

EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL

1 Fairview Recreation Center
2 1121 East 10th Avenue
3 Anchorage, Alaska
4 December 5, 1991
5 5:00 o'clock p.m.

6 IN ATTENDANCE:

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|--------------------------------------------------------------------|--------------------------------------------------------------------|
| 6 State of Alaska | MR. CHARLES COLE Attorney General Council Meeting Chairman |
| 8 State of Alaska Department of Environmental 9 Conservation | MR. JOHN SANDOR Commissioner |
| 10 Alaska Department of Fish and Game | MR. CARL ROSIER Commissioner |
| 11 USDA Forest Service | MR. DAVE GIBBONS for MR. MICHAEL BARTON Regional Forester |
| 14 National Oceanic Atmospheric Administration | MR. STEVEN PENNOYER Regional Director |
| 15 United States Department 16 of the Interior | MR. CURTIS McVEE Special Assistant to the Secretary |

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P R O C E E D I N G S

1 MR. COLE: We should call to order this meeting of what
2 is currently styled as the Trustee Council. I'm Charles Cole,
3 and I've been asked as a State Trustee to act as Chairman of
4 this first meeting of the Council. I'd like to introduce first
5 the State Trustees: Carl Rosier, Commissioner of Fish and
6 Game; John Sandor, Commissioner of Environmental Conservation;
7 and the Federal trustees Steve Pennoyer, who is the nominee of
8 Dr. John Knauss Federal Statutory Trustee; Curt McVee, nominee
9 of Secretary Lujan, Secretary of the Interior; and, Dave
10 Gibbons, who is sitting here this evening as a substitute, as
11 it were, for Mike Barton, who is the nominee of the Secretary
12 of Agriculture Madigan.

13 Mr. Barton, as is not unusual these days as a Juneau
14 resident, was not able to be here with us this evening. We
15 regret that it seems like a perennial problem in Juneau,
16 transportation in and out of that place. I'm told by one of
17 the attorneys in the Department of Law that they had two or
18 three missed approaches today, and she was fortunate to
19 eventually get back to work in Juneau.

20 First, I think that we should ask if any of the members
21 of the council here wish to make any preliminary opening
22 statements. First, maybe I should say a word.

23 I want to assure everyone here and everyone in this
24 State that perhaps we can alleviate their concerns that there
25 have been these mysterious secret meetings of this group,

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because there have been none. Let me also, if I may, alleviate
1 concerns, of some, that decisions have been reached by this
2 group; because no decisions have been reached by this group.

3 The State Trustees joined, without dissent by the
4 Federal trustees, in having firmly committed themselves to open
5 meetings of this council, not only simply as a perfunctory
6 requirement of the State Open Meeting Law Statute, but as a
7 matter of good solid Government; and that's the way we will
8 continue to conduct the business of this Trustee Council.

9 Now, we recognize that some of you may have the view
10 that the notice of this meeting was somewhat truncated. That
11 may be a legitimate observation or criticism, but one of the
12 things that we had in mind was to get this organization going
13 and underway. And we thought, especially with the Christmas
14 holidays coming, with the New Years following shortly
15 thereafter, that it was important that we start the process.
16 So the meeting notice was, perhaps, not quite as lengthy as we
17 would have liked. I will the next time, if I'm still acting in
18 this capacity, be a little more forceful about notice; about a
19 longer notice and about dissemination of that notice in all of
20 the specialty communities affected by the Oil Spill.

21 But I'm satisfied, as demonstrated by the people that
22 we have here this evening, that the notice has been reasonably
23 effective.

24 Beyond that, I ask fellow Trustees here if any of them
25 wish to make an opening comment. And, let me say one other

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1 thing. You can see this is not well scripted. Why are we here
2 tonight? Let me start with that so we can have a little bit of
3 a framework.

4 Well, basically we're here this evening pursuant to the
5 terms of this Memorandum of Agreement and Consent Decree which
6 was signed by Representatives of the United States and the
7 State of Alaska on August 27th, and approved by Judge Holland
8 and filed in the United States District Court on August 29,
9 1991. That agreement was made before the settlement with
10 Exxon, which supplies monies with which this group will be
11 largely concerned, and, therefore, some of the provisions of
12 that agreement address prospective litigation to be conducted
13 jointly by the State of Alaska and the United States.

14 But the operative provisions of that agreement with
15 which we are primarily concerned with here this evening, and in
16 the future activities of this Trustee Council are involved, are
17 those which provide for a co-trusteeship for the collection and
18 the joint use of all recoveries for the benefit of the natural
19 resources injured, lost, or destroyed as a result of the Oil
20 Spill. So, by virtue of that agreement, there is the Joint
21 Trusteeship Agreement and this is the Joint Trusteeship body
22 which will carry out those provisions.

23 There are further provisions in the agreement dealing
24 with the same subject. One of the provisions which I think I
25 should call to your attention is the provision that the
decisions on the part of the Trustees are required to be

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unanimous. This was a subject of which there was considerable⁵
1 debate among the Representatives of the Department of Justice
2 and the State of Alaska, and I think it came down to a
3 recognition that -- especially on the part of the State
4 representatives -- that the State would have a firm hand in
5 this Joint Trusteeship. And it was one of the Governor's
6 principal views that he did not want to see this Joint
7 trusteeship and the use of these monies controlled by
8 Washington, D.C.

9 So in a sense, under the terms of this agreement, there
10 are three vetoes -- three possible vetoes to Federal decisions.
11 And by the way, you know, there's three Federal vetoes, too,
12 in case they think we get out of line. But, we think it's a
13 nice balance, and I think it will serve to guide the
14 Trusteeship in a conservative manner, so that we'll have to
15 have that unanimous agreement before any principal decisions,
16 or all major and substantive agreements are made with respect
17 to this group.

18 One other provision of the agreement I want to call to
19 your attention tonight is that which is on page 11 which
20 provides this: within 90 days after the receipt of any natural
21 resource damage recovery, the Trustees shall agree to an
22 organizational structure for decision-making under this
23 Memorandum of Agreement, and shall establish procedures
24 providing for meaningful public participation in the injury
25 assessment and restoration process, which shall include

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1 establishment of a public advisory group to advise the Trustees
2 with respect to the matters described in previous provisions of
3 this agreement.

4 I have read the correspondence of some of the
5 environmental groups about public participation, and I want to
6 call to their attention that this Trustee Council will deal
7 later this evening, initially, with public participation. But
8 I do want to say that the agreement provides for meaningful
9 public participation in the injury assessment and restoration
10 process. It's a little limited, it does not provide for public
11 participation in, for example, the formulation of the
12 organization.

13 So, with those somewhat lengthy preliminary comments I
14 now first ask or will extend the privilege to the public
15 Trustees to make any preliminary or opening statements they
16 wish to make at this time. Thank you.

17 MR. PENNOYER: Thanks, Charlie. I think you covered it
18 very well. I think I'd add that some of us have been involved
19 in the Exxon Valdez process since practically a day after the
20 Spill. And, certainly what you said about public participation
21 is something we've been looking for a long time. And those of
22 us who took part in the science and damage assessment was
23 troubled by the fact that for that whole period of time, being
24 litigation sensitive, there really was a difficulty in dealing
25 with what I think we now have to deal with.

26 The whole purpose and scope of this process is to

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restore the resources in Prince William Sound and, certainly, a
1 key element is that those who have been damaged or have been
2 involved in that have a role to play in our structuring of the
3 resource restoration program. So, I don't think I have a whole
4 lot extra to say. I think you covered the agreement. And,
5 Curt, do you want to say a word?

6 MR. McVEE: Maybe just a comment. Some of the Interior
7 agencies would expand, Steve, the resources of Prince William
8 Sound to also mean those in the Gulf of Alaska. And, that's
9 been drilled into my mind the last few months since I assumed
10 this responsibility.

11 But, I guess, in representing the Secretary, I know
12 that he is intent on this process working and that we move the
13 decision process on restoration, you know, effectively so it is
14 focused in Alaska and functions here, and that only those
15 conflicts that can't be resolved by the Trustee's Council, you
16 know, would be elevated to the Trustees themselves.

17 And, so I think we -- my personal feeling is that, from
18 the Interior's, standpoint we have a strong commitment to make
19 this process work.

20 MR. COLE: Thank you, Mr. McVee. John Sandor,
21 comments?

22 MR. SANDOR: Thank you. I want to make the point of my
23 personal experience as a representative of the State of Alaska
24 of the excellent cooperation we've observed between the Federal
25 government agencies and the State of Alaska agencies in the

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clean-up work, in the damage assessments, the litigation. And,⁸
1 this cooperative process has really been outstanding in my many
2 years of Government service.

3 I want to also make the point that this close
4 cooperation is continuing in this phase of going into the post-
5 restoration activities.

6 And, finally, I just can't help but observe how
7 tremendous it is that we're at this stage and how fortunate the
8 citizens of Alaska and the citizens of the State and the Nation
9 really are in having this litigation settled and behind us.

10 And so, over the very strong outlook of optimism, we
11 see a very positive working relationship with our Federal
12 counterparts in this next important work. Thank you.

13 MR. COLE: Commissioner Rosier, comments?

14 MR. ROSIER: Thank you, Mr. Chairman. I don't think
15 that I can add a great deal more. I think that we're getting
16 started fairly late here this evening, and to keep it short,
17 I'll keep my comments brief until we get into the meat of the
18 agenda here on this.

19 We look forward to working with our Federal
20 counterparts there. And, as the management agency that -- or
21 one of the management agencies who has prime responsibility for
22 a lot of the resources that were impacted by the Oil Spill out
23 there, I certainly look forward to getting the settlement
24 arrangements off and running and beginning to see some of the
25 healing that those resources deserve.

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With that I'll cut it off and turn it back to you,
1 Mr. Chairman.

2 MR. COLE: And, lastly, we have Dave Gibbons.

3 MR. GIBBONS: Mr. Chairman, excuse me, I've got one
4 short statement. I just talked to Mike Barton on the phone and
5 he would like to have me pass along his sincere regrets for not
6 being here. But, as Trustee Cole mentioned, that was not a
7 matter of his choice. I guess he spent quite a bit of time in
8 the airport. He did say that he got some reading done, but
9 other than that, not too much done at the airport. But he just
10 wanted to pass along his regrets.

11 MR. COLE: Thank you, Mr. Gibbons.

12 It's probably appropriate now that we talk a little bit
13 among the Trustee members of how this Trustee Council is going
14 to be organized. You might think that this is a decision
15 that's been made in smoke filled rooms, but it really hasn't.

16 We recognize, as I'm sure you realize, that it's not
17 really ever going to be possible to have meaningful decision-
18 making process by the Statutory Federal Trustees and the
19 Statutory State Trustees, which as you likely know there are
20 six under the Clean Water Act, or the CIRCLA Act, and I'm never
21 really sure what all that stands for, but I know it's called
22 CIRCLA.

23 As you know, the Federal Trustees are Secretary
24 Madigan, Dr. Knauss as the lead Federal Trustee, and Secretary
25 Lujan. Then there are we three State Statutory Trustees

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appointed by the Governor. So it's just a recognition that
1 getting Secretary Lujan, Secretary Madigan and Secretary
2 Knauss -- or Dr. Knauss, for NOAA, to get together and hold
3 these meetings just won't work; they're not going to come up
4 here and sit here in Alaska and participate in these decisions.

5 And certainly the State Trustees are not going to go back, if
6 you can get those three top level Federal officials together,
7 to meet with them.

8 So, in addition to that, the State Trustees have felt
9 and continue to feel very strongly that this Trustee Council
10 and how these monies are expended and the entire restoration
11 process development should be headquartered and centered in
12 Alaska. And I think that it's an achievement, both for the
13 State and for the United States, that we've been able to get
14 this far; that we're sitting here this evening among this
15 group, and that the decisions governing this MOA are going to
16 be made in Alaska and by people who live in Alaska.

17 And, so I'll first turn these comments over to
18 Mr. McVee about his -- the Federal proposal, the Secretary's
19 proposal for the process of the organization. If you'd like to
20 tell us about it and discuss it.

21 MR. McVEE: Okay. Thanks, Chairman Cole.

22 I have a handout. As members of the Trustee Council,
23 I'm sure that you have one of these. We would make the rest
24 available for those people that are here. I guess every --
25 everything has to start some place, and so maybe this is a

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starting point that we have here. It's evolved from
1 conversations between the Federal trustees, and we have -- you
2 know, it's still a draft, and it has had no exposure at this
3 point in the State of Alaska; so you people that are here are
4 seeing it for the first time in the State. But it is a
5 starting point.

6 And, some of the concepts that we're dealing with, or
7 trying to deal with, of course, are to create an efficient
8 organization. And that's not particularly easy when you deal
9 with, you know, three State and three Federal agencies that
10 have major management responsibilities. And so it's our best
11 shot as a beginning point, I think, on the Federal side as to
12 where we might start.

13 As Mr. Cole had mentioned, we have 90 days in order to
14 put together a general framework plan, which includes
15 organization. And during that period of time, I expect that we
16 will have a lot of opportunity for public participation at
17 different phases in that process. And one of the elements of
18 that plan will be this organization.

19 In talking about the goals for post-settlement
20 organization. And I might just say this before I go into that,
21 that we are going into what you might say is a new phase of the
22 Exxon Valdez issue, you know, the restoration versus the
23 natural resource damage assessment and the litigation, I guess
24 you might say, mode or focus that we had previously. And so
25 it's our feeling on the Federal side, at least, that we need an

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organization that focuses very tightly, very precisely on the
1 restoration issue, which is different.

2 The goals we would like to see addressed are to focus
3 the Federal implementation responsibility in the Alaska
4 Regional and State organizations. And to explain that a little
5 bit, is that the Department of Interior has substantial staffs
6 and capability within the National Park Service and the Fish
7 and Wildlife Service, which are the principal two Interior
8 agencies involved, and we'd like to see the implementation
9 responsibility focused on those agencies.

10 First, there's, you know, staffing up a new
11 organization of some sort to carry on the program. We feel
12 like that those organizations have planning capability, that
13 they have contracting capability, they have scientific and
14 technical capability to handle the Federal program.

15 MR. COLE: Let me ask this: Would you put the State
16 organizations on a parity with the Federal organizations there
17 that you've just referred to?

18 MR. McVEE: Yes. I guess I'm speaking, Charlie, that I
19 would have no problem if that's the way the State proposes to
20 or wants to run the program because, you know, we've been
21 working closely -- our agencies have been working closely with
22 the State organizations through this process, through the
23 damage assessment process; so, you know, it is part of the
24 continuation of that in a way, but the scientific capabilities,
25 certainly, of State organizations, you know, as well as

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management abilities, need to be brought to bear.

1 But, I think by focusing the Federal implementation
2 responsibilities in Alaska, that makes it easier to do what
3 you're, I think, suggesting.

4 The second thing was to provide unassailable fiscal
5 accounting; and, probably, that doesn't need much explanation;
6 that we have to be able to justify where the money goes. There
7 will be audits on the Federal side, and I assume that the State
8 is subject to audit through certain processes also.

9 Third, was to organize within the existing structure
10 where feasible; and that goes, I guess, somewhat to item one,
11 also, the first goal; and I think this is part of creating the
12 efficiency and eliminating excess costs, overhead costs.

13 Four, provide for maximum use of settlement funds for
14 on the ground restoration activities and minimize use of
15 settlement funds for overhead and administrative costs. And, I
16 think that's very important because the benefits to the
17 resources will be from those monies that we invest in the
18 damaged area.

19 Fifth, was to improve -- improvement of the
20 Alaska/Washington Federal interface. And, that kind of goes
21 with the focus of the Federal implementation responsibilities
22 in Alaska.

23 Sixth, provide optimum public and scientific review.
24 We agree with Mr. Cole's comments concerning public input, and
25 also see the requirement that the activities that are conducted

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need to have a sound scientific base. Our decisions need a
1 sound scientific base.

2 I would visualize that there will be some part of the
3 restoration funds that will be spent on additional studies;
4 what I call the monitoring and natural resource recovery type
5 of studies in the future. Those have to be designed with
6 utilizing proper science.

7 And, I guess the seventh is, you know, as a goal, is to
8 define, you know, a good decision-making process; a process
9 that is defensible and that is explained, so that it's defined
10 to the public so they know what -- how we are going about
11 decision-making which, of course, is necessary for the public
12 in order to make their input.

13 On the flow charts, the first top one is a functional
14 flow chart, you know, versus an organizational flow chart, and
15 it shows the three Federal Trustees, which Mr. Cole mentioned,
16 the Trustee Council group, this group, three State and three
17 Federal, a Resource Restoration Coordination Group. And this,
18 as I see it, the Federal Trustee Council members and State
19 Trustee Council members, is our key staff people that probably
20 will do the hard work and, you know, the staff work necessary
21 to come before us to make decisions, working through processes,
22 options, identifying options and so on, financial oversight
23 group.

24 And then we see that there will be sub-groups formed as
25 needed. Some of these, you know, would be ad hoc, maybe of

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short duration, to take on a single task; some of them we
1 visualize would probably be of a long-term nature, maybe not
2 meeting continuously but, at least, on a periodic basis as
3 needed. And, I think, you know, as you look at all the tasks
4 we have to do, you can pretty much identify what kind of sub-
5 groups are necessary.

6 Of course, the Public Advisory Group that's required
7 would provide advice to the Trustee Council. And we've given
8 some thought as to the kind of elements or organizations or
9 interests that would be represented on that advisory group.

10 I think, I guess, my first feeling is to try to make
11 that as effective as possible. Through the years I've dealt
12 with a lot of advisory groups and, you know, I find that that
13 is a very fruitful kind of exercise, kind of process to go
14 through, that it's an advantage to Government to have that kind
15 of input.

16 The second

17 MR. COLE: Could I ask a couple of questions?

18 MR. McVEE: Yes, certainly, Charlie.

19 MR. COLE: The State Trustees saw this first page flow
20 chart this afternoon, as you know, about 4:30 by FAX, so we
21 have some questions about it, if you don't mind. Am I to
22 understand that you and Mr. Pennoyer and Mr. Barton are the
23 members of the Trustee Council appointed by the Federal
24 statutory trustees?

25 MR. McVEE: Yes.

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MR. PENNOYER: That's correct.

1 MR. COLE: We can, say, lay that to rest?

2 MR. McVEE: Yes.

3 MR. COLE: Okay. Well, then we have the three State
4 trustees; so we can sort of get down to the Trustee Council, I
5 think.

6 Now, what's this line of the EPA over there? I mean,
7 the reason I mention that is because, as you know, this
8 Memorandum of Agreement says that the decisions on the part of
9 the Federal Trustees shall be made in consultation with the
10 EPA, and that was a huge battle ground, as I recall, when we
11 negotiated this agreement; that the EPA Federal Agency would
12 not be advising, as it were, the State Trustees.

13 So, I'm going to ask you a little about that. What's
14 the story there?

15 MR. McVEE: Okay. Let me respond. The President made
16 a commitment that the EPA will be involved in the restoration
17 process. And their involvement, precisely, is providing advice
18 to the Federal Trustees and also as co-leader or co-chair of
19 the restoration planning activity on the Federal side.

20 And so as the chart is drawn, it doesn't show all the
21 detail I guess that's necessary to explain that, but that is
22 the role that we understand that EPA will play. It'll relates
23 to the Federal Trustees; it's in the MOA.

24 The Government acknowledges that the President has
25 assigned to EPA the role of advising Federal Trustees, in

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coordinating on behalf of the Federal Government, the long term
1 restoration of natural resources injured, lost or destroyed as
2 a result of the Oil Spill.

3 MR. COLE: So that accounts for them being on this
4 pamphlet?

5 MR. McVEE: That's why they are on the box.

6 MR. COLE: One comment about the Public Advisory Group;
7 is that meant to be definitive, or are those just
8 illustrations?

9 MR. McVEE: I guess I'd call them illustrations. You
10 know, we have to start somewhere, and they are some ideas.

11 MR. COLE: Did you have any questions, John or Carl,
12 about this flow chart?

13 MR. ROSIER: Yeah, I had one. You spoke to the
14 Administrative Director Resource Restoration Coordination Group
15 utilization, apparently, of in-house capability there. What
16 did you visualize as far as the sub-groups were concerned, the
17 composition of those? Would that be public as well as agency,
18 or what do you

19 MR. McVEE: Those I would guess would be, you know,
20 additional staff that we would need to assign. And, you know,
21 some examples, of course; one is the Restoration Planning
22 Coordination Group, which is, as I see it, where the
23 responsibility would lie for the development of the plan that
24 we have to put together here in the next 90 days or so.

25 Another one that we might set up there would be -- and

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1 this is just a thought -- would be a public participation
2 planning group, you know, to pull together a plan, at least the
3 first cut at a plan that we could take a look at and we could
4 start to utilize early on.

5 I guess another one that I've thought about would be a
6 group to try and develop an umbrella plan or framework plan for
7 all the studies, the kind of additional studies in terms of
8 measuring natural resource recovery, of future monitoring, an
9 umbrella plan to guide us in making decisions on specific
10 studies.

11 I might mention, you know, that considerable work has
12 been done on a number of these things already by the
13 organization that's now in place, and I think that's a good
14 place to take off on our new organization.

15 MR. COLE: Commissioner Sandor?

16 MR. SANDOR: Yes. If I could just raise a point with
17 regard to the Environmental Protection Agency's advisory and
18 coordination role. First, I think the definition of
19 coordination might be open to wide interpretation. We'd hope
20 it'd be more advisory than directory in nature. I guess the
21 more important thing that would concern me, though, Curt, would
22 be that the EPA advice and direction would be Alaskan based.

23 I would be concerned if the advice and coordination
24 coming out of that block was from Washington, D.C. And, quite
25 frankly, not much more comforted if it came from Seattle.

26 So the best answer to this, of course, would be the

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establishment of a Region 11 with EPA in Alaska, and then I'd
1 feel a lot more comfortable about that. This probably is not
2 within your purview, but I think for the record I would raise
3 that.

4 MR. McVEE: I would guess your comments were duly noted
5 by Susan McMullen of EPA who's sitting here. I think maybe the
6 other Federal members have something to add to what I've said,
7 Mr. Cole.

8 MS. McMULLEN: Duly noted.

9 MR. COLE: Okay. Mr. Pennoyer, did you have comment?

10 MR. PENNOYER: Well, just I believe Mr. Rosier was
11 asking something about the administrative director on the
12 Resources Restoration Coordination Group in terms of what that
13 was going to be. I think, Curt, were you going to go through
14 some of the possible duties of these units?

15 MR. COLE: I think maybe we could get to that in a
16 minute. One thing I thought is, is there objection to
17 conceptually adopting the flow chart through the creation of
18 the Trustee Council?

19 MR. ROSIER: Certainly none from here.

20 MR. COLE: Can then we regard it as decided unanimously
21 that the Trustee Council is hereby established and comprised of
22 the Federal nominees and the three State Statutory Trustees?

23 MR. PENNOYER: I believe that's agreeable.

24 MR. SANDOR: Agreed.

25 MR. COLE: Now, did you want to -- Mr. Pennoyer or

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Dave, did you want to address some of the lower level tiers
1 there?

2 MR. PENNOYER: Well, I believe we have attached to that
3 diagram a list of the various possible duties of the groups
4 that it has envisioned. I think the Resource Restoration
5 Coordination Group is sort of a management team group to assist
6 us in carrying out our functions. And, we envisioned it being
7 composed of representatives of the various agencies at more of
8 the working level. But we also envisioned that we were going
9 to need some full-time support staff and administration of some
10 kind to coordinate the activities of that group, and to report
11 to us and support us directly. And I think we envisioned
12 that the position listed there as Administrative Director
13 would, in fact, do that.

14 And some of the duties listed are budgetary and
15 contract coordination, liaison with the Trustee Council, and
16 the Public Advisory Committee, supervise a small administrative
17 staff, and I think we'd emphasize "small," and non-voting
18 chair, or perhaps better, presiding officer of the Resource
19 Restoration Group, and interaction with the public and public
20 officials. So it's a full-time commitment to supporting us in
21 that type of a function.

22 MR. COLE: Well, let's -- Mr. Gibbons, do you have
23 something you want to

24 MR. GIBBONS: Not in that regard.

25 MR. COLE: Okay. Well, let's talk about that a little

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bit. How many members of that coordination group do you
1 believe we should establish or appoint?

2 MR. PENNOYER: Well, I think the proposal was to
3 represent each of the Trustee Council members agencies on that.
4 So, there'd be one for each of them, basically six.

5 MR. COLE: So, there would be six members? Is that
6 agreeable to you, gentlemen?

7 MR. SANDOR: So long as there's equitable State and
8 Federal participation; equal representation, I guess that's the
9 point.

10 MR. COLE: What do you mean, three and three?

11 MR. PENNOYER: Three and three.

12 MR. SANDOR: That sounds fair.

13 MR. COLE: Well, should we then unanimously decide that
14 we'll form this Restoration Coordination Group?

15 MR. PENNOYER: That certainly would be our intent.

16 MR. COLE: Decided. What about how are we going to
17 appoint these people and what's the proposal there from the
18 Federal trustees?

19 MR. McVEE: I guess I had visualized that each Federal
20 representative would have -- you know, would identify one of
21 their key staff people as being their member of the Resource
22 Restoration Coordination Group, and the State would do
23 likewise.

24 MR. PENNOYER: We'd be committed to a full-time
25 commitment to that, not just part-time.

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MR. COLE: Well, let's -- before we get to that
1 let's -- I want to look. But, before we get to that, I mean,
2 let's next address are we going to appoint these six members by
3 each Trustee Council member having one pick as it were?

4 MR. McVEE: That would be my -- I guess that's my
5 thought. That gives us representation, or a cross section of
6 the council, and then access to all of the organizations within
7 our respective areas.

8 MR. COLE: I'll pick a non-lawyer. Well, is that
9 agreeable with the State trustees?

10 MR. ROSIER: That's agreeable here.

11 MR. COLE: All right. Well then it's agreed that each
12 member of the Trustee Council gets to select and appoint one
13 member of this six person Restoration Coordinating Group.
14 Agreed?

15 MR. McVEE: Good.

16 MR. COLE: Agreed. Do you want to address anything
17 else on that? Should we address whether that has an Executive
18 Director, or whether it doesn't, or shall we leave that to the
19 group?

20 MR. McVEE: I think the Council -- we need to address
21 that, I believe, and there are some reasons for that. But, I
22 guess it's a little delicate in that when we address that I
23 would like to talk about personnel, and I don't think we can do
24 that in a public forum. And there are some candidates for
25 that, and I think that it's important that we settle on that

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position or interim leadership so that we can get moving.

1 But I think when we start talking about specific
2 individuals that we should do it in an executive session.

3 MR. PENNOYER: But, we can discuss it conceptually?

4 MR. McVEE: Yeah, conceptual discussion is fine.

5 MR. COLE: I think we should first decide whether there
6 is a full-time Executive Director position there. Is it the
7 unanimous view that there should be a full-time Executive
8 Director of that coordination group?

9 MR. ROSIER: I certainly agree.

10 MR. PENNOYER: Given our schedules, we hardly have the
11 time to hold it together on a full-time basis, and I think
12 that's something we're going to need.

13 MR. COLE: All right. Well, then we've unanimously
14 agreed on that. Assuming, Mr. Gibbons, that Mr. Barton is on
15 board and

16 MR. GIBBONS: Yeah. He's in agreement with that.

17 MR. COLE: All right. Well then we've moved along that
18 far. All right. Then we will -- you'd mentioned -- do you
19 think, Mr. Pennoyer, that we want to address whether each
20 member of this Coordination Group should be, what, a full-time
21 devotee of this group? I mean that's something I thought I
22 heard you say, and I'm not certain that

23 MR. PENNOYER: Yeah. I think that's the type of
24 commitment each agency is going to have to make, and I think on
25 our side we would propose that in fact that happen; that it be

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a full-time commitment.

1 MR. McVEE: Interior is committed to that.

2 MR. GIBBONS: Agriculture is committed.

3 MR. COLE: Mr. Rosier?

4 MR. ROSIER: I guess I don't have any problem with
5 committing someone full-time, but I think that there's another
6 question that's involved. I assume that these people that
7 we're talking about here would be retained within the agency,
8 that they would come together at some point. We're not talking
9 about moving people out of the agencies into a central
10 location?

11 MR. COLE: Oh, that's what I'm trying to address, as to
12 whether these six people are going to sit, you know,
13 figuratively in the same room and work on these projects, or
14 whether they're going to be able to perform other duties. For
15 example, Governmental duties, while they serve as a member of
16 this Coordination Group, as we've called them.

17 MR. ROSIER: Well, I have no problem committing,
18 Mr. Chairman, to a full-time position on this, but certainly I
19 would assume that by committing to that, that my designee would
20 in fact be a person that would stay with my agency and not be
21 moved out of the agency.

22 MR. SANDOR: And then, Mr. Chairman, with respect to
23 the agency that I represent, I certainly have no problem in
24 committing a full-time -- the equivalent of a full-time
25 position, and I would see the desirability of having perhaps

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some different participants in different skills, perhaps,
1 brought to bear. So I'd want to reserve judgment on how
2 that -- the equivalent of the full-time be applied.

3 I think actually the way this is going to work -- would
4 have to work -- is that one person and an alternate, perhaps,
5 would be the lead, and I would see a broad range of individuals
6 within each of our agencies contributing. And, if in fact at
7 some Restoration Group meeting discussion that dealt with some
8 specific activity, this might not be the lead or not be the
9 primary person, but a secondary person. So we'll need
10 flexibility in the operation and management of that group.

11 MR. COLE: But that troubles me, you know, first,
12 because my prospective nominee, super star, cannot spend full-
13 time on this particular subject. And, I think we have to be
14 very clear. Are we talking about these six first-round draft
15 picks, as they were, being there full-time on this group, or
16 whether they can go -- you know, do perform other duties in
17 your department? And, I think we have to be very clear about
18 that, that we can't fudge it or, you know, sort of gum it up a
19 little bit. And, I think John touched upon it, but we have to
20 be very clear on that. What do you think, Curt? I mean are we
21 talking about your pick saying full-time on this group and
22 doing nothing else?

23 MR. McVEE: Yes, I think we're

24 MR. COLE: Because I think we lose a lot of capable --
25 we lose capable people when we do that.

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MR. McVEE: I guess, Charlie, my feeling is that we all
1 face a little different situation, organizationally, and we
2 have to deal with that, and I think we can, you know, if we're
3 flexible. We have to be flexible where we've got six Trustees
4 involved. And, in respect to that, you know, I don't want to
5 move to Juneau, but -- I apologize for that to you other

6 MR. COLE: Oh, I didn't either, so don't feel like the
7 only one around here.

8 MR. McVEE: And, I'm not prepared to, you know, direct
9 a transfer of the person that we have in mind to move to
10 Juneau, which will probably set her at ease at this moment, I
11 hope, but I see this group working full-time, but coming
12 together periodically in the early stages.

13 I think it's going to demand a lot of time on our part
14 to deal with all the tasks that we have. That may level out,
15 you know, but -- so I see a lot of meetings. So I expect a
16 considerable travel to Juneau where the other five people will
17 be, maybe.

18 MR. COLE: Yeah. You've got to be very flexible about
19 scheduling, you're dealing with Juneau. But, here's the thing.
20 Do we then have a power of substitution, so to speak, on this
21 six member group? If we do, I think we can solve his problem.
22 Rather than a designation of one person and that one person
23 acts all the time because -- what do you think?

24 MR. SANDOR: Well, I think it's imperative that we have
25 that power of substitution. The bottom line really would be,

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again, that there be one, you know, vote, I guess, or position,
1 as opposed to some mixture. And, at any one Restoration Group
2 meeting there be each of the six agencies represented and, you
3 know, able to take a position. But, we must have the
4 flexibility of having different people being able to appear at
5 different times, depending on the subject area.

6 MR. COLE: Mr. Gibbons? Dave?

7 MR. GIBBONS: Yeah. Being involved in this process
8 like Steve has from the start, I've looked at the workload, and
9 the workload recently you would think after you reach
10 settlement would go down, and it really hasn't; it's gone up.

11 And, so I really am of the opinion that we need
12 somebody full-time on this; and we preferably would like to see
13 them housed together so the coordination would be improved, in
14 one location, still connected with the agencies, but housed in
15 one location.

16 MR. COLE: Well, that brings up another question.
17 Where is this group going to be headquartered, really? I mean
18 maybe we ought to decide that, too, while we're at it.

19 MR. ROSIER: I nominate Juneau. I think I lost
20 already.

21 MR. PENNOYER: I think we've run into our first problem
22 by having six different viewpoints, and not necessarily
23 consistent. I think that as Dave said, having also been
24 involved in it right from the start of the process, we found
25 that in the management team type approach you need some

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1 consistency. I don't think we ever envisioned that only one
2 person would bring our expertise to whatever is being done
3 there.

4 As a matter of fact, I think our view is we would have
5 the lead, and they could bring in whoever they wanted or needed
6 to at any time to assist. Obviously, we all are going to have
7 to have some flexibility. We've got different organizations,
8 we've got different situations, we've got different people
9 involved. But I would hope that as we do this we do bring
10 consistency to the process, because if you have a different
11 person sitting at the table each time, I think you're going to
12 find that you're not going to be able to make the decisions you
13 want to make in a timely fashion, and you'll lose some
14 continuity and history.

15 So, we may revolve and evolve and have alternates and
16 substitutes, but I think it's fairly important to try and have
17 that consistency, however we achieve it.

18 MR. COLE: Curt? Mr. McVee?

19 MR. McVEE: I guess something else I meant to say, and
20 that -- you know, that the responsibility of the Interior
21 nominee onto the RRCG will be twofold; that they will spend a
22 considerable amount of time with the Interior agencies that
23 will have the responsibility for implementation. And, those
24 regional offices, those agencies, and the expertise is located
25 here in Anchorage. So, you know, whichever way we --

MR. COLE: Expertise in Anchorage?

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MR. McVEE: whichever way we cut it, you know,
1 that if our person was located in Juneau, they'd be traveling
2 to Anchorage a considerable amount of time to get that kind of
3 input because, you know, a process has to develop from the
4 ground up, which means we've got to spend time with the Park
5 Service, with Fish and Wildlife Service to get that done so
6 that we can represent them adequately. So, we're in a -- you
7 know, it's a dilemma, I guess, from our perspective.

8 MR. COLE: So what are you saying?

9 MR. McVEE: I guess we're saying that, you know, we
10 would propose to operate from the Interior standpoint with a
11 person headquartered here, participating in a lot of travel to
12 Juneau. I guess my feeling is that with the other five
13 trustees and their principal staffs in Juneau, we were going to
14 have to give on this one and recognize that probably most of
15 the work would be done in Juneau.

16 MR. COLE: Is that then decided, that this organization
17 will be centered in Juneau; the Executive Director will be
18 there?

19 MR. ROSIER: Well, in view of some of your earlier
20 comments, Mr. Chairman, I think -- you know, I wasn't sure what
21 you were going to nominate for the location here tonight, but
22 under the circumstances I would certainly vote for it, yes.

23 MR. COLE: Well, it's not an easy call. Commissioner
24 Sandor?

25 MR. SANDOR: Well, being a long time resident of Juneau

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I should say Juneau. I wonder why we have to decide that location tonight?

MR. COLE: Well, I mean, we don't have to, but it's time to make decisions.

MR. SANDOR: Yeah. I'm wondering

MR. COLE: Do you not agree? You can tell this decision is not stacked.

MR. SANDOR: I -- I guess I would assume that it most likely might be. On the other hand, I think what may happen in the course of doing this restoration coordination work, that we're going to find that we really ought to be fairly closely related to the area in question, certainly Prince William Sound and the other areas that were impacted by the

MR. COLE: We can throw Kodiak in there.

MR. SANDOR: Kodiak.

MR. COLE: It's that the legislators continuously remind us that it's not just Prince William Sound. So, we've sort of learned the hard way to be careful when we refer to the "Oil Spill area."

MR. SANDOR: I guess the point I'd just sort of make very quickly is that this ought to be field related as much as possible, and that the restoration work ought to be rooted in the activities there. And, if it can best be done out of Anchorage, it ought to be done out of Anchorage, if it can best be done out of Juneau, it ought to be in Juneau. I don't think we know yet. I'm not in a position of voting either way on

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that.

1 MR. COLE: Well, we really ought to know by now. I
2 mean, it's been going on for two years.

3 MR. PENNOYER: Mr. Chairman?

4 MR. SANDOR: Put it in Juneau, but if you want to --
5 when they want to

6 MR. COLE: No. But, here's the thing, maybe we should
7 defer it.

8 MR. SANDOR: I would want to defer it.

9 MR. COLE: You do?

10 MR. PENNOYER: Mr. Chairman, can I make a suggestion?
11 We're starting here, and we've got to start somewhere, and this
12 group is going to have to start meeting somewhere presumably
13 when we get this going. Can we pick Juneau as the starting
14 point and recognize that through this whole process, the whole
15 restoration process is going to be an evolving one and we may
16 change in the future?

17 MR. SANDOR: Okay.

18 MR. COLE: You're sure?

19 MR. SANDOR: Sure.

20 MR. COLE: Right. Yes, sir?

21 AUDIENCE COMMENTS: Is there something that keeps any
22 group in the organization from participating or voting via
23 teleconference?

24 MR. COLE: I don't think so. We haven't got to some of
25 the procedural aspects. We'll have to thrash that out, but I

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shouldn't imagine that. You mean public participation group? ³²

1 AUDIENCE COMMENTS: No. I mean, you know, in with
2 either your Council or with the Resource Restoration
3 Coordination Group in trying to resolve any problem, taking
4 the -- I mean it's still in Alaska, but it is far away from the
5 oil-impacted areas.

6 MR. COLE: Well, it troubles me too, really.

7 AUDIENCE COMMENTS: But, I mean teleconferencing.

8 MR. COLE: We will use certainly the teleconference.
9 But I just want to agree with Commissioner Sandor, I've never
10 been fully convinced that it ought to be in Juneau because of
11 where the Oil Spill affected, and that certainly a lot of the
12 data must be here, you know, more so here than in Juneau or
13 elsewhere. So, I -- but why don't we just -- yes, sir?

14 MR. PENNOYER: Mr. Chairman, I think it's a good point.
15 And, I think what we're talking about here is a
16 management/administrative group that's going to help us pull
17 things together. And, I think they're going to have to hold
18 scoping hearings, and I think they're going to have to be work
19 groups that are field oriented. I think that all those things
20 are going to evolve as we go along. And, I think they are
21 going to, however, be supporting our agency and Trustee Council
22 decisions directly, and where they're located doesn't mean they
23 always have to meet there.

24 MR. COLE: All right. Well, are we temporarily set on
25 Juneau then?

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MR. SANDOR: Yeah. I think we're temporarily set in
1 Juneau. I would guard against, you know, the bureaucratic
2 tendency sometime to set up a group in Juneau, and set up a
3 group in Anchorage, set up a group here and there and be
4 somewhat redundant. I guess the point made about
5 teleconferencing is the way to do this, but it ought to be oil-
6 impact related.

MR. COLE: Well, but you remember we had
7 teleconferencing at that one meeting I went to and we had 20
8 people in the meeting in Juneau in the room, and another 20
9 teleconferencing, we had 40 people in some council meeting. It
10 surprised me, there's quite a few people talking. I hope we
11 don't have that size of organization again as we get underway.
12 Well, anyway, what's the next subject, Mr. McVee, that you
13 want to address?
14

MR. McVEE: I guess we

MR. COLE: Getting on to the agenda, have we managed to
16 get through the organization on this agenda? Mr. Gibbons, do
17 you have something?
18

MR. GIBBONS: I feel like we probably have, you know,
19 explored organization. Probably as we move on in future
20 meetings, there's quite a bit more to talk about there.
21

MR. COLE: Sure. Well, let's say this, if we can do
22 something, when will we get the members of this Restoration
23 Coordination Group appointed? Should we establish a deadline
24 for selecting of the nominees so we can be satisfied that will
25

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be accomplished, too? I would think we should.

1 MR. McVEE: My feeling is that the sooner we can do it
2 the better. Maybe even to give them an opportunity to meet
3 before we would meet next -- before the Council would meet
4 next, whenever that might be, which probably should be fairly
5 soon. But, I don't know, I guess from Interior standpoint, you
6 know, we could name a person -- our person by tomorrow or
7 Monday morning, or whenever.

8 MR. COLE: John? Carl?

9 MR. ROSIER: Well, I'd be in a position of identifying
10 someone by -- within the next four or five days.

11 MR. SANDOR: Certainly I -- by Monday I could have
12 someone.

13 MR. PENNOYER: Mr. Chairman, I think on our side we're
14 ready in the next four or five days to name individual
15 participants to this group.

16 MR. COLE: How about a week from tomorrow, is that too
17 long?

18 MR. PENNOYER: That sounds fine.

19 MR. COLE: A week from tomorrow? Let's see, that's the
20 13th. The 13th. Great. Is it too long? All right. Do we
21 want to move on now to the public participation issue there?
22 Mr. McVee, you want to address that, please?

23 MR. McVEE: Yes. I think we've all talked about public
24 participation and I guess I feel it's important, and maybe this
25 is one of the charges that we would give to our RRCG early on,

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is to get some of our folks together, experts in that area, and
1 we all have them because our organizations are involved in many
2 public participation programs, but to draft a discussion
3 document that we could start to utilize on what is encompassed
4 in that plan.

5 And we have had correspondence from a number of people
6 and organizations with various suggestions. We could of course
7 give that correspondence with those ideas to this group to come
8 up with a participation plan. It's one of the thoughts that
9 we've talked about a little bit on the Federal side, is some
10 type of scoping meetings maybe as early as January -- mid-
11 January -- early to mid-January. And this would be to set up a
12 series of issues that -- or provide a target for the public to
13 shoot at that we see that has to be addressed, and go with
14 these issues and a team to the various locations, communities
15 in the oil spill area and around the Oil Spill area, you know,
16 to get some ideas of what kinds of suggestions and thoughts are
17 out there that can be utilized by the Trustees Council and by
18 the RRCG in developing the plans and the ideas. I guess the
19 other -- excuse me

20 MR. COLE: When you say scoping meetings, who's meeting
21 with whom? I mean, I don't understand that.

22 MR. McVEE: Okay. I guess I'm using maybe terminology
23 that has come out of the EPA process, and I apologize for that.
24 But what's done there typically is that before we start an
25 environmental impact statement on the Federal side that we go

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through a process of identifying all issues that are going to
1 be addressed. And, in this instance we could identify the
2 things that have to be addressed, or the restoration plan, the
3 framework plan, the advisory group, you know, studies program
4 and so on. And, you know, we'd publish a one-page list of
5 issues and maybe some explanation, and then arrange for scoping
6 meetings versus hearings, but discussion meetings with various
7 locations, various communities, particularly around the Oil-
8 Spill area and record the public input that we're receiving at
9 that point.

10 It seems to me like that starts an early process of
11 public participation, it identifies to us on the council who
12 the interested public are, and it will help us identify, I
13 think, as we move forward say, for example, in the advisory
14 board process, you know, those people that are really
15 interested and willing and able to participate and want to give
16 this issue some time.

17 MR. COLE: Would this process be done by the Restoration
18 Coordination Group? I mean this would be one of their
19 functions?

20 MR. McVEE: Yes, I think that that would be probably
21 the best place to have it done. I don't think it would
22 preclude some of us from going to some of those meetings, it
23 might do us some good, speaking for myself, not for anyone
24 else, of course, but it might -- it's good to hear some of the
25 concerns in these communities.

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MR. COLE: All right. Should we give them any
1 deadlines? You know, I just think this is important because we
2 have to get this underway with the restoration process for next
3 summer or something, you know. I think it has to be addressed.
4 And I think it's very vitally important that this get underway
5 and we not tarry, or allow -- permit the group to tarry.

6 MR. ROSIER: Charlie?

7 MR. COLE: Yeah.

8 MR. ROSIER: You need to use the microphone there.

9 MR. COLE: Oh, well. I was simply saying that, you
10 know, it occurs to me that we should think about giving this
11 group some deadlines by which these scoping meetings and the
12 development of the public participation plan be completed.
13 Mr. Gibbons, do you have something on that?

14 MR. GIBBONS: Yeah. I guess my thoughts on that would
15 be to look at the expertise that we have on this Restoration
16 Coordination Group, and they may want to go and get an expert
17 in this arena if the expertise is not available on that group
18 to help them out some. So, it may not be the exact six
19 members. Just a thought on that.

20 MR. COLE: Mr. Pennoyer?

21 MR. PENNOYER: Thank you, Mr. Chairman. I guess maybe
22 what we could do is instruct this restoration -- Resource
23 Restoration Coordination Group we're forming, that's going to
24 be formed by next week, to do the following by the time we next
25 meet, to present us with a better-thought-out way of addressing

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1 this, rather than set up scoping meetings tonight or try to get
2 into that type of detail.

3 These are the type of things we want to do, but I think
4 we would instruct our group that we form that their first
5 instructions would be to come back to us with a tentative plan
6 for public participation for us to review, hopefully at a
7 meeting no later than about mid-December, to decide on where
8 we're going to go from there.

9 MR. COLE: Hiring another expert gives me the willies,
10 I must say.

11 MR. GIBBONS: It may be internal.

12 MR. COLE: Yeah. Okay. Yes, Mr. McVee?

13 MR. McVEE: Just a thought that's been in my mind, is
14 that, you know, if we can find a volunteer or volunteer someone
15 that, you know, has public participation experience from one of
16 our respective agencies, maybe one on the federal side, one on
17 the state side, you know, and then support them with a person
18 that has been involved in this whole process and understands
19 the issues; that we could put together a team pretty quickly
20 that could start to develop a framework at least that we could
21 consider.

22 MR. COLE: Commissioner Sandor, do you have views? Mr.
23 Rosier?

24 MR. SANDOR: Well, I really like Curt's last suggestion,
25 but that's about it.

MR. COLE: Why don't we do this then, Mr. McVee,

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Commissioner Sandor can get together and outline some
1 directions on that subject to the coordination group. Is that
2 all right with you Mr. Pennoyer?

3 MR. PENNOYER: Yeah.

4 MR. COLE: Mr. Gibbons?

5 MR. GIBBONS: Yeah.

6 MR. COLE: Okay. You want to move on?

7 MR. McVEE: Please.

8 MR. COLE: Does that take care of this public
9 participation plan on the agenda and the advisory board, or do
10 you want to comment further on that?

11 MR. DAN SADLER: Mr. Cole, we can't hear your
12 microphone.

13 MR. COLE: I was just saying do we have further
14 comments by Mr. McVee or any of the Federal trustees on the
15 public participation plan on the agenda, or the advisory board?

16 MR. PENNOYER: Mr. Chairman, I think that pretty well
17 covers it. The type of items they need to consider are those
18 listed on that list, and come back and advise us as to how to
19 proceed. And, we should select that course of action and let
20 them get started on it as soon as possible.

21 MR. COLE: All right. Further comments on that
22 subject? Well let's move on then next to the restoration
23 planning on the agenda. Who would like to address that?

24 MR. PENNOYER: Seems to be an item on the agenda that
25 needs a lot of talking.

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MR. COLE: Well, let me say this then,

1 AUDIENCE COMMENTS: You have several people out here
2 that would like to be heard from, and they're being pretty much
3 ignored. And, please, we would like to hear you and it's very
4 difficult to hear you gentlemen.

5 MR. COLE: Well, we don't mean to ignore anyone. We're
6 just sort of feeling our way along. Yes, ma'am?

7 MS. PAM MILLER: Yes, my name is Pam Miller, with the
8 Wilderness Society, and I guess that the public necessarily
9 needs experts to tell us how to be involved in a meaningful way
10 in the meetings. And, I guess I would just like to state my
11 opinion that any full public participation begins when the
12 public has an opportunity to speak.

13 And we don't need experts to tell us that we want to
14 speak. And so I would recommend that you open up the meeting
15 or designate a short period of time, perhaps, to just say that
16 people who might want to be involved and might want to give
17 their suggestions about what members of the public are involved
18 in the public advisory panel and how -- I would, at least, like
19 you to address how those are going to be chosen and are the
20 people from the public going to be able to choose their own
21 representatives.

22 MR. COLE: Well, I think that is the subject that this
23 group is going to address and reach conclusions on after, as I
24 understand it, a wide public hearing process. Is that the
25 concept, Mr. McVee? That's what I understand.

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MR. McVEE: My thought is that, you know, they have to
1 look at -- that this group would look at -- that schedules, you
2 know, would be primarily one of their concerns as to when do we
3 need to, you know -- when do we need to really trigger, you
4 know, this kind of activity; when will we have something ready
5 for the public to review to serve as a target.

6 And, I guess in many of these areas that we don't have
7 anything now and that the scoping meetings would serve as a
8 good base for some of that discussion.

9 MR. COLE: Here's the thing, Ms. Miller, as I
10 understand what the process is, you know; it's exactly what you
11 want done, just that we're not doing it tonight. We're sort of
12 having some people get together and arrange for a process by
13 which even the public can be involved in how these organi- --
14 how this public involvement is to be put together and
15 structured.

16 Yes, sir?

17 AUDIENCE COMMENTS: Yes. Could you get some input from
18 the crowd here? You suggested basing this in Juneau. It
19 certainly appears to me that Anchorage is more accessible to
20 all the areas effected. I'd just like to hear some input from
21 the crowd before that decision flies away.

22 MR. COLE: Well, here's the thing. You know, this --
23 let me put it this way. This is the first meeting of this
24 group, you know, we're trying to get some framework established
25 so we can get on with the huge job that's before us. I think

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what we've decided tonight is that, temporarily, 'till we get⁴²
1 the organization underway, that the headquarters of this group
2 will be in Juneau. You know, that's a temporary subject.

3 When we get the Public Advisory Group together, that
4 certainly is a subject in which they can provide "meaningful
5 public participation." But, we have to make some decisions, we
6 have to get them made preferably, you know, even this evening,
7 as late as the hour is, in a sense, so we can get underway.

8 And, that's the idea. None of these decisions, except
9 I think, that some of these structural organizational meetings
10 are pretty much locked in stone, but these other decisions are
11 not. And, if we have, you know, too lengthy a public
12 participation on each one of these issues we're just not going
13 to get it done.

14 Yes?

15 MS. MARGARET SALMON: Margaret Salmon from Cordova. I,
16 personally, and my organization would like to partake at all
17 stages, even the preliminary setting up of how we're going to
18 address the whole issue of distribution of funds and how we can
19 participate. And, we would really appreciate Anchorage as the
20 location.

21 MR. COLE: Yeah. Okay. Yes, sir?

22 AUDIENCE COMMENTS: I fully agree with what you just
23 said because you Trustees, if you don't get this worked out, we
24 clearly understand, before you go to the public, it's going to
25 be a real problem. I think the Trustees not only owe it to the

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public to work this out, the structure of what you're going to do, but also the subcommittees and how many other agencies are going to be involved in this -- from past experience. If you get this bogged down and so many agencies have got to review this, and just from past experience on the permit section, you'll never get it done.

MR. COLE: Well, thank you. Now, one of the things I think we intend to do is make some decisions by this Trustee Council, you know. And, we can't please everybody, but we want meaningful public participation, we want to hear these views, and we have make some decisions and we have to get this underway.

And I tell you, in my view, that if we don't get this underway and going, I mean, the State of Alaska, the people who live here, and the people who want to be involved in these decisions and come to these meetings, I mean we're going to lose it and it's going to be in Washington, D.C., where in many ways the control, in my view, of this whole process for the last two years has been.

So, when we make these decisions, when we get this underway, I mean it's not -- it's not just because, you know, we regard ourselves as high potentates and we want to make the decision, but underlying it is to get this process in Alaska, get the organization established in Alaska, and then we can keep it in Alaska.

Now, you know, I really implore you to keep that in

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mind as you think about the perpetuity with which some of these
1 decisions are being made.

2 Yes, sir?

3 AUDIENCE COMMENTS: I just thought you maybe had a deaf
4 ear to what I said earlier. I can understand what you're
5 saying, you want to get on with things, and I can appreciate
6 that, but I still would have liked to hear the conscience of
7 the crowd. The only comments I heard still suggest that
8 Anchorage is the place to base this.

9 MR. COLE: Look, let me tell you, it's a temporary
10 decision. Maybe it's a week, maybe it's two weeks, you know,
11 but we have to get this organization established. Sure, I
12 mean, I have equivocations about whether this should be in
13 Anchorage, whether it should be in Juneau, you know, so do all
14 the trustees, but

15 AUDIENCE COMMENTS: There used to be a comment about
16 people moving into trailers temporarily; they were only going
17 to be there a little while and they were there ten years later.
18 Temporary is -- not to be argumentative, but I think it's an
19 important decision.

20 MR. COLE: Well, thank you. Anyone else feel they're
21 being ignored? Yes, sir?

22 AUDIENCE COMMENTS: Well, I wouldn't go so far as to
23 say that, but information from this meeting -- for example,
24 this meeting was pulled together on short notice, and I don't
25 know what your method is going to be for disseminating

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information to interested parties in the future. I notice
1 there's no attendance sheet here, for example, from which a
2 mail out system could be developed for disseminating
3 information about decisions you're making or questions that are
4 being formed, a newsletter so to speak.

5 MR. COLE: It's a good point. I mean, let us know, we
6 will ask the organizational group to look into that and see if
7 we can't get that accomplished.

8 Yes, sir?

9 MR. PENNOYER: That's one of the problems, of course,
10 is starting out like this we don't have the structure, we don't
11 have people doing that. We hastily set up a PA system, a
12 recording system tonight to try and get started, recognizing it
13 was short, but recognizing, too, we want to get with it. We
14 don't want to, for example, lose all next field season. We'd
15 like to move and get public input on what we need to do well
16 enough in advance so we can gear up to do what restoration
17 activities and monitoring activities and so forth that need to
18 be done next field season.

19 So, I don't think anything is engraved in stone, but
20 we've got to start. We're in Juneau, the people who are going
21 to advise us initially and advise us in an interim fashion are
22 there; we're going to have sub-groups, they're going to be
23 meeting all over the state. And, for example, in the recent --
24 during the damage assessment process we had a sub-group located
25 in Anchorage, there were a lot of functions carried out there.

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So, I think that's -- and not just there, there'll be Cordova,
1 there'll be other places that we want to work out of. So, this
2 is an administrative thing to get the ball rolling. And, where
3 the sub-groups that actually deal in some of the science
4 planning, and deal in some of the restoration planning
5 ultimately end up, that's still going to be a call for what's
6 going to work out best.

7 MR. SANDOR: I think that by now it's probably
8 painfully obvious that this is the first meeting that we've
9 had, and we really want to get underway and we are going to
10 make some adjustments. And actually, this question about
11 Anchorage versus Juneau is one that partially addresses -- I
12 think it really needs some serious consideration, because we're
13 not only dealing with the affected areas that are involved,
14 we're also dealing with the people who are going to be mostly
15 impacted by this restoration activity. We are going to listen.

16 MR. COLE: Well, now it's also a matter of the budget,
17 you know. We'll have to see where the economics best fit too.
18 I mean, you know, there's a lot of money expended, as I well
19 know, traveling back and forth between Juneau and Anchorage.
20 But, as they say in the vernacular, give us a break, you know,
21 let us get this process going. We're sort of stumbling along,
22 but we're getting it going. Did you want to comment, Mr. McVee
23 on the

24 MR. McVEE: Restoration planning?

25 MR. COLE: restoration planning?

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MR. McVEE: Well, let me start it at least. I guess
1 I've been concerned about getting this job done, and I guess
2 I'm addressing here, you know, the initial framework plan that
3 we have 90 days to pull together.

4 I guess in addition to that there's probably a more
5 long-term, certainly, restoration planning effort that focuses
6 on a lot more detail and a lot more depth. But, I think this
7 initial effort is so critical and there are some basic
8 requirements that have to be addressed, the budget, financial
9 management system, restoration criteria, the monitoring and
10 natural resource recovery studies, and the time frames that
11 this is going to be done.

12 And, I guess part of the critical nature of this is
13 something that Mr. Pennoyer mentioned, and that is that if we
14 want to have activities in the summer of '92, restoration
15 activities in the summer of '92, we need to get this done.
16 From the Federal side we've been told by the Office of
17 Management and Budget, which we all respect highly, that it is
18 necessary for them to have the management plan, this framework
19 plan, before they will approve the release of funds. And, so
20 they're holding the purse strings until they see this.

21 So, it's so critical that we get this done, which leads
22 me, I guess, to the importance of the Restoration Planning
23 Committee and activating that as soon as possible. I would
24 have to say there's been a lot of good work done, you know,
25 currently which is a take-off point. It isn't like we're

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starting at ground zero, we've got information which can be
1 utilized to start to pull this together. So, I believe that we
2 can do it fairly quickly. And, if we can do it in 60 days,
3 that's a lot better than 90 days from my perspective.

4 MR. COLE: Do you want to comment, Commissioner Sandor?

5 MR. SANDOR: With respect to restoration and planning,
6 this is where I think the major and really meaningful public
7 participation is critical. And, I think within the restoration
8 planning process, the framework within which this has developed
9 has got to involve that. And, I think this is going to perhaps
10 drive, in fact, our activities and may ultimately decide where
11 in fact this Restoration Group and management activities is
12 going to be. This is what I see as perhaps the most crucial
13 public involvement activity.

14 MR. COLE: Mr. Pennoyer?

15 MR. PENNOYER: That's fine.

16 MR. COLE: Gibbons? One thing I'd like to address is
17 what are we going to do about these existing management council
18 and groups that apparently now in some ways float out there?
19 Well, I mean that's euphemistic terminology.

20 MR. PENNOYER: Exist.

21 MR. COLE: Exist. Well, the reason I say -- let me
22 just define that a little more. The reason that I say float
23 out there is because I think that since the settlement was
24 approved by Judge Holland, in a sense we're in a different vein
25 of the entire Exxon Valdez episode and restoration process.

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And, I have a concern that the existing management council or
1 whatever it is, is not really being subject to any oversight
2 control. Now, maybe it's a misperception on my part, but, you
3 know, do my fellow State Trustees have any views in that
4 regard?

5 MR. COLE: That's certainly a question that I've had.
6 I'm not sure what groups at all are continuing to work out
7 there, and I'm assuming that we're going to have to draw from
8 some of the work that's ongoing here within those groups at the
9 present time. But, it's not clear in my mind exactly who is
10 doing what at the present time because it has been a long time
11 since the group had met and we've had any kind of a run-down in
12 terms of what those groups in effect have been doing.

13 MR. SANDOR: I think we do want to make absolutely
14 certain that activities that are underway are concluded in a
15 sound manner, and the projects, you know, are culminated in a
16 scientific way, and that studies and so forth are terminated so
17 that our records of activities that had been generated up to
18 date can be complete and can serve as a basis of information
19 for follow-up activity.

20 MR. PENNOYER: Mr. Chairman, I think we do have
21 obviously a structure that existed doing damage assessment.
22 And, we had restoration and planning even at that stage. We've
23 had certainly a damage assessment process with scientific
24 studies ongoing and people are involved in it, and a team that
25 looked at that process and advised the then trustee council on

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it. And, I don't think that team is without direction, except
1 perhaps in the last couple of months there's been some
2 uncertainty as to how to proceed, and I think that's what we're
3 trying to resolve tonight.

4 MR. COLE: Well, that's what I had in mind, is just the
5 last couple of months. They've certainly performed admirably
6 previously, but I think we lost, you know -- in the last two
7 months we just don't have any control over where that group is
8 heading. That's my offhand view.

9 MR. PENNOYER: Mr. Chairman, I think that what we're
10 here for tonight and over the next few weeks is to try and
11 decide what direction it ought to have had. And, it's hard for
12 them to do it on their own because they are just advisory and
13 supportive groups, not decision-makers. And, I think that
14 we're going to appoint a restoration -- Resource Restoration
15 Coordination Group that's going to, I think, have to draw that
16 together for us.

17 And certainly one of the first things they need to do
18 is, is to inventory what we've got out there and what we've got
19 ongoing so we don't lose what we need to keep and what we need
20 to apply to this new effort. I think Commissioner Sandor said
21 that very well. We've had a lot of good studies done, we've
22 got a lot of good work ongoing, and a lot of people who've done
23 a lot of admirable things over the past two years, and we need
24 to take that, mold it into what we need to proceed with from
25 here on restoration. And, I think that certainly is one of the

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assignments we need should this Restoration Coordination Group
1 initially, is to bring that together, bring it back to us at
2 the next meeting, make some clear cut decisions at that point
3 as to what stays, goes, and how it's going to be molded.

4 MR. ROSIER: Yeah, well I certainly agree. I think
5 that John did say it very well there. And, there has been a
6 lot of good work done and I think that we want to be sure that
7 we do bring it to a logical conclusion on this.

8 But I, for one, find myself in a position of not really
9 knowing where we are with a lot of this, and it's been
10 primarily because we have not been together in my view. And so
11 I would certainly urge that we do have a rundown from our
12 Executive Director, if we have one, or from one of the existing
13 groups at the next meeting.

14 MR. COLE: I think we should then do that because what
15 troubles me is I don't know how much money is being spent, and
16 where it's coming from, and I think we should take steps to
17 find out about that, really, right away. Mr. McVee, am I off
18 base?

19 MR. McVEE: No. I think that's important. And, that's
20 been a concern to us: (1) because we don't think that our
21 appropriated funds are going to cover, you know, some of the
22 activities that are necessary, and so we've been talking about
23 that problem.

24 But, I think it's important that we get started soon.
25 I guess I see that it's going to be necessary for us as a

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Trustee Council during this initial stages to meet fairly often
1 so we could provide the direction to the -- to our group, to
2 the RRCG, because I think we -- they have to look to us for the
3 policy direction and guidance that's necessary.

4 And, in this formulative stage of the program it's
5 important for us to meet. If there's been any problems, I
6 guess, any drifting, or lack of focus, we probably have to take
7 that responsibility for that occurring over the last few
8 months, I think, not the individuals that were trying to do the
9 job.

10 MR. COLE: Well, I agree with that. And, I think that's
11 just one of the reasons why we have to get underway.

12 Mr. Pennoyer?

13 MR. PENNOYER: Can we then make it as an agreed upon
14 primary assignment to the RRCG we're going to name by next week
15 to come to the next Trustee Council meeting with an inventory
16 of what exists out there, what indeed is ongoing, make some
17 decisions at that point of what needs to continue, what needs
18 to be changed.

19 MR. COLE: But, take Mr. McVee's suggestion that we
20 meet soon again. That might be a little bit short for this
21 coordination group to get that type of information available,
22 you know, I'd just point that out. Let me shift the focus
23 slightly. When do you suggest we meet again? I mean, how
24 soon? I mean it's the 5th.

25 MR. PENNOYER: We had some preliminary discussions on

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perhaps December 19th as an acceptable date that we were all
1 going to be available. It's about a week after we form the
2 RRCG and gives them a chance to start working.

3 MR. COLE: Well, it's decided then we'll meet again on
4 the 19th of December. Can we meet a little earlier? Let me
5 ask this, speaking of meaningful public participation; what
6 hour of the day do you people think is most convenient for you
7 so you can come to these meetings, you know? Anybody want to
8 express views? Is it better at 9:00 in the morning or 6:00 at
9 night? Yes, sir?

10 AUDIENCE COMMENTS: I feel that the evening hour for
11 all of us that work and have to travel in from the outside
12 areas. I thought this meeting time was quite appropriate.

13 MR. COLE: Okay. Yes?

14 AUDIENCE COMMENTS: I would agree with that basically
15 for the same reasons, that most of us have other things that we
16 have to do during the day. So, if evening meetings are
17 possible, I would prefer that.

18 MR. COLE: Any contrary views? Well, I see
19 Representative Kubina there, he's objecting to the evening
20 hours, but -- well, all right. We will set it then -- is
21 5:00 o'clock or would 6:00 o'clock be better? I mean, you
22 know -- yes?

23 AUDIENCE COMMENTS: 5:00.

24 MR. COLE: 5:00 o'clock. Vote for 5:00. Yes?

25 AUDIENCE COMMENTS: 6:00

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AUDIENCE COMMENTS: 6:00.

1 AUDIENCE COMMENTS: 5:30.

2 MR. COLE: Well, let's see a show of hands? How many
3 for 5:00 o'clock? 5:00 o'clock. How about 6:00?

4 AUDIENCE COMMENTS: Looks like a tie vote.

5 AUDIENCE COMMENTS: Would this meeting be held in
6 Anchorage or in Juneau?

7 MR. COLE: Oh, we'll have it right here. Won't we?
8 The Anchorage-ites -- you know. Well, look, we recognize
9 people come in, we want people from Cordova here, we want
10 people from Valdez, we want people from Kodiak, from Homer,
11 even Seward. And I have a lot of memories of Seward, let me
12 tell you. So, you know, the meetings will be here. And, did
13 anybody vote for 7:00 o'clock?

14 AUDIENCE COMMENTS: I would say 7:00 o'clock because a
15 lot of these people -- if you make it 6:00 o'clock, by the time
16 they get home and have supper, they won't make it.

17 MR. PENNOYER: We have a fair amount of business to do.

18 MR. COLE: Pardon me?

19 MR. PENNOYER: We've got a fair amount of business to
20 do.

21 MR. COLE: Comment is made we have a fair amount of
22 business to do. Help me?

23 AUDIENCE COMMENTS: I think people are going to come
24 whether you make it 5:00 o'clock

25 MR. COLE: Well, I know. But sure, and so are we. But

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it's the idea we want to make it most convenient for people to
1 come here. I mean, look, it's getting near Christmas, I mean,
2 you know, people have children, you have dinners, you have all
3 these things. And, so, 6:30? Let's make it 6:30. That's a
4 compromise. Never reach these settlements unless you
5 compromise. Okay. 6:30 here.

6 Now, what about -- is the 19th generally acceptable?
7 Is the Thursday night generally better than a Friday night for
8 people? People say Thursday the 19th is fine. Well, Thursday
9 the 19th. Before we adjourn, does anybody want to make -- take
10 10 or 15 minutes for some comments about the future from the
11 people out there? I mean, you people are good enough to come,
12 to take your time. If you can keep your comments short, you
13 know, it will really help, we'll get a lot of them in. Yes,
14 sir?

15 AUDIENCE COMMENTS: Is there a chance that on the 19th
16 or at some point in the future ones they could be regularly
17 teleconferenced through the State system?

18 MR. COLE: Fine with me. I mean, if somebody can
19 arrange it, of course.

20 AUDIENCE COMMENTS: And the other thing, as you're
21 organizing things, I know the Regional Citizens Advisory
22 Council is coming up on their two year anniversary of being
23 formed and they've had a lot of -- they're a little on the top-
24 heavy side and they've made a lot of mistakes, but they've also
25 made a lot of leaps forward in accomplishing things. There

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might be some things that could be learned from the way they
1 went

2 MR. COLE: Sure.

3 AUDIENCE: in their organization. And, I really
4 appreciate that it is going to get moving along real quick
5 here.

6 MR. COLE: Good thought. Can we make sure that the
7 Executive Director, whomever it may be, keeps that in mind.
8 Yes?

9 AUDIENCE COMMENTS: Yes, Charlie, the MOA between the
10 two Governments states that you have a mutual desire to
11 maximize funds available for restoration. And I'm kind of
12 curious whether the conversation has come up to give the one
13 hundred million dollars given, that each of the respective
14 Governments forgive it and leave it in the restoration fund.

15 MR. COLE: It's a little matter outside my control. I
16 haven't thought about that before and I'd have to give some
17 thought on how that -- who could really do that, you know.
18 See, that money from the standpoint of the State, goes to what
19 I call a State Exchequer, the State Treasury, and I would say
20 before that could be yanked out of there, it would have to be
21 done by our good friends, the Legislature.

22 But I will keep that -- you should -- is Representative
23 Kubina still here? Well, you might approach him with that.
24 He's receptive to things like that. Yes.

25 Any other comments, please? Yes, sir?

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AUDIENCE COMMENTS: It's very hard to hear in the back
1 of this room and it would probably help if you had a
2 microphone.

3 MR. COLE: Well, I just don't speak into this one very
4 well. I'll do a little better next time. Thank you.

5 Comments? Yes, sir?

6 AUDIENCE COMMENTS: On this 90 day limit, are you
7 talking that this organization has to physically put something
8 in place in the 90 day period, or you just have to be organized
9 to physically do something in the 90 days?

10 MR. COLE: I think -- well, let's take a look at it and
11 make sure. Well, it says that we shall agree to an
12 organizational structure for decision-making, and procedures
13 for meaningful public participation, et cetera, within 90 days.
14 Yes, Mr.

15 MR. PENNOYER: I guess I'd hope that we're doing more
16 than just agreeing upon a framework in 90 days. I hope we've
17 got something up and running where we're doing something within
18 that time frame.

19 AUDIENCE COMMENTS: You're planning on putting
20 something in place physically in 90 days?

21 MR. COLE: Physically, you know, I'm not sure what you
22 mean physically?

23 AUDIENCE COMMENTS: I mean doing some restoration work
24 in the effected areas.

25 MR. COLE: I don't think doing work within 90 days,

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because I really don't think that's feasible.

1 AUDIENCE COMMENTS: That was the question.

2 MR. COLE: Yeah. No, I think it's just we have to look
3 forward, don't we, to doing that work in the summer months? I
4 mean you're the experts in

5 AUDIENCE COMMENTS: Can you pass around a sign-up sheet
6 so we can know who's here?

7 MR. COLE: Sure. Could somebody get a sign-up sheet,
8 and we'll get names and addresses? Oh, there's one going
9 around. If nothing else, we can leave it at the door so we can
10 have a record, which we would appreciate.

11 MR. ROSIER: Yeah. I think that you heard us talking
12 about some of the programs that are ongoing here a little
13 earlier; that work is work that we will definitely have in the
14 field, though, before summer. Some of those projects are going
15 on pretty much on a 12-month basis. But those are the ones we
16 want to review. And then as we move into more of the
17 restoration work, I think Charlie is right, that we're probably
18 looking at something a little later, probably summertime at the
19 earliest before we get going on projects, as I see it anyway.

20 MR. McVEE: Mr. Cole?

21 MR. COLE: Yes, sir.

22 MR. McVEE: I think we're all committed to completing
23 the -- or closing out the natural resource damage assessment
24 studies so that that information will be available for those
25 people that we will have involved in the planning of

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restoration activities. And, of course, that's ongoing right
1 this week, looking at that whole package.

2 MR. COLE: Yes, sir?

3 AUDIENCE COMMENTS: Not having to wait for the summer
4 months to do something good for Prince William Sound and the
5 other effected areas could be the acquisition of some of the
6 timber rights and lands that are being deforested right now,
7 the destruction and harm to the natural resources that could
8 potentially go much longer in its impact than the Oil Spill.
9 Some of those monies could be used tomorrow to stop some of
10 that destruction. And so, just keep that in mind.

11 MR. COLE: Yes. Thank you. Anyone else, please?

12 Yes, sir?

13 MR. NELSON: My name is Jay Nelson, and I work for
14 Representative Cliff Davidson who sent a letter to the State
15 Trustees a couple of days ago asking or encouraging, I should
16 say, you to have fairly extensive public involvement in the
17 whole process. Included in one of the suggestions was putting
18 public members on, I guess, what would now be the Restoration
19 Planning Group. Even having three public -- could be non-
20 voting, but at least public members on there. And, I know
21 Mr. Pennoyer is familiar with that.

22 The North Pacific Fishery Management Council has 11
23 voting members, but it also has three other members that are
24 non-voting members; they merely provide additional information
25 to the Council. And, they don't actually participate in

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1 decisions, but they can participate as full members in the
2 discussion.

3 I wonder if the State trustees had ever given any
4 thought to that, and if the Federal trustees would comment on
5 that, and that way you would institute it at a higher level
6 than what you may be considering right now.

7 MR. COLE: The answer to your question directed in the
8 State trustees is no. The question was, have you given any
9 consideration to that; and the answer to that was no. And then
10 he asked, as I recall, whether we would like to have comments
11 from the Federal trustees.

12 MR. PENNOYER: We haven't -- we haven't really
13 considered that. As far as the planning process and public
14 participation, how it interacts is, I think, going to be a key
15 element. I don't think we've really gotten our minds made up
16 one way or another yet. We have a Public Advisory Group, which
17 may or may not actually participate more formally with both the
18 Trustee Council and the Restoration Group. So, I don't think
19 we've made that decision yet.

20 MR. COLE: If there are no more comments from the group
21 here this evening, should we then adjourn subject to an
22 executive session dealing with these matters of personnel?
23 We're adjourned until December 19th at 6:30. It's a little
24 late, but -- yes, ma'am?

25 AUDIENCE COMMENTS: Where is it going to be held in
Anchorage?

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MR. COLE: I think we'll have to give public notice.
 1 One of the things, if we're going to get this teleconferencing,
 2 don't we have to do someplace where those facilities are
 3 available? I don't know about those, but I would think so.
 4 But, this time, you know, we will have wider public notice, and
 5 in advance. Thank you.

6 AUDIENCE COMMENTS: Mr. Cole, there's a sign-up sheet
 7 at the door, as well as one going through the audience that
 8 didn't make it all the way around.

9 MR. COLE: Thank you.

10 **MEETING ADJOURNED**

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2) ss.
3 STATE OF ALASKA)

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5 State of Alaska, Alaska Court System Certified
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8 THAT PURSUANT TO NOTICE the annexed and foregoing
9 **PUBLIC MEETING OF THE EXXON VALDEZ OIL SPILL SETTLEMENT TRUSTEE**
10 **COUNCIL** was reported before Verner W. Sunnell on behalf of the
11 Attorney General of the State of Alaska at the Fairview
12 Recreation Center, 1121 East 10th Avenue, Anchorage, Alaska,
13 December 5th, 1991, commencing at the hour of 5:00 p.m.;

14 THAT this Council Meeting as heretofore annexed was
15 reported by myself and thereafter transcribed by Mary Miller;

16 IN WITNESS WHEREOF, I have hereunto set my hand
17 and affixed my seal this 18th day of December, 1991.

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VERNER W. SUNNELL,
Notary Public
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at Anchorage. My commission
expires: 8-8-92

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