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**EXXON VALDEZ OIL SPILL SETTLEMENT
Trustee Council**

**Egan Civic & Conference Center
Space 4
555 West Fifth Avenue
Anchorage, Alaska
February 10, 1992
3:30 o'clock p.m.**

IN ATTENDANCE:

State of Alaska	MR. CHARLES COLE Attorney General Council Meeting Chairman
State of Alaska Department of Environmental Conservation	Mr. JOHN SANDOR Commission
Alaska Department of Fish and Game	MR. CARL ROSIER Commissioner
USDA Forest Service	MR. MICHAEL BARTON MR. DAVE GIBBONS Regional Forester
National Oceanic Atmospheric Administration	MR. STEVEN PENNOYER Regional Director
United States Department 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. PENNOYER: Barton, Regional Forest Service
 2 Regional Forester, representing the U.S. Department of
 3 Agriculture; Mr. Carl Rosier, Commissioner of the Alaska
 4 Department of Fish & Game; Mr. Charles Cole, Attorney General
 5 of the State of Alaska; John Sandor, Commissioner of the Alaska
 6 Department of Environmental Conservation, and I believe Curt
 7 McVee in Anchorage who's showing us (ph) representative of the
 8 Department of the Interior.

9 MR. McVEE: Yes, Steve, I'm here.

10 MR. PENNOYER: Also, a settlement Trustee Council
 11 meeting that was taking place February 5th and 6th in Anchorage
 12 was to finalize recommendations on damage assessment
 13 continuation and close-out studies of the 1992 season. And we
 14 had asked our chief scientist, Dr. Robert Spies, to give us his
 15 evaluation of the merits of continuing these various studies.
 16 We took extensive public testimony in Anchorage at the two days
 17 we had up there. We are also going to take these studies and
 18 along with the rest of our decisions, send them out to public
 19 review before finalizing the program for the 1992 season.

20 We have a meeting on February 27th and 28th in
 21 Anchorage where we'll look at the restoration monitoring and
 22 the restoration implementation projects; and again, those will
 23 become part of the package that will go out to public review.
 24 Our time is limited tonight, it was not my intention to have a
 25 public review session at this particular part of the meeting.

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If Council members have anything to add to that, and
1 then perhaps we can get started going down through our list of
2 projects. Does anybody wish to comment? Curt, you have to
3 hear my cues because I can't see you nod.

4 MR. McVEE: I have no comments.

5 MR. PENNOYER: Okay. Fine. Then, perhaps we could go
6 ahead and get started. If you recall, we had two lists of --
7 two pages of project listings to do with damage assessment; one
8 was labeled continuation and as well as being provided with
9 back-up information, there are about 11 projects on the
10 continuation sheet. And then under close-out, we have a very
11 substantial number of projects, I didn't add them up, there are
12 probably 30 or more projects for close-out.

13 Dr. Spies, are you ready to give us some -- lead us
14 through this process and your thinking on it?

15 DR. SPIES: Yes. I have just recently faxed to the
16 Trustee Council a relatively substantial memo that summarizes
17 what I've done. I'm not sure if you all have it available to
18 you but that has gone out within the last hour.

19 MR. PENNOYER: I don't know who it was faxed to (ph)
20 but none of us have a copy of it.

21 DR. SPIES: Okay. It has gone out within the last hour
22 to the fax numbers supplied to me by Rebecca Winns (ph);
23 nonetheless, I think we could proceed to discuss what I've done
24 in general terms and perhaps your staff will provide those
25 documents to you quickly. Is there a fax number that I could

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have here that would reach at least the -- all the Trustees in
1 Juneau in one place?

2 MR. PENNOYER: Yes. 465-0 -- hold on a half a second,
3 we're getting it. I came to the Trustee Council from the
4 teleconferencing group and we are asked to please use the
5 microphone habitats (ph) and speak very directly into the
6 microphone. Apparently, there was a lot of break up in our
7 transmission at the last meeting, so I'll just pass that on
8 while we're waiting.

9 MR. BARTON: Were we going to have also a review of the
10 recovery monitoring?

11 UNIDENTIFIED SPEAKER: Mr. Chairman.

12 MR. PENNOYER: We didn't ask Dr. Spies to do that at
13 this session, that was supposed to be the subject, I thought,
14 of the 27th and 28th because the workload involved, he had
15 indicated he wanted to take more time with those projects. So,
16 my understanding for this meeting was we agreed on the damage
17 assessment close-out and continuation. Does anybody have that
18 number? Here it comes. The number, Bob, is
19 465-3444, and if you can -- 907 of course, if you can send that
20 right now, we'll have it before the meeting goes on too much
21 longer.

22 DR. SPIES: Okay. It's on it's way.

23 MR. McVEE: Mr. Chairman, Steve, this is Curt.

24 DR. SPIES: Describing the general terms that I've done
25 for the evaluation of the close-out and continuation

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(indiscernible - telephone cutout)

1 MR. McVEE: Mr. Chairman, this is McVee. Yeah.
2 Mr. Chairman, this is Curt McVee.

3 DR. SPIES: I made some judgment as to the series
4 (indiscernible - telephone cutout). What I've done this is
5 presented the Trustees with a series of options, seven options
6 in all, that will provide them with a choice based on the
7 degree of injury.

8 And the first option would be to finish all the damage
9 assessments studies. The second option would be to finish only
10 those studies with potentials for demonstrating injury. The
11 third option would be to finish studies that we are sure will
12 demonstrate some significant injury -- lethal effect through
13 some (indiscernible) or population (ph) effects such as we saw
14 in otters and birds. The fourth would deal only with those
15 studies demonstrating anything more serious than adult
16 mortality, that would include adult mortality, population
17 declines of various kinds. The fifth would be to finish those
18 studies demonstrating significant population decline and
19 chronic population decline. The sixth would finish those
20 studies demonstrating only population decline, chronic
21 population decline. And the seventh would be those studies
22 that would be needed for restoration actions beside restoration
23 monitoring.

24 And what I have done then is under each of those
25 options in a spreadsheet that will be coming with the memo is

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identify which studies would fall into each of those options.

1 Now there is a series of studies that deal with the fate of
2 petroleum in the environment, and I have noted those in the
3 options. I think, in some cases, it'll be important to have
4 that supporting information that's available from those studies
5 in order to interpret the data -- the biological data from the
6 injury studies themselves. And those will fall out according
7 to which options they support.

8 Just to give you a brief summary of where this whole
9 thing came out in terms of budget, because I understand that
10 the budgetary considerations are primary here. If one
11 completes all studies as proposed, the cost of course would be
12 5.2 -- 5.1 -- 5.2 million dollars. If one takes Option 2
13 there's a slight reduction to about 5.16. Option 3, which
14 would be any significant injury would be 4.92. Option 4, which
15 would deal only with those studies that have anything more
16 (indiscernible) -- adult mortality or anything more serious
17 would be 4.36. Option 5 was significant populations declines
18 that have been measured by way of census (ph), for instance,
19 that option would include studies that would total about 3.85
20 or 3.9 million. And chronic population declines would be
21 3.56. And the link to upland habitat, which would, in fact, be
22 provided only by one or two studies, particularly the sea ducks
23 and the Marble merlet (ph) studies, the proposed budget for
24 that would be \$38,000.00.

25 Now, I must say that the thing that drives this

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analysis, the one study that makes the largest affect on this
1 is the coastal habitat study and its proposed close-out cost of
2 2.95 million dollars is the single largest study.

3 MR. COLE: I've got to say (ph) -- Dr. Spies, this is
4 Charlie Cole. Why does it drive all of these studies?

5 DR. SPIES: Well it doesn't drive all the studies but
6 it's the biggest consideration if one is trying to come to
7 grips with a budget. If the Trustee Council wishes to see a
8 smaller budget, you can affect the largest change with that --
9 with some kind of savings in the coastal habitat study.

10 MR. COLE: All right. Thank you.

11 MR. PENNOYER: Bob, a couple of questions. First, you
12 mentioned 5.2 million, but actually is that -- that's just for
13 close-out? And that's -- you're dealing with close-out by
14 itself not continuation at this stage?

15 DR. SPIES: Dealing with close-out first and then with
16 continuation studies second.

17 MR. PENNOYER: Okay. Thank you. And would you repeat
18 what Item 5 was, Option 5?

19 DR. SPIES: That would be studies that have
20 demonstrated significant population loss, and what I mean here
21 is any kind of census.

22 MR. PENNOYER: Well, then how did that differ from 6?

23 DR. SPIES: That would be the chronic population,
24 that's where there's been a loss and the loss is continuing.

25 MR. PENNOYER: Okay.

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MR. McVEE: Bob, this is Curt McVee in Anchorage, we've
1 got a fax number.

2 DR. SPIES: Okay.

3 MR. McVEE: The number is 562-4376.

4 DR. SPIES: I'll have Barbara send that up right now.

5 MR. McVEE: Thank you. Thank you.

6 MR. PENNOYER: Bob, I didn't hear one other category of
7 things. Many of these close-out studies, and maybe they're not
8 worth spending much time on, are not major amounts of money but
9 rather are finalizing a report to tell you exactly what type of
10 damage occurred and didn't occur. And that seems to me to be -
11 - I'm thinking (ph) in terms of tying up and telling the world
12 what really happened in our view on this Spill. As you go
13 through, if you're doing project by project, you might identify
14 that, too, because some of these are just to tie up the final
15 report.

16 DR. SPIES: I'll try to. If you want to proceed,
17 Steve, by going through them one by one, I'll try to the best
18 of my ability to give you some opinion in each case as to
19 whether there's -- whether it's just report-wide (ph) or
20 analysis. I'm not sure I can do that in every case without a
21 little bit more preparation.

22 MR. PENNOYER: Okay. Well how would you suggest we
23 proceed so we can understand what you've done here? I know
24 what the totals are but I don't know what we'd gain or lose by
25 doing the various levels (ph) that you've suggested as part of

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the options.

1 MR. COLE: Mr. Chairman.

2 MR. PENNOYER: Mr. Cole.

3 MR. COLE: I have a suggestion, why don't we go down
4 the close-out list and put a number on our papers which
5 corresponds to the close-out options opposite each proposal.
6 We can do that, then that would be a start. Like for inst- --
7 for example, in the close-out Number AW-1 (ph) Surface Oil
8 Maps, what category would that come under, 1 through 7, for
9 example?

10 DR. SPIES: That is a study of the fate of the oil that
11 is needed to complete the sea otter study, and the sea otters
12 are -- as far as we know, they've got a chronic population
13 decline, so I put that up under the Option 6.

14 The fax from my office to Juneau has been completed 15
15 to 20 seconds ago, so that should be available shortly to you.

16 MR. PENNOYER: That's fine. Can we see from what
17 you've done from the fax or shall we go down -- as Mr. Cole
18 suggested down the list?

19 DR. SPIES: If the fax is there, it will be -- Table 1
20 will have it in it, and Table 1 has the number of the studies
21 is short title (ph) in the request as per the memo from the
22 last Trustee Council meeting, and it also has the ranking of
23 seriousness of injury. I note whether it's a study of fate of
24 oil that's needed to support some of the other damage
25 assessment studies. And then it remarks which of the options

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each of the studies would fall under.

1 MR. COLE: I've got some questions.

2 MR. PENNOYER: Mr. Cole.

3 MR. COLE: Mr. Chairman, Charlie Cole again. One of my
4 concerns is a ranking of these studies based upon those
5 projects which would support a restoration project, is that
6 what's only in Number 7?

7 DR. SPIES: Yes. And it specifically links to upland
8 habitat. I think in many cases we already know the injury
9 pretty well, so we can proceed with some restoration without
10 completions of the final study report.

11 CONFERENCE OPERATOR: Excuse me, this is the Conference
12 Operator (indiscernible)

13 DR. SPIES: That is the only criteria, that it
14 identifies the seriousness of injury; I think we know that for
15 most resources now. But if you want to have a strong
16 rationale, for instance, for the acquisition of timber rights,
17 one would want to have the results, for instance, from the
18 Marble merlet study and the sea duck study, in the case of
19 Harlequin ducks which use a stream-side habitat away from the
20 Sound, perhaps also with river otters; although, I think that
21 that study's been pretty much complete. Those three studies
22 would give you that link, and that's a very small option of
23 course in terms of the dollar figures.

24 MR. PENNOYER: Well I guess I'm confused then. We have
25 recovery monitoring projects coming up pretty soon that are

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1 takeoffs on what we know about damage assessment, then we have
2 restoration implementation projects that are further iteration
3 of that. It seems to me sort of a sequence. Are you saying
4 basically that without (indiscernible - telephone cutout) --
5 was and sort of verbalize it and go on from there
6 (indiscernible).

6 DR. SPIES: Well I meant Mr. Cole's question to
7 implicate what -- real actions and restoration, not necessarily
8 just the imp- -- just the restoration monitoring. To implement
9 all the restoration monitoring, I think you'll need to bring a
10 logical close to the damage assessment studies that would
11 support that. Does that answer your question?

12 MR. PENNOYER: Well it does sort of. I guess we
13 haven't yet decided whether certain forms of restoration might
14 actually be management programs that would better enable us to
15 manage around possible damage assessment or for particular
16 stocks. And I don't know how you do that based on, again, sort
17 of a verbal summary of damages. It still seems to me that we
18 have some obligations to finalize these damage assessment
19 projects. I don't know if that means continuation or umpteen
20 (ph) amount of money, but it seems to me a lot of these are --
21 close-out studies are just that; they're to close out our
22 assessment of what happened in the Exxon Valdez Oil Spill.

23 And you're no -- in other words, you're simply
24 responding to the one question. For something as specific as
25 habitat acquisition there is one or two studies in the close-

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out that would help us on that?

1 DR. SPIES: Yes. That's correct.

2 MR. COLE: Mr. Chairman.

3 MR. PENNOYER: Mr. Cole.

4 MR. COLE: What does close-out mean? Does this mean
5 this is the last year for any of these studies and there will
6 not be the necessity for a similar study next year? Or is
7 this they're just finishing one study this year and then we
8 will have another study of the injury to rock fish next year
9 because it would be well to know it next year as well as '89,
10 '90 and '91? So what does close-out mean?

11 MR. PENNOYER: Do you want to try it?

12 DR. SPIES: Do you want me to answer that,
13 Mr. Pennoyer, (indiscernible - interrupted)

14 MR. PENNOYER: Well Mr. Barton is tugging at the
15 microphone, I'm wondering if he has something to say.

16 MR. BARTON: I thought that this was the final activity
17 for this partic- -- for these particular projects. If we
18 decide to fund, for example, AW-1 of \$15,000.00 that's it,
19 we're done after that \$15,000.00. The other option is not give
20 it 15,000 (indiscernible - telephone cutout) -- by giving them
21 a 15 thou- -- giving that project the \$15,000.00 would bring it
22 to some sort of logical conclusion.

23 MR. PENNOYER: Dr. Spies, do you want to comment on
24 that?

25 DR. SPIES: Yes. This essentially is finishing the

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1 damage assessment studies and it's mostly data analysis and
2 report writing for most of these. There is some further sample
3 analysis and there is, I believe no fieldwork in any of these.
4 It's essentially dealing with what we have in terms of
5 analysis, of samples and analysis of data and writing of
6 reports.

7 MR. BARTON: But in fact, if nothing changes, this
8 would be the last year for that activity, is that correct?

9 DR. SPIES: Yes. Except in those cases where the
10 populations are further studied under the restoration
11 monitoring programs, and those would be fewer than those listed
12 here.

13 MR. PENNOYER: In other words, in some case where you
14 close out the damage assessment that results (ph) as there may
15 still be some type of chronic or continuing injury going on,
16 and then you would go, perhaps, to recovery monitoring and see
17 if, in fact, the resource is recovery or it's changing for the
18 worse?

19 DR. SPIES: Yes. And then there's also -- not to
20 confuse things (ph), but there's also the damage assessment
21 continuation options. The -- there's been a few -- in the case
22 of a few studies, it has been recommended that further damage
23 assessment type studies do on.

24 MR. COLE: Could we i- -- Mr. Chairman.

25 MR. PENNOYER: Mr. Cole.

MR. COLE: Dr. Spies, could we itemize those so we know

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what we're dealing with? My concern is that we'll approve
1 these close-outs so as to wind up in a full fashion these
2 studies which are not yet completed. Next year (indiscernible
3 - telephone cutout) come to us, commendation (ph), further say,
4 for example, herring study in FS-11, for example. I mean
5 that's what I would like some assurance of. That this is truly
6 the end, that it is not next year again and said well we would
7 like to know what's happening here. Now can someone give me
8 that assurance?

9 MR. BARTON: Well that's my understanding of what the
10 intent is.

11 MR. PENNOYER: I guess my understanding of the intent
12 is that this closes out a damage assessment process. If you're
13 going to either through recovery monitoring or studies under
14 restoration implementation -- for example, herring appears
15 under restoration implementation, I'm not sure that study is
16 building (ph) herring racks or improving the management of
17 herring in response a suspected injury.

18 So those are subsequent decisions. The first decision
19 is are you going to close out (indiscernible - telephone
20 cutout) I think on the 27th and 28th or whether we would allow
21 any type of recovery monitoring which might also be on the same
22 resource.

23 MR. COLE: Well Mr. Chairman.

24 MR. PENNOYER: Mr. Cole.

25 MR. COLE: It's not just the decision on the 28th that

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1 troubles me. I am concerned about next year being presented
2 with proposals to say we really need to study herring injury in
3 1993. So, you know, just putting another label on it, changing
4 it from the name of the study from close-out to restoration
5 monitoring, s far I am concerned doesn't quite address the
6 problem.

7 What I need comfort about is that if we close out these
8 studies, I mean that's the end of injury study to these various
9 species. (Indiscernible - telephone cutout) but somehow it
10 does to me. If it's -- the result is well we'll just have
11 another study to monitor injury to herring or see what the
12 water quality is next year and then the next year that we must
13 tie these to some form of restoration at some point other than
14 simply studies. This is the thing that continues to trouble
15 me.

16 DR. SPIES: I think that it's difficult to assure
17 Mr. Cole about the outcome of each of these resources in the
18 study scheme without going into what's proposed for restoration
19 programs next year, specifically the monitoring aspects of
20 restoration. And I have done a preliminary analysis on that,
21 and that's actually in Table 3, and whether we get around to
22 doing that or not is difficult to say if we'll have enough time
23 to get there today. But

24 MR. PENNOYER: Our assumption now that there would be
25 no more damage assessment done on the close-out, and that, in
fact, that is our intent. If somebody comes back and wants to

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continue damage assessment or if we don't agree with the
1 recovery monitoring aspect, if there is one, we're not going to
2 come back and do that. I mean we close it out, done, unless
3 for some reason we find some unsuspected change in the resource
4 in the future that we wanted to look at. But otherwise, I
5 assume damage assessment is closed out.

6 Mr. Barton.

7 MR. BARTON: Well first of all, I think we can define
8 it however we want to. (Indiscernible - telephone cutout).
9 But that raises another question in mind that I'm puzzled by
10 we're going to discuss the close-out studies and continuation
11 studies today, recovery monitoring for these seven (ph). I'm
12 puzzled by why we have a proposal to finance this project and
13 close it out (indiscernible - telephone cutout) -- project then
14 will come up on the 27th financing to open it up. The one that
15 caught my eye specifically is Project B-2 (ph) in comparing
16 that to Project R-13.

17 (Pause)

18 MR. BARTON: To my simple mind (ph) it -- why do we
19 close it out and then start it up? Why don't we just -- if we
20 want to start it up, start it up, why do we need to spend
21 \$60,000.00 to close it out when we then start it up?

22 MR. McVEE: Mr. Chairman. Yeah. This is Curt.

23 MR. PENNOYER: Curt.

24 MR. McVEE: Yeah. Let me have Carol address that,
25 explain why there's two of those.

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MS. GORBIES: This is Carol Gorbies with the Fish & Wildlife Service. This is an example of a study that we are proposing to continue under Restoration; however, we have three years of data; it's a very complex study, several hundred birds and mammal species were looked at in the course of these boat surveys over many transacts (ph) throughout Prince William Sound. We've done preliminary progress reports each year, but in the mode that we were in, those progress reports were focused on providing the lawyers with the kind of information they wanted.

We feel it's very important to spend some more time with this study to finish the statistical analysis and to pull all of that data together into a form that would be usable for the Restoration program. For instance, we collected a lot of information on species of birds that we will target in restoration, and we'd like that information to be not just sitting in a stack of computer data but to be available for the Restoration managers as well.

We will propose the study goes on in additional years, whether it's this year or next year or alternate years has yet to be determined by you. And the reason we will continue -- or the reason we will request that it be continued is because we think that it's a good tool for monitoring the recovery of many bird species.

MR. COLE: Mr. Chairman.

MR. PENNOYER: Mr. Cole.

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MR. COLE: See, I think this gets to the heart of the
1 problem. I see it we're facing (ph) that we want to simply
2 (ph) monitor the recovery, tools that will enable us to restore
3 the damaged resources; that's the reason I think we must have a
4 link between these studies and certainly continued studies, and
5 a method of restoring the damaged species or stock. That's
6 what gives me the trouble. But a lot of these studies it's
7 nice to know the nature and extent of injuries and continue to
8 study it year after year. But our assignment under the Federal
9 Statutes and the Settlement is to restore these resources. And
10 we must, as I see it, have a substantial link between the
11 (indiscernible - telephone cutout) which we know determined by
12 studies and three years of studies and our restoration project.
13 And I think that our assignment is to get on with the
14 restoration.

15 MR. PENNOYER: Mr. Rosier.

16 MR. ROSIER: Thank you, Mr. Chairman. I would like to
17 say that, you know, at least my understanding of what close-out
18 is it was pretty much as it's been explained. (Indiscernible -
19 telephone cutout) particular studies. Once we have, in fact,
20 completed the analysis on some of these, who knows what we're
21 left with (ph). So in order to put (indiscernible - telephone
22 cutout) best about what's going to follow on this in the way of
23 in tying these directly to the work I think is contingent upon
24 what, in fact, shows up in some final analysis in the close-out
25 that we're talking about on these particular projects.

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So to say that we're not going to study herring, we're
1 not going to study -- at this point I think is a bit premature
2 because we don't know for sure what we've got. Assessments of
3 damage, we've heard from Dr. Spies at the Anchorage meeting
4 that what his general assessment was in Anchorage. But
5 certainly, it seems necessary to me to, in fact, move on with
6 these understanding that they are close-out on this. We get a
7 shot as a Council of reviewing the other projects that come
8 before us on this. And it would seem to be that our advisors
9 should (indiscernible - background coughing) to be able to make
10 the linkage -- restoration, if that's the desire of the
11 Council.

12 So it just seems to me that this is -- this to me is a
13 fairly straightforward action as far as close-out is concerned.

14 MR. PENNOYER: Commissioner Sandor.

15 MR. SANDOR: Dr. Spies, I've taken the time to read
16 through the narrative in your fax and the whole presentation,
17 and I must say that in the three day period of time you've
18 (indiscernible - telephone cutout). The specific question with
19 regard to the first paragraph on Page 2. You make the point,
20 as you've already explained to us, that in that first paragraph
21 on Page 2 you point out that the adoption of one of these
22 options is not satisfactory you would have two recommendations
23 for further refining the damage assessment budget; first,
24 conduct a detailed audit of the proposed costs associated with
25 each of these programs to the goal of eliminating unnecessary

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duplicate expenditures. Specific (ph) examination of the
1 largest program, comprehensive coastal habitat program, to
2 identify cost savings that may be implemented without losing
3 information on potentially important injuries equipped with the
4 help (ph) of one or two -- one or more of the peer reviewers
5 undertake the latter evaluation.

6 That coastal habitat program I presume is CH-1A the
7 comprehensive assessment of coastal habitat, USFS (ph)
8 2,950,000, which as you pointed out earlier is the -- is, you
9 know, the primary program. I guess the question is -- and I
10 guess I'm -- I'd like to -- my own mind is focused on this, and
11 the question is how long would it take to actually do that
12 second item, conduct a specific examination of this largest
13 program to make certain that we're not losing information on
14 potentially important injuries?

15 That's my bottom line, I don't want to lose potentially
16 important injuries. And if we had that, that would really be
17 helpful. How long would it take to do that?

18 DR. SPIES: I estimated that I could complete that
19 evaluation by the end of this month.

20 MR. SANDOR: Well, Mr. Chairman, it seems to me that
21 for that one item, at least, that we should remain -- that we
22 should not take action on that until the end of the month. The
23 other projects I think we could go through on a point by point
24 basis, but I would not be comfortable (indiscernible -
25 telephone cutout) the project without the kind of analysis that

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Dr. Spies said they could make by the end of the month.

1 MR. BARTON: I welcome that further evaluation also,
2 first as a contract with the University of Alaska, and I would
3 think any help Dr. Spies could give us (indiscernible -
4 telephone cutout) cost effective (indiscernible - telephone
5 cutout).

6 MR. PENNOYER: Further discussion of the proposal to
7 take an evaluation by Dr. Spies before preceding with coastal
8 habitat?

9 Dr. Spies, I imagine then you mean by our meeting on
10 the 27th or 28th you could do that?

11 DR. SPIES: Yes. I think I can get it done by then.

12 MR. PENNOYER: Okay. Is there further discussion or
13 questions of either Mr. Barton or Dr. Spies on the coastal
14 habitat motion and delay consideration of this until the end of
15 the month when Dr. Spies and appropriate peer reviewer has a
16 chance to undertake a further evaluation of the project?

17 MR. ROSIER: Yeah.

18 MR. PENNOYER: Mr. Rosier.

19 MR. ROSIER: Thank you. I guess the question I would
20 have, perhaps, the Staff in on this; is there anything that's
21 associated with this project that's again on the bid issue as
22 of March 1 or

23 MR. PENNOYER: Mr. Gibbons. Would you use the
24 microphone, please.

25 MR. GIBBONS: Yes. This is Dave Gibbons. That project

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-- the contract for that project right now terminates at the
1 end of this month. There's about 70 plus people involved in
2 that project at the University of Alaska. And so we would need
3 them some kind of assurance that at some level the project
4 would continue so they don't go to -- in the process right now
5 of starting laying off a lot of people associated with the
6 project.

7 MR. COLE: Mr. Chairman.

8 MR. PENNOYER: Mr. Cole.

9 MR. COLE: Dr. Spies, can you give us that assurance?
10 I've read this proposal. The thing that troubles
11 (indiscernible - telephone cutout) troubles (indiscernible -
12 telephone cutout).

13 DR. SPIES: Mr. Chairman.

14 (Pause)

15 DR. SPIES: Mr. Chairman?

16 MR. PENNOYER: Bob Spies, go ahead.

17 DR. SPIES: Yeah. Mr. Cole's comments were quite
18 broken up over the telephone line, I heard something about a
19 reassurance but I didn't hear much more of the rest of the --
20 his question or comment.

21 MR. COLE: They aren't worth repeating.

22 MR. PENNOYER: Actually (indiscernible - telephone
23 cutout) -- completed with the project or didn't make a decision
24 on any continuation 'til March 1st it was going to be very
25 disruptive. So the question was of Dr. Spies in your review do

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you see that there would be continuation at some level; is this
1 project important enough at some level, even if it's refined or
2 changed or whatever, that it would be continued?

3 DR. SPIES: Well I think so, we're going to need to
4 continue it somewhat, but the Trustee Council may want to
5 consider some partial funding for several months or -- I don't
6 know what you -- what options are available to you. But in my
7 mind it's likely that we're going to want to continue this in
8 some form through the next year.

9 MR. COLE: Mr. Chairman.

10 MR. PENNOYER: Mr. Cole.

11 MR. COLE: Dr. Spies, I was just going to say when I
12 look at the budget for 227,000 and it includes laboratory space
13 for two labs, I'd like you to take a careful look at what the
14 cost breakout for those two labs is -- we're in that category.

15 MR. PENNOYER: Mr. Barton.

16 MR. BARTON: Yes. When that project was originally
17 conceived, it provided the linkage to a number of other
18 projects. And it was an effort to eliminate duplication within
19 those projects. But I think at this point in time what we have
20 now is the cataloging and analysis of a large number of samples
21 from previous field studies. Is that not right, Dave? And
22 then the subsequent evaluation and report.

23 We've talked conceptually that perhaps not all those
24 samples need to be analyzed at this point in time. And I think
25 that Dr. Spies could give us any insights as to his opinion of

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that, it would be very helpful. I would urge, though, that
1 Dr. Spies -- that you work with the individual who has been
2 acting as the contracting officer, representative, or liaison
3 or whatever with the University as you put together your
4 approach to this effort. I think the University will be more
5 comfortable for one thing, and for another, you might get some
6 insights as to areas of improvement.

7 DR. SPIES: Okay. I can make two comments with regard
8 to Mr. Barton's statements. First of all, he's right, there is
9 possibly some categorization and ranking of the importance of
10 the various goals. And in fact, we had a meeting in Anchorage
11 -- excuse me -- in Fairbanks last summer and did some
12 prioritization (ph) according to sub-habitat and according to
13 the time that the samples were collected because they have been
14 sampling twice a field season and we get a agreed on consensus
15 as far as what samples should be analyzed first. And taking --
16 that would certainly be the start of a way to prioritize those
17 remaining samples and some judgment as to where we could cut
18 things off.

19 Secondly, I would certainly welcome any help I could
20 get in this. It's a very complex, large study. It's got a
21 very complex budget, a lot of different tasks. So, I would
22 welcome the help of anybody that could provide information on
23 (indiscernible - telephone cutout) on the budgetary aspects of
24 it because the aspects I haven't been closely associated with
25 in my review of this program.

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MR. PENNOYER: Well then I guess I can assume -- do I
 1 have any objections to the motion as made regarding coastal
 2 habitat? I guess I can assume that that has been deferred now
 3 until our meeting on the 27th, at which time you will report
 4 back with a detailed review of the projects and components and
 5 a recommendation on its continuation and at what level. And
 6 you will work with the Restoration Team and the contracting
 7 office -- or from the Forest Service to do that.

8 (Indiscernible - telephone cutout) close-out. Perhaps
 9 we can do now is just go down through the list, one project at
 10 a time and see if there are any comments. Now, my assumption
 11 is looking just generally at your list of rankings, or option
 12 list, that one is sort of just do everything. And then from --
 13 well, particularly above 3, there are various types of injuries
 14 you're concerned about, population decline, chronic injuries,
 15 restoration actions. But you've got a number of Xs next to
 16 each one of these projects and perhaps we can just go down
 17 through them one at a time. We've got about an hour and 15
 18 minutes left and I'd really like to get down through this list
 19 if we can. So maybe taking one project at a time you could
 20 just briefly comment on whether it fits in your option and we
 21 could ask question.

22 MR. COLE: Mr. Chairman. Could you explain this
 23 (indiscernible) table to find where your recommendation is
 24 found (ph).

25 (Pause)

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MR. COLE: Dr. Spies, this is Charlie Cole. Is there
1 anyplace on Table 1 where we can find your recommendation with
2 respect to each of these proposed projects?

3 DR. SPIES: No. I explained my response in terms of
4 various kinds of options the Trustee Council could make with
5 regard to the whole package and that's summarized at the bottom
6 with seven different options. And then I have not made
7 particular recommendations one way or the other on each study.

8 MR. COLE: Are you prepared to do that today?

9 DR. SPIES: I'm prepared to tell you what the
10 implications of canceling a particular project would be.

11 MR. COLE: Well, I'm not sure how to take that. Is
12 that

13 MR. PENNOYER: Go ahead and tell us whether you think
14 we're being unfair because the question comes, of course,
15 whether it's a policy call on the type of thing you may lose if
16 you don't it or it's just strictly a science call. And I don't
17 -- so, you know, if you're hesitant, maybe as you get to each
18 project you can kind of describe where it fits in the options
19 and we can ask you that question.

20 DR. SPIES: Certainly. I have tried to leave the
21 policy decisions up to the Trustee Council. I offered
22 (indiscernible - interrupted)

23 MR. PENNOYER: Well, we may still put you a little more
24 on the spot than you want to be but maybe we should do it one
25 project at a time. Mr. Barton.

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MR. BARTON: I have two comments. One, Bob, I think we
1 the Trustee Council all understand that the final decisions on
2 these -- each of these projects and the entire package are the
3 responsibility of the Council. And we would welcome any help
4 and advice you might have. But I'm sure -- you need to
5 understand as we do, and I'm sure you do, that that
6 responsibility is a responsibility of the Council and it's not
7 your responsibility, but we do appreciate all the help.

8 And the second point -- or question I have. If you
9 look at your Table 1, for example, there is no -- well look at
10 ST-1A. You have Xs out through Option 5, does that mean then
11 if we would select Option 6 that that would be it, there would
12 be no more activity and no more dollars devoted to that
13 project, that we would essentially just wash it down the drain
14 today; is that correct?

15 DR. SPIES: Right.

16 MR. BARTON: Okay.

17 MR. PENNOYER: There are different notations here, we
18 may want to ask about those. And like I say, there may be
19 other reasons, such as just finalizing and tying up of
20 projects.

21 DR. SPIES: Yeah. This looks at the whole collection
22 in kind of one dimension. I mean there's some other comments
23 that

24 MR. PENNOYER: Well I guess my point, Bob, is I'd like
25 (ph) to get to those varices as we hit each individual project.

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But why don't we start down the list because we do have to get
1 through this. And the first one is surface oil maps for
2 \$15,000.00, DEC, and you've got six Xs on it.

3 DR. SPIES: Right. That program is going forth to
4 finalize damage assessment for the otter program in particular
5 and for some of the bird programs because it's going to deal
6 with all the DEC data of oil on water. And we need that
7 because the NOAA maps -- NOAA has ma- -- outputs or the models,
8 it is not sufficient by itself and in some cases may contradict
9 what we know from DEC maps, so we need to finish those maps.

10 MR. PENNOYER: Questions on AW-1? Do you want to
11 proceed then? Yes, Mr. Sandor.

12 MR. SANDOR: Well I guess the point of your procedure
13 or process -- well why don't we simply act on these if we can
14 as we go by on a one by one basis? And I would move approval
15 of this one.

16 MR. McVEE: Mr. Chairman.

17 MR. PENNOYER: Mr. McVee.

18 MR. McVEE: Yes.

19 MR. PENNOYER: I don't have a second on Mr. Sandor's
20 motion yet. It's been moved and seconded. Is there comment?
21 Mr. McVee.

22 MR. McVEE: Yes. If we're going to start to take
23 action on these, I guess I might mention because that there has
24 not been time probably for the reports from the NEPA (ph)
25 Subcommittee to get to everyone today, but there's -- I have

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before me a document that was prepared by Ken Rice, this has
1 not gone before the RT. But basically this document that says
2 that they have conducted a review and that the damage
3 assessment continuation and close-out studies on these lists
4 have been determined that they should be categorically exempt
5 from the requirements of NEPA and in accordance with the
6 appropriate regulations. And it says there are no
7 extraordinary circumstances that would trigger a need for an
8 environmental impact statement for those few projects requiring
9 field work this year.

10 That's the recommendation of the NEPA Subcommittee but
11 it has not had action by the RT. I guess we have a motion on
12 the floor but before we take action on that motion I think that
13 we should, you know, pro- -- or sanction the committee report
14 so that we have something for the record.

15 MR. PENNOYER: Perhaps we could take action on this one
16 motion since it's here and then go on and do that next. Is
17 there any objection to the approval of AW-1, recognizing to go
18 out to public review, it's not (indiscernible - telephone
19 cutout) -- it may occasion (ph) some internal -- or interim
20 expenditure that still has to go out to public review.

21 Commissioner Sandor.

22 MR. SANDOR: Yeah, Mr. Chairman. I think that is well
23 made that this goes out now for public review and the approval
24 is for it to go out for public review.

25 MR. PENNOYER: That's correct. We do understand and

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commented at the last meeting that there may be some interim
1 expenditures for early starting project and we're going to get
2 a report on what those might be at our next meeting, as I
3 understand it.

4 MR. McVEE: Yeah, Mr. Chairman.

5 MR. PENNOYER: Green light, go (ph). Yes, Mr. McVee.

6 MR. McVEE: Yeah. I guess my only problem with taking
7 action before we just formalize this NEPA record is just a
8 procedural problem so that we do things in the right sequence.
9 And I probably should have brought this up earlier but I
10 didn't know what our procedure was going to be before we got
11 here.

12 MR. PENNOYER: Do we have -- do I have a motion
13 (indiscernible - telephone cutout)

14 MR. SANDOR: As the maker (ph) of the motion
15 incorporates this approval of that Rice Report -- acceptance of
16 that Rice Report as a precondition to this and any other
17 approvals made this evening.

18 MR. PENNOYER: Mr. Barton.

19 MR. BARTON: Second. Agree. I'm not sure. I'm a
20 little

21 MR. ROSIER: I second.

22 MR. PENNOYER: Mr. Rosier, does the second agree?

23 MR. BARTON: All right.

24 MR. ROSIER: (Indiscernible - telephone cutout).

25 MR. BARTON: I have a question when Mr. Rosier

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(indiscernible - telephone cutout)

1 MR. ROSIER: The second certainly agrees with the
2 modified motion.

3 MR. McVEE: We're having a little trouble hearing Mike
4 particularly.

5 MR. PENNOYER: Mr. Barton.

6 (Pause)

7 MR. PENNOYER: sign-off after public review.
8 Some of these projects have to be in the field in March. There
9 will be some expenditures, so I assume that it is appropriate
10 to go ahead with Mr. Rice's report. Is there any objection
11 incorporating the total motion as agreed to by the maker of the
12 motion and the second? The motion was to go ahead and approve
13 AW-1 but with consideration of Mr. Rice's report and adoption
14 of it. It's a preliminary review, it's shows the damage
15 assessment, damage continuation studies would qualify for
16 categorical exemption under NEPA not therefore requiring an
17 environmental impact statement.

18 Okay. Fine, thank you very much. We have approved
19 AW-1. Again, Restoration Team, my assumption is that at the
20 next meeting we are going to get some report on what interim
21 expenditures might be between the time that these are
22 tentatively approved for public review and the time we actually
23 come back and make the final approval in May or whenever that's
24 going to be.

25 Hello. So continuing down the list, the next one is

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injury to subtidal (ph) sediments, \$100,000.00; you've got five
1 Xs.

2 DR. SPIES: Yes. This is -- it falls somewhat in the
3 category of a fate (ph) although I did not mark it on my table
4 as such but it's -- it measures the concentrations of
5 hydrocarbons in sediments and is related to some of the
6 injuries that have been described for the -- under the shell of
7 (ph) subtidal studies and others. And it deals with
8 essentially the changes of populations -- supports that level
9 of effort. And my recommendation would be to complete this
10 study.

11 MR. PENNOYER: Are there questions or comments?

12 Mr. Cole.

13 MR. COLE: Dr. Spies, is any more fieldwork required to
14 complete this study?

15 DR. SPIES: No.

16 MR. COLE: I read the supporting documentation entitled
17 Project Classification (ph) and I couldn't tell whether more
18 samples were required.

19 DR. SPIES: Yeah. Unfortunately, the way the verbs are
20 used there it's open to question as to what's going on. I
21 think as far as I know for all these studies there is not
22 further fieldwork. These are just analyses of the samples in-
23 hand, doing the statistical analysis as well and then reporting
24 the results.

25 (Pause)

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MR. SANDOR: Restoration Team members that are
1 here is that, in fact, the case that there's no additional
2 fieldwork required in all of these projects (ph)?

3 (Indiscernible - telephone cutout)

4 MR. SANDOR: So let me just identify even at this point
5 when we get to that point the ones that will require additional
6 fieldwork.

7 MR. PENNOYER: I'm having a little trouble wondering
8 what close-out means if additional fieldwork is required this
9 year. So if we were to close out next year to write the
10 report. Anyway, we'll get into that as we get to each one.

11 MR. MONTAGUE: (Indiscernible - telephone cutout)

12 MR. PENNOYER: You'll have to come up to the microphone
13 if you want to -- Mr. Montague.

14 MR. MONTAGUE: All -- this is Jerome Montague with the
15 Department of Fish & Game. All the close-out projects were
16 intended for the amounts -- total cost through the completion
17 of a final report. So there is nothing in the close-out column
18 that we anticipate needing funding next year.

19 MR. PENNOYER: Okay. Thank you. Any further
20 discussion of ST-1A injury to subtidal sediments? Do I have a
21 motion of some kind? Mr. Rosier.

22 MR. ROSIER: I would move approval of ST-1A.

23 MR. PENNOYER: Is there a second?

24 MR. BARTON: Second.

25 MR. PENNOYER: Is there further discussion? Is there

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any objection to approval of ST-1A to go out to public review?

1 MR. McVEE: No objection.

2 MR. PENNOYER: ST-1B, hydrocarbon mineralization.

3 DR. SPIES: This is the study of the activity of
4 hydrocarbon degrading bacteria in bottom sediments. And it
5 gives a good indication of the presence of oil. It's been
6 another component of understanding the fate of the oil and
7 something about its possible rate of breakdown. It does not
8 support injury very well, although I've given it three Xs here.
9 It's a small amount of money, I would recommend its
10 completion.

11 MR. PENNOYER: Are there questions for Dr. Spies or
12 others? Mr. Cole.

13 MR. COLE: I will move that we proceed with this
14 project.

15 MR. SANDOR: Second.

16 MR. PENNOYER: Is there a second? Mr. Sandor. Any
17 further discussion? Any objection.

18 MR. McVEE: No objection.

19 MR. PENNOYER: Then hydrocarbon mineralization, ST-1B
20 is approved to go out to public review. ST-2A shallow water
21 communities, \$125,000.00.

22 DR. SPIES: This is a study that examines the shallow
23 water communities particularly in the Erl grass (ph) areas in
24 bays. Our knowledge of the injury is from 1990 samples only.
25 And my understanding of this proposal is to complete analysis

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of 1991 samples mainly. And it has documented some population
1 changes, and I've given it five Xs here.

2 (Pause)

3 MR. PENNOYER: I don't hear anybody asking Dr. Spies
4 the fateful question. Any other questions on the budget detail
5 or the purpose of this study?

6 Dr. Spies, do you think this study is essential then to
7 document injuries?

8 DR. SPIES: Well, we've got one year of injury
9 documented, it's a question of whether we need the second year
10 or not. Let us know whether we're planning the same sort of
11 thing in the second year or not.

12 MR. PENNOYER: So this is further field studies then?

13 DR. SPIES: No. It's analysis of samples that have
14 been collected but have not been analyzed.

15 MR. PENNOYER: I see. Okay. Fine, thank you.

16 MR. COLE: recommendation.

17 DR. SPIES: Excuse me, I didn't hear that. Was that --
18 did Charlie Cole ask me for my recommendation?

19 MR. COLE: Yes, sir.

20 MR. PENNOYER: Yes, Bob, that's correct.

21 DR. SPIES: That's a hard to call to make because it
22 may not add that much to it; on the other hand, we only have
23 one year of studies -- one year of information indicating a
24 injury. So I'm kind of neutral on this, I could go either way.

25 (Pause)

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MR. PENNOYER: Objection (ph)?

1 MR. COLE: Can I ask

2 MR. PENNOYER: Mr. Cole.

3 MR. COLE: Commissioner Rosier, what is your
4 thought on this, Commissioner?

5 MR. ROSIER: Well I'm kind of like our chief scientist
6 here on this, I'm a little bit hesitant here. We have no
7 analysis on the first year's data at all?

8 DR. SPIES: No, we do. We have a pretty good analysis
9 by Steve Jewitt (ph) and Tom Jenings on this data. And we've
10 got some changes in populations of animals, particularly crabs
11 and anthrodods (ph) and some other animals. There's some
12 uncertainty connected with some of the injury that's been
13 identified, we don't know how much (indiscernible) playing in
14 some of these differences between oiled/unoiled areas. But I
15 think in my mind on the whole it's documented some injuries.
16 The question is whether we need the second year or not.

17 MR. COLE: I have a question.

18 MR. PENNOYER: Mr. Cole.

19 MR. COLE: Had you finished, Commissioner?

20 MR. ROSIER: Yes.

21 MR. COLE: Well you see a study is -- it compliments in
22 a sense, does it not, ST-2A, shallow communities, this is deep
23 water. Don't those -- I mean should we draw a distinction
24 between the two?

25 DR. SPIES: I was discussing -- my comments are

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directed at ST-2A, perhaps because of the breakup I'm a bit
1 confused here.

2 MR. PENNOYER: The question, Bob, was are ST-2A and 2B
3 related closely, you can't do one without the other? ST-2B,
4 for example, you've only got two Xs next to it. Do we need to
5 treat these in some aggregate?

6 DR. SPIES: I don't think it's wise because there is
7 some questions about 2B. There's been a rather thorough
8 analysis of the data but the reviewers have raised some serious
9 questions about the interpretation. We don't know to what
10 extent hydrocarbons got to the hundred meters of which this
11 study was mainly carried out so far. And I think we -- the
12 investigator needs to spend some more time analyzing the data,
13 and he's waiting for some hydrocarbon data.

14 So in a sense, some of the money here would be usefully
15 spent on further analysis of the data; however, further
16 analysis samples would -- I would suggest waiting to see until
17 we have a more thorough analysis of the data and a further
18 review by the peer reviewers. That's in the case of ST-2B.

19 MR. PENNOYER: Your answer is we should take them
20 separately then? Okay. Back to ST-2A, further comment or
21 discussion?

22 MR. SANDOR: Mr. Chairman, I would move to defer all
23 action on 2A so that we can reflect on this between now and our
24 meeting on the 27th.

25 MR. PENNOYER: Any further discussion on this item?

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Effects of deferral? Nobody seems to have an effects of
1 deferral. So Mr. Gibbons, did you want to say something?

2 MR. GIBBONS: Again, this is the University of Alaska
3 study. I'm not as familiar with this one as I was the coastal
4 habitat, but I know they have samples from 1991. And they have
5 some sorters working in a lab, I don't know how many sorters
6 they have, but there are people sorting samples from '91 data
7 on this one. Their contract I would assume would run out
8 March 1st.

9 MR. FRAKER: Dave, this is Mark Fraker (ph) here. The
10 contract period runs out on 30 April.

11 UNIDENTIFIED SPEAKER: Mark

12 MR. PENNOYER: Well then we're March 1st (ph).

13 UNIDENTIFIED SPEAKER: Can you address the consequences
14 of deferral on that, Mark?

15 MR. FRAKER: Well deferral until what time?

16 MR. PENNOYER: Until our February 27th meeting, a
17 decision (ph).

18 MR. FRAKER: It's probably less critical in this case
19 since they are ongoing with their work until the 30th of April.
20 I might point out that of course the effort that has been
21 taken to collect samples has already been expended, so the
22 samples are in-hand, now it's a matter of analyzing those
23 samples.

24 MR. PENNOYER: I think that might be good commentary
25 for the 27th. We do have a motion for -- Mr. Montague, did you

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want to make another comment?

1 MR. MONTAGUE: Mark was correct on the contract close-
2 out on that but our funding is through a reimbursable services
3 agreement with DEC, and it explicitly states that there will
4 not be funding beyond the oil year that isn't approved by the
5 Council. So despite the fact that their contract is open, we
6 couldn't make payments on it after March 1st (ph).

7 MR. McVEE: Mr. Chairman, this is Curt.

8 MR. PENNOYER: Curt, go ahead.

9 MR. McVEE: Yeah. Does anyone know what kind of an
10 investment we've got in collecting those samples to this point?
11 Mark, do you have that?

12 MR. COLE: And could someone also answer how many
13 samples are we talking about here? I would like to know that.
14 And also, is work going on on those samplings now?

15 MR. FRAKER: This is Mark Fraker. The sampling is not
16 going on now, that was done during the last summer's field
17 season. Analysis of those samples is going on. And as far as
18 the number of samples and the amount of money already invested
19 in the project, I don't have a ready answer for either of
20 those.

21 MR. PENNOYER: I'm not sure I heard what the impact of
22 the deferral until February 27th was. It seems like it's
23 potentially significant but I don't know that I actually heard
24 an effect on the project.

25 (Pause)

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MR. PENNOYER: Mark -- Mr. Sandor, first.

1 MR. SANDOR: I'm trying to choose my words carefully.
2 This illustrates a problem; see, we're operating without
3 adequate information even on this particular point. And I find
4 it difficult to believe that today the 10th to the 27th until
5 we get this additional information is going to have that
6 significant of a consequence. And as I said in Anchorage the
7 last -- it's disturbing to me, and I don't want to sound
8 callous that we're making decisions on whether or not pink
9 slips are issued on, you know, the end of the month or whatever
10 else.

11 As we go through these, I would really prefer if we
12 address the issue of whether or not the information that the
13 studies are needed, in fact, meet the scientific objectives.
14 And so impact on people is a problem. There can be a short-
15 term extension given but we've got to meet the two week notice.
16 And since this requirement -- the contract itself runs 'til
17 April 30 it seems to me then it's a matter of administrative
18 prerogative to extend, in fact, two weeks or whatever else.
19 But if we put the issue of potential adverse impact on
20 employees, which may or may not even be the case, we throw this
21 analysis off the track and it's disturbing.

22 So I think it's -- some are not to be addressing this
23 other issue (ph). And if in fact, there's a potential
24 violation of contracting, the administrative services people
25 should have a mechanism in-place to extend their contracts for

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two weeks or whatever else so that there isn't any problem
1 between now and the 30th.

2 Thank you.

3 MR. PENNOYER: Mr. Barton.

4 MR. BARTON: Well I agree with Mr. Sandor, I think we
5 ought to look at these projects on their merits and then sort
6 out whatever damage they may have created after we get done
7 looking at them on their merits. You know, we could take care
8 of the pink slip problem by agreeing that we will allow hourly
9 phase down on those that we want to eliminate.

10 MR. PENNOYER: Is the proposal that we -- that I hear
11 being made that we adopt some type of interim funding this
12 until we get past the February 27th period, and if so, what
13 would it be? Or that we authorize contract negotiators to
14 authorize whatever minimum amount is necessary for the two week
15 period after the 1st? Mr. Sandor.

16 MR. SANDOR: You said it. That we authorize our
17 administrative services people to take whatever action is
18 necessary to meet minimum contractual requirements and
19 appropriate personnel -- professional personnel management.

20 MR. BARTON: We're talking right now about ST-2A, but I
21 assume that your comment was aimed at all the rest of those
22 studies; do you incorporate that into the motion that was made?

23 MR. PENNOYER: I'm sorry, all the rest of the studies
24 even the ones we disapprove and decide shouldn't go forward?

25 UNIDENTIFIED SPEAKER: Um-hum.

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MR. PENNOYER: Yeah. I see what you're saying, yes,
1 correct.

2 MR. BARTON: The mover agreed (ph) to that, does the
3 second?

4 MR. MONTAGUE: Yes.

5 MR. PENNOYER: Mr. Montague, you had a comment?

6 MR. MONTAGUE: Yes. To date we didn't come here
7 expecting to have to provide that information. But I think I
8 can off-the-cuff it that it was probably on the order of seven
9 or 800,000, maybe a million dollars. And that this amount
10 asked here, the loss of deferral for a year, now the loss of
11 deferral to February 27th is significant. The loss of deferral
12 for a year would mean that we wouldn't have a document
13 expressing the results of that project.

14 MR. PENNOYER: I heard the motion to not include
15 deferral for a year but simply deferral until February 27th for
16 a final decision with the motion being that contract
17 negotiators and personnel people would take care of whatever we
18 had to do to cover the interim period of time from
19 February 27th until we actually take a final decision.

20 So, is there any objection to the motion to defer
21 ST-2A to February 27th on that basis, understanding there may
22 be interim expenditures that we'll have to (indiscernible -
23 telephone cutout)

24 Mr. Cole.

25 MR. COLE: Mr. Chairman. Is it my understanding that

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something will be done with respect to this proposed study

1 between now and February 28th; and if so, what?

2 MR. PENNOYER: Mr. Sandor.

3 MR. SANDOR: Well my presumption is is that the action
4 continues on these projects as defined in the pink book in our
5 previous contract running, in fact, from April 30th. The
6 action here of deferring this to February 27th, our next
7 Trustee Council meeting, is to give us the opportunity to
8 (indiscernible) closely at these projects that are deferred
9 until that time and make a more reasoned and sound judgment as
10 to what action we finally take.

11 MR. COLE: Mr. Chairman.

12 MR. PENNOYER: Mr. Cole.

13 MR. COLE: I guess Commissioner Sandor, the thrust of
14 my question was is someone (indiscernible) be designated to
15 provide us with further information about this type of study or
16 this specific study between now and the 28th?

17 MR. PENNOYER: Mr. Sandor.

18 MR. SANDOR: My understanding there is that the
19 Restoration Team leader will make the necessary assignments to
20 get whatever information that -- by this Trustee Council at
21 today's meeting and have that information provided the members
22 of -- in advance of that February 27 meeting.

23 MR. PENNOYER: Mr. Cole, does that respond to your
24 question?

25 MR. COLE: Yes, sir.

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MR. PENNOYER: Is there any objection to the motion?
1 ST-2A is deferred then pending further study to the
2 February 27th meeting (indiscernible - interrupted)

3 MR. MONTAGUE: Mr. Chairman.

4 MR. PENNOYER: Mr. Montague.

5 MR. MONTAGUE: Is there additional information that the
6 Council wishes on this project that we are to provide in the
7 interim?

8 MR. PENNOYER: Mr. Montague, you were asked, as I
9 recall for one thing, the amount spent to date, what's lost, in
10 fact, if we don't do it for a second year instead of just one
11 year. More specifically, perhaps knowing the concern, you
12 could come with a presentation on what we've gained from the
13 project so far versus what we will lose if we don't do a second
14 year analysis.

15 Mr. Cole.

16 MR. COLE: Dr. Montague, I think, you know, what is
17 troubling me with respect to this study is we don't have
18 recommendation either by the chief scientist or Commissioner
19 Rosier that we should go ahead with it. And I think what I'd
20 like to see is whether we can get a firmer, you might say,
21 commitment either from the chief scientist or Commissioner
22 Rosier at that time as to whether we should go ahead. If they
23 can't recommend it firmly, then I don't think it would be well
24 to go ahead with it.

25 MR. PENNOYER: Further discussion of this motion? Is

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there any objection to the motion? All right. ST-2A then has
1 been deferred. We'll go on to ST-2B, deep water benthos (ph),
2 \$80,000.00, two Xs. Dr. Spies.

3 DR. SPIES: Yes. As I said before, and I'll try to be
4 as brief as possible, this -- the results of this study need
5 further analysis and further consideration of interpretation
6 with further peer review; and therefore, I would recommend that
7 that at least be done and that any further sample analysis for
8 1991, for example, be deferred until the completion and full
9 interpretation of the 1990 results have been completed and
10 accepted by the peer reviewers.

11 MR. PENNOYER: Dr. Spies, however, if we vote any money
12 to this is that type of evaluation going to take place?

13 DR. SPIES: What I'm suggesting is that you somehow
14 split this, and I can't tell you off the top of my head how to
15 do this, but you somehow split the budget so that the damage
16 assessment portion of this is completed; the report is
17 completed (indiscernible - telephone cutout) -- further
18 analysis of '91 samples, which I am assuming is included in
19 this \$80,000.00 budget. So it's going to some fraction of
20 \$80,000.00 that I am recommending be expended.

21 MR. PENNOYER: So then you're recommending that some
22 time again in this interim period you come meet with the
23 project leaders and Restoration Team and in fact break the
24 budget down along the lines that you've specified?

25 DR. SPIES: Yes.

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MR. PENNOYER: Questions of Dr. Spies? Agency?

1 Mr. Barton.

2 MR. BARTON: Does the Agency have some estimate of what
3 it would take to do what Dr. Spies suggests?

4 MR. PENNOYER: Mr. Montague.

5 (Pause)

6 MR. PENNOYER: Mr. Fraker.

7 MR. MONTAGUE: Mark Fraker, did you hear the question?

8 MR. FRAKER: I did. I'm not sure offhand how to answer
9 it. I would guess somewhere on the order of \$10,000.00 or less
10 to accomplish the review and sort of the reconciliation of the
11 -- some of the criticisms of peer reviewers.

12 MR. PENNOYER: Mr. Barton.

13 MR. BARTON: And at that point then we would make a
14 decision as to -- upon completion of that, the idea is then
15 that we would make a decision on whether we want it
16 further (ph)?

17 MR. PENNOYER: Dr. Spies.

18 DR. SPIES: Well I don't want to get into recommending
19 procedure, but somehow you've got to allow for the possibility
20 that the further analysis of data will support a conclusion of
21 injury here and perhaps justify further expenditures for the
22 analysis of the '91 samples. However, I'm not prepared to
23 recommend the whole amount to you at the present time because
24 it's unsure in my mind whether the results of the '91 analysis
25 can be, in fact, interpreted as indicating injury to the deep

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water benthos at this time.

1 MR. PENNOYER: Mr. Barton.

2 MR. BARTON: I'd move that we fund this project,
3 ST-2B, at the level of \$10,000.00, give or take a little.

4 UNIDENTIFIED SPEAKER: Second.

5 MR. PENNOYER: Moved and seconded ST-2B be funded at
6 the level of \$10,000.00 presumably to do the analysis to see if
7 the balance of the proposed studies should be carried out. Any
8 further discussion? Is there any objection? Thank you.

9 Let's go on to ST-3A then, bile (ph) availability and
10 transport of hydrocarbons, \$29,300.00, four Xs and a fate with
11 a cross. Go ahead, Bob.

12 DR. SPIES: This is a NOAA study that has analyzed the
13 accumulation of hydrocarbons by mussels. And it fits into the
14 total picture of understanding the fate of hydrocarbons in the
15 water and water quality. And I'm recommending that this be
16 completed.

17 MR. PENNOYER: Questions of Dr. Spies? (Indiscernible
18 - telephone cutout)

19 MR. SANDOR: I move acceptance of this.

20 UNIDENTIFIED SPEAKER: Second.

21 MR. PENNOYER: Moved and seconded to accept ST-3A. Any
22 further discussion? Is there any objection?

23 MR. McVEE: No objection.

24 MR. PENNOYER: Thank you. Curt, I can't see you but I
25 assume when I say there's any objection you will chime in if

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there is one. So I didn't mean to pass you up -- pass you by.

1 MR. McVEE: I will.

2 MR. PENNOYER: 3B bile availability and trans- -- same
3 title, 6,700 and the same notations and four Xs. Dr. Spies.

4 DR. SPIES: Yes. This study looks at the hydrocarbons
5 accumulated in subtidal sediment traps (ph) and provides
6 information that's complimentary to the data on accumulation of
7 hydrocarbons by mussels. There are sediment traps out there
8 and this cost includes the retrieval of sediment traps that are
9 already in the field at this time. In other words, the traps
10 that are over wear (ph) that give us some idea of mobilization
11 of hydrocarbons in -- off beaches and so forth. And I would
12 recommend that you go forward with this; although, my
13 recommendation would not be perhaps as strong as some of the
14 others but I would recommend going forward with those.

15 MR. PENNOYER: Questions of Dr. Spies? Agency?

16 MR. COLE: Commissioner.

17 MR. PENNOYER: Mr. Cole.

18 MR. COLE: I'd like to ask Commissioner Sandor, since I
19 see this is a DEC study, would you be looking forward to want
20 to run a similar study to this next year?

21 (Pause)

22 MR. SANDOR: (indiscernible - telephone cutout) -
23 - I guess with Dr. Spies' recommendation, Mr. Chairman, even
24 though it may not be as strong as earlier recommendations, I
25 would believe that this project should be approved. But again,

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I'm told -- I have the understanding that all of these close-
1 outs -- are close-outs. And I noticed, in fact, in the
2 narrative Dr. Spies, in fact, in the next to the last paragraph
3 on Page 3 of his memo points out, quote: Most of the damage
4 assessment studies proposed for close-out are essentially
5 studies that were not completely timely and within budget.
6 This raised questions as to whether the restoration project
7 proposed for '92 will actually be finished with the resources
8 requested.

9 I think my trusted representative on the Restoration
10 Team will help assure that this project will be done this year.
11 I move approval of this project.

12 UNIDENTIFIED SPEAKER: Second.

13 MR. PENNOYER: It's been moved and seconded to approve
14 this project. Is there further discussion? Mr. Cole, do you
15 have a further question?

16 MR. COLE: No, sir.

17 MR. PENNOYER: ST-3B, is there any objection to
18 approval of its continuation?

19 MR. McVEE: No objection.

20 UNIDENTIFIED SPEAKER: I move the approval (ph).

21 MR. PENNOYER: Get our terminology straight here.
22 Okay. Thank you.

23 The next study is ST-6, injury to rock fish,
24 \$15,000.00.

25 DR. SPIES: I recommend that this study close-out.

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There's a number of samples that have yet to be analyzed and
1 date to be analyzed. And there was a few dead rock fish found
2 after the Spill that we think were killed by the Spill, there
3 was evidence from 1990 samples that the rock fish were exposed
4 to hydrocarbons in their environment. The analys- -- the
5 completion of this study would include both analysis of --
6 further analysis of hydrocarbons and exposure and also analysis
7 of sublethal -- just the pathological effects potentially
8 induced by the oil. It's a small amount of money, I therefore
9 recommend that we complete this study. We don't really know
10 what we have yet.

11 MR. PENNOYER: Further comment or question?

12 (Pause)

13 UNIDENTIFIED SPEAKER: Second.

14 MR. PENNOYER: It's moved and seconded that we fund the
15 injury to rock fish study of \$15,000.00. Is there further
16 discussion? Any objection?

17 MR. McVEE: No objection.

18 MR. PENNOYER: The next injured dimorsal (ph) fish,
19 66,100, it says two fate plus a star across (ph) plus two Xs,
20 you're going to have to explain that one to me, Bob.

21 DR. SPIES: I'll try. There is little in the way of
22 injury indicated here, there is some -- these are mainly bottom
23 fish like flounder. There's certainly some very good data
24 that's coming out of analysis of hydrocarbons in their bile
25 (ph) that help us understand how hydrocarbons in the subtidal

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area may be continued to be bile available to fish or not and
 1 how that is going down. So that's very interesting data and it
 2 puts a broader perspective in terms of the fate of the
 3 hydrocarbons and that explains my comment about fate. But they
 4 haven't really found much in the way of injury so far, mainly
 5 it's been examination of effects on reproductive parameters and
 6 just a pathological examination of other tissues such as gills.
 7 There have been some preliminary indication of an injury to
 8 gills.

9 I think that this sort of data is valuable to have, but
 10 I don't know what's involved in that \$66,000.00 figure. It
 11 seems a bit high to me at the present time, I don't know
 12 exactly what's involved in completing this study except that
 13 there is quite a bit of biological data to interpret here.
 14 I've got -- I'm fairly weak on -- I would like to see this
 15 completed but I'm fairly weak on assuring you that it's
 16 strongly related to potential injury.

17 MR. PENNOYER: Bob, can you comment on the need for
 18 this to actu- -- I know we've done a lot of dimorsal fish work
 19 to try and determine whether injury occurred. (Indiscernible -
 20 telephone cutout) like you exactly what's required to really
 21 (ph) close that out. Is this sample analysis or is it just
 22 closing out the data loop and writing the final report? And if
 23 so, does this help tie together the question of whether
 24 dimorsal fish in a spill like this are injured in a subarctic
 25 environment.

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Byron Morris, do you want to comment on that, perhaps?

1 You'll have to come up to the microphone. Bob, do you want to
2 go first?

3 DR. SPIES: I'll let Byron comment first.

4 MR. MORRIS: Yes. This study is for the Environmental
5 Conservation Division, and as I look at their detailed budget
6 for close-out it's approximately a month or a tenth of the
7 year's time for a team of various people's salary, which adds
8 up to approximately 59,000 of the total cost of the study.
9 Their approach has been to study oil spills and other (ph)
10 contaminants in a variety of areas including type (ph)
11 environments to understand these type of effects. So I
12 understand this is just to devote these people to the final
13 analysis and interpretation of the data that they have on-hand.

14 MR. PENNOYER: The question is but if this is not
15 funded, do we then end up with no report on all the work we've
16 done on dimorsal fishes or where are we at?

17 MR. MORRIS: You would get no final report on this
18 project.

19 MR. PENNOYER: Bob, do you want to try anymore?

20 DR. SPIES: I kind of leave it up to the Council to
21 make the decision of whether I need this one or not. I'd like
22 -- from a purely scientific point of view I think it's
23 important to have this data to understand the Spill.

24 MR. COLE: Dr. Spies, this is Charlie Cole. What does
25 it do for the restoration process?

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DR. SPIES: Well as far as direct restoration I think
1 that most scientists would agree with me there's probably not
2 too much that could frankly (ph) be done on this environment of
3 these particular fish. However, I would prefer to see some
4 very, very limited sampling of dimorsal fish perhaps
5 intermittently over the next several years to see if the
6 hydrocarbons are still available to the bottom dwelling fish in
7 the Spill so we can get a picture generally of what's going on
8 with hydrocarbons and the bile availability of they
9 hydrocarbons in the Sound. But -- does that answer your
10 question?

11 MR. COLE: No.

12 MR. PENNOYER: Not totally.

13 UNIDENTIFIED SPEAKER: Yeah.

14 MR. PENNOYER: I know again we've done a lot of work on
15 looking at it to see if, in fact, the bottom fish were injured,
16 even if we didn't know for sure how we were going to deal with
17 it, we felt (ph) we had to know the injury. And I don't know
18 if we've closed that loop out yet or not. If the reports that
19 have been done already close that loop or if this 66,000 is
20 necessary to do it.

21 Byron, maybe if we can't answer that question here,
22 we'll have to come back and answer it at the next session. I
23 don't have the answer to it off the top of my head. So it's
24 sort of how important is this to close out the work on dimorsal
25 fish.

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DR. SPIES: I might make one comment here that might
1 save some money, and this is a professional judgment on my
2 part. I've done studies on effects of contaminants on
3 reproduction of bottom fish. And my judgment, and this is just
4 strictly my judgment, it's unlikely that we'll see an affect on
5 the reproduction of these bottom fish from the Spill. And it
6 would therefore be my recommendation that we would delete that
7 part of the study that give the reproductive effects.

8 I believe that there is some analysis of hormones in
9 blood and so forth that would be included in this final figure,
10 but that's -- I'm just going on my recollection because I don't
11 have the detailed study plan in front of me.

12 UNIDENTIFIED SPEAKER: Do we know

13 MR. PENNOYER: So we don't know then how much that
14 might be of the total? Ask that question, what's lost if we
15 wait to ask those questions and come back on the 27th?

16 MR. MORRIS: I think that would be satisfactory.

17 MR. PENNOYER: (Indiscernible - telephone cutout) some
18 kind.

19 UNIDENTIFIED SPEAKER: I would move deferral to
20 February 27th.

21 UNIDENTIFIED SPEAKER: Second.

22 MR. PENNOYER: Is there further discussion of this.
23 Byron, do you understand the (indiscernible - telephone cutout)
24 and the assignment?

25 MR. MORRIS: Yes, I do.

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MR. PENNOYER: Any further discussion of this? Is
1 there any objection to the motion?

2 MR. McVEE: The motion is to defer, Steve?

3 MR. PENNOYER: The motion is to defer until the 27th,
4 with the understanding that we're going to look at -- with
5 Dr. Spies' help, look at the subsections of this that might not
6 have to be pursued versus the need to close out this study and
7 -- and put a cap on it.

8 MR. McVEE: No objection.

9 MR. PENNOYER: Mr. Cole?

10 MR. COLE: Well, now if one looks at where we're going,
11 I think we're just in a sense almost wasting our time here. We
12 ought to just approve all studies and, you know, get on with
13 it. If you look at category one, that's 5,180,000. Category
14 two is 5,165,000. And if it's a matter essentially of policy,
15 we accept everything in -- in category two and above as we seem
16 to be heading, we ought to just save all the time and strain
17 and emotional drain and, you know, just approve these. I mean,
18 because it's obvious I think, isn't it, that -- that even when
19 we get a category two study, approve it. You know, we ought to
20 just approve them all and be done with it. We're only
21 \$15,000.00 between category -- well, all -- all studies and
22 those in category number two. And in fact only about, you
23 know, \$180,000.00 between categories one, two and three. I
24 think it's just something to think about. I think

25 MR. PENNOYER: Mr. Cole, since it's 25 to six, we may

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not be far off from that requirement anyhow, but I guess we
1 have at least in -- talked about reductions in these. I don't
2 what the reductions going to be in ST-7. Maybe it will be a
3 \$10,000.00 proposal. But I -- yeah, Mr. Barton?

4 MR. BARTON: I think we keep losing sight of the fact
5 that all we're doing is approving these to go out for public
6 review. And -- and then -- let me finish here. I frankly
7 have no problem with sending all of these out for public
8 review. Once we get that review, then we start some
9 discussion, that's entirely appropriate. Anyway,

10 MR. COLE: Mr. Chairman?

11 MR. PENNOYER: Mr. Cole?

12 MR. COLE: I move we send all of the projects out to
13 public review.

14 MR. BARTON: Second.

15 MR. PENNOYER: Mr. Cole, the previous (indiscernible)?

16 MR. PENNOYER: Yes.

17 MR. McVEE: We -- we didn't hear that in Anchorage.

18 MR. PENNOYER: (Indiscernible) again? Curt, was that
19 you?

20 MR. McVEE: Yes. Someone was speaking I think in
21 Juneau. We couldn't hear.

22 MR. PENNOYER: The motion was to send all these
23 projects out to public review, including the ones that we
24 initially took action on to reduce or defer. And that's the
25 motion. It's been seconded, it's now being discussed.

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MR. McVEE: Yeah. I guess in our previous discussions
 1 that it seemed to me like that we're -- we were proposing that,
 2 you know, we -- we'd close the loop on the close-out projects,
 3 and that -- you know, that we'd go ahead and -- and
 4 disapprove or approve and then they'd, you know, be included in
 5 the -- in the framework document, but that if we go for public
 6 review, I think we've got some timeframe problems unless we do
 7 it on a -- on a pretty short -- a short timeframe.

MR. PENNOYER: Well, my understanding of the motion
 8 would be we would approve them to go out to public review and
 9 therefore accepting interim expenditures between March and May
 10
 11.....

MR. McVEE: Okay.

MR. PENNOYER: for these projects, even ones we
 14 might have turned down.

MR. McVEE: Okay.

MR. PENNOYER: Mr. Sandor?

MR. SANDOR: Yeah. I object to the -- the motion and
 18 cannot accept it, unless there's an understanding that we will
 19 have the scientific information that we requested from
 20 Dr. Spies.

MR. PENNOYER: Mr. Sandor, we haven't requested it on
 22 some of these projects, but you mean specifically on coastal
 23 habitat?

MR. SANDOR: Yes, especially on coastal habitat, but
 25 any others as well. I think this perhaps may be beneficial in

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giving them more time, but I think this clearly illustrates
1 that, you know, if we had it to do over again, we would have
2 had I think peer review and -- and Dr. Spies' review of all
3 these projects. And I understand the reasons why that wasn't
4 done, but I would not want to forego that opportunity.

5 MR. PENNOYER: Mr. Sandor, I think we have identified
6 additional questions we've got, but I believe they did have
7 peer review by the Restoration Team with peers. I don't know
8 about each individual project, and obviously Mr. Spies -- Dr.
9 Spies has indicated few, that he would have done more, you
10 know, given time.

11 Mr. Cole?

12 MR. COLE: With the consent of the second, I would like
13 to make it clear that the coastal habitat review be excluded
14 from the motion. I think that \$3 million, which is more than
15 half of the total proposed projects could properly be looked at
16 as we discussed earlier.

17 We're talking about these others, and, Commissioner
18 Sandor, I would -- I would like to say, you know, there's no
19 use going through these, I mean, this debate when essentially
20 all we do is discuss it and then approve it, even the category
21 two numbers. And we're not really getting any place, and we
22 just as well get the whole public review instead of trying to
23 save 20 or 30,000 and we just -- just as well send them all
24 out to the public and have their review and -- and then make
25 some hard calls.

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MR. PENNOYER: Mr. Barton and then Mr. Rosier.

1 MR. BARTON: We've probably spent as much money as
2 we've saved so far in reviewing these things.

3 I -- I certainly agree to the examination of the
4 coastal habitat study for cost effectiveness, but it's a spendy
5 project, (indiscernible) we examine.

6 MR. PENNOYER: Mr. Rosier?

7 MR. ROSIER: Thank you, Mr. Chairman. Yes, I -- I
8 think that -- that my colleague on my immediate left here is
9 correct. We've probably spent more than we've saved here so
10 far today on this. And I would agree, I think that we should
11 send these out to the public. I think that they're going to
12 make some additional demands on our chief scientist here on
13 this, and this -- this will give him some additional time. He
14 may appreciate the -- the opportunity for the public to review
15 these as well. I think that's an important element here, and I
16 -- I would certainly hope so.

17 MR. PENNOYER: Mr. Sandor?

18 MR. SANDOR: (Indiscernible) we will then continue
19 excluding the coastal habitat. With the exception of that,
20 the others would be continued, is that right?

21 MR. PENNOYER: Mr. Barton?

22 MR. BARTON: I want to be clear that I understand.
23 What I -- I under- -- understood was that the coastal habitat
24 project would fall into the same category as all the rest, but
25 would be scrutinized. In other words, we would not stop the

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coastal habitat project, but it would continue as all the rest
1 of the projects that are authorized to continue. But it would
2 be subjected to this -- this scrutiny by Dr. Spies and
3 whatever.

4 MR. PENNOYER: A clarification of Mr. Barton. Does
5 that mean that it would continue on until May or that we would
6 have some of that scrutiny between now and February 27th?

7 MR. BARTON: Well, I would hope we would get the --
8 Dr. Spies would be able to do that before February 27th. But
9 I do -- I do think it would fall into the same general trust
10 as all the projects, but that this specific scrutiny that we're
11 talking about for this project would be completed by the 27th
12 of May -- or, I mean, the 27th of February, I'm sorry.

13 MR. PENNOYER: Mr. Rosier?

14 MR. ROSIER: Mr. Chairman, if I might, how many dollars
15 have we spent on this coastal habitat study, total dollars?

16 MR. GIBBONS: Mr. Chair?

17 MR. PENNOYER: Mr. Gibbons?

18 MR. GIBBONS: This -- this has been -- we spent
19 \$17 million on this study in 1989, 1990 and 1991. So it's --
20 it's, like Mr. Barton said, it's a big ticket item. There's a
21 lot of information here, and so it -- when you look in
22 comparison, it's -- perhaps it's not, you know, -- we -- we can
23 do the detail by the -- by the 27th. A problem with this is
24 the contract expires March 1st, and so I would hope that if --
25 if we're going to do that, that the Trustee Council would give

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us some time so we can extend that contract for some period of
1 time.

2 MR. PENNOYER: I believe the motion included the
3 concept that we would extend it in whatever nec- -- way
4 necessary so you don't have a two-week evil (ph), so we make
5 our decision on February 27th, you're not faced with a two-week
6 layoff period or something. The extension, contract and
7 personnel people would be extended to the amount necessary to
8 not get us in trouble between the time the decision is made
9 and whenever, you know, you get it in place, two-week period.

10 MR. McVEE: Yeah. Mr. Chairman, this is Curt.

11 MR. PENNOYER: Curt.

12 MR. McVEE: When we do this, would we want to instruct
13 the RT to develop an interim -- interim budget then, the kind
14 of expenses or the costs that -- that will be associated, you
15 know, to fund these projects for some interim period?

16 MR. PENNOYER: Well, Mr. McVee, I -- I was going to
17 make a few comments at the end here, and I think that's
18 entirely appropriate. We've been through this list, and I
19 understand people's frustration with the slowness of process
20 and the fact we haven't just wholesale eliminated a lot of
21 projects, but we have in fact at this point put off expenditure
22 of 125,000, eliminated potentially 70,000 and deferred
23 expenditure of 66,000, so in reality we're looking at about
24 180, 200 and -- a quarter million dollars that we have either
25 said you're not going to continue until we make a decision

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later, or -- and no other expenditures, or we've cut it back. ⁶²

1 And I'm bothered a little bit by what we've agreed to here, in
2 extension of this whole list through May. I think it would be
3 entirely appropriate if the Restoration Team by the February
4 27th meeting could come back to us and give us some fiscal
5 indication of what a deferral until a May final cut-off
6 decision date on these means. I agree the time we could have
7 in looking at these probably the better, and we certainly don't
8 have the time tonight to finish the list. So maybe given
9 everything, that's the best course, but I -- I would totally
10 agree, and if -- hopefully the maker of the motion would agree
11 with that type of -- type of analysis so we could see in
12 February and have identified by project which ones might be big
13 ticket items. Maybe some of them could be completely done, or
14 mostly done by May, so we ought to have a look at that and
15 understand what we've done at that point.

16 Is that acceptable? At least could we get that type of
17 report so on February 27th, we can revisit this decision to
18 that point at least?

19 MR. COLE: Would you mind saying specifically what
20 (indiscernible)?

21 MR. PENNOYER: Specifically what I think Mr. McVee was
22 suggesting, that on February -- the Restoration Team give us
23 some accounting of what part of these project expenditures will
24 have occurred by the time we make a final decision after it
25 comes back from public review in May, understanding that when

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we -- we sent these to public review, we've understood that
1 there would have to be expenditures in the interim on some of
2 these projects. I don't know which ones are more or less
3 spendy, or which ones we may want to make a different decision
4 on.

5 For example, the 66,000 on injury to commercial fish,
6 the 2-X one, maybe it doesn't make any difference if we don't
7 expend anything until May on that one. On the other hand, maybe
8 it -- we could spend a lot less -- a large amount of that
9 expenditure is slated, and as Dr. Spies said, he thought part
10 of that study could probably be eliminated. And I don't know
11 what part, but maybe half or more of it.

12 So as an interim thing, 'cause we can't do it tonight
13 anyway, and we're going to have to not be able (ph) to cut
14 people off on March 1st. This is an interim measure, but I
15 think I would like to see by the end of the month at least some
16 concept of what type of expenditure was going to occur on these
17 projects in that interim, and I think we actually had
18 requested that once before anyhow.

19 Mr. Cole?

20 MR. COLE: Mr. Chairman, well, I agree, but like I said
21 last Thursday, it doesn't take a Ouija Board to see where we're
22 heading. It's virtually going to be impossible to cut off any
23 of these proposed studies, because when we come to May, we will
24 be told, well, "We have so much money invested in this already
25 since February 1, that it would be a total loss to -- to cut

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off the study now. It will only take another week or two or a
1 month or whatever to finish it up," most of them, so, you know,
2 it's -- it's just -- I say we ought to face now what we're
3 doing, and when we can't even cut out these studies here which
4 are -- only fall into category two, and -- and at that stage,
5 say, well, maybe we better defer them, then I think we're just
6 not getting any place, and as Mr. Barton said, spending more
7 money holding these meetings, than we're doing, then we just as
8 well take advantage of the public input since we're not cutting
9 out anything. That's the reason I made the motion. But where
10 we're going in May, it's fully predictable. So if we can't do
11 anything tonight or on the 28th, we just as well fold the tent
12 and say, you know, all these projects are going to be closed
13 out and -- and that's that. Maybe I'm -- my bifocals are not
14 focused, but I think that's the -- the way it is.

15 MR. PENNOYER: Is there further comment or discussion
16 on this motion? The concept (ph), the Restoration Team will
17 give us some kind of accounting, and go forward and accept the
18 whole list without modification except in the case of coastal
19 habitat (indiscernible) motion. Including the full amount on
20 deep water bathos? No further comment.

21 Mr. Barton?

22 MR. BARTON: Well, I would presume that we would all
23 act in good faith, that any of these studies that don't need to
24 be cranked on March 1 and could wait until May, will wait until
25 May. We're all honorable people as (indiscernible) not rash.

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A number of these studies that could possibly be completed
1 between March 1 and May 1, or whenever it is in May. And I
2 would hope that we would not do that unless it was necessary.
3 But there's some of these studies that are small amounts of
4 money. In a couple of months, you'd expend that and complete
5 the project. I would hope that if it didn't -- that didn't
6 need to be, it wouldn't be, and that we would have the
7 opportunity to hear what the public had to say and to exercise
8 some of our own judgment on these studies, so -- you know, if we
9 all act in good faith and as reasonable human beings, I think
10 we can make the best of a bad situation I guess is what I'm
11 saying.

12 MR. PENNOYER: Is there any further comment? Mr.
13 Sandor?

14 MR. SANDOR: Not on this motion, no, which I
15 (indiscernible) support. But I do have a problem or question
16 before we adjourn.

17 MR. PENNOYER: We haven't dealt with damage assessment
18 continuation yet unless that's also -- that wasn't that covered
19 by the motion, or is it? Mr. Rosier?

20 MR. ROSIER: I would just ask a point of clarification
21 here. Between now and the 27th, will Dr. Spies then be
22 interacting with the Restoration Team or is he acting
23 independently, or how are we -- how are we structuring the
24 activities between now and the 27th?

25 MR. PENNOYER: What I heard in the motion, now correct

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me if I'm wrong, is that basically he -- he was dealing with
1 the coastal habitat study, but I'm not sure that given the
2 basis of the motion he's dealing with anything else with. The
3 instructions on coastal habit I thought were fairly clear.

4 And that, of course, Dr. Spies, we haven't gotten to
5 continuation or -- or res- -- or recovery yet. I mean,
6 restoration yet, and we need to deal with those, at least and
7 where we think we're going with them by the 27th.

8 Is there any objection to the motion? Hearing none,
9 that's how we will -- Mr. Cole?

10 MR. COLE: Well, I -- I just want to say, you know,
11 underlying the motion is these numbers at the bottom under the
12 options, you see, and really not very much flexibility
13 different in those -- the cost of the options, of exercising
14 options, you know, one through six in any event, and certainly
15 I don't think we would ever actually take out option seven. So
16 therefore it seems best that we just -- other than the
17 University of Alaska, put these out to the public and as Mr.
18 Barton says see what best we can do between now and May and
19 hope for some savings and exercise of good judgment along the
20 way.

21 MR. PENNOYER: Thank you. Is there any further
22 discussion on this motion? Is there any objection to it? It's
23 adopted.

24 Can we go on then and talk about what we're going to do
25 with damage assessment continuation options? Mr. Gibbons?

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MR. GIBBONS: I just wanted to make one point. There
1 may be a misconception by the Trustee Council on what's
2 occurred on the damage assessment studies. There has been
3 thorough peer review of all the damage assessment studies, both
4 the continuation and the close out. This was -- the peer
5 reviewers were brought in, reviewed extensively with the chief
6 scientist, so these -- this portion of the program has been
7 thoroughly peer reviewed and has moved through that process.
8 And I -- I just thought I heard that there was a comment that
9 perhaps that had not occurred.

10 MR. PENNOYER: Mr. Gibbons, does that include the
11 continuation stu- -- damage assessment continuation as well?

12 MR. GIBBONS: That's correct.

13 DR. SPIES: Mr. Chairman, I just might mention that the
14 peer reviewers have commented just on the scientific content of
15 the proposals and have -- have not in general commented on the
16 size of the budget request.

17 MR. PENNOYER: Okay. Thank you. How about the damage
18 assessment continuation options in the last five minutes we've
19 got here. Does anybody want to talk about \$3 million, that
20 category? Mr. Cole?

21 MR. COLE: Mr. Chair. Did I (indiscernible) from
22 Dr. Spies' comment that (indiscernible) be in a position to
23 furnish with evaluation with the cost proposals of these
24 continuation studies?

25 MR. PENNOYER: Bob, are you going to answer that? Are

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you into budgeting?

1 DR. SPIES: That's a -- that makes the task a lot more
2 complex and time consuming for my part. I would certainly --
3 would welcome the -- forming a team with the Restoration Team
4 to get this -- this accomplished, if that's what the Trustee
5 Counsel wishes, consideration of this. We could as we have in
6 the first group of studies go through and with -- maybe with
7 taking the commercial fish, we may want to consider whether we
8 need the reproductive work any longer, and -- and we could
9 adjust the budget perhaps in that way, and that way get into
10 the content of each proposal rather than either taking the
11 whole thing as proposed with the total request, or rejecting
12 it. Perhaps we can come back to you with a modified cost and
13 scope, but I -- I don't feel I've got time between now and the
14 end of the month as an individual to make all those sorts of
15 judgments in -- without working with the Restoration Team.

16 MR. McVEE: Mr. Chair, this is Curt.

17 MR. PENNOYER: Mr. McVee.

18 MR. McVEE: I just got a note here, it says "if
19 necessary, the teleconference might be extended past six," but
20 we'd have to let the operator know if that is the desire of the
21 Council, but it could be extended. It can go till 8:00
22 o'clock.

23 MR. PENNOYER: Well, we've already discussed amongst
24 the Trustee Council members (indiscernible), I'll have to ask
25 individual members what their feelings are. We were originally

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told it was terminating at six.

1 UNIDENTIFIED: Yeah, I think they've got a commitment
2 at 6:15 and

3 MR. PENNOYER: I think the sense is we'll go for
4 another 15 minutes, at least try to tie up our direction on
5 these other packages of projects and instructions of what we
6 expect in February -- at the February 27th meeting. Is that
7 okay?

8 Do you want -- can we go on then to damage assessment
9 continuation options, the total of \$3,127,700.00? And again
10 with options with X's on them. Do you wish to go through
11 them, or do you wish to have the alternate proposal? How to
12 handle these? (Indiscernible) here, vary from all studies,
13 \$3,000,000.00. Item four, you go down to a million and a half,
14 item seven, you're down to 184,000.

15 Mr. Sandor?

16 MR. SANDOR: Dr. Spies, I (indiscernible) kind of
17 question on FS-27, the sockeye salmon over escapement project,
18 and that -- that over escapement, the damage from that is -- is
19 -- is from the Exxon Valdez singularly, or is that over
20 escapement from other causes as well?

21 DR. SPIES: The over escapement was the third year of
22 over escapement into the Kenai River, where the damage has been
23 most efficiently documented. I think it's impossible to say at
24 that time -- or at this time how much was due specifically to
25 the '89 over escapement versus the two other years. It could

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well be a situation where the first years may have not made a
1 difference to the production of smolt, and the third year could
2 have been the -- the straw that broke the camel's back so to
3 speak.

4 MR. SANDOR: Thank you.

5 MR. PENNOYER: Mr. Cole?

6 MR. COLE: I -- I have a question. I'm not sure about
7 what we did in this last duration, a comment from what Dr.
8 Spies was to do with respect to cost involved. Was -- was that
9 directed just to the damage assessment continuation options?

10 MR. PENNOYER: I don't know that we came to a specific
11 instruction relative to costs involved on which projects except
12 for coastal habitat right now as far as I -- I understood the
13 only direction. Distinct direction Dr. Spies has at this
14 moment is the coastal habitat. We still have to cover what
15 we're going to do on restoration February 27th and any
16 instructions we've got relative to that. And all of these
17 other studies, continuation option -- my assumption is the
18 damage assessment close out projects, we've accepted them
19 except for coastal habitat until public review takes place. At
20 least I thought that was -- and I -- Mr. Barton, maybe I'm
21 wrong?

22 MR. BARTON: Well, I'm not sure again. I thought we
23 agreed that Coastal habitat would go forward as all the others
24 go forward, but subjected to specific scrutiny.

25 MR. PENNOYER: Well, I -- I thought that we never said

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we were going to stop it. We said we were

1 MR. BARTON: Okay.

2 MR. PENNOYER: going to review it on the 27th
3 and that it would go forward after, for some interim period of
4 time people would have the assurance it was going to go
5 forward. It's the only one though that might be at this time
6 terminated before or major -- in a major way altered before the
7 May date, because

8 MR. BARTON: Well, -- well,

9 MR. PENNOYER: before it goes to public review
10 we're going to make some judgments on it.

11 MR. BARTON: Okay.

12 MR. PENNOYER: Mr. Cole?

13 MR. COLE: I had in mind that I thought this was what
14 Dr. Spies was referring to, that he working with the
15 Restoration Group would be able to give us an evaluation of the
16 money which should be spent on the damage assessment
17 continuation options? Was I -- was that anyone else's
18 understanding?

19 DR. SPIES: I -- I believe it was the -- the damage
20 assessment close-out options.

21 MR. COLE: All right. Well, that's what I wanted to --
22 that's what I really had in mind, and that's what I would
23 prefer, so I will so move in order to get that resolved, that
24 we request Dr. Spies working either alone or with his peer
25 reviewers or with the Restoration Team the earliest date

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furnish us with that type of evaluation.

1 MR. PENNOYER: Mr. Cole, how -- which suite of
2 projects? All of them or just

3 MR. COLE: The close-out studies.

4 MR. PENNOYER: The ones we've just approved?

5 MR. COLE: Yes.

6 MR. PENNOYER: Okay.

7 MR. COLE: For public

8 MR. PENNOYER: Public review?

9 MR. COLE: For public review. By that I have in mind
10 is he -- he would -- we would be furnished with a more tailored
11 valuation of those studies rather than -- rather than just say
12 lump sum and approve say \$571,000.00, maybe he would say we
13 could truncate this project somewhat and wind it up for a cost
14 estimate of \$100,000.00. But

15 MR. PENNOYER: Now that motion is specific to just
16 damage assessment close-out or to continuation and restoration
17 monitoring and the whole business or

18 MR. COLE: Well, that's the pleasure of the Council
19 here. I

20 MR. PENNOYER: But you're doing it for close out. And
21 -- and by when then?

22 MR. COLE: Well, when he can get it done. I think it
23 would be slightly presumptuous for us to say, well, we'd like
24 it by a certain date. He does say that it's a rather major
25 undertaking.

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UNIDENTIFIED: Major (indiscernible)

1 MR. PENNOYER: Specific to a decision prior to them
2 going out to public review then?

3 MR. COLE: I doubt if he could complete that type of
4 analysis and send it out to public review.

5 MR. PENNOYER: Okay. Is there a second? Is there
6 further discussion?

7 MR. McVEE: Yeah, I -- yeah, this is Curt. I'm not
8 quite clear yet what -- what we're doing, that we're -- we're
9 asking Dr. Spies for a project-by-project analysis that -- that
10 will help us in a decision after public review? This won't be
11 done before public review, so we'll have it after public review
12 for our final cut?

13 MR. PENNOYER: That's my understanding of the motion.

14 MR. McVEE: Okay.

15 MR. COLE: Mr. Chairman?

16 MR. PENNOYER: Mr. Cole

17 MR. COLE: Curt -- Curt, here's what I have in mind is
18 we're presented with these project proposals. And in a sense
19 out decision is, you know, go or no go. And I -- I'm not sure
20 that that -- that is the type of rough-cut decision that we
21 should be making. Perhaps we should -- what I would like to
22 know, whether it's possible to wind up some of these studies,
23 say sampling instead of 1,000 of these samples, sample a
24 hundred,

25 MR. McVEE: Uh-huh.

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MR. COLE: whether a statistical analysis of that
1 size would be adequate and therefore instead of a study costing
2 a half a million dollars, it could cost 125. I -- I would like
3 to see that type of report or advice from -- to us.

4 MR. McVEE: Okay. That's helpful. Thanks.

5 MR. PENNOYER: Any further discussion on the motion?
6 This is relative to damage assessment close-out. Any objection
7 to the motion? Okay.

8 Can we go on then to, and give instructions to
9 Dr. Spies and the team, 'cause we certainly can't do projects
10 tonight. Damage assessment continuation and what we expect
11 to see on February 27th on the rest- -- recovery monitoring and
12 the technical support and restoration implementation. Those are
13 the categories left before us. Recovery, restoration projects
14 and damage assessment continuation. Do we want specific
15 instructions to the team, or can we -- or do we want to
16 specifically approve these, or what action do we wish to take
17 on that between now and the 27th? Mr. Barton?

18 MR. BARTON: Mr. Chairman, I move that we apply the
19 same protocols and rationale to damage assessment continuation
20 that we did to damage assessment close out.

21 UNIDENTIFIED: Second.

22 MR. PENNOYER: Okay. Moved and seconded that we
23 basically sent the damage assessment continuation options out
24 to public review with final decision to occur after that
25 review, also given the fact that -- I suppose the same thing to

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the Restoration Team of reporting to us on what part of the
1 funds might be expend- -- have to be expended between the March
2 1st, or the public review, the March 1st date and the final
3 approval. And Dr. Spies' assessment of -- of the projects and
4 their costs. Mr. Rosier?

5 MR. ROSIER: Yes. Mr. Cole talked about Dr. Spies
6 working with the Restoration Team or peer reviewers or whatever
7 to do these analyses on this. I guess from my perspective on
8 this, it would seem to me that there had been a fair amount of
9 activity that's gone on here within the -- the Restoration Team
10 in reviewing these. I don't believe that Dr. Spies has in fact
11 had the exposure to all of these projects. I think he
12 indicated that to us at our last meeting. Certainly I would
13 think that -- that the involvement of our Restoration Team as
14 part of that review process is -- is an essential item.

15 MR. PENNOYER: And my assumption was the motion did
16 include Dr. Spies working with the restoration team and/or peer
17 reviewers as appropriate.

18 MR. McVEE: Mr. Chairman, this is Curt.

19 MR. PENNOYER: Mr. McVee?

20 MR. McVEE: Yes. I think last Thursday as I recall,
21 and -- and Marty was just refreshing my memory on it, that we -
22 - we did ask Dr. Spies to work with the RT on an analysis of
23 the restoration implementation projects, those projects that we
24 were going to -- were going to consider on the 27th. Is that
25 right, Marty?

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MS. RUTHERFORD: That's correct.

1 MR. McVEE: So we've still got that in -- in -- on Dr.
2 Spies' agenda, and I was just thinking of -- of the -- the
3 number of assignments that we're proposing that -- that he
4 would fulfill within given timeframes.

5 MR. PENNOYER: Mr. Barton?

6 MR. BARTON: I think -- I think what we were asking Dr.
7 Spies for in terms of his -- to advise, et cetera, cost
8 effectiveness, was not before the 27th, except in the case of
9 the coastal habitat study.

10 MR. McVEE: Okay.

11 MR. PENNOYER: Mr. Cole?

12 MR. COLE: Mr. Chairman, well, I agree with
13 Commissioner Rosier, that I did not contemplate in the motion
14 that -- that Dr. Spies would make these determinations without
15 close liaison with the Restoration Team. I -- I threw in the
16 peer reviewers into my motion, that he -- he might need a
17 little help, and that it would be a large project for he alone
18 to accomplish, and therefore I mentioned that. But it
19 certainly was within the contemplation that he would not make
20 any such recommendations without discussing them first with the
21 Restoration Team and soliciting their views.

22 MR. PENNOYER: Okay. That's fine. So we have -- the
23 motion is to send the damage assessment continuation options on
24 out, approve them to go out to public review with the same
25 caveats that we had on the damage assessment. In the interim,

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1 Dr. Spies will be looking at and recommending to us in -- in
2 concert with the Restoration Team the appropriateness of the
3 budgets and -- as well as conducting a general review of these
4 projects (indiscernible).

5 Any further discussion of the motion? Is there any
6 objection to the motion?

7 MR. McVEE: No objection.

8 MR. PENNOYER: All right. Can we go on then to -- we
9 mentioned Dr. Spies was going to deal with the restoration
10 implementation projects for us by the 27th. What about the
11 recovery monitoring projects? Early in this discussion several
12 people asked about the linkage between damage assessment close
13 out, continuation and recovery monitoring. I still see
14 projects with generally the same names in some of these areas,
15 and also under restoration implementation.

16 MR. COLE: Mr. Chairman?

17 MR. PENNOYER: Mr. Cole?

18 MR. COLE: I move we disqualify all studies which Dr.
19 Spies has recommended be disqualified: Number B-5, number R-
20 17, number R-82, and number R-95.

21 MR. PENNOYER: Mr. Cole, B-5? Or R-5 do you mean, the
22 brown bear monitoring?

23 MR. COLE: It -- it looks like it's B-5 to me, but
24

25 MR. PENNOYER: Oh, I see. It's on this other list,
(indiscernible)

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MR. COLE: (Indiscernible)

1 (Indiscernible discussion in Juneau)

2 MR. PENNOYER: Yeah, anyway, okay. Which ones are
3 those again, please? Would you repeat that? B-5?

4 MR. COLE: B-5, R-sev- -- B-5, brown bear monitoring,
5 R-17, black oystercatcher restoration, R-22, killer whale
6 monitoring, and R-95, river otter restoration. Grounds for my
7 motion: That's exactly what we asked Dr. Spies to do. I'm
8 satisfied with his judgment.

9 MR. PENNOYER: Mr. Barton?

10 MR. BARTON: (Indiscernible) to any of that,
11 (indiscernible) restoration (indiscernible).

12 MR. COLE: I thought I'd leave that motion to you, Mr.
13 Barton.

14 MR. McVEE: I didn't hear Mike.

15 MR. BARTON: I amend -- I move we amend the motion
16 (indiscernible).

17 MR. McVEE: Is anybody -- I -- I can't -- I didn't get
18 that. This is Curt. I -- we didn't hear that part.

19 MR. BARTON: R-20, R-52, R-58, R-59, and R-106,
20 also be disqualified.

21 MR. PENNOYER: Well, we've got about three minutes left
22 to our self-appointed deadline.

23 DR. SPIES: My -- Mr. Chairman, might I make one
24 comment? The -- and I know it's -- it's too late in the
25 meeting to deal with this, but there -- in the far right-hand

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column is a notation that some of these studies that I have
1 recommended disqualification for do involve certain judgment
2 calls on policy by the Trustee Council. For instance, in the
3 rockfish restoration plan, it's based on we don't really have
4 much of an injury yet until we've completed the damage
5 assessment study; however, it has been noted by the Department
6 of Fish and Game that there's been an increase in rock fishing
7 activities since the spill due to a shifting of fishing
8 effort, probably as a result of spill, and they need to
9 formulate a management plan for rock fish. And that is in my
10 mind a secondary effect of the spill, and I think the Trustee
11 Council would need to make some determination whether that
12 would be allowable under the criteria that you're considering
13 for whether the projects are qualified or not for further
14 funding.

15 MR. PENNOYER: Mr. Rosier?

16 MR. ROSIER: Than you, Mr. Chairman. I would agree
17 with the first part of the motion; however, the second part of
18 it, the restoration planning I think would object to. We
19 simply don't have the time, we've got two minutes to go here
20 (indiscernible) think we need great deal more discussion
21 (indiscernible) going into this at the present time
22 (indiscernible).

23 MR. PENNOYER: I think that my standpoint, probably
24 most of this I think (indiscernible) but again we had
25 originally slated these for considered discussion on the 27th

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and 28th, and while those -- that -- the motion is a good base
1 to build on, including Dr. Spies' comments, I practically
2 would like to visit these individually before making up -- make
3 a final decision in my mind, so I

4 MR. COLE: You object then, is that it?

5 MR. PENNOYER: I think I don't object to the concept,
6 and I may not object to the motion when we get to it, but I
7 kind of object to doing it in five minutes, yes.

8 MR. MONTAGUE: Mr. Chairman? May I -- may I add to
9 that

10 MR. PENNOYER: Mr. Montague?

11 MR. MONTAGUE: thought process? The Restoration
12 Team intends to receive Dr. Spies' recommendations by the 17th
13 on all the restoration projects, both implementation and
14 recovery monitoring, to the -- then Restoration Team meet
15 without Dr. Spies for a couple of days to digest his comments
16 and then to meet with him on the 20th to come to a consolidated
17 opinion on -- for the Restoration Team and the chief scientist
18 on all those projects, so that on the 27th the chief scientist
19 and the Restoration Team would have a consolidated presentation
20 for the Council.

21 MR. BARTON: (Indiscernible) restoration,
22 (indiscernible) recovery monitoring and restoration planning
23 have taken (indiscernible).

24 MR. PENNOYER: And restoration implementation as well.

25 MR. McVEE: Yeah. Mr. Chairman, this is Curt.

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MR. PENNOYER: Mr. McVee?

1 MR. McVEE: Yes. I -- you know, we need to look at --
2 at Dr. Spies' recommendation, because it's probably the best
3 thing we've got so far in terms of trying to -- to, you know,
4 take a cut at -- at this total program budget which I think
5 we're all committed to -- to do something with, and -- but it
6 seems like we're -- we've probably reached a point where we
7 maybe can't give it the time and attention we need to now, so
8 one possibility I guess would be to table the -- the motion and
9 come back to -- to that on the 27th.

10 MR. PENNOYER: I -- I note that the motion included
11 several studies Dr. Spies recommended to disqualify, but he has
12 another column that's listed as "occasional," and I'm not sure
13 whether occasional means next year

14 MR. McVEE: Yeah.

15 MR. PENNOYER: or the following year, so, like
16 murre restoration was discussed at the last meeting, and I
17 thought we were going to get a report of the necessity of
18 spending 571,000 this year on murre restoration, so -- is

19 DR. SPIES: That column was meant to say occasional
20 monitoring and what -- what I could -- and -- and this is
21 included as a comment in my memo, and again I apologize for
22 getting it out so late in the day, but we were trying to
23 present as complete a product as possible, but what we had in
24 mind there is that there's in my mind some monitoring that
25 should be done in the field of severely affected resources.

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The question is do we need to do it every year? And if how --
1 how often do we need to do each resource in terms of what we
2 know about its life history and its rate of recovery, and what
3 we might lose by doing -- by losing one year's data.

4 The second thing is that if the -- the restor- -- if
5 the Trustee Council has some fiscal plan in mind in terms of
6 perhaps minimizing spending at some point early in program in
7 order to achieve some other goals, that we could take that as
8 guides and -- and design a program of monitoring that would
9 phase in these different programs and try to do things in a
10 cost effective way while at the same time keeping track of how
11 these severely affected resources are recovering.

12 MR. PENNOYER: Well, Dr. Spies, are you going to be
13 prepared to interact as was stated by the Restoration Team with
14 them prior to the 27th and give us a more fully combined report
15 at that time?

16 DR. SPIES: I'll do my best to do that, if that's the
17 Trustee Council's wish.

18 MR. PENNOYER: Rather than deal with a vote on this
19 motion, can we accept to table it until the 27th with those
20 desires in mind, recognizing Dr. Spies' work and report is
21 going to go to the Restoration Team, and we'll get a report
22 back on it? Mr. Sandor?

23 MR. SANDOR: Motion to table actually takes precedent
24 over the other motion, so -- but -- but the intent obviously is
25 to -- to question in fact what we've asked Dr. Spies to do. I

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mean, he's done his job very well. We just have run out of
1 time. I think the -- I would support the motion to table with
2 the understanding that we in fact have (indiscernible) these
3 and intend to eliminate them unless there's justification for
4 retaining them. And so I move -- or vote for the motion to
5 table that.

6 MR. PENNOYER: Well, I think Dr. Spies has recommended
7 disqualification. He said there may be other considerations
8 for some form of continuation, but on the other hand -- other
9 hand he has recommended that. And again under the occasional
10 column, he hasn't recommended that we do those things every
11 year, or maybe the next year. So

12 Is there any further discussion? I think we're
13 probably off the net, aren't we?

14 MS. EVANS: No.

15 MR. McVEE: No, you're

16 MR. PENNOYER: Oh, good.

17 MR. McVEE: you're still coming through in
18 Anchorage.

19 MR. PENNOYER: (Indiscernible) anyway, Curt.

20 Is there further discussion of the motion to table?
21 Oh, it takes precedence. Okay. Then it is tabled until the
22 27th of February, and we will expect that type of combined
23 report from the restoration team, and with Dr. Spies'
24 assistance. You have his recommendations. Thank you.

25 Is there any further business for us tonight?

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Mr. Sandor?

1 MR. SANDOR: Well, I would ask unanimous consent of the
2 Trustee Council to commend Dr. Spies for a remarkable analysis
3 in -- in really a very short time.

4 MR. PENNOYER: We're all in total agreement. Thank you
5 very much, Bob.

6 Okay. Then we're adjourned until the 27th in Anchorage
7 at I believe it was 10:00 a.m. Adjourned. Thank you.

8 (END OF PROCEEDINGS)

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