standpoint and the many biologists  
2 and fisheries managers, et cetera, that we employ, this is  
3 a big deal to them and they're very supportive of this  
4 national meeting here in Anchorage. I do have kind of a  
5 question I think for the attorney. I guess Chief Executive  
6 for the Department of Fish and Game had made a decision  
7 relative to our contribution toward AFS. Does that put me  
8 in a conflict situation, sitting on the Trustee Council.  
9 If we've made a decision about supporting this, and I'm  
10 just wondering about that, whether that puts me in a -- it  
11 doesn't, okay.

12 MR. RENKES: I don't think so.

13 MR. DUFFY: Okay.

14 MR. RENKES: Because you have the same  
15 situation, a lot of research that's funded by the Council.  
16 You're also participating in or research that's done by  
17 your agency with Council funds and to the extent that  
18 that's a conflict, I think everybody from the resource  
19 agencies that, where there's cross-over work between what's  
20 funded by the Council what you do would be conflicted. So  
21 the idea of the Council originally was to have the resource  
22 agency input so that you'd have that guidance in there.

23 MR. DUFFY: Thank you, I just wanted that  
24 clarification. We as a resource agency are contributing to  
25 this as well. We thought it was a high enough priority

1 where I have the division of commercial fisheries and sport  
2 fish, even under tight fiscal constraints, have identified  
3 this as a budget component for the department.

4 CHAIRWOMAN PEARCE: Commissioner.

5 MS. BALLARD: My comments about this have  
6 to do not only with this but also about our support for  
7 AOS and PICES, which shows up in the science component of  
8 our budget. First, about this meeting, which isn't ongoing  
9 operating support for another organization but is rather,  
10 as Kevin just described, a really, only occasional  
11 opportunity for us. I would rather do the support  
12 specifically for the reasons of our joint interest in  
13 science and not force it to fit the development of the peer  
14 review network, which I'm going to get to in a minute.

15 It seems to me that on the peer review  
16 network basis, we end up spending a great deal of money in  
17 the expectation that you'll be able to make those contacts.  
18 And I'd be curious if it isn't cheaper or more effective to  
19 pay the peer reviewers. That if the right thing to do is  
20 pay the peer reviewers, I'd rather be sure the money goes  
21 directly to the pocket of the peer reviewer than to have  
22 ourselves, in the case of the others, supporting their  
23 operating budgets, which also shows up under the same line  
24 item, I think, does it not. Isn't it the same -- I don't  
25 mean the same line item but it's the same budget category.

1 DR. MUNDY: Chair, may I respond?

2 CHAIRWOMAN PEARCE: Sure. I'm sorry, go  
3 right ahead.

4 DR. MUNDY: Okay, thank you. Yes, to  
5 respond to Commissioner Ballard's concerns, I believe that  
6 the AOS item is a different sort of item. I wouldn't say  
7 it was appropriate to mix the issue of AOS support with  
8 the American Fishery Society's support.

9 MS. BALLARD: Fair enough. Then I'll just  
10 leave those comments till we get to the budget. But for  
11 this, I don't -- if we agree we want to do this, I'd rather  
12 not burden it with the peer review nexus. I'd rather say,  
13 this is an important research function that's happening and  
14 we want them to put our name up, you know, and be a  
15 sponsor. I don't mind being a sponsor of something  
16 important but I'd rather call it a sponsorship than a  
17 networking thing.

18 DR. MUNDY: Madame Chair, may I finish my  
19 comment.

20 CHAIRWOMAN PEARCE: Yes.

21 DR. MUNDY: Because I want to respond to  
22 the issue of whether or not it's cheaper to do outside peer  
23 review than to do these things. I, in each of the --  
24 including this draft work plan, the last two draft work  
25 plans, I've given my figures on the peer review of the



1 number of peer reviewers that are involved and the number  
2 of outside peer reviews that are done. And we have done  
3 that analysis based on a consulting fee of \$75 an hour,  
4 which is quite a bit less actually, it's sort of - than we  
5 were paying the old peer reviewers. And I estimate that we  
6 have received about \$300,000 in the last three review  
7 cycles and services as a conservative estimate of the  
8 amount of time that people have donated to the program.

9                   At the peak of the paid peer review, when  
10 we had a much higher volume than we have now, the cost of  
11 the peer reviewers plus the administration of the peer  
12 review, and that is paying an outside firm to do the  
13 management of those peer review, we were spending 400 to  
14 \$450,000 a year. So basically by chipping in 20 to \$25,000  
15 a year to get our name on the program and to get our name  
16 out there and to create the impression with the scientists  
17 that we are doing work that's important to them and that we  
18 are willing to support their work. As many of these  
19 professional societies run on a shoe string, even though  
20 they have big budgets for meetings because they have lot of  
21 registration, they also try to keep the registration down  
22 so that people like graduate students can afford to attend,  
23 can afford to register and be part of the program. They  
24 appreciate our contributions and also I, as I say, the  
25 bonus that we get is being able to attract a large number

1 to our peer review database. So I think that is a -- I  
2 would say that that is in fact a function of this  
3 contribution.

4 MS. BALLARD: And fair enough, I know that  
5 Phil has said that before and to me, if I heard you right,  
6 you said \$300,000 over three cycles, which would be about  
7 \$100,000 a year per cycle. And if I look carefully at the  
8 budget, which I tried to do, there's almost that amount of  
9 money, of our money, in support of other science  
10 organizations. If you pick the travel pieces out and the  
11 -- I mean, you're shaking your head but I've got them  
12 marked and, you know, there's some here and some there.

13 And for me, I'd rather pay people directly  
14 to do the work than hope that I get the good effect and  
15 have the last control. And I'm not disputing that the  
16 savings has been there, I'm simply saying that when we get  
17 to the budget, I'll have some concerns about why we're  
18 supporting other organizations. And if the principal  
19 reason is the peer review network, then I'd like an  
20 opportunity, and we'll take it when we get to the budget,  
21 to discuss that.

22 For this, I don't have any trouble with the  
23 AFM support. And I think that what Kevin and Phil have  
24 both said about the uniqueness of having this meeting here  
25 in Alaska. I know we had a food sanitation meeting here,

1 which is something important to me, and we were all so  
2 excited we could barely contain ourselves, that these  
3 people would really come to Alaska to talk about food  
4 safety, so I appreciate that. And I don't mind spending  
5 that money but my other issue I'll get to when we get to  
6 the budget.

7 CHAIRWOMAN PEARCE: Other questions? Dr.  
8 Balsiger.

9 DR. BALSIGER: Madame Chair, I'm looking  
10 forward to that discussion because I think there's problems  
11 with paying for peer review. But for the purposes of this  
12 agenda item, I would make a motion that the Trustee Council  
13 support the American Fisheries Society annual meeting in  
14 2005 with \$10,000 to be divided equally between the '04 and  
15 '05 budget.

16 MR. DUFFY: Second.

17 CHAIRWOMAN PEARCE: 10,000, not five.

18 DR. BALSIGER: 5,000 each for two years.

19 CHAIRWOMAN PEARCE: We have a motion and a  
20 second. Is there further discussion?

21 (No audible responses)

22 CHAIRWOMAN PEARCE: All those in favor,  
23 signify by saying aye.

24 IN UNISON: Aye.

25 CHAIRWOMAN PEARCE: Is anyone opposed?

1 (No audible responses)

2 CHAIRWOMAN PEARCE: The motion carries.

3 \$10,000, 5,000 each year.

4 MS. PHILLIPS: Thank you very much.

5 DR. BALSIGER: I believe that's what the

6 cover memo suggested.

7 MS. PHILLIPS: Yes.

8 CHAIRWOMAN PEARCE: Yes, sir.

9 MR. DUFFY: Just a quick clarification on

10 that. In looking over the ad previous to us getting here,

11 there was some confusion about the numbers and it looked to

12 me like there was separate requests for '04 and '05 as well

13 as the same figures covered in the admin budget but we got

14 a.....

15 MS. PHILLIPS: We've changed that.

16 MR. DUFFY: I just wanted to point out.....

17 MS. PHILLIPS: Yeah.

18 MR. DUFFY: .....that we got a supplemental

19 when we got here that clarifies.....

20 MS. PHILLIPS: Right, right.

21 MR. DUFFY: .....that it is in fact 10,000.

22 MS. PHILLIPS: Yeah.

23 CHAIRWOMAN PEARCE: That brings us to Item

24 7, discussion and approval of the request from the

25 Department of Law to transfer money to NOAA for sediment

1 sampling.

2 MS. PHILLIPS: We did receive a request to  
3 transfer the funds from Department of Revenue to NOAA and  
4 I'd ask Paula to come up and make brief comments. Gina,  
5 can you help her? Brenda, would you go get Craig please?

6 MS. BELT: One of the projects that was  
7 approved during I believe it was the May 14th meeting, '04  
8 project, there was some.....

9 MR. MEADE: You'll need to speak up if you  
10 can, I'm unable to hear you.

11 MS. BELT: In one of the projects that was  
12 approved at your May 14th meeting, there was a subcategory  
13 of analysis of certain sediment samples and the proponent  
14 of the project and I guess NOAA had a miscommunication  
15 about who was going to do the sediment analysis. And so it  
16 turns out that NOAA is willing to do the analysis but was  
17 not given the money for it. So Craig and I have initiated  
18 a transfer of the money from Department of Law to NOAA for  
19 that purpose. There's no change in the amount of money  
20 that's being spent, it's simply who is going to perform the  
21 task. I don't know that it needs Trustee Council action  
22 but if you want to ratify it, that's fine.

23 MS. BANKS: The reason why it needed  
24 Trustee Council action was because it -- the state  
25 procedural -- when the monies were authorized for the

1 project, they were given 100 percent to the state. And so  
2 in the appropriations, they have the authority to spend X  
3 number of dollars. Well, on the books it shows that  
4 they're spending the full amount that they were given.

5                   And because we're taking -- originally it  
6 should have been split. You know, part should have gone to  
7 NOAA, the other part should have gone to the state. But  
8 because it didn't, we have to back it up and it's not  
9 really an errata court notice but it's a notice to the  
10 court with documentation showing that those monies that  
11 were given to Department of Law, a portion of that is  
12 actually ending up going to NOAA. And so we're backing out  
13 that amount out of the state spending. So that's why we're  
14 coming to you for approval.

15                   CHAIRWOMAN PEARCE: We've probably just  
16 spent \$8,000 worth of time just talking about it.

17                   MS. BALLARD: What do I need to do?

18                   CHAIRWOMAN PEARCE: Mr. Duffy.

19                   MR. DUFFY: I'm going to make a motion to  
20 approve the request from the Department of Law to transfer  
21 \$8,000 to NOAA for Project 04-0772, sediment sampling.

22                   MS. BALLARD: Second.

23                   CHAIRWOMAN PEARCE: And there is a second.

24                   MR. DUFFY: Thank you. I just want to make  
25 sure for the record that we're clear and that this is

1 something that was requested by all the participants. It's  
2 more than just an errata, it is a formal action I think we  
3 should take so we should just document.

4 MS. BANKS: There is a resolution somewhere  
5 being circulated for your signature on that as well.

6 CHAIRWOMAN PEARCE: All those in favor,  
7 signify by saying aye.

8 IN UNISON: Aye.

9 CHAIRWOMAN PEARCE: Is anyone opposed?

10 (No audible responses)

11 CHAIRWOMAN PEARCE: Motion carries. Item  
12 8, reimbursement by Alaska Department of Natural Resources  
13 to the Nature Conservancy for expenses.

14 MS. PHILLIPS: I'd like Carol -- Brenda,  
15 would you go get Carol Fries please. Thanks. And this one  
16 is to cover additional costs of \$12,000 -- \$12,400 incurred  
17 by The Nature Conservancy on small parcels Knol, Nakada,  
18 McGee and Thompson and an extension to December 31st, 2004  
19 to complete the transaction. You have a memo in your  
20 packet regarding this issue from Carol Fries and I will  
21 have her go over the details on it. You're up.

22 MS. FRIES: This is the Nature  
23 Conservancy.....

24 MS. PHILLIPS: Transfer.....

25 MS. FRIES: Okay. My name is Carol Fries,

1 I'm from the Department of Natural Resources and I'm trying  
2 to find the document here. The request before you today is  
3 for approximately -- I believe it's \$12,400. I don't have  
4 it flagged here in the booklet. In March the Trustee  
5 Council approved approximately \$202,000 to be paid from the  
6 remaining grant authorization that was being managed by  
7 Fish and Wildlife Service for the habitat acquisition  
8 program.

9                   And that was based on the estimates of  
10 closing costs, existing expenses that The Nature  
11 Conservancy had incurred and expected to incur when those  
12 parcels which you authorized were transferred to the State  
13 of Alaska. Fish and Wildlife Service, because of their  
14 procurement regulations, cannot accommodate any expenses  
15 past the termination of the grant, which was September 30th  
16 of 2003, I believe.

17                   So closing costs obviously will occur after  
18 September 30th of 2003. They will occur when the property  
19 is transferred to the state. And there will be things such  
20 as -- and I have outlined those in the memo -- such as  
21 there's property taxes, there is escrow, there's title  
22 insurance. And so what we're requesting is that Fish and  
23 Wildlife Service will be paying approximately 182,000 to  
24 The Nature Conservancy. Of the 202,000 that you previously  
25 authorized, there is approximately 20,000 that Fish and



1 Wildlife Service will lapse. We anticipate needing  
2 approximately 12,000 to pay the remaining closing costs.  
3 So it will be less than the total amount that you had  
4 authorized in March.

5 But we just need to be able to have the  
6 money come through DNR and be paid to TNC at closing. So  
7 it's merely taking money that would be at Fish and Wildlife  
8 Service, shifting it to DNR so that those costs can be  
9 transferred at closing to cover TNC's expenses.

10 CHAIRWOMAN PEARCE: And any questions? Mr.  
11 Duffy.

12 MR. DUFFY: Carol, a question for you in  
13 looking over your budget that you provided for us there.  
14 If these are projected future costs, there's probably a  
15 possibility that the amount requested in TNC would be  
16 higher than the 12,404.

17 MS. FRIES: I don't think it's going to be  
18 higher, we're.....

19 MR. DUFFY: Okay.

20 MS. FRIES: The estimates, I think, are  
21 quite accurate. They may be over a little bit, I don't  
22 want to be short but I think that's adequate.

23 MR. DUFFY: Okay, I think you've responded  
24 to my question. The concern I had from an efficiency  
25 standpoint is, maybe we should, if the Trustee Council so

1 chooses, authorize a little higher so you don't have to  
2 come back to us for another 500 or a thousand dollars. But  
3 you think those projections are adequate then?

4 MS. FRIES: Yeah, I think they're fine.

5 Thank you.

6 CHAIRWOMAN PEARCE: Other questions?

7 (No audible responses)

8 CHAIRWOMAN PEARCE: Is there a motion?

9 MS. BALLARD: Move approval of the proposal  
10 from DNR to receive funds from us in order to reimburse The  
11 Nature Conservancy.

12 MR. RENKES: I'll second the motion.

13 CHAIRWOMAN PEARCE: We have a motion, we  
14 also have a second. Mr. Duffy.

15 MR. DUFFY: Clarification. Did that  
16 motion, was it intended to include the extension to  
17 December 31 of 2004?

18 MS. BALLARD: Yes.

19 CHAIRWOMAN PEARCE: We have a motion and a  
20 second. All those in favor aye

21 IN UNISON: Aye.

22 CHAIRWOMAN PEARCE: Anyone opposed?

23 (No audible responses)

24 CHAIRWOMAN PEARCE: Motion carries.

25 MS. PHILLIPS: Thanks, Carol.

1 MS. FRIES: Thank you.

2 CHAIRWOMAN PEARCE: Would the Trustees be  
3 willing to consider moving the PAC approval up previous to  
4 the internal budget so that a couple of people that I know  
5 are here for the PAC pretty well could go back to their  
6 real jobs?

7 MS. BALLARD: Certainly.

8 CHAIRWOMAN PEARCE: Does anybody mind?  
9 Could we have a motion on the agenda to that?

10 MR. DUFFY: I move to modify the agenda to  
11 take up item number 12 immediately and in concession with  
12 the previously approved agenda to provide some efficiency  
13 for those sitting in the audience waiting for this  
14 decision.

15 CHAIRWOMAN PEARCE: Do we have a second?

16 DR. BALSIGER: Second.

17 CHAIRWOMAN PEARCE: All those in favor?

18 IN UNISON: Aye.

19 CHAIRWOMAN PEARCE: Anyone opposed?

20 (No audible responses)

21 CHAIRWOMAN PEARCE: Thank you very much. I  
22 appreciate that. So that brings us to Public Advisory  
23 Committee. What's the pleasure? Do we just want a motion?  
24 Do we want you all to speak to it?

25 MS. BALLARD: Drue, I've got a list here

1 that I'd be willing to put out for consideration. I know  
2 we all had a chance to look at these and we've had a good  
3 deal of opportunity to discuss with ourselves and our  
4 staff. So with the indulgence of the rest, I'll read this  
5 slate.

6 CHAIRWOMAN PEARCE: Okay.

7 MS. BALLARD: I propose the following  
8 names, Gary Fandrei -- and excuse me if I pronounce them  
9 wrong -- Gary Fandrei, Tori Baker, Chuck Meacham, Robert  
10 Kopchak, Ron Beck, Pat Laven, Martin Robards, Ed Zeine, Ed  
11 Page, Randy Hagenstein, Stacy Studebaker, Larry Evanoff,  
12 Pat Norman, Andy Teuber, Jason Brune, Brenda Norcross, John  
13 Gerster, Mead Treadwell, Lisa Ka'aihue and Bob Patterson  
14 for consideration by the rest of the Council. And I guess  
15 we would forward those names then to the Secretary of  
16 Interior.

17 MR. DUFFY: Second.

18 CHAIRWOMAN PEARCE: We have a motion and a  
19 second. Doug, does the motion have to attach them to a  
20 particular seat or is it enough to forward the  
21 nominating.....

22 MR. MUTTER: Yeah, we need to identify what  
23 each is registered as. Do you have that?

24 CHAIRWOMAN PEARCE: We have that.

25 MR. MUTTER: If I can get that list, then

1 I'll forward that.

2 MS. BALLARD: We have it.

3 CHAIRWOMAN PEARCE: So we don't have to go  
4 back through it. Okay, perfect. So we have a motion  
5 before us, is there discussion. Yes, Mr. Duffy.

6 MR. DUFFY: Yes, I would like to, just for  
7 the record, I'd like to add that this -- there was  
8 advertisements identifying that these positions were open.  
9 There's a great deal of public interest expressed. We  
10 received resumes, some people supporting themselves, others  
11 supporting themselves with letters of reference. We have  
12 quite a bit of detail on this. The Trustee Council staff  
13 created a matrix with all the people who had applied,  
14 identifying what area of expertise they were bringing forth  
15 for consideration. In reviewing all of that information  
16 and coming forward with a list of names I think has been a  
17 very thorough job and I look forward to working with the  
18 PAC next year.

19 CHAIRWOMAN PEARCE: Any other comments?  
20 Mr. Balsiger.

21 DR. BALSIGER: Madame Chair, just also for  
22 the record, I'll note that this summer we did have a joint  
23 meeting with the PAC where we indicated to them how we  
24 intended to use the PAC, how important and useful it was to  
25 us. So this is a major issue for us to have a correct

1 selection of candidates by categories. So I look forward  
2 to forwarding these to the Department of Interior and  
3 working with them in the future.

4 CHAIRWOMAN PEARCE: Any comments? Are you  
5 ready for the question? All those in favor, signify by  
6 saying aye.

7 IN UNISON: Aye.

8 CHAIRWOMAN PEARCE: Anyone opposed?

9 (No audible responses)

10 CHAIRWOMAN PEARCE: With that, the  
11 nominations are approved by the Council and Mr. Mutter, if  
12 you would like to take this, you can go do whatever magic  
13 it is you do.

14 MR. MUTTER: Get back to my real work now.

15 CHAIRWOMAN PEARCE: I wondered who she was  
16 talking about.

17 MS. BALLARD: Your day job.

18 CHAIRWOMAN PEARCE: Yeah, right. Brings us  
19 back to Item 9, discussion and approval of internal  
20 budgets. Madame Executive Secretary.

21 MS. PHILLIPS: Okay, we'll start with the  
22 operations budget, the administrative budget, budget 100,  
23 and I'll call on Paula to come through and walk you through  
24 the operations budget.

25 MS. PHILLIPS: Would it be your intent that

1 we make one motion for the entire budget or that we do  
2 individual motions for each of the subcategories?

3 MS. PHILLIPS: It would be up to the  
4 Council how they would prefer.

5 CHAIRWOMAN PEARCE: I don't remember  
6 frankly how we've done it in the past and don't care. I'd  
7 just like somebody to tell me what they want.

8 MR. DUFFY: I'll take a shot at it. I  
9 would suggest -- I may suggest a different compilation of  
10 the administrative budgets next year but for our purposes  
11 today where we do have them broken out into specific  
12 sections, I would recommend that we approve those  
13 individually.

14 CHAIRWOMAN PEARCE: Okay.

15 MR. DUFFY: And the reason I say that is  
16 there may be, of about four of these that we have to look  
17 at approximately, there may be a bit of discussion about  
18 particular items in one of four but not affecting the other  
19 three and I wouldn't want the whole thing to not be  
20 approved because of some specific issues tailored to one  
21 section. So taking them one at a time I think will work  
22 for today.

23 CHAIRWOMAN PEARCE: Okay. So let's go to  
24 the operations section first.

25 MS. BANKS: Okay, I placed a revision in

1 front of your chairs on the table. Make sure you all  
2 received that or not. There were some slight changes made  
3 and whenever you're ready, just let me know.

4 CHAIRWOMAN PEARCE: Which -- the revisions  
5 -- I'm just making sure I have the right piece of paper in  
6 front of me. Okay, go ahead. Do we have it?

7 MS. BANKS: Okay, the proposal summary page  
8 stays as is and then the -- are yours single sided or  
9 double sided?

10 MR. DUFFY: Single.

11 CHAIRWOMAN PEARCE: Single.

12 MS. BANKS: Okay, so then the next seven  
13 pages, you can just pull out of there, that should not have  
14 gone into there at all. That was the old form. And then  
15 it starts out with GEM research plan. And on page 2.....

16 MR. DUFFY: Will this -- if I could, Madame  
17 Chair.

18 CHAIRWOMAN PEARCE: Yes.

19 MR. DUFFY: Paula, this is the handout that  
20 was in front of us when we got here today that we're  
21 referring to at this point or are we going to the no part.

22 MS. BANKS: Let me see. Let me see the  
23 front part. Yeah.

24 CHAIRWOMAN PEARCE: So we get rid of these  
25 pages.



1 MS. BANKS: Correct. Yeah, one through  
2 seven.

3 MS. BALLARD: Paula, will you be sure to go  
4 through this with Joe's staff so that his book for their  
5 records is correct?

6 MS. BANKS: Absolutely, you bet. You bet.

7 MS. BALLARD: Is it Steve that maintains  
8 them?

9 MS. BANKS: Okay.

10 MS. BALLARD: We refer to these books later  
11 and.....

12 MS. BANKS: The first section, the one that  
13 I had you remove was just a duplication basically of the  
14 one that I replaced it with. I mean, it was already in  
15 your packet. It was just an old form versus the new form  
16 when we went to the new GEM forms. On Page 2, down about  
17 to the bottom of your page, it talks about continued  
18 habitat evaluations, appraisals and negotiations with  
19 willing sellers. I left that part in there but I also  
20 included to develop and establish a policy and procedure  
21 for the habitat protection and small parcel acquisition  
22 program. Because we're in a transition period for that.  
23 That's been changed.

24 On the budget justification, on the first  
25 page where it discusses personnel issues, I made some

1 slight changes in there. I didn't change any numbers, just  
2 kind of changed some language where it was a little easier  
3 to comprehend. And then on Page 2 of 26 of the budget, the  
4 actual budget page under personnel, the justification and  
5 then the numbers in the comments section didn't quite match  
6 so I changed those numbers around. So you could replace  
7 that. Actually you could just pull that whole section out  
8 and replace it with what I put on your table.

9 MS. BALLARD: So all 26 pages come out.

10 MS. BANKS: Yeah, and you just replace it  
11 with the packet that I gave you. I was just pointing out  
12 some of the things that were changed.

13 MS. BALLARD: Okay, I've got a question  
14 about some of the -- but go ahead and finish your.....

15 MS. BANKS: Okay.

16 MS. BALLARD: .....bookkeeping, you  
17 know.....

18 MS. BANKS: Do you want me just to go  
19 through maybe some of the major changes between this year  
20 and last year or how do you want me to do that?

21 MR. DUFFY: Yeah, that would be useful.

22 CHAIRWOMAN PEARCE: I think that's probably  
23 best.

24 MS. BANKS: Some of the major changes is  
25 that the Trustee Council requested assistance in travel and

1 I included it in the admin budget by allocating funds to  
2 each individual agency. It's an estimate of what we think  
3 the number of trips will be versus, you know, and including  
4 approximately how much it will cost for each trip. There's  
5 a couple of trips that are anticipated going to be out of  
6 Anchorage. So those who live in Anchorage were given  
7 monies as well. That's one significant change.

8 Last year we were budgeted for six  
9 positions, this year it's budgeted for 4.2 positions.  
10 There were two positions, well, actually one position that  
11 was eliminated and then another position that was  
12 transferred to the science management budget. Yes?

13 MR. DUFFY: I got a quick question.

14 CHAIRWOMAN PEARCE: Go ahead, Mr. Duffy.

15 MR. DUFFY: It's probably later on but,  
16 Paula, where is the science coordinator position in?

17 MS. BANKS: The science coordinator  
18 position, I believe, is in the science management budget.

19 MR. DUFFY: Okay. All right.

20 MS. BANKS: A portion of it is in the  
21 science management budget and a portion of it is in NOS  
22 grant budget.

23 MR. DUFFY: Okay.

24 MS. BANKS: There appears to be a decrease  
25 in personnel however the decrease is slight in comparison

1 to the number of employees that -- you know, the number of  
2 people employed has changed. There's been an increase in  
3 parking and just the general cost of living. Cost of  
4 utilities and that sort of thing.

5                   The American Fisheries Society meeting  
6 support costs are included in the operational budget. And  
7 originally there was \$10,000 in there. You approved that  
8 for 10,000 total, 5,000 coming out of the '04 budget and  
9 5,000 coming out of the '05. So there will need to be  
10 adjustment made there. It's on Page 426. So that will be  
11 5,000 instead of 10,000. So reduce that amount by that, by  
12 5,000 under contractual. And the rest is pretty  
13 straightforward.

14                   MS. BALLARD: Drue.

15                   CHAIRWOMAN PEARCE: Yes, I'm sorry. First  
16 Commissioner Ballard and then Mr. Meade.

17                   MS. BALLARD: Paula, I'm glad you replaced  
18 the pages describing the small parcel project. Are we  
19 going to get a report of the proceedings of the sub-  
20 committee or the committee you had this summer?

21                   MS. BANKS: I'm going to turn that over to  
22 Gail.

23                   MS. PHILLIPS: You will. We got bogged  
24 down trying to get all of this out. But we have had a  
25 couple of meetings and will have another meeting to put

1 together a proposal to bring to the Trustees, hopefully in  
2 the December meeting.

3 MS. BALLARD: And there's adequate funds in  
4 here to be sure that that happens.

5 MS. PHILLIPS: Yes.

6 MS. BALLARD: Whatever -- somebody  
7 considers that part of their paid job?

8 MS. PHILLIPS: Yeah.

9 MS. BALLARD: Good. All right.

10 CHAIRWOMAN PEARCE: And Joe.

11 MR. MEADE: Paula, in the budget as I read  
12 through it, and if I'm not in the right section, just let  
13 me know and I'll cue when it comes up appropriately. But  
14 is this the section where it also discusses the collection  
15 agreement and compensation to liaisons to the Trustees from  
16 some of the agencies?

17 MS. PHILLIPS: No.

18 MR. MEADE: No.

19 MS. PHILLIPS: That's the 250 budget.

20 MR. MEADE: Okay, I'll wait till then,  
21 thanks.

22 MS. BANKS: Okay.

23 CHAIRWOMAN PEARCE: Other questions on the  
24 operations? Mr. Duffy.

25 MR. DUFFY: Just to confirm. So there are

1 no vacant positions or additional positions anticipated for  
2 the fiscal year under this budget?

3 MS. BANKS: Correct.

4 MR. DUFFY: Okay, thank you.

5 CHAIRWOMAN PEARCE: Other questions? Dr.  
6 Balsiger.

7 DR. BALSIGER: So, think a minute, Drue,  
8 this is a -- these budget pages reflect the intention of  
9 paying increased salaries to staff so I'm not sure this is  
10 -- I'm treading on the edge of what might be personnel  
11 issues. But does this constitute the Trustee's approval of  
12 pay raises that you recommend based on some performance  
13 evaluation that you did?

14 MS. PHILLIPS: Yes.

15 DR. BALSIGER: So there is actual  
16 performance evaluation for each of these people so that we  
17 would know that they were successful and that's what lead  
18 to these increased.....

19 MS. PHILLIPS: Right.

20 DR. BALSIGER: Thank you.

21 MS. BANKS: Not all of the positions.....

22 MS. PHILLIPS: Not for me.

23 MS. BANKS: .....have been increased. Some  
24 of these are an anticipated increase based on a successful  
25 evaluation performance, yeah.

1 MS. BALLARD: Did we decide then we were  
2 going to move each of these one by one?

3 DR. BALSIGER: I believe we decided we'd  
4 approve this package.

5 MS. PHILLIPS: Yes.

6 DR. BALSIGER: This whole thing, 26 pages.  
7 (Whispered conversation)

8 CHAIRWOMAN PEARCE: I guess it's probably  
9 inappropriate for us to have a side conversation. It seems  
10 that the personnel component here, that by approving the  
11 budget, we're also taking a personnel action and is that  
12 what was intended or is there a still a role that you seek  
13 from the Trustees in personnel action. Because you just  
14 said, sort of half under your breath, not for you.

15 MS. PHILLIPS: Well, that mine hadn't been  
16 done yet. My evaluation hadn't been done yet.

17 CHAIRWOMAN PEARCE: And maybe you're the  
18 wrong person.....

19 MS. PHILLIPS: It's anticipated being done.

20 CHAIRWOMAN PEARCE: .....to ask but is  
21 there an anticipation in here that there would be funds put  
22 aside but that doesn't commit us to a course of action?

23 MS. PHILLIPS: That is correct.

24 CHAIRWOMAN PEARCE: So the budget component  
25 that's specifically Gail's is, we're approving a budget but

1 we haven't yet made the commitment to Gail for the increase  
2 until there's some second.....

3 MS. BANKS: Correct.

4 CHAIRWOMAN PEARCE: .....action process.

5 MS. BANKS: If that doesn't follow through  
6 then what will happen is that there will be funds left. So  
7 we won't utilize all the funds that are projected. This is  
8 just a projection.

9 MR. RENKES: Gail, what is the process for  
10 that?

11 MS. PHILLIPS: After our meeting today  
12 there will be an evaluation.

13 MR. RENKES: Oh, it's going to happen  
14 today?

15 MS. PHILLIPS: Well, if it's -- if we're  
16 not too late.

17 CHAIRWOMAN PEARCE: Well, in the past  
18 there's been a -- there were -- we used to do sub-  
19 committees that did an evaluation. Mr. Duffy, are you  
20 trying to speak to that?

21 MR. DUFFY: Yes, Madame Chair.

22 MS. BALLARD: Let him talk.

23 MR. DUFFY: We have a sub-committee, it's  
24 Dr. Balsiger and I are the sub-committee.

25 MR. RENKES: Okay.



1 MR. DUFFY: And we were anticipating a  
2 performance evaluation discussion with Gail this afternoon  
3 if we can get it done. If not, we'll probably have to do  
4 it over the phone. She did provide us with a summary of  
5 what she saw as her accomplishments during the year so  
6 we're prepared to engage in that discussion. So I guess  
7 what we're saying is, on the budget, that needs to occur in  
8 a positive fashion in order for us to be endorsing this  
9 budget change.

10 DR. BALSIGER: Madame Chair.

11 CHAIRWOMAN PEARCE: Dr. Balsiger.

12 DR. BALSIGER: I realize now I was  
13 presumptive in assuming that I would sit on this evaluation  
14 sub-committee on behalf of the federal trustees. So I'm  
15 willing to share that responsibility with other federal  
16 trustees should they want to. But I was prepared to do the  
17 evaluation with Mr. Duffy this afternoon.

18 CHAIRWOMAN PEARCE: I think when we did the  
19 search for an executive director we gave you that job in  
20 perpetuity.

21 MS. BALLARD: That's what you get for doing  
22 a good job, Jim.

23 DR. BALSIGER: Only as long as the GEM  
24 model runs, if that's not perpetual then.....

25 MR. DUFFY: Madame Chair, I've got one

1 other one and.....

2 CHAIRWOMAN PEARCE: Mr. Duffy.

3 MR. DUFFY: .....I don't know if we're  
4 crossing over into personnel issues. I don't think I am at  
5 this point but when you see the list of positions, the way  
6 that the state system works that they're tied to, you get a  
7 step increase annually if you do positive work. There is  
8 one situation here on the list here where in fact it's a --  
9 I believe an override situation which is treated a bit  
10 differently.

11 MS. PHILLIPS: It is because that person --  
12 in fact we have two employees -- are at the top of their  
13 range for their steps. So then the question is, do you  
14 take them up to the next level on it rather than holding  
15 them at no increase in salary.

16 MR. DUFFY: That's correct but I just  
17 wanted the Trustee Council to know that we're doing that.  
18 So essentially they're in a longevity situation, is that  
19 same.....

20 MS. PHILLIPS: Right.

21 MR. DUFFY: Okay.

22 MS. BANKS: Did you want me to go through  
23 each individual one or -- because there's more than just  
24 the one potential increase? Or how do you want me to do  
25 that?

1 CHAIRWOMAN PEARCE: Do you want to go  
2 through each increase?

3 MS. BALLARD: No. No, I guess I don't know  
4 how the rest feel. I'm prepared to make a motion that we  
5 approve this budget with the explicit understanding that  
6 this is a budget and not a personnel action and that any  
7 necessary steps for personnel actions be conducted  
8 appropriately.

9 DR. BALSIGER: Second.

10 CHAIRWOMAN PEARCE: There is a motion on  
11 the table with a second. Is there discussion?

12 (No audible responses)

13 CHAIRWOMAN PEARCE: All those in favor  
14 signify by saying aye.

15 IN UNISON: Aye.

16 CHAIRWOMAN PEARCE: Anyone opposed?

17 (No audible responses)

18 CHAIRWOMAN PEARCE: Motion carries. And  
19 that brings us to project management.

20 MS. PHILLIPS: And project management  
21 budget, I would ask Paula to stay at the table.

22 MS. BANKS: Project management under the  
23 project management tab. Do you want me just to go  
24 through.....

25 CHAIRWOMAN PEARCE: Yes, please.

1 MS. BANKS: Project management of course is  
2 the oversight of all the projects that have been authorized  
3 in '04. And the figures include the anticipation of what  
4 the Executive Director considered projects to be funded in  
5 FY 05. And on Page 1 of the budget justification I have  
6 split out to each individual agencies the number of  
7 projects that are continued from '04 and the number of  
8 projects that are new in '05.

9 In years past, the way project management  
10 was figured was each agency that had oversight of a project  
11 received one month's salary funding for each project they  
12 responsible for. Last year and I believe the year before  
13 that there was some very complicated formula whereby it was  
14 based on the number of projects divided by the dollars that  
15 they received, divided by the number of dollars that was  
16 out -- it was crazy.

17 So I went back to the simple method of  
18 doing one month funding for each project that was  
19 recommended for funding. Because '04 was the first year we  
20 did multi-funding projects, each agency is -- they still  
21 have projects to be funded, even if there aren't any  
22 projects recommended for funding in '05. Fish and Game has  
23 12 projects from '04 and the Executive Director is  
24 recommending funding for 11 new projects, which would give  
25 them a total of 23 projects.

1                   And the rest is basically self explanatory.  
2 NOAA seven projects from '04 and eight projects from '05,  
3 giving them a total of 15 and so on. Now it's one month of  
4 funding for every project approved up to one year. And  
5 what would be done in the case that -- these budgets would  
6 be sent out to each individual agency and let's say, for an  
7 example, like Fish and Game has 23 projects, if they came  
8 back to us and said, there's like no way we can handle all  
9 these projects with just 12 months worth of funding, we  
10 need an assistant or we need, you know, someone on a part-  
11 time basis to assist or whatever. And then they would  
12 propose, you know, an increase over 12 months and then that  
13 would be presented to the Council and they would have an  
14 option to either approve or deny.

15                   So it's up to 12 months funding. And they  
16 would also receive general administration funds, which the  
17 general administration funds basically covers the  
18 accounting, you know, the person who answers the phone, you  
19 know, the person who deals with the paperwork. It's just  
20 the overhead expense of that.

21                   And the Department of Law has opted to  
22 waive their privilege of accepting any project management  
23 funds at this time but has agreed to maintain their reports  
24 and oversight. Yes, Joe.

25                   MR. MEADE: This is where I wanted to ask a

1 question and it's not to suggest a different process for  
2 this budget submittal or request.

3 MS. BANKS: Okay.

4 MR. MEADE: I would offer that agencies  
5 that don't necessarily have projects such as the Forrest  
6 Service still have staff responsibility. I know Steve  
7 Zemke spends at least one-twelfth of his work here in doing  
8 the necessary review of projects, the review of budgets,  
9 the review of project submittals and his briefings to  
10 myself so that we're able to be staying fully engaged in  
11 the -- a variety of activities that EVOS does. So I don't  
12 know that just funding based on project is an equitable way  
13 to make that decision. Again, I flag it but I don't feel  
14 it's an issue that needs to be resolved today as it relates  
15 to this budget submittal.

16 MS. BANKS: Okay.

17 MR. MEADE: I thought we had discussed that  
18 actually at our very recent board meeting. I was surprised  
19 to see it didn't come forward with any different solution.

20 CHAIRWOMAN PEARCE: Commissioner Ballard.

21 MS. BALLARD: I don't recall discussing it.  
22 Had it been brought up, I would have chimed in and agreed  
23 that the challenge to the non-project management agencies,  
24 which are Joe's and mine, of keeping up with this stuff is  
25 huge, huge. And if we're going to be good trustees, we're

1 basically using state general fund -- I don't know what  
2 you're using but I'm using state general fund money to  
3 support the analytical work the we do.

4 MR. MEADE: Could I use the state general  
5 fund?

6 MS. BALLARD: No.

7 MR. MEADE: The National Forrest System  
8 would appreciate it.

9 MS. BALLARD: Yeah, I'm sure they would but  
10 it is a big responsibility and in fact that work being  
11 performed by Pete and Brett is over and above what this is  
12 compensation for. Because this is compensation  
13 specifically for these actual ongoing research projects.

14 CHAIRWOMAN PEARCE: True.

15 MS. BALLARD: The staffing to the Council  
16 is unaccounted for anywhere. And Drue, for that matter, I  
17 guess.

18 MR. RENKES: I have a hard time hearing  
19 down here, so what's the proposal?

20 MS. BALLARD: We haven't made one.....

21 MR. RENKES: Oh, okay.

22 MS. BALLARD: .....we're just whining right  
23 now. This is sort of.....

24 MR. MEADE: We're officially whining that  
25 in the past we talked about support provided by each of our

1 agencies towards the separate that's not accurately  
2 captured here. And recognizing this is not probably the  
3 right forum for making a change, I wanted to send a flag up  
4 the pole that we need to look at this as a policy issue as  
5 a board to discern if we should be compensating employees.  
6 Right now Steve Zemke, a National Forrest Employee in  
7 National Forrest pay is, you know, contributing  
8 significantly from the Chugach National Forrest budget for  
9 the purposed of EVOS that's not charging as work. And I  
10 hear Ernesta stating the same with DEC.

11 CHAIRWOMAN PEARCE: I would -- well, we  
12 don't have a motion on the table, correct?

13 MS. BALLARD: Till you make one.

14 CHAIRWOMAN PEARCE: I can't make a motion  
15 but I have a suggestion. My suggestion would be that we  
16 ask Paula to survey the agencies, and not forget the  
17 Department of Justice, to get a feel for the amount of time  
18 that our staff, outside of managing projects that our staff  
19 works on EVOS related activities, as a course of business.  
20 And certainly we each probably have some level that goes  
21 above and beyond just the project management. I'm sure we  
22 do.

23 And perhaps at the December meeting, bring  
24 back the survey results and if there's a suggestion that  
25 the Executive Director might have for some sort of



1 compensation for those activities, I think we're going to  
2 be surprised at how much time is spent, and if indeed it  
3 was rational for the Council to pay for travel for the  
4 Trustees then I think it's only rational to also reimburse  
5 agencies for the amount of time that's spent.

6                   This work doesn't come free to either the  
7 state or the federal agencies. That is above and beyond  
8 the project management. I think the system we have set up  
9 for project management is probably fairly adequate. You  
10 might not believe so but it would seem to be. Dr.  
11 Balsiger.

12                   DR. BALSIGER: Are you thinking including  
13 cost adjustment for the Trustee's salaries for that time  
14 that the Trustees spend on these materials?

15                   CHAIRWOMAN PEARCE: We trustees, no.

16                   MS. BALLARD: No.

17                   CHAIRWOMAN PEARCE: Your Trustee  
18 responsibility.....

19                   MR. MEADE: Staff assistance.

20                   DR. BALSIGER: Comes with the territory.

21                   CHAIRWOMAN PEARCE: .....I think in  
22 each case comes with the territory of the decisions that  
23 have been made.

24                   DR. BALSIGER: Well, I'm somewhat relieved  
25 to hear that but I'm still wondering about the accounting

1 nightmare of, for example, Department of Justice attorney  
2 and how that gets back into the system. But I guess that  
3 the survey probably is fine to do.

4                   CHAIRWOMAN PEARCE: Well, I actually wasn't  
5 thinking so much that we try to do an accounting and decide  
6 how to figure out how to send Department of Justice an  
7 hours worth of compensation for work that Gina does, I was  
8 thinking more in terms of figuring out what on an  
9 annualized basis, what's the best guesstimate of how much  
10 of her time we take. And then we perhaps, if we so choose,  
11 we perhaps actually send Department of Justice that amount  
12 of money ahead of time and to each of our agencies too, to  
13 cover the costs that are above and beyond project  
14 management for your staff and Joe's staff and everybody  
15 else's staff.

16                   Because I do think we have an inadequate  
17 situation set up and it would be useful to know what we're  
18 spending.

19                   MS. BALLARD: Spoken as a good missions and  
20 measures advocate.

21                   CHAIRWOMAN PEARCE: There you go. But our  
22 positions are -- the departments are designated in  
23 individual -- you know, your secretary decides who it's  
24 going to be as a designee, so.....

25                   MR. RENKES: How does -- Brett, with the

1 Department of Law right now, do we have a reimbursable  
2 services agreement with EVOS. Are we billing you for our  
3 time?

4 MS. BANKS: No.

5 MS. BANKS: Is Craig billing his time?

6 CHAIRWOMAN PEARCE: I don't think so.

7 MS. BANKS: No. No, you've opted not to.

8 MR. RENKES: I just didn't realize that.  
9 We do -- you know, most of our client.....

10 MS. BALLARD: Welcome to the problem. Now  
11 he's going to wake up down there.

12 MR. RENKES: Most of our client agency, I  
13 just figured we -- you know, on the legal side, since most  
14 of the work that we do is billed to other state client  
15 agencies, I assumed that we were billing EVOS. So thanks,  
16 Joe, because I.....

17 MS. BALLARD: You are. You're billing all  
18 the state agencies for the work you're doing on EVOS  
19 because it's in your overhead rate. If you're not billing  
20 it directly it's.....

21 MR. RENKES: That's -- okay.

22 MS. BALLARD: So basically -- I mean, in  
23 fairness, the rest of the state budget is paying the  
24 expense that you're not billing directly. And that's my  
25 dilemma too.

1                   MR. RENKES: Well, that's not necessarily  
2 true -- or to get into the weeds on this but we have a  
3 significant general fund component that we just take on  
4 obligations like this and eat that, that don't go into our  
5 overhead rate.

6                   MS. BALLARD: Then it's general fund, which  
7 is what mine is. Because I couldn't put it any place else.  
8 So basically the state general fund, without revealing that  
9 to the legislature or anybody else, is picking up it. And  
10 I think if you did add it up, it's a lot of money. It's an  
11 undisclosed large amount of money.

12                   MS. PHILLIPS: We will prepare something  
13 for the December meeting.

14                   MR. DUFFY: If we did that information in  
15 front of us today, if I'm understanding the cycle, this  
16 would be the point in time where we would makes some  
17 suggested modifications to the project management budget  
18 for the year to address it, correct?

19                   MS. BANKS: Yes. Yes.

20                   MR. RENKES: You know, as we work, I'd like  
21 to maybe work toward, instead of waiting for some kind of  
22 audit, you know, we're not billing the time of the lawyers  
23 as we work on some of the issues that we've raised here.  
24 Yeah, I'd like to give the authority to the Executive  
25 Director to enter into these more traditional reimbursable

1 services agreements with Justice and the Department of Law  
2 because, you know, at least in those two cases, they're not  
3 supporting me so much in my role as a trustee with here,  
4 they're actually supporting the work of the Trustee Council  
5 and the staff on the issues that come up.

6                   So they're almost staff of the Council and  
7 I think we ought to have -- and, you know, we could easily  
8 -- we have a rate and we -- I know Justice and Law -- I  
9 think Justice does but you record your time, don't you?  
10 Yeah. We record our time. So we have a, you know, already  
11 a structure in place for doing it, it's just almost an  
12 aberration that we're not billing EVOS for the time that we  
13 spend supporting the staff and the work of Gail and the  
14 Council.

15                   CHAIRWOMAN PEARCE: We could then eat into  
16 our budget pretty quickly. Mr. Duffy.

17                   MR. DUFFY: Just so as an interim measure  
18 if we do this survey and talk to the agencies represented  
19 here, including Department of Law, we would have a handle  
20 on those costs for the December meeting. I think that's  
21 what we're asking Gail to get a handle. Then you could  
22 propose something to address your situation at that point.  
23

24                   MR. RENKES: I guess I don't understand why  
25 we'd want to wait. It's just that.....

1                   CHAIRWOMAN PEARCE: We want to know how  
2 much we're getting for free from you before we approve  
3 going into an agreement.

4                   DR. BALSIGER: Or how much it costs. We  
5 might stop asking you questions.

6                   CHAIRWOMAN PEARCE: Yeah, right. Mr.  
7 Meade.

8                   MR. MEADE: I just wanted to ask Gregg if  
9 he would be also including our office of general counsel in  
10 that select group of legal advisors that are looking to  
11 find avenue for quick compensation here. We also have.....

12                  MR. RENKES: Well, I was trying to separate  
13 folks that are directly supporting the work of the staff  
14 and the Executive Director and the Council as a whole  
15 versus.....

16                  MR. MEADE: Versus OGC which is more  
17 representing the Department of Agriculture's.....

18                  MR. RENKES: Right.

19                  MR. MEADE: .....legal interest, okay.

20                  MR. RENKES: Right, right. And a distinct,  
21 just like we pay the staff of the Trustee Council, you  
22 know, the federal and state support that's directly  
23 provided to the Trustee Council as a whole as opposed to an  
24 individual trustee should be paid. I don't think it's, you  
25 know, some astronomical number. Because I know Craig is

1 the only one doing this and he's working on a lot of other  
2 things for DEC and other client services. A portion of his  
3 time.

4 MR. MEADE: I'm in general concurrence with  
5 you, I just wanted to understand how you saw our different  
6 departments of office to general counsel. I would presume  
7 I would ROGC just the same as my special assistant would  
8 both audit their time accordingly and follow suit with the  
9 Executive Director's effort separate from your suggestion  
10 as it relates to the legal advisors that are directly  
11 working on behalf of the Executive Director.

12 MR. RENKES: And the Council, yeah, as part  
13 of the settlement agreement.

14 CHAIRWOMAN PEARCE: I know for example in  
15 the past the Department of Interior's solicitors have done  
16 some negotiations and the actual writing on some of the  
17 earlier purchase agreements. So there was a substantial  
18 cost in some cases.

19 Jim.

20 DR. BALSIGER: We have general counsel in  
21 Juneau that advising me from time to time on things that  
22 would not fall into this category but Craig O'Connor, who  
23 was also general counsel has provided advice to the whole  
24 group, so I presume you're looking at his time as well, an  
25 estimate.

1 MR. MEADE: Madame Chair.

2 CHAIRWOMAN PEARCE: This is going to be a  
3 fun survey.

4 MR. RENKES: Well, can we give the  
5 Executive Director the authority to sort this out and to  
6 the extent that there's work being, particularly legal work  
7 being requested or provided in the support of the work of  
8 the staff and the Trustee Council on a day to day basis,  
9 that just like any other agency, you have the opportunity  
10 to work out some kind of reimbursable services arrangement  
11 with the folks providing that support. And then separately  
12 we do an accounting of each agency and how much, you know,  
13 time and effort work staff is spending supporting the work  
14 of the Trustee. Was that your proposal, Joe, that you  
15 were.....

16 MR. MEADE: Yeah.

17 MR. RENKES: Yeah, and we do it for the  
18 December meeting, two different problems.

19 MR. MEADE: And to be clear, if I may, the  
20 last I am -- is worried about overly bureaucratic,  
21 cumbersome processes. More principally it's an audit  
22 principle we should be able to identify where work is  
23 accomplished and charge this work. And we're really not  
24 following that financial control, so.....

25 CHAIRWOMAN PEARCE: Ms. Banks, you have a



1 comment?

2 MS. BANKS: Yes. Procedurally it would be  
3 a lot cleaner to just amend the 250 budget and give each  
4 agency a dollar figure based on, you know, the percentage  
5 of their time and the estimated salary of the individual  
6 who would be providing the assistance to the Council.

7 CHAIRWOMAN PEARCE: So we can approve the  
8 budget today and amend it in December? That's probably the  
9 cleanest -- but that doesn't speak to the Attorney  
10 General's request, which is that we just generally give  
11 Executive Director the authority to enter into an agreement  
12 for those legal services.

13 MS. BANKS: Or there could be an  
14 anticipated, you know, number of hours with your  
15 administrative department. I know, I can't remember  
16 exactly what it was and I won't tell you what the figure is  
17 but, you know, based on the percentage or number of hours  
18 you anticipate giving throughout the year and.....

19 MR. RENKES: Yeah, we just -- that's what  
20 we usually do. We just negotiate an agreement with you and  
21 it would have a cap on it then we'd bill against that cap.

22 MS. BANKS: Right or I could just put it  
23 into the budget and then it would be sitting in your system  
24 and you'd be able to access it that way.

25 MR. RENKES: Right.

1                   MS. BANKS: Rather than going through the  
2 route of submitting an invoice and then going through that,  
3 it would be less cumbersome. But we could do it either  
4 way.

5                   CHAIRWOMAN PEARCE: So that means it's back  
6 to the.....

7                   MR. RENKES: Do you have the authority to  
8 figure that out or do we have to take some action with  
9 respect to the budget?

10                  MS. BANKS: To figure what out?

11                  MR. RENKES: To sit down, get whatever the  
12 cap is that would applicable to the law or -- Department of  
13 Law or Department of Justice and enter into an agreement.  
14 Do you have that authority or do you need us to do  
15 something now with respect to the budget to have that  
16 authority?

17                  MS. BANKS: There would have to be -- the  
18 Council would have to approve funds for that, yes. And so  
19 it would be the same as to whether or not -- you know, it  
20 would be the same thing. Yeah, either amending this or  
21 approving additional funds to, you know, to do a contract  
22 with the Department of Law.

23                  MR. RENKES: Okay.

24                  MS. BALLARD: Can't it then wait, all wait  
25 till December after Gail does her homework?

1 MR. RENKES: Okay, we'll put an agreement  
2 together and have it for December.

3 MS. BALLARD: I'm never going to buy a used  
4 car from you, you drive a hard bargain. I want the money  
5 now.

6 CHAIRWOMAN PEARCE: That brings us back to  
7 the project management budget that is before us, which we  
8 anticipate we'll be amending in December but we do have  
9 this one.

10 MS. BALLARD: So we have a motion on the  
11 floor.

12 CHAIRWOMAN PEARCE: We don't have a motion  
13 yet. I don't think.

14 MS. BALLARD: I made a motion.

15 CHAIRWOMAN PEARCE: Oh, did you, I'm sorry.

16 MS. BALLARD: Oh no, no. That was the  
17 other one.

18 CHAIRWOMAN PEARCE: No, not on this one.  
19 You did on the other one.

20 MS. BALLARD: I'm sorry, yeah, Paula still  
21 isn't.....

22 CHAIRWOMAN PEARCE: Paula.

23 MS. BANKS: One other thing when  
24 considering approval of this budget, the anticipated  
25 projects that the Executive Director recommended for

1 funding are included in these figures. So just wanted to  
2 make you aware of that.

3 CHAIRWOMAN PEARCE: So they may be high.

4 MS. BALLARD: Paula, don't I understand  
5 that the actual remittances would be based on the number of  
6 projects that come in to -- that aren't approved. I picked  
7 up what you just said, that there are -- the entire set of  
8 proposed projects is in here so if any less than that, the  
9 budget would exceed the prospective actual reimbursement.  
10 But did I not also understand you to say that it was on an  
11 actual billed basis or an actual.....

12 MS. BANKS: No, it's not on an actual  
13 billed basis. These monies that are in this budget will  
14 actually be taken and given to that agency and then they  
15 will charge their salaries against that lump of money. So  
16 for an example, Fish and Game has 12 projects from '04,  
17 they're going to get 12 months of funding if this budget is  
18 approved. NOAA has seven projects from '04. If nothing is  
19 approved in '05, they'll get at least seven months salary.  
20 If any additional projects are approved for '05, those  
21 projects will be added to their number of projects that  
22 they have to approve and they'll receive additional one  
23 month salary for each project that it's approved in '05.

24 MS. BALLARD: So you'd have to have an  
25 approved project before you up the ante.

1 MS. BANKS: Correct.

2 CHAIRWOMAN PEARCE: But you can still  
3 approve it as is.

4 MS. BALLARD: You can approve it as is  
5 because it doesn't commit you to any number of approved  
6 projects.

7 MS. BANKS: Correct.

8 MS. BALLARD: Yes, that's what I  
9 understood.

10 MS. BANKS: And we -- you know, I can  
11 adjust it based on the number of projects that are  
12 approved.

13 MR. MEADE: Per agency.

14 MS. BANKS: Per agency, exactly.

15 CHAIRWOMAN PEARCE: Okay. Further  
16 discussion?

17 MS. BANKS: If I get your blessing to do  
18 that.

19 MS. BALLARD: So move approval of the  
20 project's budget.

21 MR. MEADE: I second it.

22 CHAIRWOMAN PEARCE: We have a motion and  
23 second. Seeing no discussion, all those in favor say aye.

24 IN UNISON: Aye.

25 CHAIRWOMAN PEARCE: Anyone opposed?

1 (No audible responses)

2 CHAIRWOMAN PEARCE: Motion carries with the  
3 expectation that we'll have an amendment before us at the  
4 December meeting. That brings us to data management.

5 MS. PHILLIPS: And I would call on Rob  
6 Bochenek to come up and go through the data management, our  
7 data manager. Thanks, Paula.

8 MR. BOCHENEK: Hi.

9 CHAIRWOMAN PEARCE: Hi.

10 MS. BALLARD: Hi.

11 MR. BOCHENEK: I thought maybe it would be  
12 important to kind of discuss some of the responsibilities  
13 and duties of data management before I got into the budget.  
14 Basically I think there's four specific responsibilities  
15 that are actually performed by data management in the EVOS  
16 Trustee Council. That includes specifically the primary  
17 responsibilities to create a data archiving system for all  
18 the data produced from EVOS sponsored projects.

19 Secondly, network, robust -- a robust, a  
20 creation of a kind of robust network system for the office.  
21 We're charged with keeping file servers, web servers and  
22 various internet servers and things like that up and  
23 running. Doing the research on these pieces of equipment  
24 and also performing the procurement processes and  
25 documenting these things and keeping patches and everything

1 kind of running smoothly.

2                   Our third responsibility is specific to  
3 user support. We assist EVOS staff in utilizing the  
4 technology that they do just to perform their jobs and  
5 assist them in finding new technology, getting training for  
6 the products that they need to do and basically just help  
7 assist the staff in performing their jobs.

8                   The fourth responsibility is actually  
9 modeling the business processes associated with the EVOS  
10 business cycle. This is where a lot of the development  
11 has occurred in the last year. In order to kind of  
12 expedite all this administrative kind of jobs that we've  
13 all been doing, we've been attempting to create some type  
14 of centralized system that tracks proposals as they come in  
15 the door in response to our RFP all the way through the  
16 various ratification processes and then modeling the  
17 various management criteria that we have to follow after  
18 those proposals get funded. And this includes electronic  
19 documents, funding distributions per agencies, basic  
20 budgetary documents. Everything that's basically included  
21 in the work plan was actually generated from a database.

22                   This system right now is enabled through  
23 the web, through three specific types of interfaces. You  
24 have an internet, intranet and an extranet. Right now the  
25 internet and the intranet have been created. These are

1 systems which allow -- the internet is a system which  
2 allows the public to view various information that we  
3 produce and documents and just view the status of the GEM  
4 program in general.

5                   The intranet is a web system that's limited  
6 to -- its accessibility is limited to within the EVOS  
7 office, so it's for staff here. It's a common place for  
8 all of us to basically store information concerning  
9 proposals. It gives you accountability in terms of your  
10 job and basically your various responsibilities. And also  
11 offers a management tool in that you can observe the flow  
12 of information and basically assess how people are  
13 performing their jobs and recording the various management  
14 aspects of each project.

15                   The extranet is the next phase of the  
16 development of this business system. And what it's going  
17 to include is a web space for liaisons and Trustee Council  
18 members to access on the web and to be able to monitor the  
19 status of projects, proposals, information, budgetary  
20 figures and so forth. We're looking to deploy the  
21 extranet, which is for people outside of the office, but  
22 limited to people who have log ins. Probably within about  
23 six months.

24                   If there's any questions on the duties, I  
25 could answer those or I could go straight to the budget.



1 CHAIRWOMAN PEARCE: Mr. Duffy.

2 MR. DUFFY: Yeah, Rob, just a quick  
3 question for you on the intranet. I know it's something  
4 we've been working on in our department but do you have a  
5 -- does the organization have a set of internal protocols  
6 on what your posting requirements on your intranet?

7 MR. BOCHENEK: Posting requirements on the  
8 intranet.

9 MR. DUFFY: Intranet.

10 MR. BOCHENEK: Okay, I'm unfamiliar with  
11 posting requirements.

12 MR. DUFFY: Well, you said that it was --  
13 the intranet was a tool you could use to track what the  
14 employees are doing and what issues they're working on and  
15 I'm just wondering if there's a set of rules about the type  
16 of information they provide on the intranet.

17 MR. BOCHENEK: Oh, absolutely. It's all  
18 quality controlled, quality assured. You're only allowed  
19 to enter in specific information. It's not just -- it's  
20 not like a Word document, it's actually pages and database  
21 structures that are set up to model the various processes  
22 that each project goes through. Like final reports,  
23 tracking deliverables, things like that.

24 What we've run into in the past is most of  
25 this information has been tracked individually in

1 spreadsheets and in people's own filing mechanisms. And  
2 so, when for instance, there's a staffing change or for  
3 instance when a staff member is out of the office, it's  
4 very hard to track down this information and determine what  
5 type of methods were used to track this information. But  
6 this is a common informational web space that everyone can  
7 understand but you actually have your own specific area  
8 where you're responsible for the information but you have  
9 access to all the information, so.....

10 MR. DUFFY: Thank you, I appreciate that  
11 explanation and the language posting requirements was my  
12 language only. I know it probably doesn't fit in with what  
13 you do for a living.

14 MR. BOCHENEK: Can I go on to the budget?

15 CHAIRWOMAN PEARCE: Yes, please.

16 MR. BOCHENEK: Okay. We've been trying  
17 really hard to reduce costs and be as economical as  
18 possible in terms of data management. And we, by --  
19 coordinating with other research entities for the purchase  
20 of certain scientific hardware, we were able to kind of  
21 share the cost on some of our equipment purchases. The  
22 National Pacific Research Board contributed around four --  
23 I think \$3,000, covering about a third of the cost of a  
24 data server which is going to house all of our MEGADATA  
25 concerning the data being collected by EVOS sponsored

1 projects. And it's creating protocols and standards for  
2 MEGADATA that are going to be combined with both AOS,  
3 NPRB, AYK and GEM.

4                   We're looking to develop this system using  
5 open source database technology. The reason why we're  
6 doing this is it's a lot more difficult to work with but  
7 the products that we produce in GEM data management we feel  
8 should be distributable and given away for free to help  
9 assist other agencies deal with their data management  
10 problems.

11                   I'll go specifically to personnel and line  
12 by line on just budget categories. Right now we have 1.3  
13 FTE's allotted for personnel. The reason why the one-third  
14 is nine months the salary for the analyst programmer  
15 position is going to be funded through the NOS grant and  
16 take specifically out of science management budget. So the  
17 cost for this position has actually moved to science  
18 management. So I just -- make sure that you guys aren't  
19 confused, you probably were not.

20                   Travel, we've reduced by about \$3,000.  
21 Most of this travel is for attending professional  
22 conferences and also we're traveling down to get some  
23 specific training on this open source software that we're  
24 going to be employing on our data server. The course and  
25 travel down for this instructional course is going to run

1 around \$4,000 for each analyst, the analyst programmer and  
2 myself, the data manager. The reason why it's so expensive  
3 is there's not any type of training like this offered  
4 anywhere regionally and there's only a few places in the  
5 world you can possibly get it.

6                   The alternative was using a technology that  
7 wasn't open source, such as an Oracle database and the  
8 licensing for that would run around \$80,000. So instead of  
9 pursuing that for a proof of concept design, we decided to  
10 go with open source, to test those out first.

11                   Contractual, we're down to around 6,000  
12 from 8,000 and that just includes some additional training.  
13 The training that I was just speaking of was bought with  
14 surplus end of the year funds from last year's budget.  
15 We're actually under -- we have some cash left over from  
16 last year, we didn't spend the entire 156K.

17                   Commodities are basically broke down to  
18 software upgrades, tapes for our backup server and just  
19 another laptop for data management to use while travelling.

20                   Equipment, general administration, all  
21 those types. I mean, it's pretty cut and dry, the budget.  
22 But it looks like in personnel, we have our analyst  
23 programmer II cited to be promoted from an AP II to an AP  
24 III. And that I understand earlier you were -- the Council  
25 was discussing that that is a personnel issue but this

1 budget reflects that increase, that promotion.

2 CHAIRWOMAN PEARCE: Questions? Mr. Duffy,  
3 then Mr. Balsiger.

4 MR. DUFFY: So Rob, FY 04 to FY 05, that  
5 Page 1 of your budget reflects the difference, is that  
6 correct? Just for you and Michael's costs?

7 MR. BOCHENEK: Yes, yes, Michael is slated  
8 to be promoted from an AP II to an AP III.

9 MR. DUFFY: Okay, and I do get confused  
10 about the way that these positions are moved around to  
11 different funding sources. So we don't understand all  
12 that, we are confused when you talk about that. But one  
13 thing that caught my attention is just Page 5 of 5, you've  
14 got a -- it says FY 04 project budget and then authorized  
15 FY 03, then gives a series of figures.

16 MR. BOCHENEK: Right.

17 MR. DUFFY: Was this the cost for '03 only  
18 and you're comparing '03 to '04 and '05 on Page 1 or what  
19 is that?

20 MR. BOCHENEK: I think that this may be a  
21 remnant but I believe that figure is what was budgeted in  
22 FY 03. But that was not what was spent in FY 03, it was  
23 much less than that.

24 MR. DUFFY: Okay. All right, thanks.

25 CHAIRWOMAN PEARCE: Dr. Balsiger.

1 DR. BALSIGER: This may be for you but you  
2 said that there's -- through NPRB you have 4,000 for  
3 servers which kind of caught my ear. Are there other --  
4 because I don't think it shows up in the budgets -- are  
5 there other grants or projects or funded proposals that  
6 EVOS has that don't show up in the budget? Probably not  
7 for you but.....

8 MR. BOCHENEK: For instance, you mean money  
9 coming into EVOS?

10 DR. BALSIGER: Yeah, for example -- yeah.

11 MR. BOCHENEK: The NOS grant is the only  
12 one I'm aware of.

13 DR. BALSIGER: But there's a separate  
14 section on that. So the -- but this -- so there's no big  
15 deal to get 4,000 from NPRB, it just caught my eye.

16 MR. BOCHENEK: Yeah, and actually the  
17 purchasing of that server, in terms of orchestrating the  
18 fiscal movement of those monies, was probably more  
19 expensive in terms of time spent in trying to -- you know,  
20 the time of -- the amount of administrative jiggling we had  
21 to do in order to get NPRB's money just to pay for this.  
22 We just wanted to make an example that we're attempting to  
23 coordinate.

24 DR. BALSIGER: And if I could, where do you  
25 work in things like aging of your computers, because

1 there's no equipment money here at all, like to replace  
2 your machines.

3 MR. BOCHENEK: Our servers, right now,  
4 basically they're about a year old. When I first came into  
5 this office about two years ago, we didn't have servers.  
6 We didn't have some file servers.

7 DR. BALSIGER: So all the PC's on  
8 everybody's desk, you'll just, you know, is going to be a  
9 big budget item in two years.

10 MR. BOCHENEK: We have a -- I mean,  
11 bas.....

12 DR. BALSIGER: One laptop.

13 MR. BOCHENEK: Yeah, one laptop and then  
14 there -- each individual budget includes some money for  
15 hardware and software upgrades. We have 10,000  
16 specifically for software upgrades and licenses. Now that  
17 probably should also say hardware. And that \$10,000 will  
18 probably be spent on, like say a video card would go out or  
19 a network card or something like that.

20 DR. BALSIGER: Thank you.

21 CHAIRWOMAN PEARCE: Who owns the server?  
22 The NPRB?

23 MR. BOCHENEK: The stipulation kind of  
24 governing the location and ownership of the server is  
25 detailed in a memorandum of agreement that is signed by

1 Gail Phillips for the EVOS Trustee Council and then  
2 Clarence Pautzke, the National Pacific Research Board. It  
3 will reside within this organization until this  
4 organization doesn't exist anymore. And then after that,  
5 there was a -- I'm not completely sure on the legal  
6 verbiage in terms of, we sent it to the lawyers and they  
7 referred, you know, they sent it back to me and I agreed  
8 with it. I'm not sure exactly. Well.....

9 MS. PHILLIPS: What it says?

10 MR. BOCHENEK: Yeah, right. But what it  
11 does say is the server will reside in this office as long  
12 as.....

13 MR. MEADE: EVOS office.

14 MR. BOCHENEK: .....we exist. In EVOS  
15 office as long we.....

16 MR. MEADE: As long as EVOS exists.

17 CHAIRWOMAN PEARCE: We understand exactly  
18 what you're talking about.

19 MR. MEADE: By then it will have outlived  
20 its life.

21 MR. BOCHENEK: Yeah.

22 MS. BALLARD: They probably don't  
23 understand you any better so.....

24 CHAIRWOMAN PEARCE: What sort of interface  
25 then does this server have say with ARLIS and with -- I



1 know that we send materials and -- to ARLIS. Will they  
2 have access if I walk into ARLIS, will I have access to  
3 their system?

4 MR. BOCHENEK: Well, this server is --  
5 yeah, are you talking about the server that was purchased  
6 between the National Pacific Research Board and GEM? This  
7 server is a development MEGADATA and data server. So it's  
8 specifically to house scientific data, basic measurements,  
9 taxonomic measurements, and possibly gridded satellite  
10 data. I don't think that it's going to be interfacing with  
11 ARLIS exactly because generally I think you're going to be  
12 -- in ARLIS you're performing bibliographic searches or  
13 you're performing index searches. This is actually going  
14 to house raw measurements.

15 CHAIRWOMAN PEARCE: And who will have  
16 access to those raw measurements? Everyone who's  
17 doing.....

18 MR. BOCHENEK: No, it's a complicated  
19 architecture but the server itself is not a user interface.  
20 It's not going to provide a user interface. It's a data  
21 repository and it holds data and creates a protocol in  
22 which you can access that data. So interested individuals  
23 or agencies or bodies can build their own user interface to  
24 access that resource. The idea being anyone who is  
25 interested in displaying or analyzing or synthesizing data

1 produced by EVOS or NPRB has access to it. Now how you're  
2 going to display that data or represent that data or  
3 visualize that data is probably up to you.

4 CHAIRWOMAN PEARCE: Is that going to be  
5 free access? Do we charge for it?

6 MR. BOCHENEK: You know, we have not come  
7 to that fork in the road yet but I would assume, it would  
8 be my desire that it would be free. But I -- that's  
9 probably a policy issue. What we're more concerned with is  
10 the proof of concept. Is building the system and then  
11 showing that you can provide universal access to the data.

12 CHAIRWOMAN PEARCE: Mr. Duffy.

13 MR. DUFFY: But certain security things you  
14 guys are insuring with this system. In other words, those  
15 -- as an example, a principal investigator wants to get in  
16 and look at some data and then do whatever he wants to do  
17 he or she wants to do with it.

18 MR. BOCHENEK: Right.

19 MR. DUFFY: The actual taxonomic data and  
20 other information in your MEGADATA base is not able to be  
21 manipulated within the database that you hold, right?

22 MR. BOCHENEK: No, no, it's a  
23 crystallized.....

24 MR. DUFFY: Okay.

25 MR. BOCHENEK: .....I mean, it's frozen,

1 it's not.....

2 MR. DUFFY: I didn't know the right term

3 but I was.....

4 MS. BALLARD: Crystallized.

5 MR. DUFFY: Crystallized, okay. Thank you.

6 MR. MEADE: I make a motion.

7 MR. DUFFY: I said posting, like the old

8 accounting days.

9 MR. MEADE: I post a motion that we accept

10 the data budget as submitted.

11 CHAIRWOMAN PEARCE: Is there a second?

12 MS. BALLARD: Second.

13 CHAIRWOMAN PEARCE: We have a motion.....

14 MS. BALLARD: I'd like to add too, that was

15 a very good presentation. Thank you, Rob. You made it

16 understandable.

17 CHAIRWOMAN PEARCE: We have a motion and a

18 second. All those in favor signify by saying aye.

19 IN UNISON: Aye.

20 CHAIRWOMAN PEARCE: Anyone opposed?

21 (No audible responses)

22 CHAIRWOMAN PEARCE: The motion carries.

23 See what three undergraduate degrees will do for you.

24 MS. PHILLIPS: Our next budget is the ARLIS

25 budget and I'd ask Carrie to come forward.

1 MS. HOLBA: The 550 budget represents.....

2 CHAIRWOMAN PEARCE: I just tried to get you  
3 a new computer. Or a new server.

4 MS. HOLBA: The 550 budget and project  
5 proposal represents the request for the Trustee Council's  
6 continuing participation as a founder in the Alaska  
7 Resources Library and Information Services.

8 MS. BALLARD: I can barely hear you.....

9 MS. HOLBA: I'm sorry.

10 MS. BALLARD: .....even though you're  
11 sitting right. That won't do any good, you've just got to  
12 do it.

13 MS. HOLBA: Our project proposal represents  
14 our request for the Trustee Council to continue to  
15 participate as a founder in the Alaska Resources Library  
16 and Information Services. And in doing so, we're  
17 requesting that the Trustee Council fund one FTE librarian  
18 and provide a cash contribution in the amount of \$30,000  
19 that this year would be spent on security camera system for  
20 our new location.

21 I explained in our proposal that the floor  
22 plan in the library complex is an open floor plan and does  
23 not provide doors that can be locked after ARLIS hours.  
24 The library building itself is open until 11:00 o'clock at  
25 night. ARLIS does not have enough people to staff all of

1 the hours that the building is open. We are concerned  
2 about security.

3                   The founder's board provided money for high  
4 density shelving that will lock and we can store our  
5 special collections in there and that will help. The  
6 security cameras will also help with keeping things safe.  
7 The proposal includes cameras, digital recorder and  
8 monitors. There will be one monitor at the ARLIS reference  
9 desk and a second monitor at the UAA Consortium Library  
10 circulation desk. And they would monitor the cameras after  
11 ARLIS hours.

12                   This budget request represents seven  
13 percent of the total ARLIS budget and that contribution  
14 level for the Trustee Council is down from 10 percent last  
15 year.

16                   CHAIRWOMAN PEARCE: Questions. Dr.  
17 Balsiger.

18                   DR. BALSIGER: Thank you. So the seven  
19 percent of the total budget coincidentally exactly matches  
20 your salary or do we appreciate benefits of the library  
21 without paying for it.

22                   MS. HOLBA: The seven percent of the total  
23 ARLIS budget, the Trustee Council makes an in-kind  
24 contribution of my time to ARLIS. And then that actually  
25 works out to 5.5 percent. The other one and half percent

1 is from the cash contribution for the cameras. That totals  
2 seven percent.

3 DR. BALSIGER: And so how does your  
4 personnel performance system work? Do you get rated and do  
5 you ever get a raise or is it always going to be the same  
6 forever?

7 MS. HOLBA: Yes, I do and the Executive  
8 Director performs my performance evaluations.

9 DR. BALSIGER: This Executive Director?

10 MS. HOLBA: Yes, yes.

11 DR. BALSIGER: I see.

12 MS. HOLBA: I also should mention that I'm  
13 a member of the ARLIS management team and we also perform  
14 performance evaluations for each other. So each year I get  
15 a performance evaluation from everyone else on the  
16 management team and those I forward to Gail.

17 DR. BALSIGER: I see. Thank you.

18 CHAIRWOMAN PEARCE: Other comments or  
19 questions? Joe.

20 MR. MEADE: I think I overheard your soft  
21 voice say at the very end that you also see a 10 percent  
22 reduction in the overall costs. Is that affiliated to no  
23 longer needing a part-time librarian associated to this  
24 past year's efforts with the anniversary?

25 MS. HOLBA: Yes, to clarify, the Trustee

1 Council last year provided 10 percent of the ARLIS budget.  
2 This year they are hopefully providing seven percent.

3 MR. MEADE: Seven. Okay, so a difference  
4 of three percent.

5 MS. HOLBA: And that is because they are  
6 not funding the Fish and Game library.

7 MR. MEADE: Thank you.

8 CHAIRWOMAN PEARCE: Additional questions?  
9 Mr. Duffy.

10 MR. DUFFY: This may be for Gail but we've  
11 got a proposed three year budget in front of us. Are we  
12 being asked to approve this for three years or just for FY  
13 05.

14 MS. PHILLIPS: Just for this year.

15 MR. DUFFY: Just for FY 05, okay. And one  
16 other note, and I think it was consistent with Jim's,  
17 Carrie, and that is you're on the system where you do get a  
18 merit increase each but yet I -- for the three year period,  
19 I see that not reflected in your projected salary. So you  
20 might want to consider that for next fiscal year, just so  
21 it's accurately reflected.

22 But generally speaking, the ARLIS program  
23 has taken I think a very good step forward merging with the  
24 university system. Sort of a comprehensive effort. It has  
25 resulted in some reduced cost to the Trustee Council and I

1 think it's a good thing. And I personally am going to be  
2 supportive of the one time security camera request. I know  
3 that was an issue for the Trustee Council as we were making  
4 this transition last year. I'm not sure that last part was  
5 a question, but.....

6 CHAIRWOMAN PEARCE: Further comments?

7 (No audible responses)

8 CHAIRWOMAN PEARCE: Do we have a motion?

9 MR. DUFFY: I would move to approve the FY  
10 05 ARLIS budget as proposed.

11 CHAIRWOMAN PEARCE: Is there a second?

12 MR. MEADE: I'll second that.

13 CHAIRWOMAN PEARCE: Seconded by Mr. Meade.  
14 Discussion?

15 (No audible responses)

16 CHAIRWOMAN PEARCE: All those in favor say  
17 aye.

18 IN UNISON: Aye.

19 CHAIRWOMAN PEARCE: Anyone opposed?

20 (No audible responses)

21 CHAIRWOMAN PEARCE: Motion carries. Thank  
22 you, Carrie, being so patient.

23 MS. PHILLIPS: Our next budget is the  
24 science management budget, budget 630, and I would ask Phil  
25 to come and make a presentation.



1                   CHAIRWOMAN PEARCE:  Why don't we take a  
2 five minute break if people don't mind before we launch  
3 into this one.

4                   (Off record - 2:48 p.m.)

5                   (On record - 3:02 p.m.)

6                   DR. BALSIGER:  Let's start again.  We're  
7 just at the science management budget.  Maybe I've got the  
8 wrong title but Dr. Mundy is up.  Descriptive enough?

9                   DR. MUNDY:  That's it.  That's what we do.  
10 Shall I begin, Mr. Chairman.

11                  DR. BALSIGER:  Yes, please.

12                  DR. MUNDY:  All right, the science  
13 management budget behind the tab that's marked science  
14 management has been completely re-written this year in  
15 response to some changes that have been identified in the  
16 draft work plan and also in the narrative for the  
17 management program.  This science management budget  
18 together with some costs for personnel that are included in  
19 the NOS budget basically addresses seven objectives and  
20 they're -- allow me to walk through them with you because  
21 they are -- as I say, this has been completely re-written  
22 this year.  I know that many of the administrative budgets  
23 in the past have -- stay the same for a long period of time  
24 and they look very much the same from year to year.  This  
25 one is quite a bit different this year.

1                   The seven objectives are, number 1,  
2 providing scientific information for the conclusion of the  
3 court settlement phase of restoration through  
4 implementation of the GEM program, which is long term  
5 monitoring of the continuing effects of oil on injured  
6 resources. Peer review of proposals and work products.  
7 Management and integration of project information.  
8 Reporting of results. Personnel supervision. Office  
9 systems development in cooperation with data management and  
10 external scientific liaison. And these functions are  
11 explained in a good deal of detail inside the document.

12                   I draw your attention next to Page 5 of the  
13 narrative. And again, I realize that this is supposed to  
14 be a budget presentation and I'll get to the budget. But  
15 since this has been completely re-written, I wanted to draw  
16 your attention to the most important features. You'll see  
17 over under project design under objectives, we've laid out  
18 roughly, in chronological order, all of the things, the  
19 tasks that we do during the year, such as under objective  
20 one, revising the science plan, developing the invitation  
21 and so forth. And then to the right of each objective  
22 you'll see a -- either a bracket or parenthesis and it will  
23 have the initials of the position that is primarily  
24 responsible for the tasks or in some cases there will be a  
25 series of initials. You can see here under 1.1 we have

1 revised the science plan and then on the right hand side is  
2 SD, that means science director is primarily responsible  
3 for the overall task. And within that task we have the  
4 science coordinator, the project manager and the assistant  
5 to the director. These are all positions that are covered  
6 either in the science management budget or in the NOS  
7 grant.

8                   So the detail objectives will take you over  
9 through -- that's a lot of detail -- over through Page 9,  
10 to the top of Page 9. Then on Page 9 you'll see that we  
11 have called for a number of workshops this year. Workshops  
12 are a tool that we use in the restoration program fairly  
13 frequently. We did not do so the last year because these  
14 are generally organized and led by the science coordinator  
15 position and that was vacant last year. But we use  
16 workshops to bring together groups of people. We typically  
17 get a lot of volunteer labor from the Trustee Council  
18 agencies in the form of their scientists and others. And  
19 this year we're looking at a series of workshops, one on  
20 injured species. We'll do a series of four workshops.  
21 We're looking at lingering oil recap here later this fall.  
22 A workshop on the nearshore in cooperation with a series of  
23 other workshops that are being conducted by contractors.  
24 Watershed workshop, modeling and STAC workshops are all  
25 planned. Purposes of these and expected outcomes of these

1 workshops are all detailed in this plan.

2                   Over on Page 11 you'll see the  
3 organizational chart that's established by the Executive  
4 Director. And I'll point out that the science director in  
5 the data management positions in the organizational chart  
6 on Page 11 are not covered by this budget. They are in  
7 other budgets, the data management budget and the 100  
8 administrative budget. In the science manager budget and  
9 the companion NOS budget, the science coordinator position,  
10 the analyst programmer position are covered. And then the  
11 administrative position on the right hand side, the upper  
12 right hand side, it's occupied by Cherri Womac is also  
13 covered partially under the NOS budget.

14                   So that's the chain of command. For the  
15 principal person in the science program, being the science  
16 director or the science coordinator, the data management  
17 head and the program manager. Over on Page 12 we have a  
18 matrix here, a box. And the rows are our seven objectives  
19 that have been outlined in the work plan. And the columns  
20 are the positions that I've just -- the four positions I've  
21 just outlined. And this gives an approximate layout of  
22 where people spend their time in terms of FTE's, so you can  
23 get an idea of the relative amount of time that's required  
24 by each of those seven objectives by project personnel.

25                   So with that, we can go over to the budget

1 pages here. And I just wanted to bring up some of the key  
2 points in the budget pages here. The overall project total  
3 has.....

4 CHAIRWOMAN PEARCE: Just a moment, Dr.  
5 Mundy.

6 MR. DUFFY: Phil, just real quickly back on  
7 12, just the table you have the seven objectives and then  
8 you have the science director, science coordinator.  
9 Explain to me how the numbers work here. Just so I  
10 understand what you're trying to lay out. I appreciate the  
11 perspective but I don't quite get it.

12 DR. MUNDY: Okay, Madame Chair, the  
13 Commissioner Duffy is referring to the table, the matrix  
14 that has the rows, the seven objectives, scientific  
15 information, peer review, so forth, down to external  
16 scientific liaison is the rows. And then in the columns  
17 you have the positions, the science director, the science  
18 coordinator, the data manager and the program manager. And  
19 this shows the number of FTE's and we've laid out a -- one  
20 FTE is 230 days of effort, 46 business weeks. .02 FTE's is  
21 approximately one business week. And on that basis we've  
22 shown, for example, if you look in the box in the upper  
23 left hand corner, the science director would spend about 20  
24 percent of an FTE on the scientific information objective.

25 Now if you want to know in more detail, you

1 go over to that objective in the objective section over  
2 here that starts on Page 5 and you look for the SD on the  
3 right hand end of the bracket. And so you'll see exactly  
4 what that means to spend .2 FTE's on whatever. And so  
5 we've laid this out in that way.

6 MR. DUFFY: Thanks, Phil, I got it now. So  
7 if you sum each column, it's a hundred percent of a time?

8 DR. MUNDY: It should, except for rounding  
9 errors.

10 MR. DUFFY: Right.

11 DR. MUNDY: It should be roughly a hundred  
12 percent of time.

13 MR. DUFFY: And for the data manager,  
14 because he spends time also I presume.

15 DR. MUNDY: Right, not the -- yeah, thanks  
16 very much. The data manager only has certain tasks within  
17 our program. And the data manager is not funded here. The  
18 science director is not funded here either but spends just  
19 about all that position on the science management program.  
20 This also reminds me, if I may Madame Chair, that the -- in  
21 general the budget items are usually linked to an objective  
22 so that as we move over to the first budget page marked one  
23 of 13 and then flip through the budget, you'll notice for  
24 example on Page 3 we have, under description, we're talking  
25 here about travel costs and travel and so forth. The first

1 line there reads travel for Trustee Council office science  
2 staff and then it links the objectives that are covered by  
3 that travel so that you can find out exactly what we're  
4 traveling for.

5                               Back on Page 1 of 13, I point out that the  
6 total requested this year is \$416,000, which does not  
7 include the NOS funding, which is detailed in another  
8 budget. But this is the, in terms of the Trustee Council  
9 contribution to this program, this is the third annual  
10 decline. It's gone from 551 in FY 03, you can see the  
11 figure here; 462 for FY 04 and it's now 416. The  
12 reductions are outlined pretty much throughout the budget.  
13 The explanations for these are down under the comments  
14 section, but I will go over those.

15                               The personnel has significantly increased,  
16 primarily because we moved the program manager position  
17 from the administrative budget into this budget to reflect  
18 the supervision of that position in the science management  
19 program. And also there were additional costs associated  
20 with the science coordinator position. The travel has  
21 declined significantly because we have -- are looking at  
22 other projects to pick up part of the budget on the  
23 workshops and the workshops are the primary -- have the  
24 primary requirement for travel money.

25                               Contractual has declined significantly.

1 One part of that is that we had contract with Sea Grant  
2 last year to publish the GEM program document and we expect  
3 that out by April of next year. Optimistically we could  
4 have a significantly near publication date. So those  
5 contractual costs have declined. So that's pretty much the  
6 highlights of the budget and I'll stop there and see if  
7 there are any questions on this or the NOS grant.

8 CHAIRWOMAN PEARCE: Questions? Yes.

9 MS. BALLARD: When you say highlights then,  
10 unless we have questions, we won't go through the detailed  
11 pages so I should ask my questions here? Is that the way  
12 we're going to do it?

13 DR. MUNDY: Madame Chair, if it pleases the  
14 Council, yes.

15 MS. BALLARD: Yeah, I think in the interest  
16 of time, that would be fine with me.

17 CHAIRWOMAN PEARCE: That's fine.

18 MS. BALLARD: I'll now go to some of the  
19 questions I asked earlier. With both AOOS and PICES -- I  
20 want to be sure I'm saying the right thing. It seems in  
21 this budget we've got an actual operating support amount  
22 allocated to them. And Gail I called you and asked you  
23 about this, the AOOS support and RSA with the University of  
24 Alaska -- and I'm on Page 4 of 13 -- and the PICES annual  
25 mid-year workshop support.



1                   And I find in the narrative the  
2 explanation, I think. And generally it says that it's in  
3 our interest to support the cost of core mission related  
4 scientific and policy meetings and symposia and AOSIS in  
5 general. And you referred me, Gail, to the April 23rd,  
6 2003 meeting. I reviewed that meeting, I reviewed the  
7 minutes of that meeting and the subsequent meeting and I  
8 don't find that we actually agreed that it was an  
9 appropriate use of our money to support another  
10 organization's operating budget.

11                   And when we were talking about the  
12 Fisheries meeting, I agreed that that made sense, that was  
13 a one time event. But I'm not confident we should be  
14 supporting an operating budget. And if the principal  
15 reason here as I was asking Phil an hour or so ago is that  
16 we're actually building our peer review network, then  
17 ultimately I'd like to get back to that issue and say, you  
18 know, what's the best way to do that. I'm not comfortable  
19 using settlement money to support another organization,  
20 even if it's mission and core purpose related to ours.

21                   The PICES, I can't quite tell whether we're  
22 supporting a meeting or a workshop or if we're -- if that's  
23 really just an offset against their own operating expenses.  
24 So I can't really tell on that. I got my PICES out and  
25 brought it and read it. I don't understand that one

1 either.

2 DR. MUNDY: Madame Chair, may I clarify?

3 CHAIRWOMAN PEARCE: Yes, please.

4 DR. MUNDY: Yes, Commissioner Ballard, I  
5 think that the AOOS -- first of all the PICES is for two  
6 workshops, one that occurs in conjunction with the annual  
7 and one that is a mid-year monitoring workshop. But let me  
8 stress that these are monitoring workshops and these are  
9 for amounts not to exceed. And the way that we typically  
10 contribute to the operating costs of these workshops is we  
11 bring scientists who have a relevant technology that we're  
12 interested in, we pay their travel costs. Their agencies  
13 will donate their time. And particularly if we're bringing  
14 scientists from places like Russia, they are very much  
15 under funded and so we get a lot of expertise for just the  
16 cost of a plane ticket.

17 So the, for example, our program on the  
18 Alaska Marine Highway System, our monitoring program, we  
19 use to provide background information for many of our  
20 injured species was developed in this way two years ago by  
21 a workshop bringing in experts from England and Japan who  
22 had ongoing operational ferry monitoring systems that had  
23 been in place for a decade. And much of what our jumping  
24 off point for that project was through that vehicle.

25 So the PICES is meeting support, monitoring

1 support and again I stress, these are for amounts not to  
2 exceed. AOS has not to do with the peer review system.  
3 AOS is a completely separate matter in my mind. It had  
4 never been justified in this budget in terms of peer  
5 review.

6 CHAIRWOMAN PEARCE: Dr. Balsiger.

7 DR. BALSIGER: Well, perhaps you could  
8 justify AOS. I more or less understand it because we also  
9 contribute to it but I think for the purposes of the  
10 record, explain why it's appropriate to give the 30,000.

11 DR. MUNDY: Madame Chair.

12 CHAIRWOMAN PEARCE: Go ahead.

13 DR. MUNDY: Okay, right. Let me start by  
14 stressing that as a Trustee Council staff person, I do what  
15 I think it is the Council has told me to do. And in this  
16 case we were told very clearly early on in my tenure here  
17 that we were to avoid duplication of effort. We were to  
18 promote efficiency. We were to cooperate with other  
19 agencies to the full extent possible. And indeed here,  
20 I'll draw your attention to Page 2, the abstract for the  
21 0630 project. It says external scientific liaison supports  
22 the voluntary peer review system and it develops and  
23 maintains consistency leverages.

24 One of the -- okay, eliminates redundancy,  
25 leverages available funding through coordination with key

1 organizations. Now again, some of these organizations are  
2 a factor in the peer review system and some of these  
3 organizations factor in eliminating redundancy and  
4 leveraging available funding through coordination with key  
5 organizations. The AOS operation is an extension of our  
6 staff. We have a position here called a science  
7 coordinator and that science coordinator this year will be  
8 responsible for keeping in touch with the results from  
9 approximately 49 projects. And having that available in  
10 various reports or just simply orally to any member of the  
11 public and certainly Council members and agency liaisons on  
12 request.

13                   So the ability to have an organization out  
14 there that coordinates marine science in Alaska,  
15 particularly our interest is of course Southcentral Alaska,  
16 the oil spill affected areas, is a tremendous advantage.  
17 For example the AOS has coordinated a series of workshops  
18 on current modeling. And you'll recall that last time we  
19 considered a modeling proposal and talked about the uses of  
20 modeling and the question was raised by counsel about  
21 whether or not other agencies had certain models and the  
22 degree to which they would be willing to contribute those  
23 models to our effort.

24                   The current modeling workshops that have  
25 been conducted by AOS have added some value for us because

1 they have brought these people together in a place and when  
2 they didn't have travel money, it was at their expense.  
3 And we are able to go to those workshops and get that  
4 information and work with those people. So I see AOS as a  
5 -- as long as we are working, you know, towards the  
6 integration, eliminating redundancy, leveraging available  
7 funding through coordination with other agencies, I see  
8 AOS contributions are a relatively small price to pay for  
9 having our staff extended in that direction.

10 CHAIRWOMAN PEARCE: Dr. Balsiger, I came  
11 away from that Pacific Research Board meeting thinking that  
12 I understood that AOS is still in the process of trying to  
13 get the funding to be a monitoring system or an observing  
14 system and isn't yet much of anything except people who are  
15 consistently going out and trying to get the funding to be  
16 that entity. Am I correct?

17 DR. BALSIGER: Well, I think.....

18 CHAIRWOMAN PEARCE: I mean, there was some  
19 question about federal funding coming through and the  
20 Oceans Commission and.....

21 DR. BALSIGER: You're certainly correct  
22 that AOS and all of its supporters of which has a -- it's  
23 got like a 16 or 20 member governing board -- has  
24 expectations of large federal funds in the out years. And  
25 so many of those groups on the governing committee have

1 contributed funds so that AOS can exist for the purpose of  
2 planning and looking forward to receiving these funds. But  
3 I think they also, as Phil -- Dr. Mundy has said, they're  
4 doing some functional things in the meantime, rather than  
5 just waiting around until there's large federal  
6 appropriations.

7                   And it's hard -- I guess we could have them  
8 come in here and tell us how much of the funds that we  
9 contribute is used or it's planning for the future on the  
10 expectation that they'll have funds versus what they're  
11 actually doing as a science enterprise right now. But  
12 there's some mix of that at least.

13                   DR. BALSIGER: So Dr. Mundy, if the Trustee  
14 Council chose not -- and separate these two issues -- chose  
15 not to make this contribution to PICES, which is  
16 approximately 20-some thousand dollars, or the contribution  
17 to AOS, if we chose that that was not an appropriate  
18 expenditure of these funds, what would be the impacts to  
19 those organizations?

20                   DR. MUNDY: Madame Chair, Mr. Commissioner,  
21 the PICES contribution is \$15,000, \$7,500 in workshop  
22 support for two workshops. Basically that would mean that  
23 we would have the workshops and they would be composed of  
24 the scientists who are assigned by their agencies to attend  
25 and who are there for other purposes and have their own

1 travel funding. We wouldn't have the capacity to invite,  
2 if we had specific expertise that we looking for, we  
3 wouldn't have the capacity to invite those people. The  
4 PICES secretariat itself has very small amounts of funding,  
5 as you probably know, Mr. Commissioner, because Alaska  
6 Department of Fish and Game is a participant in this  
7 process.

8                   So this a way of having some flexibility in  
9 terms of pursuing issues as they arise in the monitoring  
10 community. This has been a very valuable exercise for our  
11 program because you have access to people who are doing  
12 monitoring in the entire North Pacific. U.S. federal  
13 agencies, also state agencies plus the other governments  
14 involved in the North Pacific in monitoring. And that's  
15 what first attracted us to this because this is a very good  
16 place to coordinate and to find out about new technology  
17 and what other people are doing and planning.

18                   So as far as A00S goes, Mr. Commissioner, I  
19 couldn't tell you what the impact of that would be. I know  
20 that the idea was to have the members put together the  
21 funding and attempt to pursue the Integrated Sustained  
22 Ocean Observing funding. But also, the idea behind the  
23 A00S in my mind never -- our participation, that was never  
24 justified by pursuing federal funding at all.

25                   Five years ago when we started to put

1 together the long term monitoring strategy for injured  
2 species in the oil spill affected area that we call GEM, we  
3 went out to try to find figures and information on what  
4 other people in the, just the Northern Gulf of Alaska were  
5 doing in terms of marine monitoring. And we were surprised  
6 to find out that there isn't any central clearinghouse.  
7 There isn't any organization which to you can consult.

8                                 And even agencies such as NOAA, the one  
9 part of NOAA does not necessarily know what another part of  
10 NOAA is doing. I'm sorry, did I -- since I'm answering the  
11 Commissioner of Fish and Game, perhaps I certainly wouldn't  
12 say the one part of ADF&G doesn't know what the other part  
13 of ADF&G.....

14                                 MR. DUFFY: Well, I would understand that  
15 if you said that.

16                                 DR. MUNDY: Yes, yes.

17                                 MR. DUFFY: But I just didn't know about  
18 NOAA.

19                                 MS. BALLARD: But you're not getting money  
20 to fix the problem.

21                                 DR. MUNDY: So we've -- you know, going  
22 into this, you know, had I been asked for a justification  
23 for the A00S funding, I'd say that it is in terms of  
24 regional cooperation, coordination and integration of  
25 marine research in the -- from our perspective in the



1 Northern Gulf of Alaska. And from the state perspective,  
2 you know, the state ocean policy perspective, it's  
3 statewide in the state of Alaska and we play a small part  
4 in that.

5                   So the federal funding for IOOS and the  
6 implementation of the ocean commission report is to coin a  
7 phrase, pie in the sky. We will have maybe some money from  
8 that in FY 2007 and maybe not. But this regional  
9 cooperation, regional planning effort has started and died  
10 a number of times in the past. For example, the Alaska  
11 Regional Marine Research Plan in 1992, which was a very  
12 good start but was also unfortunately an unfunded mandate.  
13 And that's -- we do reference that in the GEM program  
14 document.

15                   So the idea that people will get together  
16 and build on each other's strengths and coordinate and  
17 cooperate a marine research is a dream that we've had many  
18 times in the past but never realized it. So that in my  
19 mind is what AOS is all about.

20                   MR. DUFFY: So just to follow up, so the  
21 money really goes toward the organizational meetings of the  
22 AOS, the participating agencies in AOS at this point in  
23 time and it also goes to fund an executive director, part  
24 of this money, as well as trips back to Washington D.C. to  
25 try and play on the IOOS circuit and to try and get some

1 funding for Alaska, is that accurate?

2 DR. MUNDY: Madame Chair, Mr. Commissioner,  
3 as far as I know.

4 CHAIRWOMAN PEARCE: Commissioner Ballard.

5 MS. BALLARD: I find myself here in a very  
6 interesting position. You may recall the first time that  
7 the NOS draft came up, I was very uncomfortable about us  
8 being a grant recipient. And there was a lot of confusion  
9 about where this money had come from since, in large part  
10 because of work that Pete did. We've all come to  
11 understand the considerable efforts that have gone on in  
12 the IOOS arena back in Washington and the appropriation  
13 that was made for these start up expenses and the  
14 identification of the national recipients, the list of  
15 which was provided in the legislation that Pete provided to  
16 us that included Wood's Hole and all sorts of places around  
17 the country that were players in the OOS game.

18 And then the second year -- and that's how  
19 we ended up -- although we're not an OOS officially. And  
20 then since then I think a couple of things have happened to  
21 put us in this very odd position today. The lawyers have  
22 begun to advise us that we're probably not a grant  
23 receiving agency and probably should never have taken the  
24 \$750,000 grant that probably should have gone to A00S. And  
25 in fact last summer I specifically recommended that the

1 Hinchinbrook project grant go to either A00S or Nancy. And  
2 I think it is going to Nancy, is it not?

3                   So here we are with \$750,000, which I'm  
4 still embarrassed that we have because I don't think we  
5 should have it, and yet we're funding to some degree A00S  
6 that ought to have that money. And I'm also uncomfortable  
7 about that. So I -- I mean, I just don't see where it's  
8 appropriate for us to be giving -- we're not a granting --  
9 in that sense. Our business, we're not a United Way.  
10 We're not in the business of raising money for other people  
11 so that they can pursue their mission, we're trying to get  
12 our job done.

13                   So I find us in a very odd position here.  
14 Molly should have the \$750,000 that we have. We've got  
15 that money and then this small amount shows up here and I  
16 don't like voting for it either. So I don't know what to  
17 do. I'm going to wait till somebody makes a motion and  
18 then decided. But I just -- when I read the budget  
19 narrative on the NOS grant, it just makes me extremely  
20 uncomfortable that we're deferring costs of a settlement  
21 that we have plenty of money to implement with money that  
22 has been lobbied for by this organization which you  
23 correctly described Phil and Jim as being struggling to get  
24 national attention focused on the goals of the Ocean  
25 Commission Report and all the others. This is a very

1 confusing situation.

2 DR. MUNDY: Madame Chair, could I.....

3 CHAIRWOMAN PEARCE: Go right ahead.

4 DR. MUNDY: Point of information. At the  
5 time that the grant that we're talking about here, we're  
6 referring to as the NOS grant, recall that this is money  
7 that is spread over a three year period that originated,  
8 the paperwork, back in FY 03 and the first funding year in  
9 FY 04. There was no AOS organization.

10 So the history on that is that as far as  
11 the national IOOS group, as far as the Ocean.us was  
12 concerned, GEM and the Trustee Council was the only  
13 operation. You say we're not an official ocean observing  
14 system, the National Federation of Oceans Observing Systems  
15 is in the process of being organized. So strictly  
16 speaking, there aren't any official ocean observing system  
17 organizations in the United States yet. So they have --  
18 basically they're putting the funding in to try to generate  
19 groups that will qualify as parts of the national  
20 federation.

21 So as a point of information, the grant was  
22 given to EVOS, I believe, although I am -- I'm not certain  
23 that I know that but in any event, other regions of the  
24 country were getting very large amounts of money. So if  
25 you lay out all of the areas around the country, all the

1 geographic regions, you look at how much money they were  
2 being given, \$750,000 was probably a token amount passed  
3 out on a geographic basis.

4 MS. BALLARD: On the list that Peter  
5 produced, it was half. The typical grant was a million  
6 five and ours was 750. I mean, I'm just going on the  
7 legislature -- or the appropriations language that he  
8 produced. And yes, we were smaller and I understand the  
9 sequencing but it's very odd to find ourselves in this  
10 position. So I'm done with my comments.

11 CHAIRWOMAN PEARCE: Other comments?

12 (No audible responses)

13 CHAIRWOMAN PEARCE: A university is  
14 probably the least efficient place to put any organization.  
15 Kevin.

16 MR. DUFFY: Phil, are you done or are you  
17 still going through the budget?

18 DR. MUNDY: Madame Chairman, Mr.  
19 Commissioner, I'm just -- I'm through with my presentation.  
20 I'm just here to answer questions if needed.

21 CHAIRWOMAN PEARCE: Mr. Duffy.

22 MR. DUFFY: Yeah, I got a quick one. Just  
23 explain to me on Page 8 of 13 what that is. Applied marine  
24 sciences, scientific oversight of lingering oil effects.  
25 Eight of 13 in your budget forms.

1 DR. MUNDY: Right, I don't need a page --  
2 yeah, that's our lingering oil subcommittee that is the --  
3 we still have specialized needs in terms of lingering oil,  
4 oil toxicology in those areas. And lingering oil is one of  
5 the subcommittees that's identified in the science  
6 management budget back on Page 15. You'll see the  
7 organization of the scientific committees. We pulled all  
8 of the watershed, the nearshore and the offshore and ACC up  
9 into habitat subcommittee in order to save costs. But the  
10 oil effects subcommittee is chaired by Dr. Spies and this  
11 is a contract, again, the way that I look at it, is for an  
12 amount not to exceed. Because we call on Dr. Spies as  
13 needed and Dr. Spies calls on people as he needs them and  
14 so this covers those costs.

15 MR. DUFFY: So is it his personnel costs or  
16 is it a combination of his personnel and subcommittee  
17 travel or what is it, I don't know.

18 DR. MUNDY: The contract -- we have a  
19 detailed budget on this, Mr. Commissioner, that we can make  
20 available but it is primarily his personnel cost, the  
21 personnel cost of his contractors, his travel costs and any  
22 travel costs associated with non-agency members of the oil  
23 affect subcommittee.

24 CHAIRWOMAN PEARCE: Dr. Balsiger.

25 DR. BALSIGER: So on that subcommittee, is

1 there product that comes from the subcommittee or do they  
2 just provide oversight to those scientists who are funded  
3 to do lingering oil studies?

4 DR. MUNDY: Madame Chair. They provide --  
5 their product -- actually it's services. Their peer review  
6 services is the primary thing that I call on them for. For  
7 example, we still have final reports coming in from several  
8 years ago, three and four years ago on oil spill toxicology  
9 type areas and single species oil spill damages. And we  
10 generally send those out to Dr. Spies to have him review it  
11 because he has reviewers who have been working with him for  
12 years on these topics and it's very efficient and  
13 inexpensive to have them go through it as opposed to  
14 sending it out to a new person. So we still send those  
15 final reports to him.

16 This last spring, for example, when we had  
17 some interim projects, some mid-year projects on lingering  
18 oil effects that we, the Council, voted on in May, we --  
19 Dr. Spies led that peer review and it was under this  
20 contract that we paid for his services.

21 CHAIRWOMAN PEARCE: Other questions?

22 (No audible responses)

23 CHAIRWOMAN PEARCE: What's the pleasure of  
24 the Council.

25 MS. BALLARD: I'll move approval of this

1 budget without the direct support line for AOS.

2 CHAIRWOMAN PEARCE: Is there a second?

3 MR. DUFFY: Second.

4 CHAIRWOMAN PEARCE: We have a motion and a  
5 second.

6 MR. MEADE: Question.

7 MS. BALLARD: You're ready for the question  
8 or you have a question?

9 MR. MEADE: Discussion. No, discussion.

10 CHAIRWOMAN PEARCE: Discussion. Yes,  
11 please. Go ahead.

12 MR. MEADE: Discussion.

13 CHAIRWOMAN PEARCE: Go ahead.

14 MR. MEADE: And you'll highlight for me the  
15 amount that's in that line item.

16 MS. BALLARD: \$32,000.

17 MR. MEADE: The struggle I have is I also  
18 recognize the importance in the role today for  
19 collaboration. And the best I've been able to glean both  
20 last year and this with this line item is it's about  
21 fostering and encouraging that collaboration. I don't want  
22 to be -- I don't want to create consternation in not having  
23 consensus over that point but I guess I just want it to  
24 reflect my concern for the amount of investment here to  
25 leverage our ability through collaboration seems to me to



1 be an important value in the role of public service.

2                   And even though the EVOS board here is not  
3 a public service agency, we certainly are entrusted on the  
4 public's behalf to carry out much the same principles. So  
5 I struggle on this on in that I see value through  
6 partnership collaboration and through leveraging our  
7 ability through the skills of others. Presuming that's  
8 what this is, and that's what I've best -- I've been able  
9 to glean, it seems appropriate but I would not.....

10                   CHAIRWOMAN PEARCE: Commissioner Ballard.

11                   MS. BALLARD: Joe, the reason I -- and I  
12 understand what you say, but my understanding of AOS  
13 structure is that it has a board formed of contributing  
14 agencies and I happen to have an analysis here provided by  
15 my staff that lists the current signators. And all of  
16 these other organizations, including federal agencies,  
17 although there are no state agencies participating yet,  
18 have an appropriate accountability mechanism by which to  
19 make a decision like this. I don't think we do. I don't  
20 think we have a basis on which to contribute settlement  
21 money to somebody else's organizational expenses.

22                   My motion has nothing to do with the merits  
23 of AOS. If DEC or DNR or F&G want to support AOS, we  
24 have the proper way to do it and that's through our state  
25 agencies where we can reveal to the legislature that that's

1 a priority that we have. We're accountable to the  
2 settlement and I just have difficulty -- we don't fit.  
3 We're not like these other programs. So that's why I feel  
4 the way I do. I made my statement earlier saying that I  
5 would have happily had the entire \$750,000 gone to AOS.  
6 I'm not trying to deprive AOS of its money, I'm pointing  
7 out that I don't think it's an appropriate way for us to  
8 proceed.

9 CHAIRWOMAN PEARCE: Comment.

10 MS. BALLARD: But I put it on the table to  
11 see whether we agreed.

12 CHAIRWOMAN PEARCE: Dr. Balsiger.

13 DR. BALSIGER: Well, Commissioner Ballard,  
14 would there be room, I guess, if the coordination and  
15 collaboration that Mr. Meade spoke to furthered our ability  
16 to track restoration efforts or allowed us to avoid  
17 duplication of efforts that others have made relative to  
18 restoration or is -- so is -- I guess I'm asking if it's  
19 more of a failure to tie this to the restoration process or  
20 is it more attached to our, I guess, funding another  
21 organization. That's an awkward question but I.....

22 MS. BALLARD: No, I understand your  
23 question. I guess my answer to it is I have a simple  
24 report here. I asked somebody in my office to tell me who  
25 was involved to one degree or another in areas that overlap

1 with us and I have just a preliminary. The Arctic Research  
2 Commission, IOOS, AOS, the North Pacific Research Board,  
3 us, the Prince William Sound Science Center, OSRI, the Gulf  
4 of Alaska Coastal Communities Coalition, Coastal America  
5 and the Alliance for Coastal Technology.

6                   This was just preliminary, just get me  
7 something to get started. We can't possibly buy our way  
8 into coordination with all of those. You know, we don't  
9 have enough money and time to be in MOU's signatories.  
10 It's a drop in the bucket to give \$32,000 of our money in  
11 the hope of avoiding overlap. I mean that can't be the  
12 sole justification. Because if we're trying to avoid  
13 overlap, we've got a huge job in trying to harness this  
14 impressive effort which is underway in the marine and ocean  
15 science related area. So I get back to stick to my  
16 knitting. You know, I just get back to trying to focus on  
17 the job with us.

18                   If I thought that \$32,000 would avoid  
19 overlap, I'd be recommending we'd do it everywhere. I  
20 don't think \$32,000 is anywhere enough to avoid overlap.  
21 There is overlap all over already. One of the ways I count  
22 on being sure that we do the right job is I observe that  
23 Phil and Gail are active, going to these meetings, sitting  
24 on -- Phil sits on all the boards. You and Kevin sit on  
25 all the rest of them. You know, that we try to make some

1 sense out of this but not with \$32,000.

2 CHAIRWOMAN PEARCE: Mr. Balsiger.

3 DR. BALSIGER: I think most of those  
4 organizations probably are related to AOS or familiar with  
5 it. So I don't argue that 32,000 is going to coordinate  
6 everyone but if it allows to participate in AOS, it may  
7 allow us to participate with all the data sets that all of  
8 those groups provide to the system.

9 MS. BALLARD: I mean, Rob told it -- we're  
10 going to make our data available free, which I think was  
11 correct. I appreciated that part of his presentation. I  
12 assume that no one in this network has any interest in  
13 denying participation for lack of money. I mean, if that  
14 was the case, that would be a very sorry state of affairs.  
15 You didn't pay so you can't play. I mean, I'm not afraid  
16 of that. But I just don't -- I can't match the \$32,000 to  
17 the enormity of the potential overlap and I don't see that  
18 we're holding AOS -- you know, we're not the sole thing  
19 keeping it alive. They've got to get their own steady  
20 source of funding and to me we shouldn't be part of the  
21 operating sources of funds for another agency.

22 MR. DUFFY: Question.

23 CHAIRWOMAN PEARCE: All those in favor,  
24 signify by saying aye.

25 IN UNISON: Aye.

1 CHAIRWOMAN PEARCE: Anyone opposed?  
2 (No audible responses)  
3 CHAIRWOMAN PEARCE: Motion carries.  
4 DR. BALSIGER: If I could, just for the  
5 record, so Commissioner Ballard, science doesn't get done  
6 by one person looking at one thing one time. So I'm always  
7 a little nervous when people worry about several people  
8 looking at the same thing. So there's a sense of overlap  
9 meaning if someone did one study, no one ever has to do  
10 that again. And basically, that's not the way science  
11 works and I'm sure you're not implying that but.....  
12 MS. BALLARD: I'm not.  
13 DR. BALSIGER: .....rather than leave the  
14 audience with the impression that we can so divide this up  
15 that if EVOS funds a study in one particular area that  
16 nobody ever has to drive across that patch of ocean again.  
17 The system doesn't really work that way.  
18 MS. BALLARD: I understand that and thank  
19 you for the clarification.  
20 CHAIRWOMAN PEARCE: And that brings us to  
21 the NOS grant.  
22 MS. PHILLIPS: Phil, if you will continue,  
23 please.  
24 DR. MUNDY: Madame Chair, you have a tab  
25 marked NOS grant here and the narrative on this NOS grant

1 basically carves out portions of what you've already seen  
2 in the science management budget and asks NOS to pay for  
3 it. When we got the NOS grant, we were not expecting it,  
4 we had not solicited it and we didn't know exactly what to  
5 do with it so our immediate sort of response to this was to  
6 simply say, okay, well if they want to help establish a  
7 long term monitoring program in association with the  
8 Trustee Council's interests in Southcentral Alaska, we'll  
9 just have them defray some of our administrative costs  
10 because we expect the administrative costs for science  
11 management to be fairly high until about 2007 so we simply  
12 split this into three pieces that would end at the end of  
13 FY 06.

14                   We're -- and getting together the long term  
15 monitoring program. We've held a lot of workshops, we've  
16 had a lot of extra meetings and we had a lot of extra  
17 expenses. So we used the NOS money to basically to defray  
18 our operating costs. So I'm going to skip through the  
19 narrative and move straight to the budget.

20                   And the primary thing, as you can see from  
21 looking at Page 1 of 13, the primary thing we pay for out  
22 of this is personnel costs. We do have some travel and  
23 other costs in here, however the bulk of the budget is tied  
24 up in personnel costs. The personnel involved are the  
25 science coordinator, the administrative assistant and the

1 data analyst who works under the data assistance manager.  
2 And these positions are in there for three-quarter time.

3                   We also put in this budget STAC  
4 compensation because we do pay an honorarium to STAC  
5 members who are eligible to receive it. Governmental  
6 members of course are not. And we also expect to have a  
7 relatively high level of STAC activity through the end of  
8 FY 06 and after that time we would expect their annual  
9 requirements to be quite a bit less. And so that's why  
10 that's in here under the contractual. So at that point  
11 I'll stop and see if there are any questions.

12                   CHAIRWOMAN PEARCE: Questions? Mr. Duffy.

13                   MR. DUFFY: Yeah, I'll start out. Phil,  
14 projecting out, I see you got a few positions who are  
15 funded with this project so theoretically in three years,  
16 when the NOS grant runs out, then we'll have to be looking  
17 at modifications to either the science budget or the  
18 increases in the science budget or the program management  
19 budget to cover these costs that have now been put off onto  
20 the NOS grant. Is that what I would read, being here four  
21 years from now, we'll probably be dealing with that  
22 situation?

23                   DR. MUNDY: Madame Chairman, Mr.  
24 Commissioner, yes, that's correct, however I would also  
25 note that we expect the program to be quite a bit different

1 in two years. That's what we're planning for. We have put  
2 projected costs in the draft work plan for you for  
3 administration however beyond FY 06, I wouldn't think that  
4 those were particularly realistic because we will need to  
5 restructure the program at that time. That's what all of  
6 our planning and our automation of our office operations  
7 are geared towards.

8 MR. DUFFY: And one other question. The  
9 travel costs, to me they seem quite high. So you're  
10 talking about almost \$86,000 over a three year period for  
11 these efforts. Maybe that's more of a statement than it is  
12 a question. It's on Page 18.

13 DR. MUNDY: Madame Chair, Mr. Commissioner,  
14 that's one way to describe them. What I would -- look at  
15 them as \$28,000 a year and it's mainly an amount not to  
16 exceed to cover movement of STAC members and subcommittee  
17 members and so forth.

18 MR. DUFFY: Okay, stated differently,  
19 28,000 a year seems high to me.

20 CHAIRWOMAN PEARCE: Other questions or  
21 comments. Dr. Balsiger.

22 DR. BALSIGER: I'm sorry, I've lost track  
23 of this. Was there one \$750,000 NOS grant and it was in  
24 '03 or fiscal '04.

25 DR. MUNDY: Madame Chair, Dr. Balsiger.



1 There is one \$750,000 grant in the first year, that grant  
2 was 2004, it runs through 2006. This is the -- FY 05 is  
3 the second year of that.

4 DR. BALSIGER: But the appropriation that  
5 contained it, was it the fiscal '03 appropriation bill that  
6 you finally got the grant in place for EVOS funds, it was  
7 for four, five and six? My vote doesn't hinge on that, I  
8 was just trying to recall, so it's not important.

9 DR. MUNDY: Madame Chair, if I could defer  
10 that question to Paula Banks. I only know that we initiate  
11 -- we started the paperwork on this thing in FY 03 and we  
12 got it in FY 04, so I really don't know which federal  
13 authorization.

14 DR. BALSIGER: That's fine. I don't need  
15 to know that.

16 MS. BALLARD: Good answer, Paula.

17 CHAIRWOMAN PEARCE: Other questions? Are  
18 we ready for a motion?

19 MS. BALLARD: Move approval.

20 MR. MEADE: Second.

21 CHAIRWOMAN PEARCE: Is there a second? I  
22 didn't hear. Did somebody second it?

23 DR. BALSIGER: I'll second.

24 MR. MEADE: I said I second.

25 CHAIRWOMAN PEARCE: I'm -- okay. There is

1 a motion and a second. All those in favor, signify by  
2 saying aye.

3 IN UNISON: Aye.

4 CHAIRWOMAN PEARCE: Anyone opposed?

5 (No audible responses)

6 CHAIRWOMAN PEARCE: That is approved.

7 Brings us to the draft work plan.

8 MS. PHILLIPS: We'll just have Phil stay  
9 right at the table. However you want to go in. He's got a  
10 presentation to make before he start -- before you  
11 consider.

12 DR. MUNDY: We go to the draft work plan  
13 now.

14 (Pause - whispered conversations)

15 MS. BALLARD: Do we need to do at eases?

16 Can we have a.....

17 CHAIRWOMAN PEARCE: Yes, we can.

18 DR. BALSIGER: Yeah, can we take a five  
19 minute break?

20 MS. BALLARD: If we could have a five  
21 minute at ease here, Gail, so we can get ourselves  
22 organized. Sure, not a problem. Thank you all for  
23 approving the budgets, I appreciate that.

24 CHAIRWOMAN PEARCE: For those of you on  
25 line, we'll be back shortly before 4:00 o'clock

1 (Off record - 3:57 p.m.)

2 (On record - 4:04 p.m.)

3 CHAIRWOMAN PEARCE: The final thing on  
4 today's agenda is the 2005 through 7 draft work plan and  
5 the budget sending recommendations. Commissioner Duffy.

6 MR. DUFFY: Yeah, thank you, I'd like to  
7 start out if I could. I'm not sure that the Trustee  
8 Council at this point needs a detailed presentation from  
9 Dr. Mundy. And the reason that I say that primarily  
10 because he and the staff have done such an excellent job of  
11 getting this information out to the Trustee Council members  
12 and their staff in an early time frame from where we've had  
13 quite a bit of time to review the information in front of  
14 us, the set of proposed funding by category.

15 Back in I think about May 19th, the Trustee  
16 Council talked about these issues and the state talked  
17 about some of what they saw as state priorities, focusing  
18 more on restoration and lingering oil and some of those  
19 issues coupled with the federal perspective. The RFP has  
20 gone out. We've received proposals back. We have the  
21 benefit, and it's been in front of us for awhile, of the  
22 recommendations from the science director. We've had the  
23 recommendations from the Executive Director. We have the  
24 recommendations in writing as well as a oral presentation  
25 today from the PAC. And in addition to that, the science

1 director did meet with the agency staff and reviewed the  
2 proposed set of projects. And following that, the agency  
3 staff came back and advised us on the status of things  
4 individually as agencies. I know on the state side we've  
5 had a chance to talk about a number of issues and the  
6 balance of interest between the long term monitoring of the  
7 GEM program but not losing sight and focus on restoration  
8 and lingering oil related issues. And I really think we're  
9 at the point where we don't need a detailed presentation  
10 but I think we can engage in a discussion of which projects  
11 the Trustee Council thinks merit funding at this point in  
12 time.

13                   In addition, today we instructed our staff  
14 to meet in the other room and to review all of the  
15 information that I just have articulated, in particular,  
16 the recommendations from the science director, the  
17 executive director and the PAC and to come back with us, if  
18 possible, with a consensus set of recommendations for the  
19 Trustee Council to consider by funding category. And I  
20 believe that the staff were able to come up with that  
21 consensus recommendation and I think that would be the  
22 starting point for our discussion, to see where we can get  
23 in terms of funding projects.

24                   And with that in mind, I believe Dr.  
25 Balsiger has that list in front of him, as well as us, and

1 we may be in the position to put mo here -- at least my  
2 suggestion would be to put a motion on the table that  
3 identifies those projects, have some discussion and move  
4 forward in that manner. Madame Chair.

5 CHAIRWOMAN PEARCE: Dr. Balsiger.

6 DR. BALSIGER: Madame Chair, I will make a  
7 motion but just prior that, as Mr. Duffy said, there was a  
8 lot of effort by the Trustee Council staff and its various  
9 bodies and the agency people prior to today. And they  
10 started -- they had in mind a set of projects that they  
11 recommended and called it their work plan and they had a  
12 feeling for how it all worked together. Now when we modify  
13 that slightly by this motion, should it pass, there's --  
14 Dr. Mundy, for example, and the rest of the science group,  
15 haven't been able to anticipate what our set of projects,  
16 how they would all fit together.

17 So part of my motion, I'm not quite sure  
18 how I'm going to word it, is going to be that we need to  
19 have an evaluation of this package brought to us probably  
20 in December and in the circumstance where perhaps we've  
21 done damage to the work plan but haven't recognized it  
22 because we're aren't as intimately involved as Dr. Mundy  
23 was, they can alert us to that. Not necessarily we'd fund  
24 anything else but at least so that we would have a report  
25 on what they believe as our selection of projects does to

1 the overall status of the work plan. If that's fair. But  
2 before I make that motion, I'd like to have that discussed  
3 just a little bit.

4 CHAIRWOMAN PEARCE: Commissioner.

5 MS. BALLARD: I understand exactly your  
6 concern and one of the things I'm impressed by in Phil's  
7 budget is the determination to go ahead with the science  
8 plan review. And it seems that those two things should  
9 dovetail. That the science plan review and a critique, if  
10 you want, of the rationale of the continuing work be  
11 married up together so that we do exactly what you want,  
12 Jim. And maybe your motion would be in the form of  
13 endorsing as rapid movement on the science plan review plan  
14 is possible, particularly in light of the fact that the  
15 Council might embark on a slightly different set of  
16 projects than was recommended by the science staff. Is  
17 that the spirit that you're.....

18 DR. BALSIGER: That -- exactly. And  
19 perhaps I'll just make the -- with the -- I'm going to make  
20 a motion for which projects we should fund and then perhaps  
21 follow up with a second motion because I don't want to get  
22 all fowled up on the wording.

23 So if I could, Madame Chair. I recommend  
24 that for the '05 restoration work plan that the Trustee  
25 Council fund the following projects. These will be on the

1 Alaska Coastal Current theme. That would be Matkin's  
2 project, monitoring killer whales. Under the community  
3 involvement theme, that's Baird's project connecting with  
4 coast walk. Under lingering oil effects, Irons' project,  
5 marine bird abundance. Rosenberg's harlequin duck  
6 population dynamics. And Short's monitoring of  
7 anthropogenic hydrocarbons.

8 Under the management strategy, Otis'  
9 project, temporal stability of fatty acids in herring.  
10 Willette's project, salmon smolt monitoring. Under the  
11 modeling area, Adams' project, pink salmon survival models.  
12 Moffitt's project, Sea S-E-A pink salmon survival model.  
13 Under the nearshore area, Bodkin's project, nearshore  
14 monitoring plan and Hoover-Miller's harbor seal monitoring.  
15 And also Saupe's shoreline mapping in Kodiak. That's the  
16 extent of my motion, I recommend we fund those.

17 MR. DUFFY: Second.

18 CHAIRWOMAN PEARCE: We have a motion and a  
19 second. Is there discussion?

20 DR. BALSIGER: Madame Chair, this  
21 collection of proposals funds something in each of those  
22 areas that, with the exception of the synthesis, which I  
23 would suggest then we defer and I'll try to cover that in a  
24 subsequent motion unless someone else wants to make it for  
25 me. And it didn't fund anything in watersheds but it's a

1 collection of good projects and I think that it will allow  
2 the Trustee Council to move forward, embracing parts of the  
3 GEM model but certainly including those high priority  
4 programs that have to look at the other restoration  
5 activities.

6 CHAIRWOMAN PEARCE: Further discussion.  
7 Mr. Meade.

8 MR. MEADE: I'll point out that as I  
9 understand it as well, this retains our flexibility and our  
10 options next year. This would not push the cap and also  
11 over obligate or obligate us to having no discretion. Next  
12 if we have any areas that the Council do feel it's  
13 important areas to place some focus in on some of the more  
14 short term lingering effect kind of issues, so.....

15 CHAIRWOMAN PEARCE: Further comments? Are  
16 we ready for the question? All those in favor, signify by  
17 saying aye.

18 IN UNISON: Aye.

19 CHAIRWOMAN PEARCE: Anyone opposed?

20 (No audible responses)

21 CHAIRWOMAN PEARCE: The motion carries.

22 Dr. Balsiger, did you have another comment?

23 DR. BALSIGER: I don't have this written  
24 out so I'll probably word it clumsily but in recognition of  
25 the fact that this selection of projects is slightly



1 different than that proposed in the well thought out work  
2 plan, we would ask our science director to evaluate this  
3 plan in context of developing the science plan that he has  
4 indicated in the document that he will and bring that to us  
5 at our December meeting.

6 MS. BALLARD: Second.

7 CHAIRWOMAN PEARCE: We have a motion and a  
8 second. Any comment?

9 (No audible responses)

10 CHAIRWOMAN PEARCE: Are you ready for the  
11 question? All those in favor, signify by saying aye.

12 IN UNISON: Aye.

13 CHAIRWOMAN PEARCE: Anyone opposed?

14 (No audible responses)

15 CHAIRWOMAN PEARCE: Motion carries. Any  
16 other comment?

17 MR. RENKES: I have a question for Dr.  
18 Mundy. What's the schedule for completing the rewrite of  
19 the science plan? And it looks like that that's going to,  
20 you know, involve a fair amount of -- require a fair amount  
21 of Trustee involvement as well as the STAC. And in the  
22 discussions we've had, we feel like we really wish we had  
23 that now. So there's some urgency to it because it's going  
24 to help communicate to the public research community, you  
25 know, what the immediate midterm objectives of the Trustee

1 Council are with respect to the scientific research.

2 DR. MUNDY: Yes, Mr. Renkes. We plan to  
3 have the science plan rewritten. About this time next year  
4 we'll try to bring it forward in time for the Trustee  
5 Council to consider it before action is taken on the FY 06  
6 work plan so that it will be on the table and you'll be  
7 aware of its contents. And yes, as I told the agency  
8 liaisons on our meeting on July the 15th, this is an  
9 excellent opportunity for Trustee Council agencies to get  
10 involved in the science plan because we try to build the --  
11 the science plan says what we're going to do, why we're  
12 going to do it and when we're going to do it, what the  
13 sequence is.

14 And so it's the logical jumping off point  
15 for the invitation, which determines what kind of proposals  
16 we get. So it will be -- we plan this to be roughly a year  
17 long project to rewrite the science plan.

18 MR. RENKES: Well, I'd encourage you, to  
19 the extent you can have it done, sometime in advance of  
20 this meeting next year so that we can, you know, reflect on  
21 that and work through this process based on that plan as  
22 something of a road map. And also use it as a tool to  
23 engage the Trustees as well as the science community during  
24 the course of this next year on this, you know, transition  
25 phase that we're in that you've described in the work plan.

1                   We had a little concern about the -- I do,  
2 I'm a little concerned about the characterization, sort of  
3 what we're doing now, what the transition is and where  
4 we're headed with respect to restoration activities. And  
5 some of it is just the language, and it's not a criticism,  
6 it's just the sensitivity, is all. And where we say we're  
7 concluding the court settlement process and we're  
8 concluding the court settlement phase, we're moving into a  
9 long term monitoring phase of restoration and there is some  
10 transition that's going to occur. That's what I read.

11                   I think this draft work plan is very well  
12 written and it really lays things out but I'm not -- I have  
13 a hard time as a lawyer trying to fit that in to what  
14 actually is occurring under the settlement. And when we  
15 complete restoration, well then we of course will complete  
16 it, I understand long term modeling is part of the  
17 restoration process. So I would characterize, you know,  
18 the phases in terms of completing the court settlement  
19 phase and moving to another phase because there may not be  
20 another phase, other than the court settlement phase  
21 itself.

22                   CHAIRWOMAN PEARCE: Dr. Mundy.

23                   DR. MUNDY: Yes, Mr. Renkes, I understand  
24 that perhaps the -- this is a semantic issue because  
25 basically what we're trying to do as a staff -- again, I

1 stress that we try to do what the Trustee Council tells us  
2 to do. And all we're doing is providing information so  
3 over the next two years they will allow us to understand  
4 the status of the injured resources and to have whatever  
5 information might be necessary within the next two year  
6 time frame.

7                   In addition, should the decision be made to  
8 do a long term monitoring program, we want to be prepared  
9 to launch that because it has been a five year effort to  
10 get to the point where we are now. So that should we  
11 decide, we can't just decide on September the 30th of 2006  
12 that we want to do long term monitoring because they you'd  
13 have a -- roughly a five year hiatus before you'd start  
14 that program.

15                   So again, our job is to provide information  
16 on injured species and fate and effects of oil to the  
17 extent that that might be necessary over the next two  
18 years, choosing my words carefully. And also to be ready  
19 to launch a credible long term monitoring program that has  
20 a scientific in-census, should that be given to us.

21                   MR. RENKES: Well, I think the science plan  
22 could be, you know, a real great opportunity to sort of  
23 increase the level and understanding about sort of what  
24 we're doing in the near term and how that transitions into  
25 the long term efforts that we have and be the glue, I

1 think, that can get us past some of the -- you know, we've  
2 obviously had some discussion and agreement about the value  
3 of different individual pieces of research with respect to  
4 where we're going and I think the science plan can help  
5 smooth through this transition. And not only the plan  
6 itself but the process of getting to it over the next  
7 years. That's my comment.

8 CHAIRWOMAN PEARCE: Mr. Meade, did you have  
9 a comment?

10 MR. MEADE: Actually, I just wanted to  
11 build on the conversation here because it I think really  
12 fits well, the interests in common that collectively the  
13 board of trustees have shared. And to hear Dr. Mundy state  
14 that clearly the next two years is some real important  
15 short term research that leads into long term. I think  
16 Gregg is much inferring the same and that to me was the  
17 real important outcome for us, was to recognize the  
18 importance in both. That we have shared interests in both  
19 the short term need as well as the recognition for the long  
20 term research as well. So for me that really captures it  
21 well and the encouragement I wanted to offer and it's  
22 already been stated, and that's to engage the board of  
23 trustees early and often through ourselves or through our  
24 staff as you begin to move forward in that evaluation and  
25 revitalization of the science plan.

1                               But also on behalf of the board of  
2 trustees, I think I'd amiss if we didn't share an expressed  
3 thank you to Dr. Mundy and the full staff associated with  
4 putting the proposal together as well as a sincere  
5 appreciation to the public advisory committee as well for  
6 their insights and advice. The maturation of the PAC  
7 information, the maturation of what Dr. Mundy presented and  
8 the advice that we were able to solicit through our own  
9 staff and counsel have really given us that ability to  
10 recognize those mutual interests in bringing forward a  
11 proposal. So I just think it's a good win-win that  
12 everybody can feel that there's some real success in as we  
13 position the program this year.

14                           CHAIRWOMAN PEARCE: Dr. Balsiger, I'd just  
15 like to make a clarification for the record of your motion  
16 on the work plan. The motion that you made included for  
17 those projects that have expenditures for '05, '06 and/or  
18 '07. Your motion included those out year expenditures, is  
19 that correct?

20                           DR. BALSIGER: Yes, I think that we always  
21 have the understanding that a project has to produce in  
22 order to get the out years but that was the intention.

23                           CHAIRWOMAN PEARCE: Sure. Okay, just  
24 double checking. Further business to come before the  
25 Council.

1 MS. PHILLIPS: I have nothing further.

2 MS. BALLARD: I have one comment that may  
3 help in the tentative meeting dates. It doesn't matter  
4 that I am unable to come to the December 3rd meeting but I  
5 am not. I can be sure that Kurt comes but I can't and I  
6 think you knew that.

7 MR. MEADE: I can echo a lack of  
8 availability for December 3rd as well.

9 MS. BALLARD: Right. I wanted to check. I  
10 didn't have my calendar out this morning when we had that  
11 item.

12 MS. PHILLIPS: Okay, we'll try to work on  
13 another date.

14 MS. BALLARD: Right. I'd be happy to have  
15 somebody else here.

16 MS. PHILLIPS: And then we're still  
17 planning on doing a second week in October trip to Prince  
18 William Sound, that's if we can work out with those that  
19 didn't get the chance to go.

20 DR. BALSIGER: In October or September?

21 MS. PHILLIPS: October.

22 MS. BALLARD: Can we go back again?

23 CHAIRWOMAN PEARCE: Yes.

24 MS. PHILLIPS: We have to wait till after  
25 Joe gets married.

1 MR. MEADE: And I'll be the pilot.

2 CHAIRWOMAN PEARCE: We have three

3 resolutions that need to be signed so.....

4 MS. PHILLIPS: Oh yes, right.

5 CHAIRWOMAN PEARCE: .....Trustees please do

6 not leave until.....

7 MS. PHILLIPS: Do not leave.

8 CHAIRWOMAN PEARCE: .....two of them in

9 fact I think are ready.

10 MS. WOMAC: Well, not those.

11 CHAIRWOMAN PEARCE: No, they're not ready.

12 Never mind. Cherri is going to put them in front of our

13 noses.

14 MS. WOMAC: Those are just copies for you

15 to read. This one is (indiscernible - away from

16 microphone).

17 CHAIRWOMAN PEARCE: So are we going to sign

18 today or not -- yes, sign.....

19 MS. BALLARD: Yeah, we move to adjourn in

20 that case.

21 MR. DUFFY: Second.

22 CHAIRWOMAN PEARCE: We have a motion to

23 adjourn and a second. Let me congratulate Joe on his

24 upcoming nuptials. And have a great time. We're

25 adjourned.



1 (Off record - 4:23 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 169 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by me on the 23rd day of August 2004, commencing at the hour of 9:05 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 3rd day of September 2004.

SIGNED AND CERTIFIED TO BY:

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