

EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL

1 Alaska Public Utilities Commission
2 1016 West Sixth Avenue
3 Suite 305
4 Anchorage, Alaska
5 June 29, 1992
6 8:00 a.m.

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TRUSTEE COUNCIL MEMBERS:

State of Alaska **MR. CHARLES COLE**
Attorney General

State of Alaska **MR. JOHN SANDOR**
Dept. of Commissioner
Environmental
Conservation

Alaska Department of **MR. CARL ROSIER**
Fish and Game Commissioner

USDA Forest Service **MR. JIM WOLFE**

National Oceanic and **MR. DON COLLINSWORTH**
Atmospheric Deputy Regional Director
Administration National Marine Fisheries Service

United States Dept. **MR. CURTIS McVEE**
of the Interior Special Assistant to the
Secretary

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P R O C E E D I N G S

1 MR. McVEE: I would like to call this meeting
2 of the Exxon Valdez Oil Spill Settlement Trustee Council to
3 order. And here today on the Trustee Council is Carl Rosier,
4 Commissioner of Fish and Game; Jim Wolfe, representing the
5 Regional Forester, Mike Barton; John Sandor, Commissioner of
6 the Department of Natural Resources; Attorney General Charlie
7 Cole; and representing Steve Pennoyer, Don Collinsworth, NOAA.
8 I'm Curt McVee with the Secretary's Office, Department of
9 Interior, and I've been drafted today to chair the meeting.

10 We rotate that chairmanship around. I guess I'll have
11 to admit it probably was about my turn, so -- Carl and I have
12 cut a deal. He'll do it next week. I'll get that on record
13 early. Or next -- the next meeting.

14 In response to -- to comment and -- public comment and
15 request, I think it was at the last meeting, we have scheduled
16 a public comment period starting at the beginning of the
17 meeting today, and maybe just before I do that, I'll ask
18 Dr. Gibbons if he has any announcements that we should make at
19 this time? Do you have anything?

20 DR. GIBBONS: Nothing at this time. Just that,
21 you know, the -- the public session at the beginning of the
22 meeting is -- was the -- from the request of the public to
23 provide input before we get to the agenda items as -- as we
24 move through the -- through the agenda. So if -- if the public
25 has any comments on the agenda items, just -- you know, for --

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for consideration, this would be the time to make those and
1 then again afterwards, the from five to seven teleconferencing.

2 MR. McVEE: Yes, this -- this early public
3 comment period is not teleconferenced, so it would be just for
4 those that are -- that are present here in Anchorage. Is
5 there anyone that wishes -- wishes to make comment on the
6 agenda items at this time? Yes?

7 MS. McGEE: This is not an agenda item, just an
8 item of -- of note for all of you.

9 My name is Mary McGee, otherwise known as Mo, and I
10 have been the director of the Oil Spill Public Information
11 Center, and most recently the project manager here in the
12 building for both the library and the support staff for the
13 agencies.

14 As of Wednesday I will be leaving this job and moving
15 over as the director of Anchorage Municipal Libraries, so being
16 an information provider for the City, I'll keep track of all of
17 what you're all doing.

18 But at this point I want to introduce my successor in
19 the library, Kerry Holba, and Ron Beuyer will be doing the
20 project manager for the building. Ron? Thank you both.

21 And I just wanted to thank you all for your support
22 for the library and the project here; show you in case you
23 haven't had as chance to see what the science studies look
24 like. This is a sample, very nicely done by the State through
25 the offices of Preston, Thorgrimson. They're color-coded as to

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the studies. The blue happens to be -- be marine mammals. And⁴
1 each one is color-coded depending on the type of studies.
2 Inside are tabs for the dates and the study plans, interim
3 studies and the final report.

4 And for those of you that have not had a chance to see
5 them, I invite you over at your break or the lunch time over to
6 the library to have a chance to see those.

7 At one of the early meetings in discussing the budget,
8 Mr. Cole was very interested in the student packets and the
9 information packets given to teachers. This is a sample of a
10 student package. It's sent out to students that request
11 information about the spill.

12 This is a sample of the packet that goes out to
13 teachers. It has curriculum packets for units K through 12 as
14 well as information for them. These will also be over in the
15 library available for you all to have a chance to look at.

16 MR. COLE: About how many of each have been
17 sent?

18 MS. MCGEE: Altogether?

19 MR. COLE: Yes.

20 MS. MCGEE: May I refer this question to Kerry?

21 MR. COLE: Sure.

22 MS. HOLBA: Many, many. Some -- our largest
23 group of patrons, if we were going to group patrons, probably
24 are students and teachers, librarians, students from elementary
25 school all the way through graduate school.

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MR. COLE: And a couple more questions. Well,
1 about -- I mean, "many, many," is that 50 or 1,000 or more?

2 MS. HOLBA: We've probably sent about, oh, I
3 would say 20 to 30 a month.

4 MR. COLE: So in a year you've sent around 250?

5 MS. HOLBA: Uh-huh. Now, this -- this varies
6 according to the time of year, of course.

7 MR. COLE: Of course.

8 MS. HOLBA: We don't -- according to the school
9 year.

10 MR. COLE: And -- and most have been from the
11 students or the teachers, and what is the geographic
12 distribution? Have -- have those ben generally throughout the
13 United States?

14 MS. HOLBA: Throughout the United States and
15 Alaska -- including Alaska. We have -- we work closely with
16 the -- the teachers in Alaska especially in Anchorage working
17 on curriculum (indiscernible) teaching (indiscernible).

18 MR. COLE: Thank you.

19 MS. McGEE: You might be interested, it was the
20 Gruening School in Eagle River?

21 MS. HOLBA: Gruening.

22 MS. McGEE: Gruening Junior High did a
23 coordinated curriculum unit in which they used math, science,
24 social studies, and they had a mock -- mock trial that the
25 students put together. This was last year. And it was so

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successful in the school that the teachers came back again this
1 year to pull together more materials and do the same kind of
2 units, so they're using it in a variety of ways to support
3 their curriculum.

4 MR. COLE: Thank you.

5 MS. McGEE: Thank you very much and the best of
6 luck to all of you.

7 MR. McVEE: Good luck to you, Mary, on your
8 new -- new job. That's a real challenge.

9 MS. McGEE: Thank you.

10 MR. COLE: Mr. Chairman?

11 MR. McVEE: Yes, Mr. Cole?

12 MR. COLE: When -- you know, you -- you
13 remarked about public comment on the agenda, but should --
14 would it be all right if we expanded that public comment on any
15 subject having to do with the -- you know, with this Trustee
16 Council? I mean, it's -- you know, we can sort of open it up
17 for whatever is coming?

18 MR. McVEE: Yeah, that's fine. Any -- I'll
19 call again then for public comment and expand it beyond the
20 agenda? Is there any- -- anyone who wishes to make public
21 comment?

22 MR. COLE: Senator, tell us

23 SENATOR STURGULEWSKI: I'll be back

24 MR. COLE: what you have in mind?

25 SENATOR STURGULEWSKI: I'll be back at 5:00

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o'clock, okay? I just want to kind of case the place.

1 MR. McVEE: That figures. Okay.

2 I guess we have no one at this time. We will have the
3 5:00 o'clock till 7:00 o'clock public comment period then this
4 afternoon.

5 With that then I'd like to start down through the
6 agenda. Is there -- Do Council members have any changes or --
7 or -- that they want to make in the agenda, or additions to the
8 agenda at this time? One that I would like to suggest is that
9 we move the financial operating procedures up to item four,
10 ahead of the '93 work plan since those procedures do dictate
11 some of the -- sequence of some of the schedules within the
12 '93 work plan. Is that -- is that acceptable to everyone?

13 MR. SANDOR: Would you repeat that?

14 MR. McVEE: The -- the financial operating
15 procedures

16 MR. COLE: Number nine.

17 MR. SANDOR: Number -- number nine would
18 go

19 MR. McVEE: Which is now item nine, I'd

20 MR. SANDOR: Okay.

21 MR. McVEE: like to move up just to
22 follow item three, make it item four. If that is acceptable
23 to

24 MR. WOLFE: Okay.

25 MR. McVEE: the Counsel?

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MR. COLE: Mr. Chairman?

1 MR. McVEE: Yes.

2 MR. COLE: I -- I would like to thank the
3 staff, and compliment the staff for the fine series of
4 notebooks given to us earlier for this past week in prepar- --
5 so we could utilize them to prepare for this meeting. It's
6 exactly what I had in mind. I think it's very well done.

7 And secondly, if we could plan on lunch at -- a lunch
8 break at 12:00 to 1:15, I'd like to do that, if that's
9 agreeable to everyone.

10 MR. McVEE: It's fine with the Chairman. If
11 it's acceptable to everyone else, we will break at 12:00
12 o'clock until 1:15.

13 Any other comments from Council members before we go on
14 into the?

15 The first item on the agenda is the status of the
16 public participation working group, and one of the big
17 notebooks that Attorney General Cole refers to has been put
18 together by that -- that group, and to make that presentation
19 is Marty Rutherford. Marty?

20 MS. RUTHERFORD: Good morning, Mr. Chair. Just
21 to quickly reiterate what was in the memo that was attached to
22 the booklet, there are three tables. The first is an
23 alphabetical listing and in that is an indication of their
24 address, of each nominee's address, of their principal
25 interests, affiliations, who they were nominated or endorsed

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by, and whether or not their information was complete. At one⁹
1 point in time the chart indicated that several were incomplete,
2 but we were able to get all -- everyone's packet of
3 information, so they are now all complete.

4 I do want -- on this chart there's a couple of things
5 I'd like to not. We drew from this chart the information for
6 the following two tables, that was the listing of all principal
7 interests and the communities.

8 I think it's important to note here that some people
9 listed more than one community as their address. We simply
10 took the one that they listed first. So, for instance, if
11 Brad Phillips had listed Anchorage and then Valdez, we took
12 Anchorage, so he's -- he's reflected in the Anchorage community
13 chart, so there may be people who actually consider themselves
14 citizens of both communities.

15 The other thing that I wanted to point out to you is
16 when someone indicated that they were affiliated with or
17 endorsed by a particular group, but there was no letter
18 substantiating that, we did take their word for it and
19 reflected that in this alphabetical table.

20 And finally, in some of the letters that came in, it
21 was a little unclear as to what principal interests nominees
22 wanted to be associated with, so I did call every single one of
23 them, and what is reflected on this table is exactly what they
24 told me in person, except for Mr. Knecht out of Kodiak. And
25 that is the only person I did not talk to. Other than that, it

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is an accurate reflection of their -- what they feel they
1 should be associated with.

2 At the April 27th Trustee Council meeting you had asked
3 that as part of our nomination process -- as part of our
4 nomination process, we query the public as to whether or not
5 they felt that there should be designated seats on the public
6 advisory group, and if so, how many seats per principal
7 interest. We did ask that -- for that information, and we did
8 get responses back. I think we got eight responses in all.

9 The public -- seven -- seven of them said that the
10 public advisory group should have designated seats. One said
11 -- made the statement that just a broad spectrum of interests
12 should be reflected as part of the -- of the public advisory
13 group. And finally one of them said that municipal government
14 should not be considered a principal interest, that they should
15 be a partner in your deliberations.

16 We did not receive any comments on how many seats per
17 specific principal interest.

18 Again, each of the tables has a number next to it, and
19 that number is associated with the number of the nominee with -
20 - where you will find all the information that we received on
21 that particular nominee.

22 I think that's all I have to -- oh, one other thing.
23 The public only received the alphabetical chart, so that is all
24 that the public has in hand, although that is by far and away
25 the most comprehensive table.

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MR. McVEE: Okay.

1 MS. RUTHERFORD: I'm available for questions if
2 you have them.

3 MR. McVEE: Does the Council have any questions
4 at this time?

5 MR. SANDOR: Mr. Chairman, I just -- I guess I
6 have a comment. This comprehensive package is just really
7 remarkable. A tremendous amount of work both in the format
8 and content, but I guess I'd just make the observation,
9 Mr. Chairman, although, you know, hundreds did not indicate an
10 interest, somewhat over 30, I thought the -- the -- that the --
11 that the range of interest was broad. I thought the -- the
12 tremendous level of interest represented by very qualified
13 people, and I think the numbers of -- what impressed me perhaps
14 most of all was the extent of the endorsements of -- which
15 broadened even the focus of attention on this.

16 Marty, is this -- how do you feel about this total
17 package of -- of nominees? Do you feel we have met the
18 objective of breadth and -- and depth, or are you disappointed
19 that there aren't more or -- any observations?

20 MS. RUTHERFORD: I was also impressed with the
21 -- with the endorsements and the affiliations. I thought it
22 was very broad.

23 I was -- I was surprised that there were not more,
24 frankly. I did expect upwards -- closer to 100, so when there
25 were only 31, I was -- I was somewhat surprised, but I thought

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the quality of -- of the nominees was very good also.

1 MR. COLE: Mr. Chairman?

2 MR. McVEE: Yes?

3 MR. COLE: I like Ms. Rutherford am a little
4 disappointed that we did not get more nominees. I mean, if you
5 review these documents presented to us and see the interest
6 which so many people have in the work of this Council, I mean
7 ranging from "don't buy habitat" to "buy more habitat," from
8 "don't have so many studies" to "more studies," et cetera, et
9 cetera, then I'm surprised that we didn't have more people come
10 forward and offer to help us and advise us in making what they
11 view as the proper decisions. It's a little disappointing to
12 me.

13 MR. McVEE: Yes, I -- I was expecting that we'd
14 get quite a few more also. I found quite use the -- the break
15 -- the analysis by principal interest and by community, and --
16 and I guess -- I think it was important to look at the
17 participation by community as we go through the selection
18 process so that we can get a good representation, and it seems
19 like that -- that although in many cases we haven't got a lot
20 of people, that, you know, -- that we have got -- we have got
21 a couple choices at least.

22 MR. SANDOR: I -- Mr. Chairman?

23 MR. McVEE: Yes, Mr. Sandor?

24 MR. SANDOR: A reason why I brought up this --
25 this matter of the number of candidates, I want to put to rest

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unless -- or I guess the decision of the group that the -- that
1 the nominees is more than adequate to -- to continue the -- the
2 selection process as opposed to re-opening it to expand the
3 number. Is the disappoint of -- of anyone on the Council such
4 that, you know, they -- they believe we can't go forward with
5 these selections? Marty, would you have any recommendation in
6 that regard?

7 MS. RUTHERFORD: Mr. Chair, we have not gotten
8 any indication that people missed the timeline. We -- if they
9 had have, if we'd gotten that, I would have asked for their
10 information and -- and included it as a supplementary and told
11 you they'd missed it, but we have not gotten an indication that
12 anyone missed it, or that there was -- if we went back out for
13 an advertisement that there would be any number in addition to
14 this, so I'm not -- we might, if we -- if you wanted to pursue
15 a larger number, we'd probably have to figure out another way
16 to -- to try to garner that interest.

17 MR. McVEE: Any comments by Council members?
18 One of the jobs we have later on today is an executive session
19 where we would sort through this list category by category,
20 name by name I guess. We'll have to decide how we're going to
21 do that, and I think at that time as we do -- go through that,
22 we will be able to -- to specifically identify whether we have
23 adequate representation or good candidates all the way through,
24 but just in -- in looking at this over the weekend, it looked
25 to me like that -- that we've got some, you know, some pretty

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good choices, that we have some good candidates to look at as

1 -- as we get into that executive session. Other comments

2 by?

3 I tried to call the Secretary's office, of Interior,
4 this morning to see what -- if there's anything new on the
5 status of the -- the P.A.G. charter and I wasn't able to make
6 contact with the person. The charter was filed with -- with
7 G.S.A., and I guess I could assume that since I haven't heard
8 anything back in the last week that G.S.A. does not have a
9 problem with it hopefully, and that they had given me a time
10 line earlier of about two weeks before G.S.A. would act, so I
11 don't think there's anything there that precludes us from
12 moving ahead with -- with the selection and nomination process.

13 Is there anything else on the public participation
14 working group, Marty?

15 MS. RUTHERFORD: Just -- just an update on the
16 -- on the operating procedures. We have reworked them and
17 they're in -- will be ready to go out to -- to you for
18 information probably in the next week. We won't ask you to act
19 on them, however, given your direction last meeting where you
20 indicated that you -- once they were -- were reworked that you
21 wanted the -- the sitting public advisory group to take a look
22 at them before they came back to you for approval.

23 MR. McVEE: Very good.

24 MS. RUTHERFORD: Thank you.

25 MR. McVEE: Anything else? Thank you very

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much, Marty, for your information for

1 Moving on to the third item on the agenda is the 1992
2 draft work plan. I guess Byron Morris has that item?

3 MR. MORRIS: Yes. Is this on?

4 You received last week a package with the draft of the
5 comments and the responses. There is the revised version that
6 I guess is not quite ready yet. It should be a little bit
7 later this morning. We're -- we're a little bit ahead of time
8 here, on -- on the Council meeting. But we don't expect there
9 to be any substantive changes. We had an editor look at this
10 package for -- just to improve the -- the writing of it.

11 Let me just refresh your memories on the process that
12 we went through. We released the restoration framework
13 document and the 1992 work plan, the two green books, for
14 public review approximately March 26th with -- with comments
15 due back on the 4th of June. We accepted comments that were
16 postmarked on the 4th of June through the 8th of June and then
17 convened a group to go over all the comments received, identify
18 and code them as to whether they were on the 1992 or on the
19 restoration framework document, or on something else such as
20 public participation.

21 This group worked very hard for a period of
22 approximately a week to get us a package on the -- the
23 Restoration Team a package on the 17th of June to -- to then
24 further review and -- and put into final form so we could get
25 it to you last week. That's what you have before you.

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Ninety-eight individuals or organizations commented on
1 the '92 work plan, 67 by mail and 31 at public meetings that
2 were held during the May scoping process. Approximately 85% of
3 these comments were from Alaskans and 15% came from outside
4 Alaska.

5 The comments that we received from the public were --
6 were very consistent with the previous public testimonies that
7 we -- we had gathered and ranged across the wide spectrum of
8 issues that we have been dealing with. There were differing
9 views presented on almost every issue, and this reinforces our
10 belief of the necessity of continuing dialogue with the public
11 on -- on these many issues.

12 In the package that you have before you, the comments
13 are organized into three groups. At the front is a summary of
14 the comments and towards the end of the document are the
15 specific comments that we gleaned from the letters arranged by
16 topic and -- and which identify the individual commenters by a
17 code number. And the three sections are programmatic issues,
18 the injury assessment studies and the restoration projects.

19 The programmatic issues were not directed at specific
20 projects in the 1992 work plan, but relate to the approach to
21 restoration that the Trustee Council has taken, and suggests
22 changes or modifications of the process. Some of the issues of
23 concern in this regard included more immediate restoration
24 activities, attention to National Park lands, and suggestions
25 on how the restoration money should best be spent.

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Comments on the injury assessment aspect addressed the
 1 damage assessment close-out, and the damage assessment
 2 continuation studies. Again, there were divergent views
 3 expressed on whether they were needed or should be
 4 discontinued. Only a few mentioned specific projects by name.
 5 Certain commenters requested better injury information.
 6 Others felt that injury to services -- services was felt by
 7 some commentat- -- commenters to be a missing component of the
 8 study plan. Since, of course, these comments were made, the
 9 -- the study information has been released to the public as in
 10 the OSPIC library.

11 Restoration issues received the bulk of the comments.
 12 Many commenters suggested additional projects for consideration
 13 in 1992. These suggestions ranged from additional projects on
 14 specific noncommercial species, additional or modified projects
 15 on commercial species, inclusion of pollution prevention and
 16 clean-up projects, suggestions on archaeological projects, the
 17 need for subsistence studies, and the need for long-term
 18 monitoring of the ecosystem. Almost half the comments
 19 received, 46 of 98, addressed land acquisition. The majority
 20 of these, 32 in number, felt that land or habitat acquisition
 21 including timber was the best use of restoration funds.

22 The document in your hands summarizes and responds to
 23 the comments received. A number of public comments -- a
 24 summary of the public comments is presented for each of the
 25 three main issues identified, and specific comments and their

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1 responses follow the summaries and are organized into issue-
2 specific subcategories. As I said before, at the end of the
3 document is an -- is an appendix which keys the comments to the
4 party which provided them.

5 The item in your package is a decision document
6 prepared by us for the Trustee Council to approve or modify the
7 1992 work plan as a result of their review of the public
8 comments.

9 The restoration team makes a recommendation to the
10 Trustee Council on the final approval of the 1992 work plan,
11 and based on the fact it was -- there was very little public
12 comment regarding the specific projects contained in the 1992
13 work plan, we recommend that you approve the 1992 work plan
14 without modification or deletion of any projects.

15 We have gone two steps further with -- with these
16 comments. One is to defer -- or to refer the suggestions for
17 new projects to the 1993 work plan working group for
18 consideration for the 1993 work plan, and to refer the land
19 acquisition comments to the habitat protection working group
20 for their further -- further consideration as they develop the
21 process.

22 We have no further recommendations to make. We
23 provided this information to you hopefully at an early date so
24 you'll have a chance to review it, and comment on anything
25 specifically in it that the Trustee Council should wish to.

26 Thank you.

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MR. McVEE: Are there any questions for
1 Mr. Morris from the Council?

2 MR. SANDOR: Mr. Chairman, it might be
3 beneficial to -- to just refresh everyone's memory on the --
4 the time spans of -- the work plan runs through -- had been
5 running from March to March, and we're switching to a fiscal
6 year. There's two fiscal years, a federal -- federal fiscal
7 year and a state fiscal year, and, of course, our budgets are
8 associated with that. Would you want to -- to confirm, I guess
9 the -- the chronological time period that the 1992 work plan
10 literally covers first of all?

11 MR. MORRIS: I can -- I can do it in a -- in a
12 brief summary. The 1992 work plan includes studies that were
13 budgeted to continue through to March 1st of 1993. The -- in
14 developing the 1993 work plan which will go out for public
15 review hopefully about October of this year, it will include
16 elements of the 1992 work plan that -- that would continue to
17 March, plus it would -- would include anything new that might
18 begin anywhere from potentially October, but there's a public
19 review period involved in there before we go to the final
20 budget approval, through the following -- to the following
21 October of '93, so that there's -- there will be new projects
22 proposed that can be considered this summer, plus the
23 remainder of the projects that -- are on-going right now.

24 MR. COLE: Mr. Chairman?

25 MR. McVEE: Yes, Mr. Cole?

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1 MR. COLE: I'm now really confused. Would you
mind trying to simplify that

2 MR. MORRIS: Okay. I thought I did.

3 MR. COLE: once more?

4 MR. MORRIS: I'll go back one step. The 1992
5 projects

6 MR. COLE: Work plan.

7 MR. MORRIS: were -- work plan projects
8 were from -- approved from March of 1992 to March 1st of 1993.

9 That's how their budgets were developed. We've gone onto the
10 fiscal year and are developing a 1993 work plan.

11 MR. COLE: And what is the fiscal year these
12 days?

13 MR. MORRIS: It's from October 1 to September
14 30th. October 1, 1992, to September 30th, 1993. That's fiscal
15 year 1993. And perhaps I'd -- I'd refer to Jerome Montague
16 who's developing the 1993 plan to maybe further clarify how --
17 how the overlap fits.

18 MR. McVEE: Yes.

19 DR. MONTAGUE: Mr. Chair?

20 MR. McVEE: Jerome?

21 DR. MONTAGUE: The -- as Byron said, the -- the
22 '92 work plan covers the 12-month period, March 1st, '92, to
23 February 28th, '93. The '93 work plan covers October 1st, '92,
24 to September 30th, '93.

25 I -- I think one point of confusion might have been

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1 that in September we will be petitioning the Court for the
2 remaining five months of '92 plus the 12 months of '93. The
3 five months of '92 will not be part of the '93 work plan.

4 MR. COLE: See why I'm confused?

5 MR. MORRIS: Okay. Okay.

6 MR. McVEE: We're going to -- we're going to
7 get to more detail on the '93 schedule here pretty soon I
8 guess.

9 Basically what we have before us today to approve is
10 the project plan, the -- the work plan for '92 which would
11 carry us through September of this year, 1992. And that would
12 be the project component. The -- the general administration
13 component is -- is still undergoing public review at this
14 time, I believe. I don't remember what the closing date for
15 that public review is. It's in the near future. So this is
16 the project component, the project work that's on-going for the
17 remaining of -- of this fiscal year, through September.

18 MR. COLLINSWORTH: Mr. Chairman?

19 MR. McVEE: Yes, Mr. Collinsworth?

20 MR. COLLINSWORTH: I would move the team's
21 recommendation.

22 MR. McVEE: Is there a second?

23 MR. SANDOR: Second.

24 MR. COLE: Restate the recommendation?

25 MR. McVEE: The recommendation is that the --
that the R.T. recommendation was to approve the '92 work plan,

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and -- and that the comments that were -- were received on the
1 '93 work plan would be provided to the -- to the work group
2 that's working on that as well as comments provided on land
3 acquisition that would be forwarded to the habitat protection/
4 land acquisition work group. Is that correctly stated,
5 Mr. Morris?

6 MR. MORRIS: Yes, it was.

7 MR. McVEE: So this is the project component of
8 the '92 work plan.

9 MR. ROSIER: Well, I

10 MR. McVEE: Yes, Mr. Cole? Or Mr. Rosier?

11 MR. ROSIER: Mr. Chairman, if I might, I need a
12 little clarification myself here. I thought I heard two
13 different things here now. I thought that Mr. Montague
14 indicated that we were talking about a '92 work plan that ran
15 from March through February 28th of '93, and I thought that I
16 heard you say that we're approving only the work plan through
17 September of '92. Am I confused in terms of what we're doing
18 here?

19 MR. McVEE: What was the R.T. recommendation,
20 Mr. Morris?

21 MR. MORRIS: That -- well, it's a budget
22 matter. The recommendation is propose the work plan through
23 the period through February of '93.

24 MR. McVEE: Okay. Then -- okay. The Chair
25 stands corrected.

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MR. ROSIER: Okay.

1 MR. McVEE: Thank you, Carl.

2 MR. COLE: Well, Mr. Chairman?

3 MR. McVEE: Yes, Mr. Cole?

4 MR. COLE: I think I -- I'm now additionally
5 concerned -- or confused I guess is the better term. Is the
6 motion to approve the 1992 work plan as developed? Is that the
7 motion?

8 MR. McVEE: Yes.

9 MR. COLE: And that there are no changes or
10 recommendations that we should consider in amending that work
11 plan based upon public comment? Just so I understand what
12 we're voting on?

13 MR. MORRIS: That's correct.

14 MR. COLE: And -- and then may I ask you a
15 question, Mr. Chairman?

16 MR. McVEE: Yes, Mr. Cole.

17 MR. COLE: I know we have a lot of comment here
18 on the '92 work plan which I've -- it has been summarized,
19 commented upon.

20 MR. MORRIS: The 1992 work plan.

21 MR. COLE: Yes. '92 work plan. And are -- are
22 you saying that the Restoration Team's recommendations are that
23 there were no changes or amendments or modifications which have
24 been suggested that we should even talk about here today before
25 we vote on this motion? That's what I'm trying to get clear.

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MR. MORRIS: Yeah. Okay. The projects
1 described in the green book that went out for public review,
2 there -- there are no specific comments on those projects that
3 -- that would suggest that -- that we should modify the
4 existing projects. Okay. There were

5 MR. COLE: Or -- or even consider discussing?
6 Because I'm not arguing with you. I'm just -- I want to make
7 sure precisely what the Restoration Team's recommendations are.

8 MR. MORRIS: No, not in any specific way.

9 MR. COLE: Okay.

10 MR. MORRIS: They're -- they're more general
11 comments such as "we should do less of this or more of that,"
12 but nothing specifically regarding those projects.

13 The -- the bulk of the comments we received was other
14 things -- additional things -- studies that we should be doing,
15 projects that we should be doing. We -- be- -- because the
16 '93 work plan is -- plan is in the process of being developed
17 as -- as we sit, we -- we felt it best that these suggestions
18 be forwarded to the '93 working group for their consideration
19 as new projects that could begin as early as October of this
20 year.

21 MR. COLE: Mr. Chairman?

22 MR. McVEE: Yes, Mr. Cole.

23 MR. COLE: Here's the thing that's troubling
24 me: I mean, we have this proposed '92 work plan. We send it
25 out for public comments, which -- and we 'ceive -- we receive,

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I don't know, what, 100, 200 comments, and when we get all done
1 with this exercise which has been very expensive I think and
2 carefully done, and there's not one project that even merits
3 review by the Trustee Council? That's a little surprising to
4 me, but if -- if that's really the way it is, I mean, I'm
5 prepared to accept it, but it does surprise, and it might even
6 shock me, you know, so -- that's my only observation.

7 Let me just say this: And so therefore I wonder
8 whether the Restoration Team has given the weight to these
9 published comments that perhaps at least I would like to have
10 seen them have given? It's a little tough.

11 MR. McVEE: Is there any response from the
12 R.T.? Yes, Mr. Rice?

13 MR. RICE: Mr. Chairman, as we went through the
14 response to comments, many of the comments were of a fairly
15 general nature, and we -- we reviewed the '92 work plan. What
16 I think we're trying to suggest is that based on the comments,
17 the projects that are going -- that we've proposed for going
18 forward, and -- and most of them are actually in the field now,
19 continue as they were proposed, without change. What we
20 weren't able to resolve were those questions that deal with
21 additional projects or additional activities that should go
22 forward with this -- this year, and we weren't able to come to
23 grips with this based on where we're at with the fiscal year,
24 or where we're at with the -- with the field season now, and
25 basically move it to the Trustee Council to give us some

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direction as to whether we should add some additional projects
1 into the work plan.

2 MR. COLE: One final comment.

3 MR. McVEE: Yes, Mr. Cole?

4 MR. COLE: See, that's where we were --
5 remember, when we were back in March discussing this, we were
6 sort of trapped.

7 MR. McVEE: Yes.

8 MR. COLE: I think we discussed that, and it's
9 hard to get out from under the '92 work plan based upon public
10 comment giving -- it's -- it's a little out of synch this year
11 I guess, but that's my last comment. Thanks.

12 MR. McVEE: Yes, Mr. Sandor?

13 MR. SANDOR: At the risk of confusing this
14 further, the Oct- -- the 1993 work plan which commences in
15 October, obviously is in the mid year of '9- -- the '92 work
16 plan, but is it -- is it not the intent of the Council and the
17 Restoration Team and the planners that these comments that
18 we've received on the '92 work plan actually be a basis for the
19 development of the '93 work plan which commences in October?
20 Is that -- is that the pay-off of this tremendous amount of
21 public comment that we got, and -- and is that where this is to
22 be used?

23 MR. MORRIS: There's -- there's -- I think
24 that's -- that's basically correct. There's one other step
25 that's involved in the '93 that wasn't involved in the '92, and

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1 that was requests to the public for ideas on projects that
2 should be conducted in '93, so we an additional set of comments
3 on work that the public feels should be done.

4 MR. McVEE: Mr. Sandor?

5 MR. SANDOR: But there's no intent to modify
6 any of the work plans or activities through March 1 of 1993 of
7 the studies that are now in place? Or is there?

8 MR. MORRIS: No, there's not.

9 DR. MONTAGUE: Mr. Chairman?

10 MR. McVEE: Mr. Montague?

11 DR. MONTAGUE: Based on the public comment we
12 haven't suggested any changes to the '92 work plan, but based
13 upon new findings, there are two projects that changes are
14 recommended for, and if I could bring those to your attention?

15 One of the projects, fish/shellfish 27, the project
16 that was determining the cause and mechanism for the low
17 production of sockeye salmon in the Kenai River System is
18 requesting the purchase of an optical scanner and -- and some
19 personnel costs to operate it for \$47,000.00. And what this is
20 for is that as you all may remember, the -- the '91 smolt
21 production was very low, and the '92 smolt production,
22 although it's a little prelimin- -- preliminary, seems even
23 lower than last year, and the primary hypothesis as to what is
24 happening is that Skilak Lake is the main production area for
25 -- for young sockeyes in the Kenai system, and apparently the
26 over-escapement so reduced the zooplankton that the fish feed

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upon, that now the tidal (ph) plankton that the zooplankton fed
 1 upon is hugely abundant. In fact, so abundant that the
 2 zooplankton can feed near the surface where it's light for only
 3 a very few hours of the day, and that's the only place where
 4 the sockeyes have a chance to eat them, and then the
 5 zooplankton drop below the lighted zone and cannot be fed upon,
 6 and that -- that's the reason why they need this optical
 7 scanner.

8 And the second project that -- was R-60C, it was the
 9 project to determine why the egg mortality in pink salmon is so
 10 much higher even two and three years after the spill. And
 11 early on during -- in the draft plan, we had used 150,000 as
 12 the figure for which this project could be conducted with, but
 13 it was -- the project hadn't been developed, and after working
 14 with the peer reviewers and the chief scientist and other
 15 experts in the field, the project has been recommended as -- as
 16 253,000 and not 150,000.

17 So those -- those are two project changes we're
 18 recommending.

19 MR. McVEE: Yes, Mr. Rosier?

20 MR. ROSIER: Mr. Chairman, what -- what's the
 21 cost of each of those? The -- what's the change that you
 22 recommend?

23 DR. MONTAGUE: Okay. The change for fish/
 24 shellfish 27 is an additional 47,000, and the change for R-60C
 25 is an additional 103,000. And the -- if there's any further

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technical questions, I think the chief scientist could address
1 those.

2 One last comment, since we had just gone to the Court,
3 if the Counsel approves this recommendation, we wouldn't
4 recommend going to the Court again for this change. It's
5 simply reprogramming expenses from other projects to take --
6 carry this from now until the end of September, and then ask
7 for the difference in the last five months of the budget.

8 MR. McVEE: Dr. Gibbons?

9 DR. GIBBONS: Mr. -- Mr. Chairman, it's my
10 understanding, and you can correct me if I'm wrong. This was
11 not received in public comment. This was received by the
12 agency people doing the work. Is that correct?

13 DR. MONTAGUE: Yes, I thought I said that, but
14 I probably didn't articulate it well.

15 MR. McVEE: Mr. Cole?

16 MR. COLE: Mr. Chairman, getting back to the
17 process again, and I can see where a lot of the people who
18 devoted time and effort and study into reviewing the '92 work
19 plan and made comments might well feel like, to put it in the
20 vernacular, they've sort of been had, you know. They do this,
21 these make these recommendations and then, you know, nothing
22 really goes beyond the Restoration Team to the Trustee Counsel,
23 and, you know, it's a little troubling that we want public
24 participation and advice and counsel and then people do that,
25 then they, you know, can well feel that we -- we didn't

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consider them, and it's a little troubling. Then we ask them
1 to go back and do the same thing for the '93 work plan, and
2 they'll say, "well, you know, I mean, what the hell, I mean, I
3 didn't get any place when I did it in '92. I mean, I'm wasting
4 my time. Those people are not solicitous (ph) or our views,"
5 and -- and that's troubling, and I -- I would like to assure
6 the people who took the time to make these comments that --
7 that I'm sure I and the other members of the Council read these
8 things, and indeed reflect upon them and consider them as we
9 make the decisions as the days and weeks and months pass. They
10 have not been ignored, certainly. I'm -- I'm confident of
11 that, but I think they should know that.

12 MR. MORRIS: Mr. Chairman?

13 MR. McVEE: Yes, Mr. Morris?

14 MR. MORRIS: Well, I -- I really don't think
15 it's as bad at this point as Mr. Cole is describing, and I'll
16 try and explain why. This process happened very quickly.
17 between the 8th of June and now we were able to put the
18 comments together and provide a recommendation to you on the
19 existing package. We tried to get it to the Council in
20 sufficient time that -- that they could review it, and if there
21 were comments from the public that they felt needed acting
22 upon, they could certainly charge the Restoration Team to then
23 take action on them.

24 If we were to take action on these comments in terms of
25 developing in them -- them into proposals for funding, we'd be

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essentially the process that we chose to do with them by
1 deferring them to the -- the '93 work group. It's -- it's the
2 same type of effort. It took weeks of review, peer review, to
3 develop the package -- months actually to develop the original
4 package to begin with, and we would anticipate that any new
5 ideas would require an equal amount of time, and -- and the
6 process is essentially -- it is being done with these new
7 suggestions right now.

8 It's -- we didn't have the --the time or the
9 opportunity to carry them any further than to make sure you
10 were aware of the -- the public's suggestions for new comments
11 (sic) and

12 MR. COLE: Well, Mr. Chairman, I -- I want to
13 say I think the Restoration Team did an outstanding job in
14 putting it together in a limited time. I'm not critical of
15 them. I'm somewhat, if anything, critical of the Trustee
16 Council's process, you know, but maybe it's inevitable that
17 this year that that would happen.

18 MR. McVEE: I guess it seems to me like that --
19 that, and -- and this is inherent in the motion we have before
20 us at the present time that if we carry forward, you know,
21 those comments that are -- that are particularly pertinent to
22 the development of the '93 program, and also those comments
23 that are pertinent to the habitat protection and land
24 acquisition programs, that if we -- if we go back and look at
25 these comments, they're as part of the record as we proceed

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with the -- this restoration, that we -- we have a valuable
1 tool here in the -- in the public comments that was submitted.

2 I guess I might just mention at this point, we have a
3 motion I guess on the -- on the floor, but I'd mention at this
4 point that -- that there was a correction on a response, maybe
5 a little bit of confusion, just straighten that out. It's on
6 page 23 of the response we're talking about the subsistence
7 studies, that there is a subsistence proposal as I understand
8 it for '93, and -- and also that we were moving forward, the
9 federal government was moving forward with the subsistence
10 study required under the Chenega Bay settlement. That is -- is
11 scheduled not under the -- under the '92 budget, or the oil
12 spill budget, it is -- is scheduled for work in '92. It may
13 go over into -- past the first of October, but there -- this
14 wording appears to be referring to one subsistence study, and I
15 think there's two now. A new proposal that was submitted for
16 '93.

17 MR. WOLFE: Mr. Chairman?

18 MR. McVEE: Yes, Mr. Wolfe?

19 MR. WOLFE: Could I ask a question as to how
20 we're proposing to respond to the people that were commenting
21 on the '92 plan? Will there be a response to the commenters as
22 a part of the public record? And maybe that will answer some
23 of Mr. Cole's questions.

24 But -- also one other point is the majority of the
25 work in our '92 work plan is injury assessment or damage

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assessment work, the majority of the comments that I reviewed
1 were on the need for additional restoration activities or
2 moving ahead with restoration activities, so -- so the
3 preponderance of questions were to do more things in the
4 restoration end of it and not very much on what we put the
5 most effort on, that's wrapping up the injury assessment work
6 this year.

7 So -- so I can understand why there wouldn't be that
8 much, but -- comment on -- our response to the comments on the
9 injury work, but I do believe the public deserves some kind of
10 a response in a timely manner as to how we're going to handle
11 their comments or how we dealt with them or dissent with them.

12 DR. GIBBONS: Mr. Chairman?

13 MR. McVEE: Dr. Gibbons.

14 DR. GIBBONS: Yeah. If I may respond to that,
15 the specific response to the '92 comments are -- are found in
16 -- in the package before you, and under the specific section of
17 injury assessment. The specific letters are -- are found
18 across the hall here in -- in the library. If --if people
19 would like to cross reference the -- the comment, the number
20 and -- with the response in the document.

21 I -- I would like to -- to add a little emphasis here
22 that maybe there's a misunderstanding, that the 1993 draft plan
23 is due to the Trustee Council on August 31st, and I think that
24 Dr. Morris mentioned this, that we incorporated all these new
25 projects and proposals into that, and that's about as quick as

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we can get -- get those up and going, and when we come out the '93, the '93 plan will run, like we mentioned before, October 1st to September 30th, and be a '93 plan, but there will be a portion in the budget, there will be a five-month portion for the '92 to -- to carry this -- this through and done.

So that's -- that's the plan. But the response to comments are found in the document in front of you.

MR. COLE: Mr. Chairman?

MR. McVEE: Yes, Mr. Cole.

MR. COLE: That raises this other. Are we making any acknowledgement to these people who furnish comments? Are we giving them a copy of this written response here?

DR. GIBBONS: Those are found out in the front, and they're also being faxed to the teleconferencing sites, yes.

MR. McVEE: Well, I think the question was

MS. RUTHERFORD: But are we sending them to

DR. GIBBONS: No. No, are we sending them specifically to them? We

MR. COLE: Yeah.

DR. GIBBONS: we hadn't planned on it, but if the Trustee Council would like us to do that, we -- we can surely do that.

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MR. COLE: Maybe we could discuss that a little
1 bit. I would like to present for discussion the thought that
2 we at least send out to each person who commented or furnished
3 us with views a copy of this response that's prepared. At --
4 at least in the specific area in which a comment was made, that
5 we give them the response of the Restoration Team.

6 DR. GIBBONS: Mr. Chair?

7 MR. McVEE: Dr. Gibbons?

8 DR. GIBBONS: I -- if I may add, I think
9 perhaps the whole package might -- might be good, too. It's
10 -- it's not that thick of a package and it might be informative
11 to them.

12 MR. McVEE: So that -- that will be sent out
13 then is what?

14 MR. MORRIS: Plus -- plus we propose to -- to
15 provide it to each of the libraries and -- and facilities that
16 keeps all of these documents we -- we produce for other public
17 access.

18 MR. McVEE: Okay. We still have the motion on
19 the floor. We have I guess a recommendation from Mr. Montague,
20 Fish and Game on -- on two budget increase items.

21 MR. COLLINSWORTH: I have a question.

22 MR. McVEE: Yes?

23 MR. COLLINSWORTH: The -- Mr. Montague's
24 identified two projects. Now, were those projects a part of
25 the Restoration Team's recommendations -- recommendation on the

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'92 work plan or is this something outside of the
1 recommendation of the work -- or of the Team, and did the Team
2 consider these projects?

3 MR. McVEE: Mr. Montague?

4 DR. MONTAGUE: It was brought up with the
5 Restoration Team, and it was decided to just bring it up here
6 at the Council meeting.

7 DR. GIBBONS: Mr. Chair?

8 MR. McVEE: Yes, Mr. Gibbons?

9 DR. GIBBONS: I don't recall that. I -- I was
10 going to make a point that I -- I had been approached by
11 Dr. Spies this morning on -- on these two items, that to my
12 understanding the Restoration Team has not discussed this.

13 MR. MORRIS: Mr. Chairman? Yes, there's
14 confusion. The rec- -- there was no recommendation from the
15 Restoration Team on these -- on these two projects. Our
16 recommendation was on the work plan as a whole. I -- I think
17 Mr. -- Dr. Montague was -- it was Fish and Game's
18 recommendation, their agency, to -- to modify these projects is
19 what he intended to mean.

20 MR. ROSIER: Yeah, I

21 MR. McVEE: Mr. Rosier?

22 MR. ROSIER: Mr. Chairman, could we hear from
23 Dr. Spies on this? His name keeps getting involved in the
24 discussion here on this. I'd kind of like to hear from
25 Dr. Spies here if -- with the Chair's concurrence?

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MR. McVEE: That will be fine. Dr. Spies?

1 DR. SPIES: Yeah, the -- the two projects that
2 are being referred to as R-60C, which is the study of eggs and
3 fry of pink salmon in Prince William Sound, and as you're aware
4 there's been an increase in the mortality of eggs since the
5 spill on both oiled and unoiled stream since -- and there was
6 -- I had recommended an increase in the budget during the --
7 during the mid year planning to cover some experiments, and
8 we've been discussing these experiments with Fish and Game off
9 and on through the spring. We've finally come to a plan of
10 what needs to be done, and it comes to -- I think there was
11 150,000 recommended for 60C and the -- the scope of the
12 experiments is another 100,000 beyond that, and it has my
13 recommendation personally, but, of course, we want to go
14 through the Restoration Team. I had -- just had a brief chance
15 to talk to Dave Gibbons this morning about this matter, so the
16 Trustee Council may wish to perhaps consider it later, but
17 there is this -- this timeliness about that particular project
18 in that the experiments that need to be done to try to get to
19 the bottom of what's causing these egg mortality increases in
20 Prince William Sound should be carried out this summer. It's a
21 combination of a laboratory exposure experiment and some in-
22 stream and between stream crosses to try to get at the source
23 of this mortality. It's one of the few projects where I'd
24 recommend that we actually go out in the field, so I -- I think
25 it's important that we somehow tackle this problem as soon as

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possible.

1 The second -- so that's a total request of 253 over the
2 original of 150.

3 The -- the second project is a request I had from Dana
4 Schmidt, Alaska Department of Fish and Game relative to the
5 sockeye salmon smolt question in the -- in the Kenai River
6 drainage. They -- they expect to see by this time of the year
7 about something like eight to 10 million fish that -- smolts
8 that have escaped from that system. Last year there was about
9 three million by this time, which -- which represented a pretty
10 severe potential problem with that -- with those stocks. This
11 year there is I think -- it's about a tenth of that now, so
12 it's a pretty serious developing problem, and it was a request
13 for a piece of instrument and some laboratory technician time
14 to -- this is a total plankton (ph) recorder for Skilak Lake to
15 look at the -- to try to get at the bottom of what's going on
16 with those very poor survival of smolt in the last couple of
17 years in that system. And the total request is for \$47,000.00.

18 MR. COLE: I move, Mr. Chairman, that the
19 Trustee Council authorize these project expenditures
20 immediately.

21 MR. SANDOR: That's an amendment to the motion.
22 I second it.

23 MR. McVEE: Amendment to the -- to the motion,
24 to the original motion? Very well.

25 Further discussion or questions for Dr. Spies? I guess

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one question I might have is will the optical scanner, is that something that can be acquired fast enough or quick enough so that it will -- it will be of utility for this -- this field work this year?

DR. SPIES: I've talked to Joe Sullivan about this at Fish and Game, and I think it can me. It's -- I think the -- it's a \$35,000.00 piece of instrumentation.

MR. COLE: Can we rent one rather than buy?

DR. SPIES: I don't know.

MR. COLE: Shouldn't we look into that?

MR. McVEE: Rental -- rental possibility? Any other questions for Dr. Spies? Than you very much.

Is there further discussion on the motion, which now will include the -- well, we'll -- I guess we'll vote on -- or take action on the amendment first that will increase the -- the budget for those two projects. Further discussion on that amendment? Is there any objection?

MR. WOLFE: Mr. Chairman?

MR. McVEE: Excuse me. Yeah.

MR. WOLFE: I -- I guess we've -- we've relied on the Restoration Team to give us their recommendations on all the projects that we've approved to date. We've also relied on Dr. Spies' recommendation. We have Dr. Spies, we do not have any recommendation from the restoration team. I guess my preference would be that we -- we have some way to -- to obtain that consensus from the Restoration Team for this project also,

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or these two projects before we vote.

1 DR. MONTAGUE: Mr. Chairman?

2 MR. McVEE: Yes, Dr. Montague?

3 DR. MONTAGUE: May I address that, and also
4 address Dr. Gibbons?

5 As far as the discussion with the Restoration Team, it
6 was an agenda item, and it was brought up that we had project
7 changes based upon chief scientist and peer review comment, but
8 the projects themselves were not discussed, and the guidance I
9 had was that all we were dealing with now was '92 public
10 comments and if you have these kind of comments, bring them up
11 at the Council, so there wasn't any effort on my part to not
12 bring it up to the Restoration Team.

13 MR. McVEE: Yes. Mr. Cole?

14 MR. COLE: Well, Mr. Chairman, look, if we -- I
15 mean, this is one of these emergency type situations I think
16 Mr. Rosier would agree I hope where the necessity given the --
17 the season, where we must act quickly. If we refer this back
18 to the Restoration Team, you know, then they have to act and --
19 and I'm sure they'll act expeditiously, but then we have to
20 have another meeting of this group. I mean, you know, let's
21 just get it done and get on with it if -- if it's essential as
22 it appears to be. Vital.

23 MR. McVEE: Mr. Rosier?

24 MR. ROSIER: Thank you, Mr. Chairman. And I
25 would -- I would agree. I think that these are two really key

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1 areas that -- that we really need to field a program this year
2 on.

3 The pink salmon issue in Prince William Sound is -- is
4 one that we've all received the information on on the high
5 mortalities associated with those systems that -- that were
6 oiled on this. We're faced with a management scenario there in
7 the Sound this year in which we've got again a very low return
8 of a natural run fish which is the wild stocks associated with
9 the -- with a number of those oiled systems, and a very high
10 hatchery return coming back. The wild stocks under -- under
11 state policy most recently announced by the Legislature has a
12 priority in terms of the management program for the Prince
13 William Sound, so really need to have an understanding of what
14 we're doing in terms of -- of basically letting those wild
15 stocks in fact drive that management program within Prince
16 William Sound, and I really feel that it's essential in both
17 cases here.

18 I think you've heard me talk about the Kenai and the --
19 the problems that we were looking at in -- in '94, and -- and
20 now it looks like probably '95 and -- and beyond in terms of
21 --of the rebuilding of those stocks. So I -- I consider these
22 to be really prime, very priority type projects here and -- and
23 I would certainly hope to -- to have the support of the Counsel
24 in moving ahead on these.

24 MR. WOLFE: Mr. -- Mr. Chairman?

25 MR. McVEE: Mr. Wolfe?

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MR. WOLFE: I guess maybe Dr. Montague or
1 Dr. Spies could elaborate on what new findings we've -- we've
2 came up with this summer, this field season already that we
3 didn't know al- -- in the past that required that we modify
4 these projects or add these two new project. I -- I just
5 didn't hear that, so

6 MR. McVEE: Dr. Montague?

7 DR. MONTAGUE: Mr. Chairman, on the sockeye
8 problem, what I brought up was the finding that -- the
9 hypothesis that the investigator was able to come up with based
10 on this season's findings, and that's that the zooplankton were
11 only feeding in the lighted area of water for about one-third
12 of the day, and -- and then out of -- down in the darkness
13 outside of sockeye feeding for two-thirds of the day. And the
14 investigator would like to test this hypothesis as to whether
15 that is indeed the cause of the fact that the sockeyes aren't
16 recovering.

17 And then in the case of the -- the pink salmon project,
18 the money that was set aside for that was based simply on
19 developing an experiment that would test or -- or try to
20 investigate why the egg mortality is so high this long after
21 the spill, and the exact mechanism of that project and the
22 procedures and methods of that project weren't determined when
23 we came up with that budget and when -- when it was determined
24 with the combination of the peer reviewers and the chief
25 scientist and the investigator, this is what they were all able

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to agree upon as the best project to do that.

1 MR. McVEE: Further discussion?
2 Mr. Collinsworth?

3 MR. COLLINSWORTH: The results of the Prince
4 William Sound pink egg survival study, what is the -- what is
5 the intended use of the -- of the results of the study?

6 MR. McVEE: Dr. Montague?

7 DR. MONTAGUE: Mr. Chairman, first of all to
8 identify that indeed this is an oil spill problem and not --
9 not some other reason for it. We cannot think of any other
10 possible reason that it could be, but to have mortality higher
11 two -- you know, two years after the spill than one year after
12 the spill is alarming, and -- and that's the -- the main
13 purpose would be to see if it linked to the spill, and also --
14 for instance, if one of the hypothesis is correct, that there's
15 been genetic damage, then that could require extra effort on
16 the part of the Department for management of these.

17 MR. McVEE: Any further discussion?

18 MR. WOLFE: Mr. Chairman?

19 MR. McVEE: Yes, Mr. Wolfe?

20 MR. WOLFE: If -- if we're going to move ahead
21 with these projects, then I would suggest that we have some
22 work plans developed at some point here that reflect what's
23 being proposed and get some documentation down for the record.
24 At this point we appear to have none, so

25 MR. McVEE: That's true. Mr. Montague, can one

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be developed?

1 DR. MONTAGUE: Yes, Mr. Chairman, we can have
2 those ready in two weeks.

3 MR. McVEE: Ready to consider the amendment?
4 The amendment would add to the budget for shellfish --
5 shellfish number 27, \$47,000.00 and add to the '92 budget for
6 R-60C an additional \$103,000.00. Does anyone object to the
7 amendment? The amendment is carried.

8 The motion then is to -- the R.T. recommendation to
9 approve the '92 work plan, March '92 through February '93, with
10 the -- with the comments, public comments that were made going
11 forward to the -- the appropriate work groups for consideration
12 in their -- their activities. Any objection to the motion?
13 Motion carried.

14 I guess just a couple comments that -- that, you know,
15 timely public involvement had been very crucial to -- to our
16 operation. It is required by the Court. I guess that it's
17 important that we -- that we really emphasize the con- --
18 continue -- and continue the flow of information to the public
19 that -- that to a large extent, you know, good recommendations
20 and ideas will depend upon the information that we provide to
21 the public to -- for them to consider as they make their
22 recommendations.

23 Is there anything else on the '92 work plan? This is
24 the project component.

25 I guess as a question, when does the public comment

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period close on the -- on the general administration component
1 of the '92 work plan?

2 DR. GIBBONS: That's later on on the -- the
3 agenda. I'll talk

4 MR. McVEE: Okay.

5 DR. GIBBONS: about it, item number
6 eight,

7 MR. McVEE: Number eight.

8 DR. GIBBONS: the teleconference on the
9 final budget.

10 MR. McVEE: Okay. Okay. Then keeping with the
11 amendment that -- the change we've made to the agenda items, we
12 would be taking up next the financial operating procedures.
13 Do we want to break before we go into

14 MS. RUTHERFORD: Yeah.

15 MR. McVEE: into that item?

16 DR. GIBBONS: We need five minutes.

17 MR. McVEE: Okay. A five-minute break.

18 (Off record)

19 (On record)

20 MR. McVEE: If we'll all sit to continue with
21 the agenda for the Trustee Council meeting? The next item was
22 -- which we moved forward was the financial operating
23 procedures. We wanted to discuss those before we talked about
24 the development of the '93 work plan since some of those
25 procedures are significant in terms of -- of that -- that '93

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process.

1 So I guess we have -- have Dave Gentry who is chairing
2 that financial committee with us today. Are you prepared to
3 start this discussion, Mr. Gentry?

4 MR. GENTRY: Yes, Mr. Chairman. Is this -- is
5 the microphone on?

6 Thank you, Mr. Chairman. For the record again, my name
7 is David Gentry. I'm with the State Office of Management and
8 Budget.

9 At the last Trustee Council meeting on May 20th, these
10 financial operating procedures were reviewed. There were a
11 number of -- of issues that were raised and the Trustee Council
12 asked the Finance Committee to make changes as directed by the
13 Trustee Council at that time.

14 What I'd like to do is start off with my presentation
15 here by going through those changes, naming them and -- and
16 pointing out where we made those changes again so that -- that
17 you can -- can verify that your -- your wishes were fulfilled
18 there, and identify a couple of other changes that were made,
19 which I believe are -- are not substantial, but I want to bring
20 to your attention.

21 First, on page one, -- well, the issue was that the
22 financial operating procedures should not supercede existing
23 agency procedures, and that change was inserted in the second
24 paragraph on page one, the sentence in that paragraph beginning
25 "in addition to these procedures, activities carried out" and

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so on, "will be conducted in accordance with existing agency
1 operating procedures." And we intend that to be a strong
2 statement, and that -- and that that I believe was the -- the
3 wish of -- of the Trustee Council's last meeting.

4 The second issue explaining the basis for the
5 development of the general administration rates, and this is on
6 page three. You may recall a discussion about the 15% and 7%
7 and so on. On page three, the first and second full
8 paragraphs, this is after sub- -- sub-item two, again we tried
9 to identify what -- what was included within general
10 administrative expenses and -- and very generally the
11 derivation of those percentage ranges.

12 The third issue, please stop me if -- if you'd like
13 more time in -- in reading these -- these through. The third
14 item, the issue related to flexibility agencies had in moving
15 money between projects up to a certain limit, can be found on
16 page four, at the bottom of the page, sub-item (a), and we have
17 the -- the limits of 25,000 or up to 10% of the funding for a
18 project, whichever is less. And page four at the very bottom
19 of the page, sub-item (a). Originally it was written that such
20 changes would be submitted to the administrative director
21 before an agency could -- could effectively spend altered (ph)
22 funds within this cap, and at the last Trustee Council meeting,
23 the -- the Trustee Council directed that agencies had that
24 discretion without going to the administrative director. And
25 the language in that section reflects that policy decision.

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The fourth policy item issue can be found on page six.

1 It relates to reporting to the Trustee Council not only on
2 expenditure information that may have occurred in the past, but
3 accomplishment information, whether goals and objectives were
4 in fact achieved. On page six the second full paragraph from
5 the bottom, the paragraph being "The Administrative Director,
6 with the assistance of the Restoration Team and the Finance
7 Committee, will submit an annual accomplishment and expenditure
8 report."

9 The fifth issue -- again, please stop me if -- if you
10 want more time. The fifth issue related to audits, on page
11 seven you'll see that there's a one-paragraph section dealing
12 with audits. There was a discussion as to insuring that
13 independent audits were carried out. The language was changed
14 to not only emphasize normal audit procedures that are in
15 place within the federal government and state government, but
16 also that audits by private organizations can be carried out if
17 the need is -- is determined to be there. Between those two
18 facts, those two options of normal audit procedures or an
19 external auditor, we believe that an independent -- independent
20 audit will be accomplished.

21 The next issue, also on page seven, management of
22 equipment. As you may recall there was lengthy discussion as
23 to ownership and ability to move between agencies equipment
24 purchased with money from settlement lawsuit associated with
25 the Exxon Valdez spill. The direction given by the Trustee

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Council at the last meeting was we can't work out in the near
1 term the -- the detailed legal basis for this (ph) procedures,
2 we wanted, and speaking from the Trustee Council, "We wanted a
3 statement of principal, short and sweet, and an indication that
4 the legal arrangements would be worked -- worked out later."
5 Legal principals.

6 MR. COLE: Mr. Gentry, what does that first
7 sentence mean in that paragraph? I -- as I read it, if
8 everything -- anything that cost more than \$500.00 will be used
9 for purposes directed by the Trustee Council. It looks as
10 though if it cost less than \$500.00, it doesn't have to be used
11 for purposes directed by the Trustee Council. That's what it
12 says.

13 MR. GENTRY: With the exception of -- of the
14 sensitive items, which would include things like firearms,
15 that's the clearest example -- and cameras, that -- that come
16 to mind.

17 There's always a level of detail where -- where the
18 accounting becomes onerous as to be not worth it, so this is --
19 this is -- this cut-off is normal for both state and -- and
20 federal agencies.

21 MR. McVEE: Mr. Gentry,

22 MR. COLE: I just have trouble. It says
23 "Generally all equipment purchased at a cost of \$500.00 or
24 more, other than sensitive items, will be used for purposes
25 directed by the Trustee Council." I mean, that to me means

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that if it's less than \$500.00, it doesn't have to be used for
1 purposes directed by the Trustee Council. Is that what you
2 mean?

3 MR. GENTRY: Our intent was this, whether we're
4 stating it or not, our intent is this, that we don't want to
5 account for and keep track of things like supplies,
6 consumables, small items which even if they're not consumed are
7 so difficult and -- or expensive to keep track of that it's not
8 worth it. And

9 MR. COLE: Well,

10 MR. GENTRY: And for -- for what it's worth,
11 and I -- I don't mean this to be an overriding principal here,
12 for what it's worth, this is normal in -- in terms of standard
13 operating procedures for state agencies and federal agencies.

14 MR. McVEE: Yes. Mr. Gentry, is the -- is that
15 sentence, is it more an issue of accounting for equipment
16 versus use of equipment? And maybe the language could be
17 modified to reflect that it's an issue -- a question of
18 accounting for items, \$500.00 or more.

19 MR. GENTRY: If -- it it's clear that -- that
20 something was bought with Trustee Council money, the general
21 principal that -- that we had -- we intend is that that
22 equipment would be pur- -- would be used for purposes of the
23 Trustee Council. If something was less than \$500.00, there was
24 not a tag put on it. Everyone, however, knew that it was
25 purchased with Trustee Council money. There would be the

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imperative on that agency to use it for Trustee Council

1 purposes.

2 So picking up on your point, Mr. McVee, yes, it's -- it
3 is an issue of accounting versus the -- the general principal
4 of -- of does the Trustee Council control this

5 MR. McVEE: Uh-huh.

6 MR. GENTRY: this equipment and these
7 assets.

8 MR. McVEE: Yes, Mr. Sandor?

9 MR. SANDOR: But is it not true that any -- any
10 property purchased for Trustee Council use must be used --
11 used explicitly for -- for the purposes authorized by the
12 Trustee Council regardless of value? And that simply this
13 \$500.00 limitation and sensitive limitation, the accountability
14 process, whether it's tagged, but it's not suggestive of --
15 and maybe this requires an addition of a paragraph, but
16 certainly no items less than \$500.00 would purchased --
17 purchased out of Trustee funds unless it's to the Trustee
18 Council activity or -- or approved project, is that not true?

19 MR. GENTRY: Mr.

20 MR. McVEE: Yes?

21 MR. GENTRY: Mr. Chairman, I, I think speaking
22 for the finance committee, would not have a problem including
23 an additional sentence indicating that again the spirit of --
24 of this is that all purchases, all assets not already consumed,
25 purchased with Trustee Council money would be used for Trustee

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Council purposes.

1 MR. COLE: That sentence has to come out,
2 that's the problem, not put in more sentences. That sentence
3 has to be revised, because it implies that if anything is
4 purchased for less than \$500.00 in Trustee funds, you can use
5 it for any purpose you want. That's not what we mean.

6 MR. GENTRY: Mr. Chairman, that's not what I
7 meant either. I meant everything, that the

8 MR. COLLINSWORTH: Mr. Chairman?

9 MR. McVEE: Yes, Mr. Collinsworth?

10 MR. COLLINSWORTH: We've spent a lot of time on
11 this, and I don't think there's any disagreement. In the first
12 paragraph, take off "generally" and just say "All equipment
13 purchased by Exxon Valdez settlement funds shall be used for
14 purposes directed by the Trustee Council," take your -- the
15 portion that deals with the sensitive items and the \$500.00 or
16 more, put it down in the second paragraph, where it says "The
17 exec- -- the Administrative Director shall report," and then
18 put your phrase in there about sensitive equipment and \$500.00
19 and that should take care of it.

20 MR. McVEE: It looks like a good suggestion to
21 me.

22 MR. GENTRY: And -- and I -- that's fine. Yes,
23 I -- I believe that finance committee would have no -- no
24 difficulty with that whatsoever.

25 MR. McVEE: Okay.

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MR. GENTRY: The -- the last issue begins at
1 the bottom of page seven, the finance committee charter. The
2 Trustee Council directed that the finance committee define
3 itself, and the language extending on page eight is intended to
4 do that.

5 MR. McVEE: Mr. Sandor?

6 MR. SANDOR: This is a question with respect to
7 this charter and the finance committee operations. It appears
8 just in review of this whole section that the -- it appears to
9 be establishing another permanent group that's going to be
10 reporting directly to the Trustee Council.

11 It was my understanding that -- was that we were to
12 utilize specialists like yourself, or professionals like
13 yourself from different departments on an ad hoc basis sort of
14 in an advisory capacity. Are we institutionalizing another
15 bureaucratic group that -- that -- you know, we talked about
16 before that we should steer against?

17 MR. GENTRY: Well, let me -- Mr. Chairman?

18 MR. McVEE: Yes, Mr. Gentry.

19 MR. GENTRY: Let me respond by saying how I
20 view the finance committee working. On an on-going basis there
21 will be issues relating to costs and procedures in preparing
22 budgets that you will receive every year that members of the
23 finance committee expertise in. These -- some of these are
24 laid out on -- on page eight. These individual, members of the
25 finance committee, would be people whose jobs lie elsewhere.

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They would be seconded if you will on an ad hoc basis, on a
1 temporary basis, to carry out these duties. The time devoted
2 by these members of the finance committee would be small, would
3 be not much time at all on an annual basis. So I view the
4 finance committee, yes, as a standing committee, but whose
5 members meet relatively infrequently for short meetings for a
6 narrow purpose for which they have expertise.

7 MR. McVEE: Yes, Mr. Rosier? Mr. Sandor?

8 MR. SANDOR: Mr. Chairman, I think I'd like to
9 see that articulated, as being more visible in that -- in that
10 regard. I may be paranoid, but I see another flower blooming,
11 or beginning to bud.

12 MR. COLE: Mr. Chairman?

13 MR. McVEE: Yes, Mr. Cole?

14 MR. COLE: I'd like to follow up if you don't
15 mind my colleague's comments about institutionalizing another
16 group. I -- I start with the language in the last sentence on
17 the bottom of page three, which reads, "The standards and
18 format for justifying a project are the responsibility of the
19 Restoration Team working in conjunction with the finance
20 committee." It's not my idea that the finance committee should
21 be working with the Restoration Team in connection with the
22 formulation of standards justifying a project. That's number
23 one I'd like to leave in suspense for a moment.

24 Then skipping to this -- on page four, to the second
25 full paragraph which reads as follows: "The finance committee

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in conjunction with the Restoration Team will review projects
1 proposed for funding." That strikes me as an elevation of the
2 finance committee functions beyond certainly what I had in
3 mind. I don't know about my colleagues, but I leave item two
4 in suspense.

5 The next paragraph -- well, you could throw in that
6 second sentence there on the second paragraph, "The finance
7 committee will submit comments to the Restoration Team and the
8 Trustee Council."

9 But then item three is the first sentence in the third
10 full paragraph on page four, "In a public meeting, the Trustee
11 Council will consider projects proposed for funding by the
12 Restoration Team, and reviewed by the finance committee." I
13 wasn't of the view that the finance committee would be
14 reviewing proposed projects for funding, so that's item number
15 three.

16 Again, troubling is the last sentence in that
17 paragraph, "Budgets approved by the Trustee Council will be
18 subject to appropriate state and federal notification, review
19 and approval procedures." I -- I would want to make sure who
20 -- who has to approve beyond the Trustee Council these
21 projects. That's troubling, at least as I read the decree
22 entered by Judge Holland.

23 Then down on page five, the bottom paragraph which
24 follows along the "transfer of Exxon settlement funds from the
25 Court Registry," this sentence is troubling: "Upon completion

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of public notification and public review and comment on the
1 annual budget, federal agencies will forward the approved
2 budget to the Federal Office of Management and Budget. Upon
3 notification of Federal Executive Branch approval," Trustee
4 Council will request the release of funds from Judge Holland.
5 I mean, are we subject in the views of our fellow federal
6 agencies here that our projects and our budget must approved by
7 the Executive Branch of the Federal Government? I mean, I -- I
8 think, you know, we're looking at some very fundamental issues
9 here. So I think we should reach an understanding as to
10 whether we're just a cog in some federal bureaucratic process
11 or whether we are an independent trustees charged by law and
12 the order of the federal court with the restoration of Prince
13 William Sound caused by the Exxon Valdez oil spill.

14 And by -- whose -- whose language is this and what's
15 the idea behind it I guess is the question?

16 MR. McVEE: I need to comment upon the, I guess
17 the last paragraph you referred to, Mr. Cole, and in that the
18 -- the federal component of the budget, we will be required, we
19 are required on the federal side, and that is still continuing
20 somewhat as a discussion among the federal members, but that to
21 -- to submit that to the Office of Management and Budget.
22 Office of Management and Budget says that they want to retain
23 some oversight I guess or control as this may be over the
24 federal budget component.

25 Their interests have been expressed as -- as concern

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about the -- the number of employees, the full-time equivalents
1 that would be added to the federal -- federal staffs as a
2 result of this program, and -- and one other thing I can't
3 remember now, but -- so that I think what we -- what has been
4 -- what the financial management team, the financial committee
5 has tried to build into this language is some recognition of
6 that requirement.

7 The federal Executive Branch approval would be for the
8 federal component of the budget as I understand it would be --
9 would be the action.

10 I guess, you know, I'm concerned -- equally concerned
11 that this, you know, could cause some delay in moving a joint
12 budget forward. Hopefully that would not be the case, that we
13 would have sufficient lead time as we're -- as we're dealing
14 with -- with budget, so that at the appropriate point in time
15 that -- that we could send it forward to OMB and meet schedules
16 for the -- for the filing with the Court to -- to release the
17 funds, but we've got a fairly strong mandate to -- to do that,
18 and we just -- I think the working out of the process and some
19 language so we can do it in a timely manner, not delay.

20 MR. COLE: Mr. Chairman, it's not the time that
21 -- that troubles me. It's this language says "Upon completion
22 of the budget, federal agencies will approve -- will forward
23 the approved budget." That's the entire budget, okay? The
24 entire budget. That's the money used for administration,
25 that's the money that goes to the state projects, to the

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federal OMB, and the "Upon notification of Federal Executive
1 Branch approval," then, you know, we can go ahead. And
2 personally, I'm unwilling to surrender that -- I guess the
3 better word is abdicate our responsibilities under the federal
4 court decree to the Federal Executive Branch. I didn't see
5 anything in the federal decree that says that the federal OMB
6 shall have the final responsibility over the budget, the
7 projects which the Trustee Counsel has concluded after public
8 review, after scientific advice and -- and a lot of work, it
9 goes back to Washington, D.C., and they make the decision of
10 what needs to be done, with what our budget ought to be. And
11 I can't -- I just can't accept that. I'm sorry.

12 MR. McVEE: I think the -- I guess my feeling
13 is that the -- you know, that some change in language in this
14 paragraph indicating they're talking about the federal
15 component of the budget, and -- maybe we'd clarify that -- that
16 concern.

17 Mr. Sandor?

18 MR. SANDOR: Well, I, of course, share Attorney
19 General Cole's grave concern about this issue. I wonder if the
20 genesis for the so-called OMB federal over-sight or involvement
21 might be accommodated in the way that the state deals with
22 this. Mr. Gentry is our state OMB representative in the early
23 stages of this process, and our office, or the state Office of
24 Management and Budget, OMB, you know, has an opportunity to --
25 to see what's happening, but no final budget of the Trustee

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Council is referred to the State OMB for approval or -- is the
1 -- is possible that -- that the concerns of the federal OMB
2 might be accommodated by simply communicating with some liaison
3 with the OMB at the very early process in the same sense that
4 Mr. Gentry's involved, and -- and that communication takes
5 place then at the time -- when we -- the Trustee Council, the
6 Restoration Team and Trustee Council approves the final budget,
7 that it is final without approval and without reference to the
8 federal and state OMB. If -- if you add yet another process in
9 this, that go through this review and approval process after
10 the final review of the Trustee Council, it is not the Trustee
11 Council action. Perhaps the concerns of federal OMB or whoever
12 could be accommodated in the way in which the state is handling
13 its OMB communications. Would that -- has that been explored?

14 MR. McVEE: I'm not sure that's specifically,
15 you know, has been explored, although I know that OMB has been
16 fairly adamant in the -- in the discussions with -- that
17 they've had with -- with our budget offices about their
18 involvement. I think by -- by giving them, you know, advance
19 copies of -- this type thing, we could -- we could speed up
20 that process.

21 Another element that's involved in this, of course, and
22 maybe it's one -- it is one that makes OMB particular --
23 federal OMB office particular sense of this is the federal
24 requirement that the federal budget has to go -- has to go to
25 Congress, not for approval, but there's notification to

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1 Congress within a 30-day period, so that -- that enters into
2 the picture, and I'm sure is one thing that sensitizes the --
3 you know, the -- federal OMB, because we have to deal on the
4 federal side with Congress as it relates to the federal budget,
5 so there's a waiting period in there for us before we can spend
6 money.

7 MR. COLE: Mr. Chairman, I think that is
8 understandable I think to me, and I think I speak generally on
9 behalf I hope of my federal state trustees. We understand that
10 the federal Office of Management and Budget needs to be
11 notified, and be kept abreast of these expenditures, as indeed
12 we provided by statute with respect to funds going to state
13 agencies.

14 But the issue is whether federal agencies has the right
15 to disapprove projects which the Trustee Council has concluded
16 are vital to the restoration of the damaged resources in the
17 oil spill affected area, and that is a decision committed by
18 law to our judgment, and I think that we must insist on it.
19 And if the federal OMB does not want some of these projects
20 deemed essential by the Trustee Council to be performed by
21 federal agencies, that's fine. But -- we can then perhaps have
22 the right to assign the performance of those projects to state
23 agencies. But we simply must not surrender our Trustee
24 fiduciary responsibilities in that fashion, and I think that's
25 where we need to re-examine or perhaps initially examine what
the federal OMB has in mind in that regard.

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MR. MORRIS: Mr. Chairman?

1 MR. McVEE: Yes, Mr. Morris?

2 MR. MORRIS: Can we partially mitigate for Mr.
3 Cole's concern by altering the procedure in terms of the steps
4 and then have the "upon public review and notification and
5 comment" that the Trust- -- and approval by the Trustee
6 Council, that the solicitation through Department of Law and
7 Justice to the Court for release of the funds be made at that
8 time, and have the funds released into the NRDA and our fund
9 and then the federal agencies to the extent that there's an
10 obligation to work through OMB do that -- do it at that time,
11 and it may certainly speed up the process a bit in terms of
12 putting the funds into the account and then may help to isolate
13 the federal requirement over onto the federal side and we -- we
14 would not be engaged in the expenditure of any funds, simply
15 the -- the movement of the funds from one account into our
16 expenditure account that is managed through the Department of
17 Interior.

18 MR. McVEE: Yes, I -- I think that's -- that
19 has been brought up and as I understood it, and I don't know
20 what NOAA or Agriculture, what their feedback has been, but
21 that was not, at least from Interior comment, was not
22 acceptable with -- with OMB to enter it at that stage.

23 I guess, you know, the other comment is that -- is that
24 the State representatives of the Trustee Council enjoy also the
25 fact that they are the Trustees, the designated Trustees, while

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we on the federal side do not, you know -- do -- do not enjoy
 1 that full privilege. We represent our respective trustees.
 2 And I know in the case of Interior that -- that the federal
 3 trustee has kind of similar interests I guess I might say as to
 4 whether OMB -- that -- that he wants to see at least the
 5 Interior budget before it's -- it's finally approved.

6 MR. COLLINSWORTH: Well, I guess it's my
 7 understanding that there has been a delegation made in -- in
 8 Agriculture and Commerce to allow the Trustee Council members
 9 to -- to make those decisions.

10 Do we have anything in writing from OMB that -- how --
 11 how do we know that OMB's position on this is that we -- we
 12 must follow this process as opposed to an alternative one?

13 MR. McVEE: I guess we don't have anything in
 14 writing that I'm aware of, but there have been a series of
 15 meetings. I think the first one was -- was last -- last
 16 December last time, and I know that both NOAA and the Forest
 17 Service representatives were -- were present at that -- that
 18 meeting where OMB expressed their interest in -- as respects to
 19 the budget. And I know there have been some follow-up
 20 meetings, and it sounds to me like there's probably need for
 21 some more at this stage.

22 MR. COLLINSWORTH: Well, I -- I would agree. I
 23 think often the -- the response that you get from a federal
 24 agency or from OMB or from a state agency is partially
 25 dependent on how you pose the question, and if the question was

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posed to OMB in a certain way, they would obviously say, sure,
1 that they wanted to participate in the process. I don't know
2 if they were queried about other alternatives that would be
3 acceptable, so I think we do need to -- to find out if the
4 alternative I proposed earlier would be acceptable. I don't
5 know whether that would help to address your concern, Mr.
6 Cole, or not. Or whether you would find that kind of a process
7 acceptable from the state perspective.

8 MR. COLE: I'll take that as a question. I
9 think we really need to communicate with the federal OMB, and
10 receive something from them in writing as to what their
11 position is in this area. I mean, for example, suppose, you
12 know, we based upon the decisions we took today that we need to
13 spend another \$103,000.00 on escapement that we're talking
14 about, the study, and the federal OMB says, "Well, we won't
15 approve that." What are we supposed to do? Okay? You know, I
16 -- I just don't think it will work the way even Congress had in
17 mind, but certainly Judge Holland had in mind when he signed
18 the decree, but if that's to be the case, those decisions that
19 those of state (ph) have ceased (ph) and not OMB.

20 MR. WOLFE: Probably -- Mr. Chairman?

21 MR. McVEE: Mr. Wolfe.

22 MR. McVEE: Probably the biggest fact that
23 we're faced with on the federal side, Mr. Cole, is that we do
24 have in the statute that we must go through and get the
25 approval of Congress before we can take money out of our

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suspense account that we put the fund in when we remove them --
1 or get them from the Court Registry. And this process as
2 proposed here may be premature to when we have to go to OMB,
3 but before we go to Congress, we always have to go through OMB,
4 and so by statute we must go through OMB, and how we do it, as
5 you point out, is -- is the approach that we need to work out.

6 We need more time to work that out to make it less onerous
7 from your view anyway.

8 MR. COLE: Excuse me, it's not just less
9 onerous. You know, it -- it goes to the heart of who makes the
10 decisions with respect to the expenditure of these funds. Who
11 makes those decisions, whether it's OMB, it's the federal
12 government, Congress, or this Trustee Council. And I think
13 it's essential, it's -- and it's required by federal court
14 order, which is binding upon the United States of America,
15 which is one of the parties, that -- that it's this Trustee
16 Council that makes those decisions and is charged with the
17 legal responsibility for the expenditure of those funds
18 consistent with the decree to restore the resources. That's
19 the issue, not time or anything else.

20 MR. McVEE: Mr. Sandor, did you?

21 MR. SANDOR: Well, I was going to ask the
22 question, there's an actual statute that says any court ordered
23 action that results in awarding of monies by statute it be
24 approved by the Office of Management and Budget? That it in
25 fact be approved? Mr. Cole -- and I might -- you know, I'm --

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Mr. Cole, I'd -- I'd really be interested in the statute that
1 would actually require that. Certainly federally appropriated
2 funds, and I feel that whole process is well understood, but I
3 do -- am a little bit surprised that there is -- if the statute
4 actually extends that far, that -- that court orders and
5 judicially awarded monies and et cetera from this process then
6 finally has to go through that hurdle. I think that just adds
7 -- adds to the argument that we need something in writing that
8 actually proves that -- that would in effect scope that out.

9 But I think there's something more that perhaps is
10 fundamentally involved, and that is the reference to what is
11 delegated by the Trustees themselves in view of both the state
12 and federal governments, and the process where a person can be
13 delegated to act on -- on the basis of trust- -- you know, as a
14 Trustee, whether or not the Trustee is sitting here or not, so
15 that maybe you'll have to clarify as well.

16 But in- -- insofar as this issue on the table, with
17 respect to -- to that, that, you know, is not acceptable from
18 the state perspective and we need -- additionally we need
19 modification I think in -- in the charter of this -- this
20 finance committee. So as presently written, this -- it would
21 not be possible to approve this financial operating procedures
22 without those two (ph).

23 Can this be deferred for another meeting? Until our
24 next meeting? The -- the nod is affirmative?

25 MR. GENTRY: Yes, it is.

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MR. SANDOR: Well, Mr. Chairman, I would move
 1 that we -- that we table this -- this financial operating
 2 procedures and that we seek answers to these issues that have
 3 been raised, mainly what authority has been delegated, and --
 4 and specifically this involvement of federal OMB, concerns of
 5 how they -- alternative ways and to seek from the proper
 6 offices the -- you know, our concerns about these, and the
 7 appropriate citations. Anyway, I move the tabling of this --
 8 this issue until the next time the Council meets.

9 MR. ROSIER: Second.

10 MR. McVEE: Motion made to table action on the
 11 federal -- or financial operating procedures until the next
 12 meeting. As I recall, that there's no discussion on motions
 13 to table, so

14 MR. COLE: Are they subject to motions to
 15 amend?

16 MR. McVEE: I -- I think they can be set apart.
 17 I don't recall that part of my

18 MR. COLE: I don't either, but here's one
 19 thing. Is -- did you have in mind Mr. Sandor that we ask the
 20 -- those involved in the preparation of this to review the
 21 extent of the authority, I mean, in the areas we've talked
 22 about here this morning? Not just to defer it, but to advise
 23 us in connection with the expressions you made?

24 MR. SANDOR: Yes, Mr. Cole. My hope would be
 25 that at the next Trustee Council we'll have a clean package and

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Trustee chart- -- or the finance committee charter will
1 clarified, the federal OMB would say, "hey, all we want to know
2 is what's happening occasionally, and your other processes (ph)
3 have been delegated completely to Alaskans management of this
4 activity in Alaska. And that we want to be -- certainly do not
5 want to meddle in Alaskan affairs." That would be my prayer.

6 MR. COLE: I think you put it quite well.

7 MR. McVEE: Understand, Mr. Cole's comment,
8 too, was to look at the role of the financial management
9 committee.

10 MR. COLE: Yes. Yes.

11 MR. McVEE: Their whole function. Is there any
12 opposition to the motion? The motion passed. The financial
13 operating procedures tabled.

14 DR. GIBBONS: Mr. Chairman?

15 MR. McVEE: Yes?

16 DR. GIBBONS: I -- I've got one topic to bring
17 up in relation to the financial operating procedures. At the
18 last Trustee Council meeting, the Trustee -- the Trustee
19 Council approved an administrative budget pending review by the
20 public. And I held that administrative budget until the middle
21 of June waiting for a financial operating procedures to go out
22 with it, so the public could see how the administrative budget
23 was developed. Like I said, I held it until the middle of
24 June. I've sent it out to 14 locat- -- the teleconferencing
25 sites, libraries and other interested areas across the state

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with -- with a note saying "the financial operating procedures
1 will soon arrive for -- for your use in analyzing how the
2 administrative budget was developed."

3 I guess my comment is are we going to accept the
4 comments on the financial -- financial oper- -- I mean,
5 administrative director's and those types of budgets without
6 the financial operating procedures going out so they can use --
7 see how they -- they were developed? It's a concern of mine.

8 MR. McVEE: I guess my feeling is that --
9 Dr. Gibbons, that -- that since this has been tabled, that, you
10 know, that we should accept comments on that administrative
11 budget and respond to them, and that we should go ahead and
12 deal with or finalize that component of the budget as quickly
13 as possible. While that may be less than fully satisfactory,
14 the public will not have seen the financial operating
15 procedures, I don't think we should hold up that budget
16 component while we're continuing to work on -- on financial
17 operating procedures. Any other comment?

18 MR. SANDOR: I agree.

19 DR. GIBBONS: Yeah. The -- the basis for how
20 they were determined have not -- will -- will not change, but I
21 just wanted to make that clarification.

22 Another point I'd like to make is I think the
23 Restoration Team should work closely with the financial
24 committee before the next draft comes back to the -- to the
25 Trustee Council.

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MR. McVEE: We're ready to proceed with the
1 next agenda item? The next agenda item is proposed process for
2 developing the '93 work plan. I believe Dr. Montague has the
3 lead on that one.

4 DR. MONTAGUE: Thank you, Mr. Chair. I'd just
5 like to bring your attention to go into that relatively short
6 section of your notebook. The first thing in there is about a
7 page or so of draft assumptions behind the op- -- the way we're
8 going to operate to prepare this '93 plan. And one of the
9 objectives of -- of putting these assumptions here was as one
10 of three points between now and the -- developing the -- the
11 final draft of the '93 plan, that we can get input from the
12 Trustee Council on such things as categories and scope and size
13 of the program.

14 And because the schedule's really tight to have the '93
15 work plan completely drafted by the end of August, these three
16 periods today, July 20th and August 25th, when we get input
17 from the Council, will be extremely important in seeing that --
18 that we stay within schedule and have a draft plan that's
19 basically acceptable to the Council by the end of August.

20 So on the 20th of July, the -- the items that will come
21 up is a teleconference where the Council would be able to
22 discuss all the project ideas that we currently have, and
23 then on the 25th of August would be the time that the Council
24 reviews a predraft of the draft '92 -- or '93 plan.

25 And in these assumptions, I'd like to just highlight a

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couple of -- a couple of the ideas presented here. One, we're
1 going under the assumption that we would enter into the federal
2 fiscal year with this work plan and that at least the federal
3 offices of man- -- Office of Management and Budget needed a
4 budget 30 days prior to the beginning of the federal fiscal
5 year. And along with that we decided that to have a budget, we
6 needed a draft plan, so that assumption is what's driving this
7 schedule, that we need a draft plan before we can develop the
8 budget, and that that has to be done 30 days prior to October
9 1st.

10 Another point is that we would anticipate that the work
11 plan would cover almost all of the -- or all the major
12 restoration areas, and damage assessment as well.

13 You know, I -- I won't go over the specifics because
14 I'm sure you've read this, but one point I think it's necessary
15 to bring up, that we may need to ask specific guidance from you
16 all on, is that on the last sentence under restoration habitat
17 protection and acquisition. I'll just read it. "Although
18 there is much -- although there is much public support for
19 acquisition projects, we are proposing a pragmatic approach to
20 fully develop the process in '93, but not acquire any habitats
21 except those facing imminent threat." Okay. Certainly any
22 guidance from the Council that's different than that would have
23 a large effect on the 1993 work plan.

24 If there's no other questions on the assumptions, you
25 know, this isn't a document that needs approval. It's only for

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your information, and either now or at any time we would
1 appreciate whether these assumptions seem appropriate to you
2 all.

3 MR. McVEE: Any comments on the assumptions?
4 Yes, Mr. Sandor?

5 MR. SANDOR: Well, I guess two points, or
6 questions of Dr. Montague. With regard to the assumptions,
7 I'm assuming that the process is going to take the public
8 comments that were received in the 1992 -- the comments to the
9 1992 work plan and the restoration frame work and in affect
10 apply them where appropriate with respect to the 1993 work
11 plan?

12 DR. MONTAGUE: Mr. Chairman, relative to that,
13 indeed '92 project ideas and comments that are applicable have
14 been passed on to the '93 work group. You know, we weren't
15 really prepared today to talk about the -- the nature of the
16 ideas and comments on '93, but for the most part all '92
17 project ideas that we had from the public were also resubmitted
18 as a new '93 project, so as far as project ideas, they have
19 been covered in that way.

20 And so far we've -- well, I mean the time period has
21 passed, so we have received about 500 ideas and comments for
22 '93. Approximately 50 of these were comments and 450 were
23 projects which if added all up would amount to several billion
24 dollars. So we do need to pare down.

25 MR. SANDOR: The second question relates to the

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restoration or habitat protection and/or acquisition, and the
1 Trustee Council has discussed at substantial length and there
2 has been, as you have pointed out, a great deal of public
3 comment on habitat -- habitat protection and/or acquisition.
4 And I guess I'm a little concerned about the literal wording of
5 that sentence you -- you read. And -- well, I guess the
6 question is The Nature Conservancy's paper on habitat and the
7 efforts to identify what is critical habitat. Can you
8 elaborate on the status of that so that we know where the
9 Restoration Team on -- on identifying, you know, what is
10 critical habitat?

11 DR. MONTAGUE: Mr. Chairman, I could, but I
12 think Marty Rutherford would probably describe it a little
13 better.

14 MS. RUTHERFORD: Do you want to take?

15 DR. GIBBONS: Do you want me to? Mr.
16 Chairman, I'll -- I'll try to -- try to take that one.

17 The -- the habitat protection working group has been --
18 has been working very hard from the direction of the last
19 Trustee Council meeting. We're about -- about finalized on a
20 public package. We're shooting for mid July. We've got a
21 meeting early next week to hopefully finalize the package to go
22 to the public. In that package there will be an imminent
23 threat. There will also be an identification of critical
24 habitats, the procedures to do that. And -- and also the third
25 set of threshold criteria based on contingent valuation were

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developed. So we have three sets of criteria, we have an
1 imminent threat process, we have a long-term habitat protection
2 process, and this is like I said all going -- hopefully going
3 to the public in mid July for comment.

4 MS. RUTHERFORD: Mr. Chair?

5 MR. McVEE: Yes, Marty?

6 MS. RUTHERFORD: Just -- just the only other
7 thing I would add is that -- is we -- the habitat protection
8 committee is meeting next week also to talk about the ideas for
9 '93 work plan that are -- that have come in. And I think it's
10 very possible that as part of that meeting we will identify
11 projects that will allow us to develop valuation comparison
12 valuations on habitat so that we can address specific
13 suggestions that are coming in. So that is going to be part I
14 think of what we do regarding the '93 work plan, because at
15 this point in time, we don't have enough information to say
16 that one particular habitat is better than another, and so that
17 is very likely to be a part of our '93 response if you will.

18 MR. SANDOR: Well, you know, I guess given that
19 situation that the process is underway and at least this member
20 of the Trustee Council would really prefer a rewording of that
21 -- this -- this last -- that last sentence of that paragraph
22 titled restoration habitat protection and/or acquisition to
23 read something like perhaps we can take the two sentences and
24 "The Trustee Council recognizes there is much public support
25 for habitat acquisition projects, period. We are proposing a

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scientific approach to fully develop the process in 1993 and --
1 and will move to acquire or protect the imminent -- any crucial
2 or any critical habitat in 1993."

3 I'm -- what I'm wanting to suggest is that we should
4 turn the -- part of those -- of that sentence to -- to go on to
5 say the Trustee Council recognizes the -- the importance of
6 acquisition and protection -- or actually I should say rather
7 than we are proposing, that we are -- the Restoration Team is
8 involved in -- in -- Restoration Team (ph) is going to be
9 developing a scientific approach to identify threatened and
10 critical habitat and that we will if critical habitat is
11 identified, harlequin duck -- as to harlequin duck nesting
12 sites, or whatever else, and that we will move to acquire those
13 in the fiscal year 1983. Let's -- let's switch that around.
14 Or at least that's my suggestion, Mr. Chairman.

15 MR. McVEE: Okay. Do any of the Council
16 members have any problem with Mr. Sandor's suggestion? Concur
17 with that? Okay. Marty, you've got some new language there.

18 MS. RUTHERFORD: Okay. Thank you.

19 MR. McVEE: I guess it's -- you know, that --
20 that we need to -- we need to get the work group's process out,
21 you know, as soon as possible to get the public comment back on
22 that process. That's critical to accomplishing I think what
23 Mr. Sandor is -- is recommending or suggesting with his
24 language change, and -- so we can -- can proceed with that
25 process.

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MS. RUTHERFORD: Mr. Chair, if all goes well,
1 we should have it out by the middle to end of next week.

2 MR. McVEE: I guess the other element, you
3 know, in the '93 program is that we will not have a
4 restoration plan until late next spring or early next summer so
5 that we're still functioning without the advantage of that
6 long-term guidance for the program. It's almost in an interim
7 context that we're continuing to function, so in my mind that's
8 significant in the way we design the -- the '93 program.

9 Yes, Mr. Rosier?

10 MR. ROSIER: Thank you, Mr. Chairman.

11 I'm not sure whether this is the appropriate place to
12 interject this thought, but it seems to me that one of the
13 areas that we have talked about as a Council has been the
14 creation of an endowment, and this has been something that's
15 underlied a number of discussions here, but we've never really
16 brought that particular issue to the forefront, and it seems to
17 me that in '93, I don't know whether we should call it a
18 project or what, but it would seem to me that we should be
19 moving ahead with at least consideration of that -- of that
20 particular issue as part of the '93 budgeting process on this.
21 It seems to me that we need to be making some decisions, one,
22 I guess whether we're going to have an endowment, but, two,
23 when we begin to identify the expenditures that we may want to
24 -- want to make for the '93 work plan on this, certainly our
25 commitments to an endowment program would be an integral part

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of that decision. It would seem -- this is one of the few
1 items that we have not had a working group on, and it seems to
2 me it's something that we need to begin to give a little more
3 specific attention to.

4 MR. McVEE: Yes, Mr. Sandor?

5 MR. SANDOR: Well, I concur with Carl Rosier on
6 that point, but there was a -- the Restoration Team was
7 directed to look into this -- this matter of an endowment.
8 Where does that stand, Dr. Gibbons?

9 DR. GIBBONS: I know in the 1993 work plan
10 we've -- we've broken out a whole section on endowments, and
11 we've got some suggestions from the public and we've also
12 taken the one submitted by yourself, Mr. -- Mr. Sandor, and
13 also by Mr. Rosier, and put those in there as -- as a mechanism
14 for -- for the '93 plan, so they will be discussed in the '93
15 plan.

16 We haven't done much on those before as -- as directed
17 by the Trustee Council. We just -- we haven't -- haven't done
18 much.

19 MR. SANDOR: Mr. Chairman?

20 MR. McVEE: Mr. Sandor?

21 MR. SANDOR: I think the Trustee Council, at
22 least the state Trustees, received a letter from Senator Arliss
23 Sturgulewski urging establishment of an endowment, and I think
24 some paper associated with that. Is that also before the --
25 this same group, Dr. Gibbons?

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DR. GIBBONS: Yes, it is. Senator Sturgulewski

1 did -- did submit it in two areas in the framework and also in
2 the 1993.

3 One other point I'd like to add is in -- in the
4 restoration framework, as a restoration option there's an
5 endowment in there as one option for -- for restoration, so
6 we're -- we're doing some work in that activ- -- in -- in that
7 area, but we're -- we're trying to get those together now.

8 MR. SANDOR: Mr. Chairman, finally as -- as
9 Carl Rosier suggested, can we add a sixth item in there on it?

10 I guess that's what you're suggesting, Carl?

11 MR. ROSIER: Yes, that's correct.

12 MR. SANDOR: On discussion of that.

13 MR. McVEE: Is that acceptable to the other
14 Council members? Organizationally I guess at this point in
15 time that -- that the evaluation of the concept of putting
16 together a package relative to endowment should be with the
17 R.T. Yes, Marty?

18 MS. RUTHERFORD: Could -- could I ask for you
19 folks to give us any indication as do you want to consider an
20 endowment as part of the work plan, or do you want to consider
21 it as sort of separate from the work plan? Do you want to con-
22 -- I mean, 'cause basically then it would be considered almost
23 like a project, which is how we've approached all the
24 budgeting. I -- I guess that's something I'd throw out. You
25 really don't have to respond now. Maybe you want to think

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about it and get back to us later, but it is something that is
1 some- -- that is -- a few of us have discussed as to whether or
2 not it should be considered as part of a work plan.

3 MR. McVEE: I guess -- I guess my feeling was
4 -- on it, and maybe this results for discussion here by the
5 Council members, but is that, you know, is it should be part
6 of the '93 program or -- or submitted with the '93 program. I
7 guess an endowment as I see it would -- would be more than just
8 a one-year project. It would -- could be -- probably would be
9 a continuing effort, but that -- and -- and maybe
10 organizationally is that, you know, we need to put some type of
11 an ad-hoc group together I guess. We look for guidance -- or I
12 would look for guidance from the R.T. as to determine how, you
13 know, that could be done, to look at the whole area of
14 endowment upon the -- the submissions that we have before us.

15 Yes, Mr. Sandor?

16 MR. SANDOR: Yeah. And then I believe that
17 this is part of a foundation on which the work plan, you know,
18 is constructed and developed, and -- in other words, talking
19 in terms of short term, I regard ten years as short-term, and
20 then for long-term, and so we -- particularly on easements,
21 purchase of an easement for habitat protection where certain
22 owners do not want to, you know, dispose of their land and --
23 and want future owners to, you know, have a voice in what
24 happens to that land, or reconsider the circumstances. So
25 that gives more flexibility. So I see it as -- just as a part

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of the foundation.

1 MR. BRODERSON: Mr. Chairman?

2 MR. McVEE: Yes, Mark?

3 MR. BRODERSON: I'd -- I'd like to reiterate
4 what Mr. Sandor is saying there. I -- I think to have
5 endowment put in as part of the '93 work plan really does --
6 excuse me -- does not give it the due that it deserves, that --
7 that we really need to look upon this as developing part of the
8 process here. It needs to be pulled out of the '93 work plan,
9 looked at for the long term, how do we accomplish this? This
10 is really a method of -- of how do we do our financing as
11 opposed to what do we do. It -- it deserves much more
12 consideration than it would get as just a project within the
13 '93 work plan.

14 DR. MONTAGUE: Mr. Chairman?

15 MR. McVEE: Yes, Mr. Montague?

16 DR. MONTAGUE: To further clarify, at the
17 moment we have six categories for the '92 work plan, one of
18 which is technical support, and that is where endowments are at
19 this stage, and technical support being the -- that will be the
20 mechanism by which future projects are funded. And so we -- so
21 it, I don't know if subsumed is the right word, but it's
22 simply part of the work plan at the moment. And not to bog it
23 down in specifics, but not that you've brought it up, the --
24 the two, I guess, nagging questions relative to the -- the
25 ideas for endowments that have come in, is that the director --

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direction of how the money's used in most of the projects is
1 not the Trustee Council. Sometimes it's one or two members of
2 the Council, but generally it's outside the Council. And
3 certainly we need guidance from you all relative to that.

4 Two, many of the objectives are to do -- to fund
5 projects that aren't very clearly related to the Exxon Valdez
6 oil spill.

7 MR. McVEE: Can -- can we move on? I guess
8 that -- I guess I would feel like that we have provided
9 guidance at this point to the R.T. and indicated our interest
10 in having them pursue the -- the concept, the idea of -- of
11 the endowments -- of an endowment based upon the proposals that
12 have been submitted, and that at -- at some time in the future
13 then we would act probably in -- in my mind, in conjunction
14 with the '93 work plan, whether it's part of that or some
15 separate entity, I -- I guess I don't -- I don't know at this
16 time, but at least we trust the R.T. to come back with analysis
17 of that whole area of concern, of interest.

18 Mr. Rosier?

19 MR. ROSIER: Yeah. Mr. Chairman, I'd like to
20 have some sense from the -- from the R.T. group as to the time
21 frame that they feel that they need to develop at least options
22 for us on this. I'd like to get this thing a little bit more
23 specific in terms of, you know, the time frames that we're
24 talking about rather than just sometime in the future. I for
25 one would like to see, you know, what -- what's the time frame

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1 that we're -- we can reasonably have something in hand that we
2 can -- we can relate to the '93 budgets that we're going to be
3 considering on this, and -- and how we're in fact going to move
4 ahead on that? Could we get some sense from the R.T. group on
5 that?

6 DR. MONTAGUE: Mr. Chairman?

7 MR. McVEE: Dr. Montague?

8 DR. MONTAGUE: As long as it is in the '93 work
9 plan, your endowment projects would be in the draft by the 25th
10 of August. If it's not in the '93 work plan, I can't address
11 it.

12 MR. McVEE: It seems to me that there's
13 certainly some advantage of having this handled in conjunction
14 with the '93 work plan, because then, you know, in terms of
15 public review, the public will see this as part of the total
16 package.

17 Any other comments?

18 MR. COLLINSWORTH: Well, Mr. Chairman,

19 MR. McVEE: Yeah, Mr. Collinsworth?

20 MR. COLLINSWORTH: I -- I don't care
21 whether it's part of the work plan or a separate project, as
22 long as it -- it gets some focused attention, and -- and a
23 variety of options are prepared, or options are prepared. As
24 Dr. Montague pointed out, suggestions for this kind of fund
25 have varied considerably in terms of the intended use, and
there are a lot of different ideas on -- on how that money

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would be used out of the fund. And I'm very interested in
1 that.

2 I'm not -- I'm not wildly enthusiastic about some of
3 the proposals that I have seen. I think that if there are
4 monies that remain available to us to capitalize a fund down
5 the road a few years, that's perhaps the appropriate time to do
6 it, and perhaps not as -- as in the near term.

7 I mean, I -- I think one of the things that we do need
8 to get moving on, and we've heard it loud and clear from our
9 public for -- for the last couple of years is a very strong
10 interest in the Trustee Council acquiring land use
11 discretionary authorities, and while it didn't say ownership of
12 lands, but at least the -- the authority to determine how lands
13 would be used, and the -- these acquisitions of this land
14 management authority would serve as part of the restoration,
15 as -- as compensation, and providing a like-value services,
16 and I think that we have not moved as rapidly as we should in
17 -- in dealing with the -- the land use issues.

18 If we're going to take '93 to -- to work it out and
19 then finally get started in '94 or '95, we're getting pretty
20 far down the line in terms of the years between the actual --
21 the -- the oil spill and the -- and the damages and the injury
22 that was suffered, and when we start to move forward with a
23 restoration plan.

24 So acquisition of equivalent value services is
25 certainly provided for and contemplated under the law, and --

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and I think many of our constituents would like to see the --
1 the Trustees acquire land use management by lease or by
2 ownership or by other kinds of contractual arrangements so that
3 we can start to look at important habitats for restoration
4 purposes as well as -- as the aesthetics of protecting
5 viewsheds and other natural -- the natural ecology of Prince
6 William Sound and I think we -- we may well lose opportunities
7 to do that unless we -- we move.

8 I know that the attitude on the part of this Trustee
9 Council has vacillated partially as a result of membership, and
10 partially as a result of just changing attitudes and
11 philosophy, but while there seemed to be once a lot of support
12 for the concept of land management acquisition, there seems to
13 be less now or -- and that -- that may vary again, but we
14 certainly do need to work out our procedures for making a
15 determination on how we will make judgments with regard to
16 alternative projects to acquire land use management, and we
17 should do it as quickly in '93 or in the '93 work plan as
18 possible.

19 MR. COLE: Mr. Chairman?

20 MR. McVEE: Yes, Mr. Cole?

21 MR. COLE: I take direct issue with your
22 statement that we vacillated. I've been here at every meeting.

23 MR. COLLINSWORTH: Well, I -- I said

24 MR. COLE: Excuse me. Well, hold on. Hold on.
25 Please don't interrupt me. I mean I've been here at every

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meeting, you know, starting in December, in early December, and
1 essentially except in emergencies when I have to step out for
2 a few moments, I've been here every minute, you know, I don't
3 think there's any -- been any vacillation among this group
4 whatsoever with respect to the acquisition of land and habitat.

5 MR. COLLINSWORTH: Well, I

6 MR. COLE: Hold on, I'm not finished. Thanks.

7 I didn't interrupt you.

8 And -- but when you say that we've vacillated, I mean,
9 I -- I want to make the record clear that I don't think we've
10 vacillated, number one.

11 Number two is I think we've proceeded expeditiously,
12 but not carelessly, and we're dealing as Trustees with vast
13 sums of money. We have to make very critical decisions in the
14 acquisition of habitat, what acqui- -- habitat is acquired,
15 what damage has been done to the various resources, and make
16 rational decisions, not based upon someone who says, "Well, you
17 know, if you don't buy this today, we're going to log it, so
18 you've got to go buy it."

19 And -- and I speak strongly in defense of what this
20 Trustee Council has done, and I think we should pursue a steady
21 course, and I hope we do. The same course we've been on.

22 MR. COLLINSWORTH: Well, may I respond? Just
23 briefly. I don't wish to get into a debate.

24 I do recall some earlier discussions of the new state
25 members on this Trustee Council that seemed to be rather in

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support of acquisition of -- of lands, it seemed to me it was
1 the Governor who had indicated some strong interest.

2 But what I intended to say, and I conditioned my
3 remarks by saying as the membership has changed, because the
4 membership on this Council has changed with the exception of
5 -- I guess of one person, Mr. Pennoyer, all of the members have
6 changed since the oil spill and the Trustee Council was
7 initially started. And there was consideration of the -- the
8 Trustee Council that was operated starting in 1989 may not be
9 operating under the same format as this group, but it was a
10 trustee council and it did operate, and some of the attitudes
11 there with regard to land acquisition were different I think
12 than the present Council, and those things evolve.

13 MR. COLE: Let me respond to that. I mean,
14 this is important, and I don't mean to quibble, but this
15 Trustee Council membership has not changed. Whatever ad hoc
16 body was operating following the spill is one thing, and -- and
17 they were focusing on damage assessment and -- and the
18 preparation for civil litigation, and once the settlement was
19 realized and approved and by judicial degree this group was
20 form- -- formulated, the management -- the membership has not
21 changed. And -- and I don't think any views, the Governor's
22 views have not changed. My views have not changed, and I don't
23 think the views of any -- any member of this Council has
24 changed since in early December following Judge Holland's
25 approval of the settlement have -- has changed whatsoever.

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1 So -- I realize we've been subject to -- to some
2 criticism, should have moved faster, but I think we've
3 proceeded very prudently. So, anyway, thank you.

4 MR. McVEE: Yeah, let's -- let's move on then.
5 Jerome?

6 DR. MONTAGUE: Mr. Chair, if there's no further
7 comments on the assumptions, I'll move on to the schedule.
8 The -- the schedule through July 1st has already been approved
9 back in April, so it's the remainder of the year that is up for
10 your all's approval now. And I won't go through it item by
11 item, but I would like to point out a couple of things.

12 First of all, there's two page fours, and one, I
13 believe the first one, has us requesting the Court the full 12
14 months of money along with the -- the draft budget, draft -- or
15 the budget based on the draft plan, the first of September and
16 receiving monies the first of October. And the second -- the
17 second page requests the money in December and receives it in
18 January. And certainly we do need some direction on that.

19 And the -- the issue in front of you is that not until
20 1994 will a final work plan be done by the end of August. So
21 this year, with -- with the first page four, we would be
22 requesting money from the Court based upon the draft work plan.
23 If we use the second page, it would be based upon the final
24 work plan. But using the second page would require two -- two
25 budgets and two submissions to the Court.

MR. McVEE: Dr. Montague, is -- the first

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alternative then would be a request to the court prior to the
1 time that we had received public comment on the '93 budget?

2 DR. MONTAGUE: That is correct. And going the
3 -- the second route would be receiving three months early on,
4 you know, again without public comment and then the rest in --
5 in December.

6 MR. McVEE: Or we -- or we have another option
7 there. We get -- we will have received comment on the full
8 five-month budget so to speak, the -- the remainder of the oil
9 year, the old oil year budget that we could ask the Court for
10 -- for since that has been through the entire process, we
11 could ask the Court for -- for those funds.

12 DR. MONTAGUE: Mr. Chairman, I just assumed
13 that that being not part of the '93 program, that that was just
14 going to be dealt with anyway and wasn't up for discussion
15 relative to '93. I presume that we -- no matter what we
16 choose, we're going to go with September to get the remainder
17 of '92 program.

18 And then I would like to go over the time period
19 between now and the end of August, as that -- it is
20 exceptionally tight, and also to try to give you some feel of
21 how we're handling the 1993 ideas.

22 And as you may remember, in order to not have people
23 present a lot of -- or use a lot of time making detailed
24 proposals, we requested simply one-page ideas for '93. And as
25 I had mentioned, we received about 450 of these, and we've

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just recently put them into the six categories which you'll --
1 you'll see later on here, and also provide what we've termed
2 the -- the critical factors.

3 And if you'll turn to page six where you see the
4 critical factors, these are -- presumably if they received a no
5 in any one of these categories, they wouldn't be considered
6 further, and these are linkage to the Exxon Valdez spill,
7 technical feasibility and legality. And we had about 50 of
8 these ideas that have been discarded based upon these critical
9 factors.

10 And just so there's no uncertainty, on the linkage to
11 Exxon Valdez oil spill, there were several ideas for projects
12 that would made the state or make the governments better able
13 to respond to future spills, but they had no relation Exxon
14 Valdez and these have been removed, so, you know, if you're not
15 in agreement with that, we'd like to -- like to know about it.

16 Okay. And then now that these ideas have been -- and
17 also about 50 and presumably some more were essentially the
18 same project submitted several times, so these have been
19 combined, and we anticipate probably about 300 ideas counting
20 all the combinations. And these will be sent out to the six
21 agencies and to habitat working group for the habitat related
22 projects to develop what we're terming the brief project
23 descriptions, the format of which is near the end of your -- of
24 the packet here.

25 And based upon those three-page descriptions with a

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two-page detailed budget, there will a meeting the 22nd through
1 the 27th of July to rank all of the projects, and your -- and
2 that is still looking at the critical factors. After that is
3 five pages of project evaluation factors for the five
4 categories of damage assessment, restoration manipulation and
5 enhancement, management actions, monitoring and technical
6 support. Now, habitat does not have evaluation factors
7 presented here, because they're being referred to the habitat
8 group with their own procedures.

9 And during this meeting on the 22nd to the 27th, there
10 will be six ranking committees based upon these six categories,
11 and they will be applying these factors with their best
12 professional judgment and ranking them in terms of high, medium
13 or low, and filling in the comment line as to why they got such
14 and such rank.

15 And then after that, on the 28th and 29th, the
16 Restoration Team will take these six -- six lists of ideas that
17 have their ranking internally to their own category and re-rank
18 them across the six categories.

19 And then the 1993 work plan work group will put
20 together a working draft of the plan and will have one more
21 chance to look at it, and then it will be, not finalized, but
22 become the draft plan that's presented to the Council on the
23 18th of August and would be discussed during a Council meeting
24 on the 25th of August.

25 The only step I haven't mentioned yet is that in the

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1 next few days we will put together a table showing how many
2 projects we've received in each category and their cost and --
3 and a few other things. And on the 20th of July we would --
4 have scheduled a teleconference and would be interested at that
5 point based upon what, you know, what you see in the table in
6 terms of the ideas in front of you, what type of a '93 program
7 you might wish so that between the 20th of August and -- or the
8 20th of July and 18th of August we can put together a draft
9 plan that's pretty close to what you all might want, because
10 the last time to change the plan before we present our budgets
11 to the OMB's would be between the 25th and the 31st of August.

12 And I think that about covers the whole packet except
13 that we do need -- there's a couple of pages in here where we
14 need Trustee Council approval, and one of them is on this
15 schedule, and I'll just point out the other area where we need
16 approval. The second place we need is on the project selection
17 process, and I believe that's -- that's the only other place we
18 need to have some specific Council approval.

19 With that I'm open for questions.

20 MR. McVEE: Okay. Any questions? I guess I
21 have one comment on this -- the same issue of the involvement
22 of the Federal Office of Management and Budget. You know, that
23 will have to be resolved, and I guess we've -- we've tabled
24 that, so as it is reflected in this schedule, it may -- may
25 change based upon that -- resolution of that issue.

I guess I -- I have some great problems with -- with

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going for, you know, budgets in the future without full --
1 completing the full public comment and review process. I
2 thought this year was -- was an emergency, we had an exigency
3 that we had to take care of, and that hopefully we'd not have
4 to face that in the future. So it seems to me like the
5 schedule should be built so that we can get full comment and
6 review.

7 Maybe one other comment, from the August 25th Trustee
8 Council approve draft '93, and -- and maybe the time is -- the
9 time -- the length of time in there was because of the
10 involvement of Offices of Management and Budget, but if -- if
11 that involvement occurred some other time, it would seem like
12 then the release of that public com- -- release of that
13 information for public comment on the first of October is a --
14 is a fairly -- you know, is a long span of time to -- to do
15 just the final -- prepare the final information for public
16 comment.

17 DR. MONTAGUE: Mr. Chairman, perhaps Dave could
18 respond to that. I -- I think, you know, it's usually on the
19 order of about three weeks between, you know, sending it to the
20 printers and actually having it ready to mail out, so you're
21 right, we could save a week in there, but I don't think we
22 could save much more.

23 DR. GIBBONS: That's correct. We've been
24 allowing two weeks, but then you allow a little bit of mail-out
25 time, too.

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MR. McVEE: Okay. Comments on the schedule?

1 DR. MONTAGUE: Mr. Chair, just so that I'm
2 clear, irregardless (sic) of what's decided with the Federal
3 Office of Management and Budget, is it or is it not the
4 Council's intention that we begin the '93 program on the
5 federal fiscal year? So that's not an item for discussion, may
6 we assume that?

7 MR. McVEE: Yeah, from -- from at least
8 Interior, I'll let the other federal members speak from their
9 perspective, but is that we should proceed, you know, with a
10 schedule, and we've -- we've got to figure out or find out how
11 Office of Management and Budget will fit into that schedule.
12 There's no use rehashing I guess that prior discussion, but we
13 need to proceed with the schedule. I think the '93 schedule,
14 you know, has to be -- has to be as streamlined as possible in
15 order to get through the -- the necessary steps, and

16 DR. MONTAGUE: Okay. So, Mr. Chair, so that
17 the only part of the schedule then that's really uncertain is
18 when funds are requested from the Court and received from the
19 Court, and that we should go on with this schedule with those
20 things left blank?

21 MR. McVEE: I guess that would be my feeling,
22 or at least indicate that that's tentative based upon -- on the
23 prior discussion, yeah.

24 Comments? Yes, Mr. Sandor?

25 MR. SANDOR: I agree with that conclusion.

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It occurs to me, reflecting on and agreeing with the
1 Chair's remarks about the absence of a public -- an opportunity
2 for public review, should we not in these target dates identify
3 -- we say, you know, different groups are going to review this
4 and review that. Why don't we institutionalize having this
5 public advisory group, you know, formally review these things?
6 In other words, where you say you're going to go before this
7 and this, that we incorporate using some of those target dates
8 for formal, you know, review like that might be helpful. Is
9 that a problem?

10 DR. MONTAGUE: Mr. Chair, it's not a problem
11 after August 25th which I believe, or sometime around the end
12 of August is their first meeting.

13 MR. SANDOR: Oh, that's their first meeting,
14 August of?

15 DR. MONTAGUE: I -- I believe so. So indeed on
16 page 13 it would be easy to insert the public advisory group's
17 role after that period.

18 MR. McVEE: Is -- I guess it's -- it occurs to
19 me the public advisory group is somewhat -- somewhat contingent
20 upon how fast we act upon this package of nominations, and --
21 and proceed with the formal appointment process. But I think
22 that was what I recall on an earlier schedule is the latter
23 part of August would be their first meeting.

24 MR. WOLFE: Mr. -- Mr. Chairman?

25 MR. McVEE: Yes, Mr. Wolfe?

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MR. WOLFE: I'm -- I'm still wrestling with how
1 we're going to continue to operate in a '92 work plan and then
2 have a '93 work plan if we're going to go to fis- -- federal
3 fiscal years. I wonder if that's going to create a lot of
4 confusion for us as well as for our public at this point, if we
5 have two sets of work plans to deal with in one fiscal year?
6 It would be for me. I would ask that maybe there's some way we
7 could integrate the balance of the '92 into a '93 program of
8 work or something like that? But if we aren't careful, we're
9 going to have a lot of confusion here.

10 MR. McVEE: Yes, Dr. Gibbons?

11 DR. GIBBONS: Mr. Chairman, yeah, our -- our
12 ideas on that would -- would be to on the budget for the 1993
13 work plan, to have the remaining five months of the 1992 work
14 plan included in that, but have the '93 work plan stand alone
15 in there, you know, 'cause the '92 has been reviewed by the
16 public already. And so just have that budget numbers in there,
17 and -- and work it that way.

18 One -- one thing I -- I might suggest that might --
19 might help with -- with the schedule here is that perhaps the
20 Trustee Council approve this in concept. It seems like we
21 need to -- to add the public advisory group in this, and those
22 types of activities, but that the Trustee Council approve this
23 -- the time -- the timeline in concept for meeting some -- some
24 deadlines, and -- and we have an OMB change and some of those
25 things.

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MR. McVEE: Dr. Gibbons, if -- if we proceed in
 1 -- as you have suggested, and that makes some -- some sense to
 2 me in that -- that the -- the final '93 program include that
 3 component of the '92 I guess which you might say which carried
 4 forward for the -- for the five months, but it seems like if
 5 it's handled in that way -- that way, then what we could do is
 6 proceed as soon as we have completed the public comment period
 7 on the administrative portion of the '92 program and -- and
 8 then following -- and --and the five-month overlaps, we could
 9 proceed to -- to request the balance of those funds from the
 10 Court, and there- -- and then handle the -- the '93 program as
 11 an entity, you know, with -- with time for public review and
 12 involvement of the P.A.G. and -- and all of that, that we have
 13 bought ourselves some time, and we've got some funds to cover
 14 the -- the continuing carry-over, you might say, into that --
 15 into that five-month program.

DR. MONTAGUE: Mr. Chairman, that is -- the
 17 point -- point there, I just want to make sure I understand and
 18 maybe some of the other people, so what you're proposing is
 19 that there would not be any new 1993 projects until January
 20 1st as opposed to October 1st, so we just ask -- in September
 21 we ask for the remaining five months of '92, and don't ask for
 22 anything for '93 until we have the final work plan in January?

MR. McVEE: That's -- that's the suggestion,
 24 until we've completed public review process and whatever else
 25 is necessary to have everything done in a -- in a timely

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context. And it -- I guess I'm wondering if that is any kind
 1 of a major problem since we're -- we're talking about, you
 2 know, the fall/ early winter months. We aren't talking about
 3 field activities. So I wonder if that's -- that's any -- will
 4 be any great problem. It -- it isn't I guess, dependent upon
 5 how we design the '93 program. If we design it so that's going
 6 to be the effective date for receipt of funds, then it would
 7 seem likely it would not be a problem.

8 DR. MONTAGUE: Mr. Chairman, in many cases I
 9 think that indeed is true. I think there probably are cases
 10 that would have begun on October 1st, some -- some analysis
 11 projects and potentially land acquisition isn't -- doesn't have
 12 any seasonal constraint to it, but, you know, a nine-month '93
 13 work plan is certainly an option. We just need to -- people
 14 are developing their budgets here, or will be beginning the 5th
 15 of July so -- or 6th of July, so we need to resolve it and get
 16 them guidance.

17 MR. McVEE: Comment from the other -- other
 18 council members?

19 MR. WOLFE: Mr. Chairman?

20 MR. McVEE: Yes, Mr. Wolfe?

21 MR. WOLFE: I guess I -- I wasn't following
 22 exactly what you were saying about a nine-month work plan. If
 23 we have a work plan for '93, it should be a work plan for '93,
 24 whatever period of time that covers, and that to me is October
 25 1 through September 30th. So I'm -- I'm -- did I hear you say

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something about a nine-month plan?

1 MR. McVEE: No, Jerome said that.

2 MR. WOLFE: I thought maybe I

3 MR. McVEE: Okay. But, no, I -- I think it is
4 a full -- a full 12-month program, but there would not be funds
5 available for implementation of the projects until after money
6 would be received from Court under this schedule in January.
7 Whether that could be, you know, could be accelerated, I don't
8 know. I think it would be pretty difficult, but -- but it
9 would be no -- we'd not be able to initiate a '93 program or
10 '93 project until after the funds were received. Of course,
11 you would still be operating on -- on the remainder, the carry-
12 over of the '92 five-month funds, the continuation of those
13 projects.

14 MR. WOLFE: Okay.

15 MR. McVEE: Further comments on -- on schedule?
16 Yes?

17 MR. WOLFE: Mr. Chairman, I guess in -- in
18 concept, in response to Dr. Gibbons, what I hear us saying here
19 is at least through the August, late August time frame, that we
20 agree at least with that portion of -- of the work plan at this
21 point in time, with this schedule for the work plan. Is that
22 what -- what I'm hearing, with the addition of some reference
23 to or involvement with the public advisory group?

24 MR. McVEE: Is that a motion?

25 MR. WOLFE: Maybe I should have made that in

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the form of a motion, but we're lacking one of our members
1 here.

2 MR. McVEE: Okay. Let's -- let's discuss for a
3 little longer.

4 Jerome, you had a?

5 DR. MONTAGUE: Mr. Chair, I think that it
6 wasn't just the schedule through August, it's the entire
7 schedule. The only part I think that there isn't agreement on
8 is when we begin the projects and when we'd request money from
9 the Court. Mr. Chair, the -- the way we're currently planning
10 on informing the -- those that are going to be writing their
11 budgets is that if it's a continuation of a '92 project, that
12 it only cover the period March '93 through September '93, and
13 if it's a new project, you know, to begin whenever it needs to
14 begin, but no earlier certainly than October 1st, so there
15 probably would not be a lot of projects with October 1st start
16 up, but there would be some.

17 MR. McVEE: One option we have I guess, you
18 know, here looking at the schedule is to -- is to -- to follow
19 Dr. Gibbons' suggestion, you know, approve it in concept so
20 that it would be something that the staff would have to work on
21 with -- with refinement, which would include involvement of the
22 P.A.G., resolving this -- our -- our issue concerning Office of
23 Management and Budget, and I guess -- and I don't see why we
24 can't -- we couldn't resolve today the issue of when the
25 actual, you know, when we're -- when we're going to actually

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you might say initiate '93 projects. Are we going to work
1 under the emergency exigency type of approach or -- for -- for
2 '93, or whether we want to -- we want to wait until we have the
3 money in the account on the formal public review process until,
4 you know, we actually initiate '93 projects. New projects I --
5 I guess I would say. There will be those '92 projects.

6 The other option that we have I think is that, you
7 know, is like maybe we dealt with, although maybe not quite the
8 same thing, we dealt with the -- the two requests today for --
9 for amendments to projects based upon changes and -- and the
10 need for -- for more equipment, information.

11 MR. WOLFE: Mr. Chairman?

12 MR. McVEE: Yes?

13 MR. WOLFE: I would hope that the way that we
14 dealt with the two projects today wouldn't be the norm that
15 we'd deal with those kinds of projects in the future, that we'd
16 have more -- more information prior to making the decision and
17 have the involvement of the Restoration Team.

18 MR. McVEE: Good point. Yes.

19 I guess maybe one point while we -- before we're ready
20 for a motion, is that -- is that, Jerome, on -- on the --
21 although we're dealing with the schedule at this point in time,
22 and I think after that we want to go onto the project
23 evaluation factors that -- under project evaluation factors,
24 critical factors, consistent that we -- consistency with
25 applicable federal or state law, I assume that would be a

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1 review by our respective legal counsels that would -- that
2 would do that review? It seems like that would be appropriate.

3 DR. MONTAGUE: Mr. Chairman, we -- that wasn't
4 what we have done, but we will give those projects to the
5 appropriate legal people to look over what we've done.

6 MR. McVEE: Are we ready for a motion on the
7 schedule then? It seemed like

8 MR. WOLFE: I started one.

9 MR. McVEE: All right. Do you want to try
10 again, Mr. Wolfe?

11 MR. WOLFE: Well, I can try again, and I would
12 make a motion that we accept in concept the -- the full
13 schedule that the Restoration Team has proposed, with the
14 exception that we add in involvement of the public advisory
15 group as soon as they are formed and -- and available to
16 participate, and that we clarify -- will have to clarify the
17 involvement scheduled for OMB and when we go to the Court
18 Registry.

19 MR. SANDOR: Second.

20 MR. McVEE: Okay. The motion. Further
21 discussion? Any opposition to the motion? Hearing none, the
22 motion passed.

23 DR. MONTAGUE: Mr. Chairman?

24 MR. McVEE: Yes?

25 DR. MONTAGUE: Simply as a housekeeping matter,
and indeed we can delay when we decide upon, you know, when we

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request money from the Court, but we do need to -- there will¹⁰¹
1 be approximately 250 people potentially preparing budgets and
2 I'd hate to tell them it begins one time, and they -- and then
3 have -- find out later it begins another time. So I kind of
4 need to give guidance to those that are going to be writing
5 their budgets, whether it begins October 1st or January 1st or
6 encourage that they have it begin January 1st and raise any
7 October 1st funds as a special issue. Some kind of guidance in
8 that regard?

9 MR. McVEE: Well, let's have further discussion
10 on that. I think that's a fair request. Mr. Cole may have
11 missed part of this conversation concerning request of '93,
12 fiscal year '93 funds from the Court. Two options are, you
13 know, an emergency, you might say, request, I would call it
14 emergency request that would be in -- in late September, for --
15 '93 projects, and that would be prior to the time there'd been
16 pub- -- when we have done public review on the '93 program and
17 projects. The other alternative is to make that request to the
18 Court in December or for -- or January for funds in January
19 which would mean the initiation of '93 projects, funds
20 available for initiation of '93 projects would not be
21 available until January. And that were the -- were the option
22 that we -- was chosen. Is there further discussion we could
23 have on that or guidance we could give the R.T.?

24 I guess as far the Interior position, we should not go
25 to the Court again until, you know, with the program until we

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1 have had public review, complete public review of all
2 components.

3 MR. SANDOR: And when would that be?

4 MR. McVEE: Under this schedule that would be
5 -- receive money -- receipt of the funds would be in January.
6 The request, I don't know, would be

7 DR. MONTAGUE: Mr. Chairman, the request is
8 December 1st.

9 MR. McVEE: December 1st, yeah. And then if
10 the Court were to react like it did recently, which was a very
11 short turn around, it was approximately a week as I recall, it
12 could be before mid or around mid December.

13 MR. SANDOR: It seems like to me that that's a
14 reasonable position, Mr. Chairman, that we wait for that public
15 comment. And we're saying, what, Oct- -- in other words, we're
16 saying October 1 and January 1, is that the alternatives? And
17 January 1 we have -- we have the public comments?

18 MR. McVEE: We'll have had full public comment
19 on the '93 program.

20 MR. SANDOR: Well, I can share your position
21 to, yes (ph), January 1.

22 MR. McVEE: Yes.

23 MR. SANDOR: Well, I would concur with that.

24 MR. WOLFE: I guess -- Mr. Chairman?

25 MR. McVEE: Yes, Mr. Wolfe?

MR. WOLFE: I think our position that we can

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1 instruct the folks to prepare project proposals that they
2 should be based on the -- on not receiving funds or start
3 funding the projects until January or whenever we get the funds
4 from Court also.

5 If there is a special need for some project that's
6 unforeseen at this point in time, that -- that they would bring
7 that to the Restoration Team and the Administrative Director
8 for consideration and elevating it to the Trustee Council.
9 That -- that would be my suggestion.

10 MR. McVEE: Mr. Rosier?

11 MR. ROSIER: Thank you, Mr. Chairman.

12 Yeah, I would certainly agree with that -- that amount
13 of flexibility in -- in the procedure here on this. It's hard
14 to tell exactly what's -- what's going to be before us, but I
15 can certainly see the potential for need -- potential need for
16 perhaps something in that first -- first quarter of fiscal '9-
17 -- '93.

18 MR. McVEE: Mr. Sandor?

19 MR. SANDOR: Mr. Chairman, the 1992 work plan
20 we approved and the budgets associated with it run to March 1,
21 1993, right?

22 MR. McVEE: Yes.

23 MR. SANDOR: So that's -- we're talking about
24 maybe new proposals, or as today, these additions that we
25 approved.

MR. McVEE: Yes, that's correct. Yes,

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Mr. Collinsworth?

1 MR. COLLINSWORTH: Well, basically we're trying
2 to -- we're trying to get off of the old oil spill year and get
3 onto the federal fiscal year, and I think that we should treat
4 the '92 projects as we would a state or a -- or a federal
5 budget, that this is multiple year money, it's continuation
6 funding, so that as we start in FY '93, we're still continuing
7 to use FY '92 funds, and that the projects, the FY '93 budget
8 will take into account the continuing funding of the '92 work
9 plan projects, just as carry-over money, and then -- but -- but
10 any augmentation or changes in those projects or new projects
11 would be FY '93 funds, but the projects wouldn't start until
12 approximately January 1, so

13 MR. McVEE: That's the way I understand it,
14 that those are what we're talking about.

15 DR. MONTAGUE: Thank you for your guidance.

16 MR. McVEE: Is there -- is there further
17 discussion on the other component, the other pieces within the
18 -- in the book here, project evaluation factors and selection
19 factors?

20 I guess on those factors, Dr. Montague, have those --
21 have the R.T. -- have they been discussed in depth with the
22 R.T., the evaluation and selection factors?

23 DR. MONTAGUE: Mr. Chairman, the packet was
24 presented to the R.T. and approved.

25 MR. McVEE: Well, then the -- the other -- the

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other piece of it is the format for project descriptions.

1 DR. MONTAGUE: Mr. Chairman, I -- it might be
2 useful to -- to highlight something about this,

3 MR. McVEE: Please go ahead.

4 DR. MONTAGUE: that these three-page tax
5 (ph) descriptions and the page or two pages of budget is what
6 we anticipate making up the 1993 work plan, so the work plan
7 should be smaller. I mean, you know, '92 work plan had some
8 projects 35 pages in the work plan, but this is to be a lot
9 more concise summary in '93.

10 MR. McVEE: Is this -- Mr. Montague, you -- you
11 did explain I guess that there was some conflict in dates I
12 noticed between the schedule and the '93 project selection
13 process, there were some differing dates there on

14 DR. MONTAGUE: I'm sorry if there are, but the
15 -- the two-page schedule at the beginning is the one that will
16 be the one that

17 MR. McVEE: Is the one that drives the process.
18 Okay.

19 Is there any further comments or discussion on '93
20 program? Mr. Rosier?

21 MR. ROSIER: A question. In regards to the --
22 to the '93 program, I understand based on the preliminaries
23 that we're looking at, we're looking at a fairly sizeable
24 program, something in the magnitude of I guess it's estimated
25 to exceed the -- the -- twice the amount of the -- the

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settlement funds here on this.

1 You may recall we had quite a time with this in terms
2 of finalizing some budgets here this year, that there were
3 differing -- differing views amongst the Trustee Council as to
4 the level of budgeting. Do we intend to give any -- I think
5 it would be beneficial if we gave some -- some guidance to the
6 R.T. in terms of -- of some level of funding that they -- they
7 ought to be perhaps looking at here for this -- for this next
8 round.

9 MR. McVEE: Do you have -- do you have
10 something in mind, some approach in mind that -- I guess the
11 reason I ask the question, Mr. Rosier, is that we have -- we've
12 had -- asked the public for comment and we have not sorted that
13 -- that entire package yet at this time. I don't know whether
14 we can provide R.T. some -- the R.T. some guidance at this
15 point prior to the time they sort that package. Maybe after
16 they come forward with the preliminary sort that would give us
17 some analysis of what -- what has been submitted, maybe that
18 would a time where we could -- we could accomplish that.

19 I think that's -- that's appropriate, because along
20 these lines, I guess I've had a little bit of concern since it
21 took several meetings and I guess maybe one more before we
22 finalize the '92 program. We're still looking at the -- the
23 administrative support, and yet in our schedule, we're
24 scheduled to deal with the '93 in one meeting, and I'm just --
25 I'm worried a little bit if we'll accomplish that. And

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MR. ROSIER: That's kind of my concern,
1 too,

2 MR. McVEE: Yeah.

3 MR. ROSIER: Mr. Chairman.

4 MR. McVEE: And if we can -- and I think, Carl,
5 yeah, your suggestion I think was getting at something that --
6 that would help resolve that or help speed it.

7 Yes, Mr. Sandor?

8 MR. SANDOR: Well, that's a good question,
9 however, I made an assumption that we would have learned from
10 this process and that we -- one of the principal delays in the
11 '92 was the -- the review by the scientist, Dr. Spies and that
12 all will have been done before we go to that meeting? That --
13 or is that assumption false?

14 MR. McVEE: Dr. Montague?

15 DR. MONTAGUE: Mr. Chairman, the chief
16 scientist and the peer reviewers will be involved during that
17 July 22nd to 27th ranking process.

18 MR. SANDOR: Is that going to allow enough time
19 for scrutiny? It took more time than that it seemed to me to
20 -- to adjust the proposal in the '92 program proposals from
21 what was finally developed.

22 DR. MONTAGUE: Mr. Chairman, the schedule
23 indeed is extremely tight, and more time would be desirable,
24 but we see no way to be able to do that and still, you know,
25 meet our 30-days before October 1 deadline.

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MR. SANDOR: That's a cloud on the horizon.
1 that be the case, -- I don't know, maybe it would be
2 appropriate to -- I hate putting Dr. Spies on the spot, but
3 how much time does it take to -- you know, that seems like
4 that's a small amount of time to review, and we're dealing with
5 so many more projects. We won't have the -- you won't have a
6 lot of the feedback from the '92 projects. Maybe -- maybe
7 that's an impossible task for the scientific evaluation. How
8 many days?

9 DR. MONTAGUE: One week.

10 MR. SANDOR: My gosh.

11 MR. ROSIER: Gee.

12 MR. SANDOR: Is that realistic, Dr. Spies?

13 MR. McVEE: Dr. Spies?

14 DR. SPIES: I just learned of this process on
15 Friday, and I'm still trying formulate my thoughts about it. I
16 -- I do have some concerns of that -- that is a very short
17 time. I have yet to contact any peer reviewers I have that can
18 come up here for that week, and I've -- I've got some other
19 concerns as well.

20 DR. MONTAGUE: Mr. Chairman?

21 MR. McVEE: Yes?

22 DR. MONTAGUE: I would like to point out that
23 there is a lot more time, more involvement scheduled for review
24 of specific detailed project descriptions. As I mentioned,
25 these brief project descriptions of which there are three pages

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now, after October 1 we anticipate two things potentially
1 happening. One, a request for proposals is prepared, of which
2 the peer review group would be involved in developing that
3 request for proposals, and would also be on the selection
4 committee to chose amongst several proposals. And in those
5 cases where the project is being done by the agency, the
6 detailed project description would be reviewed by the chief
7 scientist and the peer reviewers, but that -- those are
8 refinements, not decisions on whether a project goes ahead or
9 not.

10 DR. SPIES: One of the concerns that I have is
11 that we -- I made recommendations to the Trustee Council last
12 year, and the sense of those was

13 COURT REPORTER: Excuse me, Dr. Spies?

14 DR. SPIES: let's just do the things that
15 we need to do to monitor critical populations. This year

16 MR. McVEE: Our Recorder isn't picking you
17 up,

18 DR. SPIES: Okay.

19 MR. McVEE: Dr. Spies.

20 DR. SPIES: And -- and that -- that we need
21 to

22 MR. McVEE: It doesn't take long.

23 DR. SPIES: I feel so naked when I stand in
24 front of this microphone.

25 But I think we need to develop a rational process for

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monitoring those populations that are still -- apparently still
1 affected by the spill, have not recovered, and we really
2 haven't done too much this year so far to get down that road,
3 to identify a rational monitoring process that goes beyond
4 several years and we can talk -- the -- the question always
5 comes up, which species should we be monitoring every year, and
6 can we skip a year and so on and so forth, and that process,
7 those decisions have not been made yet, and I get a little bit
8 worried that it's not progressing, so those are just some of my
9 concerns. I realize that we're all facing a lot of work in a
10 very short period of time.

11 MR. McVEE: Yes, Mr. Cole?

12 MR. COLE: Mr. Chairman. Dr. Spies, do you
13 have any recommendations to us about the process we should
14 adopt for the 1993 work plan or whatever you want to call it?

15 DR. SPIES: I -- as I said, I'm still
16 formulating my thoughts, but I would like to be able to -- to
17 get some more time for review and -- and I haven't been through
18 all the steps yet, I'm just kind of reacting to them right now.

19 MR. COLE: Mr. Chairman?

20 MR. McVEE: Yes, Mr. Cole?

21 MR. COLE: I think that it's very important
22 that Dr. Spies and his peer review group, if that's what you'd
23 probably call it, be active -- you might say active
24 participants in the formulation of this plan, because I for one
25 would like to see an element of independent counsel and

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advice, and I thought that Dr. Spies and group's comments were
1 very helpful in our formulation of the 1992 work plan, so I
2 think we should get them in the process ear- -- as soon as
3 possible.

4 MR. McVEE: Well, one of the things, then Carl,
5 one of the things I understand is the R.T. is going to be
6 meeting tomorrow and that I guess the other question was that
7 -- if Dr. Spies was going to have some time to input into that
8 meeting? I don't know if you

9 DR. SPIES: Yeah, we'd already made plans
10 with

11 MR. McVEE: had plans to do that?

12 DR. SPIES: I'd talked to Dave about this point
13 and we -- we'd agreed to -- to meet together tomorrow.

14 MR. McVEE: It seems like that would be useful.
15 Yes, Mr. Rosier?

16 MR. ROSIER: I'm trying to understand the --
17 the process here a little bit, but I -- I tend to agree with
18 Attorney General Cole in terms of outside review, especially in
19 view of the fact that the -- that this year you're taking on
20 the additional -- the additional work associated with, quote,
21 public type proposals on this. In the past we've had the
22 agency people there that could interact with you. It seems to
23 me that -- that in terms of -- of the process, somehow or other
24 we really need to have some public involvement there, somebody
25 -- the -- the P.I.'s of -- for potential public proposals that

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would interact with the scientific group or something here it
1 would seem to me, and I'm not sure that our process
2 accommodates that kind of involvement at the present time.

3 DR. SPIES: Yeah. I would -- I'd like to see
4 that we don't develop a perception that the -- the agencies
5 are

6 MR. ROSIER: Absolutely.

7 DR. SPIES: are designing the programs
8 into budgets to -- to fit what they can do and -- and the
9 restoration program, that we have wide participation from
10 anybody that's qualified to do this sort of work and --
11 and

12 MR. ROSIER: Absolutely.

13 DR. SPIES: I don't know exactly how that
14 can be done, but I would like to see it addressed.

15 MR. McVEE: Well, that's -- that's part of the
16 problem, you know, that we kind of alluded to earlier, is that
17 without the over-all restoration plan, that we're -- we're in
18 this mode that -- where -- where we're -- we intend to look at
19 specifics and maybe not look at the over-all issues as -- as
20 broadly as we should. It seems to me like that's what
21 Dr. Spies' involvement that -- and his suggestion, the comments
22 on monitoring are -- are very appropriate.

23 MR. SANDOR: Can we formally agree, certainly
24 I'd like the record to reflect exactly what has just been said.
25 Is there any objection to that?

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MR. COLE: That -- all this is on the record.

1 MR. SANDOR: Well, I mean -- I'd -- I'd like a
2 complete agreement on that. I don't want to have, you know,
3 arrive at the time this and take -- you know, only got seven
4 days, and that's not enough time, and I think that's why Carl
5 brought that up,

6 MR. ROSIER: That's correct.

7 MR. SANDOR: Mr. Cole, how can we assure
8 that? I just think we've got to take the additional time to
9 be

10 MR. COLE: Mr. Chairman?

11 MR. McVEE: Yes?

12 MR. COLE: I would just say let's go back and
13 see where, you know, sort of where we -- we have a segment of
14 the Alaska population who thinks that -- or may think that this
15 is just agencies of the state and federal government with their
16 own agenda driving the selection of these projects, and that
17 may or may not be a legitimate perception, but, you know, I'm
18 called upon to justify my votes and decisions often against all
19 sorts of criticisms I might add, but I -- I feel very
20 comfortable in saying, look, we have Dr. Spies and this
21 independent organization and peer reviewers to whom we can turn
22 and help us make the final call and seek independent advice,
23 and I think that's essential in this process, that -- that
24 they, you know, have an involvement from the early stages up to
25 the final decision making, and I think it's Trustees, and I'm

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looking at sort of the legal aspects, that -- that we ought

1 well to be able to turn to independent advice to avoid
2 perceptions of conflict of interest which are making the -- the
3 decisions for us. And that's why I think it's very important.

4 Plus they give us good, sound advice.

5 DR. MONTAGUE: Mr. Chairman, could I offer a
6 suggestion that may help out?

7 First of all, getting back to assumption number one
8 that -- that a draft plan was necessary to prepare a budget and
9 a budget was necessary by September 1st, you know, again
10 assuming that that is the case, then currently, the current
11 schedule only has the chief scientist and peer reviewers
12 involved during the 22nd through the 27th of July. The
13 Restoration Team is going to have two more meetings after that
14 before the draft is developed, and I think we could formalize
15 the chief scientist and peer reviewers' role during those two
16 Restoration Team meetings. So that would offer a fair
17 increase.

18 And a second point, since most projects are -- won't
19 begin until January 1st, that the -- there's a fair amount of
20 time for the chief scientist and the peer reviewers to change
21 the draft into the final work plan upon December 1st.

22 MR. McVEE: Yes, I -- I think those are good
23 suggestions. I don't hear -- I don't hear any disagreement
24 among the Trustee Council, and my suggestion would be that
25 based upon the discussion, unless you want to provide more

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formal direction to the R.T., is that -- is that the R.T. is
1 meeting -- at its meeting tomorrow with Dr. Spies work this out
2 within the schedule. That will give both the R.T., you know,
3 time to think this through as well as Dr. Spies an opportunity
4 to look at -- at this in a little more depth and what kind of a
5 commitment that he's making, and then -- and provide us with --
6 with an updated schedule if that seems realistic. I think your
7 guidance has been pretty clear without -- without formal
8 action, as someone did (indiscernible). All right.

9 Any other discussion on the -- the '93 work plan? If
10 there is not any further discussion on that -- that item, we
11 will recess until 1:15. And back here at 1:15 then.

12 (Off record)

13 (On record)

14 MR. McVEE: We'll reconvene the meeting of the
15 Trustee Council and proceed on with the agenda items. It's
16 shown as agenda item five, status of the habitat protection
17 working group. Dave, you're going to lead that discussion?

18 DR. GIBBONS: Yes. It's -- it's a brief
19 discussion. It was just more of an informational item to let
20 you know that we've -- we've -- like I said earlier, we
21 finalized the -- we've got a draft final version of the habitat
22 protection process. The habitat working group is going to meet
23 on the seventh to consider that -- the eighth, excuse me, to
24 consider that, and then as quickly as possible after that to go
25 for a 30-day public comment period on the habitat protection

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1 process. But that's -- basically I wanted to -- to let you
2 know that we're moving on that and the package is near
3 completion.

4 MR. McVEE: Okay. There's no action that we
5 need to take at this time then, Dr. Gibbons?

6 DR. GIBBONS: No, not that I know of. It was
7 clear at the last Trustee Council meeting that the Trustee
8 Council said to add a third threshold criteria dealing with
9 contingent valuation, and then go forward for public comment on
10 it, so we're -- we're in a process of proceeding as quickly as
11 we can on that.

12 MR. McVEE: Yes, Mr. Sandor?

13 MR. SANDOR: Dr. Gibbons, we had some work
14 advice from The Nature Conservancy. What role are they
15 playing, and what advice are they -- is that organization
16 giving you -- has -- have been giving?

17 DR. GIBBONS: We've worked with The Nature
18 Conservancy some, primarily lately on the threshold of imminent
19 threat process, but that's -- we've worked with them, got --
20 gotten their ideas and tried to include them where we -- where
21 we thought that it was -- it was appropriate.

22 MR. SANDOR: Thank you.

23 MR. COLE: Mr. Chairman?

24 MR. McVEE: Yes, Mr. Cole?

25 MR. COLE: Well, maybe I've been remiss, I
probably have, but -- but do we have any documentation on the

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work so far of this subcommittee?

1 DR. GIBBONS: Yeah, at the last Trustee Council
2 meeting there was a package provided that had flow charts and
3 detailed explanations of the steps that the process goes
4 through, and two threshold criteria. I think it was your
5 suggestion, Mr. Cole, to develop a third one. We've done that
6 and then it was -- the direction I understand from the Trustee
7 Council was to then go forward to the public and get public
8 comment on that, but it would be basically the package that was
9 presented at the last Trustee Council plus a third threshold
10 criteria and organized into something that the public can
11 understand, rather than a series of flow charts and -- and
12 explanations.

13 MR. COLE: Well, my thought which I've been
14 mulling over as I think about these things is that I would like
15 this group to consider the -- the formulation or the -- of a
16 group which, while I've been criticized for it in the past and
17 probably will be in the future some more, of what I call the
18 grand plan for the acquisition of habitat in Prince William
19 Sound. And my thought is that we should get someone on board
20 quickly who has the experience in the form of land planning,
21 land valuation and development, together with a multi-
22 disciplined group to look at the entire -- not just the Sound,
23 but the entire spill-affected area, from a long-range point of
24 view, and to start now developing that project, and so that
25 maybe by January we can have the broad outlines of what that

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group would propose for us, although my friend,
1 Mr. Collinsworth, thinks and maybe properly so that we have
2 been slow, I don't think we've been slow as I said. But I -- I
3 think we should get onto this and -- and -- immediately and not
4 wait for some public comment and things like that, because then
5 -- then, you know, one might say, well, it's too late to do
6 this in '93, you know, and it's not part of the '93 plan, so
7 we'd better start thinking about it in '94, and we could sort
8 of, in my view, this idea of establishing priorities for the
9 acquisition of habitat, we could start formulating plans to
10 talk with contiguous land owners and maybe putting together
11 joint agreements. You know, it doesn't do us any good to buy
12 plot A which is about to be logged if we at the same time don't
13 reach an agreement with the adjoining contiguous land owner and
14 say, well, 'cause you're not going to move -- log the area next
15 to it to next year, and -- 'cause then I can see a whole series
16 of -- of, you know, well, we'll just have to keep buying lands
17 like dominoes, or it's all going to be logged, so we need to
18 start thinking about it, and like the Forest Service -- where's
19 Mr. Barton? Oh, he's not here today. You know, there's no use
20 buying this land here and then the Forest Service say, "well,
21 you know, we want to do a little clear cutting over there,
22 'cause it's getting --" Mr. Sandor, he's -- he and I talked
23 about clear cutting before, so I don't want to start a full
24 (ph) loons (ph).

25 But, you know, I mean, we have to do this, and we just

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can't do it by saying, "Well, let's get this tract, and then
1 we'd better hurry over here. They're going to log this tract"
2 and so forth, and we'll just be jerked around for the next ten
3 years. So we have to, you know, get this, what I call a
4 crystallized, long-range plan that -- anyway, that's enough.

5 MR. McVEE: Any comment from --? Yes, Marty?

6 MS. RUTHERFORD: Mr. Chair, I think those are
7 valuable comments and I think they reinforce some things that
8 the habitat protections working group has been discussing. In
9 fact on the eighth, next -- a week from Wednesday, we're going
10 to be talking about precisely that, and hopefully have some
11 recommendations to you folks on how we can best get a handle on
12 baseline information so that we -- it won't be '94 before we
13 can take any habitat protection action. If you will allow that
14 time, we should hopefully shortly thereafter have available for
15 you sort of an approach if you will.

16 MR. COLE: May I follow up on that first,
17 Mr. Sandor, before

18 You -- but -- but you see, as we do this, I think we
19 need people who have experience and -- and are, you know, with
20 skills and abilities in this area, not -- because I don't think
21 the Restoration Team necessarily, you know, they've a lot of
22 valuable skills and everything, but I mean we need somebody to
23 tell us how you organize and put together this whole thing,
24 because I keep -- that I visualize somehow out there, but I
25 have a little trouble articulating.

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MR. McVEE: Mr. Sandor?

1 MR. SANDOR: Well, my recollection was that The
2 Nature Conservancy did a paper or a book on this very issue to
3 the Trustee Council, I guess through the Forest Service which
4 had some type of study arranged that -- and that provided a
5 basis or a background, or, you know, a foundation for further
6 work. It seems to me with that background plus the fact that
7 The Nature Conservancy, you know, around the United States has
8 done similar studies of -- of opportunities for habitat
9 acquisition, protection of some sensitive areas, has a
10 tremendous amount of expertise, you know, that could do that,
11 and -- and I guess I had thought we in fact even authorized a
12 more formal arrangement of some type to -- to in effect, you
13 know, get this process moving, in fact even using The Nature
14 Conservancy under contract or -- or something. Is -- is my
15 memory completely collapsing?

16 DR. GIBBONS: Mr. Chair?

17 MR. McVEE: Yes, Dr. Gibbons?

18 DR. GIBBONS: If I -- if I may respond to
19 that, The Nature Conservancy did us an options document that
20 provided that various options for -- for habitat protection
21 through conservation easements, through direct acquisition, and
22 that -- that provides a basis for giving us bunch of options.
23 They'd worked on us (sic) through the imminent threat process.

24 What I heard Mr. Cole saying was something perhaps a
25 little different than that, and that is provide the bigger

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picture of how these options and the other things fit together
1 in a plan, so if we got a parcel of -- of land in -- Kodiak,
2 and a parcel in Prince William Sound, how do they -- how do
3 they fit towards the restoration? May- -- maybe I'm wrong,
4 but that's what I was -- I was reading into those -- those
5 comments.

6 MS. RUTHERFORD: And I think how they compare
7 in value.

8 MR. McVEE: As I understand, one of the next
9 things that will happen will be, you know, by the -- the
10 habitat protection/land acquisition, whether that work group or
11 some other reformed work group would be to -- to identify the
12 habitats that are critical, that are essential to -- to
13 facilitate the recovery of some of the damaged -- damaged
14 species and services.

15 DR. GIBBONS: Yes, Mr. Chairman, our -- our
16 concept of the habitat protection working group was to
17 initially have a group made up of some Restoration Team members
18 and some other members, some -- we have some expertise from the
19 various agencies on this group, to provide the process, and
20 then bring in the technical experts, the -- the appraisers, the
21 -- the land planners, those types of folks and to -- to do the
22 detail work. That was -- that was our thoughts on -- on the
23 working group, but

24 MR. McVEE: I guess what I'm hearing here is
25 that, you know, from -- from Council members is that maybe we

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1 need to get on with reforming that work group, whether as part
2 of the old, you know, -- the old work group that's finalizing
3 the documents going out or whether it's an entirely new one, I
4 don't know, but

5 Yes, Marty?

6 MS. RUTHERFORD: Mr. Chair, I think that's
7 exactly right. Maybe I didn't say it clearly enough. What we
8 -- what we -- we recognize is we have to figure out a way to
9 get a handle on the -- the grand plan, and on the 8th that's
10 one of the things we're going to discuss is how we do that, and
11 hopefully we'll come back to you with a couple of options,
12 maybe even only one, a recommended approach, and I -- it is my
13 opinion that The Nature Conservancy could well play a role in
14 that, trying to get a handle on the implementations.

15 MR. McVEE: Yes, Mr. Sandor?

16 MR. SANDOR: Well, as I recall when -- in our
17 discussion of 1993 work plan, we have agreed to reword that
18 section that -- that the Trustee Council recognizes there is
19 public support for habitat acquisition projects. Trustee
20 Council is analyzing opportunities to acquire the critical
21 habitat through fee title or easements or other processes, and
22 that process of actually acquiring these critical habitats will
23 be undertaken in 1993, and I guess I'm understanding that --
24 that you're confirming that. Have you or do you need or can we
25 reaffirm the authority that you have to go -- that is, the
Restoration Team, to -- to go to external groups such as The

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Nature Conservancy or other organi- -- other individuals to get
1 what we're talking about?

2 MS. RUTHERFORD: I don't think we feel that we
3 need reaffirmation of the authority. I think that if one of
4 our options involves money, we would feel like we would have to
5 come back to you for that authority.

6 MR. SANDOR: Well, you can't get anything for
7 -- except a free lunch for -- we need (indiscernible,
8 laughter), but -- but I guess -- I guess I'm a little bit
9 skeptical that we have the ability just within the agencies,
10 and that I -- I would feel that we ought to look at the
11 opportunity to get a group like The Nature Conservancy or
12 someone from outside government to -- that has experience in
13 this area to provide some guidance, and I guess that would
14 require funding, is this what you're saying?

15 MS. RUTHERFORD: Yes. And up until -- up until
16 now we have not felt like we were in a position to try to
17 suggest any options to you for -- for this next step. We are
18 -- we now feel like we're about there, but we -- we need to get
19 a handle on what we think the money is that would be involved
20 before we can suggest that to you. Maybe by your next meeting
21 which is I think hopefully scheduled August 3rd by
22 teleconference, maybe we can have something to you at that
23 point.

24 MR. SANDOR: That will be great. You know, the
25 days are shorter, and

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MR. COLE: They sure are.

1 MR. SANDOR: but the -- and -- and 1993
2 is not far behind,

3 MR. COLE: Summer's almost over.

4 MR. SANDOR: so, yeah, let's do that.

5 MR. COLE: Mr. Chairman?

6 MR. McVEE: Yes, Mr. Cole?

7 MR. COLE: I'd -- I'd like to follow up a
8 little bit in this area, but maybe -- maybe some people in the
9 Department of Natural Resources, maybe some people in the
10 Department of the Interior or Agriculture, you know, work with
11 these lands and forests throughout the country, in planning and
12 so forth. Maybe that ability's there to -- to find what we
13 need, to give us some help, and I think the -- you know, as
14 they say, probably we should reach out and see what's really
15 there. We could even go to Washington, D.C. and see if they
16 have some people back there who have some -- who could give us
17 some help. But for example, I thought, you know, we -- we get
18 these proposals to buy this tract and so forth, and I've sort
19 of thought, well, listen, we could go to these people and say,
20 "Well, we'll make you a deal, we'll divide this checkerboard
21 into 160-acre tracts, and we'll buy every other tract, and you
22 keep yours, and then we will have, you know, a series of -- of
23 covenants running with the land, or agreements of that nature,
24 and so then we'll preserve this whole area, and you want to
25 preserve it, you know, et cetera, et cetera, we'll make you a

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1 nice deal, you know, we'll preserve half, you preserve your
2 half." I mean, I -- I'd like to see that sort of creativity,
3 you know, at least thought about, and things like that. I
4 mean, we -- we should, you know, think -- there are people out
5 there who must do this for a living who could really give us
6 some guidance and help and tell us how to do these things as we
7 struggle with this. Maybe you

8 MR. COLLINSWORTH: Well, I was going to say, I
9 hope there's not a lot of people that do this for a living.

10 (Laughter)

11 MR. COLLINSWORTH: At least for a living
12 anyway.

13 No, I -- I agree with -- with Mr. Cole. I -- you know,
14 but if -- this -- this is not -- this can -- can be as complex
15 and bureaucratic as we want to make it. You know, there are
16 some -- some physical resources that exist and some biological
17 resources that exist in Prince William Sound, and those are --
18 lend themselves to -- to be inventoried, and mapped, and
19 classified. And I don't know whether we have done it yet or
20 not, but certainly the skills reside within both state and
21 federal agencies who do that kind of work. The Forest Service
22 is quite skilled at -- at looking at large land bodies and
23 classifying the land bodies, identifying the land uses or the
24 land types, vegetary -- vegetative types, resource use types,
25 human use types, viewsheds, and other thing things, and it
seems basically what we need to do is to get into, you know,

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and -- and map Sound, inventory the Sound. I mean, maybe it's¹²⁶
1 already been done, but you -- you inventory and map the Sound,
2 and then you identify those kinds of -- of resources, the --
3 the habitats that are supportive of fish and wildlife, the --
4 the land that is supportive of various kinds of recreational
5 activities, the land that's supportive of various kinds of
6 economic enterprise, the lands that -- that are perhaps lend to
7 the -- kind of the aesthetics and the ecology of the Sound, the
8 -- the viewshed so to speak. And once you do these mappings
9 and develop these overlays, then -- then you -- then you can
10 start looking at what your options are for -- perhaps for
11 acquisition.

12 At the same time that you map it, you also map the
13 ownership, whether it's private or public or, you know, various
14 kinds of corporate ownerships, and then -- then you -- then
15 once you have that information before you, you can start
16 talking about the relative value of viewsheds, or raparians
17 (ph) zones or deer habitat or bear habitat, tideland
18 sanctuaries or marsh lands for various kinds of birds, and --
19 and then you can -- once you make those kind of evaluations
20 can move forward in the -- in kind of the land acquisition mode
21 or -- or at least land use acquisition.

22 And -- and then you -- then you see if you can find,
23 you know, willing sellers and willing buyers, or willing land
24 managers to be able to agree to put the land to certain kinds
25 of uses over a period of time. I don't think it has to be -- I

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1 don't think it has to be hugely bureaucratic to -- to get the
2 job done.

3 By the way, I always -- don't always agree with the
4 Forest Service on what they do with the information after
5 they've got it, but they do a very good job of collecting it.

6 MR. SANDOR: You and (indiscernible, laughter)

7 MR. McVEE: Other comments? Yes, Mr. Rosier?

8 MR. ROSIER: Just -- just a short comment to
9 enter on this. I notice that my colleague from NOAA has -- has
10 consistently referred to Prince William Sound when he's been
11 referring to land damage or land sales here, and I would hope
12 that we do have something that extended beyond Prince William
13 Sound in terms of the options that we're dealing here on this.
14 I think there's an oil spill area that we've tried to deal
15 with on that, so I think it's important that we keep that
16 concept in mind.

17 MR. COLE: You have in mind Afognak or
18 something like that?

19 MR. ROSIER: A possibility.

20 MR. BRODERSON: Cape Suckling?

21 MR. ROSIER: No.

22 MR. COLE: Well, so anyway, -- Mr. Chairman?

23 MR. McVEE: Mr. Cole?

24 MR. COLE: Well, if a motion is order -- in an
25 order, I will make, as my good friend Mike Stepovich used to
26 say, a motion along those lines, and that we should get on with

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1 this now and not wait until we have all of the damage
2 assessment materials, because if we wait until we get all the
3 damage assessment and the studies done, and then start this,
4 then we're going to be lagging six months to a year behind. I
5 think we should get this mapping and taking the inventory
6 Mr. Collinsworth suggested, and get this group going and do
7 that so we can plug it all together soon.

8 MR. SANDOR: Second that motion along those
9 lines.

10 MR. McVEE: Mr. Wolfe?

11 MR. WOLFE: Mr. Chairman, I -- I'm not
12 altogether clear on -- on all the projects that we approved or
13 didn't approve this year, but we had a lot of proposals to do
14 some habitat relationship studies so that we could move ahead
15 with this project, or this effort, and as I recall, we -- we
16 eliminated most of those projects and so to -- to accomplish
17 what Attorney General Cole proposes would, if I recall right,
18 would require a significant increase in the amount of habitat
19 data that we're gathering out there this summer. Maybe
20 Dr. Gibbons can correct me or Marty can correct me on that.

21 MS. RUTHERFORD: Mr. Chair, yes, we did -- we
22 did turn them down, they're not in the -- they're not in --
23 they're not in the current work plan.

24 I would beg the Trustee Council's not passing a motion
25 until August 3rd, like we -- allow us this -- this last little
bit of time to give you some options on different approaches

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and what the -- what you give up for each of them, what you
1 gain for each of them, and hopefully by the 3rd we'll have
2 something that you'll -- that you can react to, and it -- not
3 just "along those lines".

4 MR. WOLFE: Mr. -- Mr. Chairman?

5 MR. McVEE: Mr. Wolfe?

6 MR. WOLFE: Another point is I think Attorney
7 General Cole made a point earlier is we had a brief verbal
8 status, but nothing substantive that we could look at and re-
9 -- and see where we are and where we're going with this whole
10 habitat protection issue, and I think maybe at our next Trustee
11 Council meeting it would be appropriate to have some kind of a
12 paper that maybe laid out that third alternative approach as
13 well as kind of where we're at at this point in time.

14 MR. COLE: Well, Mr. Chairman, I -- I have the
15 sense that we should get on with it, and that there's no reason
16 for delay. I mean, -- 'cause I think eventually that's where
17 we're going to wind up being anyway, and -- and, you know, we
18 should get on with it now, and I think as Mr. Collinsworth
19 said, that probably this should have been done two or three
20 years ago, but, you know, it's timely now, and, sure, we turned
21 some down, but those were sort of discrete type studies or
22 projects, and we're now talking about not discrete studies of
23 particular areas of habitat, but a broad plan, you know, an
24 over-all plan.

25 And I -- and, Mr. Rosier, I thought I said, you know,

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at least in my self-defense, the oil spill affected areas, I
1 didn't limit it to Prince William Sound, you know, but,
2 anyway, I have in mind that it should be all of the spill
3 affected area, take this inventory like Commissioner
4 Collinsworth said.

5 MR. McVEE: Okay. I guess maybe let me try to
6 paraphrase this -- what I understand the motion is, that -- in
7 its broadest context, is that we instruct the R.T. to proceed
8 with the -- with implementing a habitat land acquisition plan,
9 you know, the early phases of this might be the -- starting to
10 collect all the data in -- in one place of damaged -- of the
11 damaged species -- the habitats that are utilized by damaged
12 species or services, and -- and also land status, so that we
13 start the process of developing the -- the over-all program.

14 We -- we will have, and -- and I think that the -- the
15 work group has done a remarkable job on the -- the process and
16 procedures, so it seems like this, you know, is the next phase.
17 That's what the public will be reviewing, so it seems like the
18 -- the next phase is to start to do those things which will
19 allow us to implement those procedures, and as I understand it,
20 that's what Mr. Cole has asked the R.T. to do basically.

21 MR. COLE: Well, when -- when I really have
22 some fuzzy thinking, I just say "along those lines," but I
23 really think that Commissioner Collinsworth expression of what
24 he thought should be done provides very good guidance, if his
25 remarks could be transcribed and -- and presented to the

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Restoration Team, I think they would have a good starting point
1 or guidance of what the motion contemplates.

2 MR. McVEE: Okay. Very good. Yes, Mr. Rice?

3 MR. RICE: Mr. Rice, just a point of
4 clarification, it's been pointed out that we did have some
5 suite of projects that were -- at least went through some
6 review. Some of those were directed or -- or could -- were
7 directed towards giving us a lot of the information that --
8 that Mr. Collinsworth had pointed out that we need. I think
9 what we'd envision was waiting until the '93 budget in order to
10 resurface some of those and -- and put them into more focused a
11 package.

12 However, we could at Trustee -- Trustee Council
13 direction go back and -- and work on those as part of the
14 package that Marty is pulling together and come back to the
15 Trustee Council with some projects that would be out of phase
16 with '93. There's no -- no reason why a lot of that work can't
17 be started before this coming October if funds are available.

18 MR. COLLINSWORTH: Mr. Chairman?

19 MR. McVEE: Yes, Mr. Collinsworth?

20 MR. COLLINSWORTH: Well, there may be -- there
21 may be a need to finance and fiscally support some new
22 projects, but it is my sense that just a whole lot of this
23 information already exists probably to enough detail to allow
24 us -- probably in enough detail to allow us to plan at the
25 level that we're talking about. All of the streams in Prince

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William Sound are in the anadromous stream catalog that have
1 salmon in them.

2 I'm -- that should -- you know, dollars to donuts that
3 -- that if we -- if you went to the Department of Fish and Game
4 that they could provide you the information about recreational
5 species of fishes, where they -- you know, they're -- where
6 they're fished and where they -- the fish originate if they're
7 fresh water, or -- or locations where they're fished if they're
8 marine species. And they can tell you where the bear habitat
9 is, the deer habitat. I would -- I'll bet the Fish and
10 Wildlife Service can map the -- the areas important for marine
11 birds and ducks and predators, eagles, perigrins and I -- I
12 think a lot of that in- -- I mean, I think essentially all of
13 the information that you would need to do this mapping probably
14 is information that already exists, and to -- I don't think we
15 need to finance and go out and start to -- to do a lot of new
16 habitat studies. The -- I think the information is there
17 and -- and, you know, we don't need to -- to re-invent it.

18 And we also should keep track of the degree to which --
19 you know, how much detail is -- is necessary. Do you need to
20 know down to the last acre that a deer in Prince William Sound
21 had ever put their footy-print in, then you're probably going
22 to have to spend quite a bit more money, but generally you know
23 the habitat types and the area that support deer in Prince
24 William Sound and in the other areas, just as an example of
25 species. So I don't think you need to get down to -- to, you

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know, very minute detail, but the data probably already exists.

1 I think it does.

2 MR. McVEE: Any further -- yes, Dr. Gibbons?

3 DR. GIBBONS: Mr. Chairman? Yeah, I -- what --
4 what I'm hearing is when we come back up to the August 3rd
5 Trustee Council meeting, we're going to have a grand plan
6 outline for you and what I propose to do is to -- to tell you
7 what kind of data is available what -- where holes exist in
8 that data that we feel that we -- we need, so -- and in that
9 grand plan it should have the -- the framework for that, also
10 the information -- the ideas of information that we have and
11 information that we need, so for the August 3rd meeting, that
12 -- that's what I envision coming back to you with.

13 MR. WOLFE: Mr. Chair?

14 MR. McVEE: Mr. Wolfe?

15 MR. WOLFE: I guess maybe I'm getting confused
16 here, because I thought we had agreed, and -- and I thought
17 that Attorney General Cole had just affirmed that we wanted to
18 integrate the land acquisition process into the over-all
19 restoration planning effort that we're working on right at this
20 point in time. I -- to come up with a grand scheme for land
21 acquisition outside of that process at this point seems to
22 frustrate our attempts, our efforts to bring this whole
23 restoration effort together in -- in one -- one document.
24 Charlie, is that what you intended? Are do you just want to
25 know what we're doing and that we are going ahead in a timely

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manner?

1 MR. COLE: Well, I -- I think as Commissioner
2 Collinsworth says that we should start collecting all of this
3 data which exists. There must be aerial photographs out there
4 of all this so we know where everything is, start putting it
5 together, and then as -- once we find out where all this
6 habitat is, where the ducks are, where the bears are and all,
7 et cetera, et cetera, then as we get more data, then we can
8 start putting priorities on we should buy this tract and --
9 because it has the highest priority, you know, but I -- I think
10 that it's -- it's best that we start integrating all this
11 material now. Isn't that what you had in mind?

12 MR. COLLINSWORTH: Yeah.

13 MR. COLE: I think (ph) so.

14 MR. COLLINSWORTH: Okay.

15 MR. McVEE: Isn't -- isn't that also essential
16 when the timing is right in terms of the restoration plan
17 that's the same data to a large extent that will be critical to
18 the restoration so we have to -- we'll -- we'll have to have
19 that same information as part of that process.

20 Is there further discussion? Any opposition to the
21 motion to provide direction to the R.T. as per
22 Mr. Collinsworth's statement? Okay. Motion passed.

23 MR. COLE: Can I bring up another subject?

24 MR. McVEE: Yes, you may, Mr. Cole.

25 MR. COLE: Are we all satisfied that we do not

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1 want to take a look at acquiring some options on some of this
2 threatened land? Have we exhausted that? I'm not just sure
3 where we are. What happened to that thought? Did -- did we
4 regard it as a waste of money or where are we on that?

5 MR. McVEE: Staff have any comment on that?

6 DR. GIBBONS: Mr. Chair, as far as I know,
7 where we were on that is that was part of a package that was
8 presented at the last Trustee Council meeting, and that was
9 going out for public comment and like I mentioned earlier,
10 that's -- that's as quick as we -- we can get it out is maybe
11 mid July. That's part of that package, and -- and it was my
12 understanding that the Trustee Council was waiting for -- for
13 public comment on that before they -- they moved ahead, but
14 that -- that was my understanding.

15 MR. McVEE: That process did have procedures
16 for -- for lands or resources which were under imminent threat?

17 DR. GIBBONS: That's correct.

18 MR. COLE: Well, let me just say I don't know
19 of there's anyone else, any other Trustee, but, you know, I'm
20 not sure we can wait for decisions for public comment in
21 exigent circumstances, but if none exist, fine, but if -- if
22 circumstances exist where immediate action one way or the other
23 is required by the board, I mean, I just think we ought to do
24 it, and, you know, -- I mean, I don't think we wait for public
25 comment, you know. The scene of the crime, you know, you
can't wait for the judge to get there.

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MR. McVEE: Further questions? Yes, Mr.

1 Sandor?

2 MR. SANDOR: Well, a follow-up question. Do we
3 then have the authority or -- let me say this, at the next
4 Trustee Council meeting, August 3rd or whenever, certainly the
5 staff, the Restoration Team has I guess adequate direction that
6 they would in fact be able to present an option package, is
7 that true?

8 MS. RUTHERFORD: Mr. Chair?

9 MR. McVEE: Marty?

10 MS. RUTHERFORD: Again, just to clarify, this
11 option package would simply be different ways to get the
12 information to you. I mean, it could be hire a staff person to
13 gather all the available information into a massive, you know,
14 plan. It could be hire TNC to impose (ph) their process that
15 they've been using throughout the United States, or throughout
16 the country -- actually throughout the whole continent, to
17 identify critical habitat. It could be new contract to get
18 some additional information where there -- where we know we
19 don't have something. It could be a whole series of these
20 things. That's what we mean -- what I meant by make -- make
21 options available to you. Is that what you referring to?

22 MR. SANDOR: No, I was really going a step
23 further by saying that, you know, is it conceivable that we
24 would have a proposal to -- to take, you know, an option on
25 some critical habitats that have already been identified?

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MS. RUTHERFORD: We -- oh, I don't think we had
 1 perceived being able to do that by August 3rd. There is, like
 2 you -- like Dave had indicated, there is an immediate crit- --
 3 imminent threat process in that package you received at the
 4 last meeting. I suppose it is not beyond the realm of
 5 possibility that in some way we could ask the public to com- --
 6 let us know where they think there is imminent threat and then
 7 we could run that through the process and -- not by August 3rd,
 8 and come back to you with action items. But, I mean, right now
 9 we are not doing that. We would need your direction to start
 10 that.

MR. SANDOR: It would be my hope that, as one
 11 member of the Council, that -- that we would be able to be in a
 12 position of -- if critical habitat has been identified and --
 13 and -- which I think it has, or at least been alleged, if it
 14 can be verified to be such, that we be able to -- to act on it
 15 August -- you know, this -- this -- certainly this summer, this
 16 fall at the latest. We -- these things have been

MS. RUTHERFORD: Right.

MR. SANDOR: before us now for, you know,
 19 seven, eight months. I don't know, is that unreasonable from
 20 the standpoint of -- of action?

MR. COLE: I'm not the world's reason- -- most
 22 reasonable man, so don't ask me.

MR. SANDOR: Well, let's try it for God's
 24 sakes.

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MR. COLE: I -- I just think, you know, as
1 Commissioner Sandor says, you know, the days are getting
2 shorter. I mean, you know, and this season is over really in
3 many ways. We wait, you know, until August -- August 3rd or
4 something, I mean, this season is over. I mean, we're talking
5 about next year as of August 3rd, because the snow is, you
6 know, and -- and the storms are out there certainly by, you
7 know, September 15th. That's gone, and the season's over in,
8 what is that, a few days. And I just think we have to move
9 faster, and make more decisions, get on with it. You know,
10 we're just getting stifled I think in -- you know, in process.

11 MR. SANDOR: We become bureaucratic.

12 MR. McVEE: I guess -- guess my question is --
13 is there some way that we can -- the R.T. or the land
14 acquisition work group could go back through the various
15 proposals, you know, and sort through them, you know, with
16 -- with the knowledge within the -- within the various agencies
17 and -- and identify any areas that are under immediate threat,
18 you know, with- -- within a short period of time here before
19 August or before September or whatever? Is there some way we
20 could -- we could do that?

21 I guess looking for a source of information we could
22 utilize to -- to arrive at, you know, arrive at a definition of
23 the -- of the problem?

24 MR. COLE: Mr. Chairman?

25 MR. McVEE: Yes?

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MR. COLE: I just want to have another -- I
1 mean, the public has told us, not that I necessarily agree with
2 all, you know, the views, but they want habitat acquisition.
3 We've seen that. I mean, we've had public comment on
4 that,

5 MR. McVEE: Yes.

6 MR. COLE: you know, galore, and I don't
7 think, you know, if we want to accept that public comment, you
8 know, it's right for us to accept it now without seeking more
9 public comment, because we've had a surfeit of public comment
10 on that subject, and, you know, I think we should get about to
11 acting upon it rather than say, "Well, we should wait and have
12 more public comment." I mean, we've had it.

13 MS. RUTHERFORD: Mr. Chair?

14 MR. McVEE: Yes, Marty?

15 MS. RUTHERFORD: I'm going to go out on a limb,
16 because I've not run this past, obviously, the habitat
17 protection or the Restoration Team, but I don't think it's --
18 it is impossible for the restoration team to identify the ideas
19 that came in as part of the '93 work plan that were for
20 specific habitat protection, and arrange with the -- the TNC to
21 do immediate threat analysis, and have available within fairly
22 short order a package of action for you.

23 MR. McVEE: I guess (ph)

24 MR. COLE: Who TNC you're referring to?

25 MS. RUTHERFORD: Oh, I'm sorry,

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MR. SANDOR: The Nature Conservancy.

1 MS. RUTHERFORD: The Nature Conservancy.
2 They do have, you know, a lot of experience in this. I'm --
3 I'm hesitant to say that the Restoration Team could, you know,
4 itself pull that off in that -- in -- in short order, but I'm
5 sure we could get it done, and one option would be The Nature
6 Conservancy.

7 MR. McVEE: Well, that seems like a very
8 positive approach. Yes, Mr. Sandor?

9 MR. SANDOR: Yes, I think that is. There are
10 habitats already identified as critical. I don't think there's
11 any question at all that nesting -- harlequin duck, those
12 nesting sites, you know, are surely critical, that those have
13 been identified, and I guess within a four (ph). My gosh, if
14 they're -- if those are -- those simply ought to be protected.
15 I don't -- I mean, you know, if they're under some kind of a
16 threat, those and related habitat should be -- should be
17 protected, and -- anyway -- but with the assurance that -- that
18 there's going to be something presented on August 3 or whenever
19 our next Trustee Council meeting is, that's great.

20 DR. GIBBONS: Mr. -- Mr. Chairman,

21 MR. McVEE: Yes?

22 DR. GIBBONS: I -- I think we can give
23 you something, but -- but my concern is the level of detail and
24 so I -- I'm less confident than Marty is on this, but until we
25 start dealing with this level of detail, rather than say

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harlequin ducks nest on Knight Island or something like that,
1 we -- we need some more defined, you know, links between
2 injured resources and -- and their habitat, so I'm -- I'm
3 leaving it open. Hopefully we've got it and we can -- we can
4 give it to you, but I'm -- I'm somewhat concerned of linking
5 some of those.

6 MR. COLE: Let me address that if you would,
7 Mr. Chairman, please?

8 MR. McVEE: Mr. Cole?

9 MR. COLE: It's -- it's not that we're saying
10 that -- to acquire this particular habitat now, because I agree
11 strongly that we have to have the requisite, you know, legal-
12 slash-virgal (ph) factual link. But I'm -- I'm saying we
13 should be, as Commissioner Collinsworth says, acquiring this
14 information, putting it together so when we find, you know,
15 the link, I mean, we don't have to wait months again to get
16 back and plug that link into where this habitat is. That's
17 what I'm getting at. I don't know if -- Commissioner Rosier,
18 do you agree with?

19 MR. McVEE: Mr. Rosier?

20 MR. ROSIER: Well, I'm getting two signals here
21 on this, and I, you know, I'm going to kind of come to the
22 defense of the staff a little bit here, because I hear
23 certainly kind of talking a little bit about the -- the need to
24 begin to bring the information together, and I don't disagree
25 with that, but on the other hand I hear, you know, Commissioner

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Sandor talking about having a process in place to in fact buy
 1 or make commitments to buy right away, and -- and certainly I
 2 think both things are necessary at least in my view in -- in
 3 terms of responding to the -- to the public and the -- the
 4 information that they've been supplying us right from the very
 5 first meeting here in Anchorage. But which -- you know, I'm
 6 not convinced that we can do both. I don't know, maybe we can
 7 hear from the staff in this regard between now and August, but
 8 as I heard John, he wants to be in a position to move ahead in
 9 terms of -- of actually acquiring land or access to land by
 10 August on this.

11 MR. McVEE: Yes, Mr. Sandor?

12 MR. SANDOR: Well, yeah, to clarify, a number
 13 of critical habitats, you know, or the -- the description of
 14 saying nesting areas of harlequin ducks as a for instance, and
 15 so -- and -- and at least four of such sites have been
 16 identified, and -- and in one or two instances it's been
 17 alleged at least that part of the lands that in fact have been
 18 suggested for acquisition include such habitats. If -- if
 19 those lands are subject to, you know, to modification or those
 20 habitats are threatened, then that shouldn't take a great deal
 21 of -- of study to determine whether that's the case or not. We
 22 ought to at the very least buy -- or get an option and -- at
 23 least to make a commitment and to make a financial commitment
 24 to do the necessary work to, you know, define the specific
 25 boundaries, and I guess that's exactly what I thought the

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folks at The Nature Conservancy was suggesting was that. In
 1 fact they had a proposal, you know, for Chugach land if that
 2 was -- that was modified or I guess the background of it
 3 changed though. It wasn't, you know, an open issue. But we
 4 should be prepared to make a financial commitment, whatever, as
 5 we did this morning on this study. There's no reason why we
 6 can't make that kind of a financial commitment. We shouldn't
 7 do it blindly, but at least the option could be purchased, you
 8 know, if there was still some uncertainty. This -- it has to
 9 be done scientifically certainly, and -- a sound -- sound
 10 decision, but I'm -- I'm just concerned that this will pass
 11 into the fall and into the next, '93.

12 MR. McVEE: Yeah, winter and it snowballs
 13 into

14 MR. SANDOR: Yeah.

15 MR. COLE: Well, you could buy land in the
 16 winter.

17 MR. SANDOR: That's true.

18 MR. McVEE: It may be hard to appraise,
 19 that's

20 MR. COLE: Yeah, it might be hard to survey.

21 MR. McVEE: I guess we -- we don't have any
 22 formal action I guess before us at this time, but we've --
 23 we've given guidance to the -- to the R.T. on this.

24 Marty, was there any questions you have to

25 MS. RUTHERFORD: No, I

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MR. McVEE: get clarification on that
1 guidance.

2 MS. RUTHERFORD: Mr. Chair, I think it's very
3 clear what you're looking for, and we'll move with all haste as
4 much as we can. I -- I think we can come up with the options
5 for the base line information and I think we can give you --
6 tell you how quickly we could do threat analysis on '93 ideas
7 by August 3rd. That's my opinion.

8 MR. McVEE: Very good. Shall we move on to the
9 next item on the agenda? Item six on the agenda is the status
10 of the symposium. Mr. Morris, you have a report?

11 MR. MORRIS: Yes, I do, Mr. Chairman, you
12 should have a copy of the OSPIS (ph) symposium progress report
13 in your package, or it was -- actually it was handed out this
14 morning. You should have also received a copy by fax last
15 week. This should be a duplicate of -- of that earlier copy.

16 I'm also passing out some background information
17 materials.

18 At the April 27th Trustee Council meeting you gave us
19 approval to organize an oil spill symposium and proceedings and
20 approved the amount of \$25,000.00 for this effort. The Trustee
21 Council also instructed the Restoration team to come back with
22 greater detail and organization, cost estimates, and a timeline
23 for the symposium. You also instructed the Restoration Team to
24 include non-natural resource damage assessment sponsored
25 science in the symposium, and to seek a contractor or co-

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1 sponsor as a partner for organizing the symposium, and Alaska

2 Sea Grant was a specific suggestion that was given at the last
3 council meeting.

4 The Restoration Team is pleased to report that
5 substantial progress has been made on all these items. We have
6 organized a symposium planning committee made up of
7 representatives from the Trustee agencies that operates
8 voluntarily to organize this symposium. We have met several
9 times and we'll continue to meet in the future. The next
10 meeting is scheduled for Wednesday.

11 It's been proposed that we establish an editorial
12 committee which would be a subset of the symposium planning
13 committee to deal with review of submissions of papers for the
14 symposiums, the abstracts that would be developed with the
15 presentations at the symposium, and consequently to deal with
16 the review of the actual manuscripts that would go into the
17 proceedings.

18 We feel that this task -- this task is composed of --
19 includes two scientists and will include some peer reviewers.
20 We feel that this task is within the -- the present scope of
21 both the chief scientist's duties and those of peer review, and
22 through Dr. Spies I was able to obtain an estimate of the --
23 the cost of these duties for the symposium planning,
24 and -- and it would be about \$3,600.00 for the chief scientist
25 and four to \$5,000.00 for peer reviewers' time. We -- we're
not asking for this additional money, we feel it's already in

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the present budgets.

1 MR. COLE: I'm sorry, how much was that?

2 MR. MORRIS: Three and a half thousand dollars
3 for the chief scientist's time and four to 5,000 for one to two
4 peer reviewers.

5 We have found a potential co-sponsor, organizer for
6 this symposium. Alaska Sea Grant has expressed genuine
7 interest in serving as the co-sponsor of the symposium, and as
8 a co-sponsor they would assume some portion of the costs of
9 organizing the symposium. And in return they would become a
10 member of the financial -- not financial, symposium planning
11 committee, so they may sure that they're in tune with -- with
12 the steps that are being taken for the organization.

13 I have in your -- in the progress report here a brief
14 description of who Alaska Sea Grant is. I won't go into
15 detail. Basically they're the marine counterpart of land grant
16 colleges. They were authorized by Congress in 1966, and Alaska
17 Sea Grant was -- was initiated in 1970.

18 The -- the portion of Alaska Sea Grant that will help
19 us organize the symposium is the public information services
20 project which is located in Fairbanks at the School of
21 Fisheries and Ocean Science at the University of Alaska.

22 We feel that the expertise of Alaska Sea Grant is
23 ideally suited to co- -- co-sponsorship and organization of the
24 symposium. They've had plenty of experience in similar types
25 of endeavors in the past.

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They're willing to assume some of the costs. For
1 example, they're salaries would be donated, their labor to --
2 to the organization would be donated to the symposium.

3 We intend to open the symposium to all science that was
4 conducted on the spill, not only the natural resources damage
5 assessment studies conducted by us, but to scientific studies
6 conducted during the response phase, and the in- -- and any
7 independent studies that may have been conducted outside the --
8 the actual federal -- federal/state partnership in -- in the
9 oil spill itself.

10 We have a budget estimate for the cost of actually
11 achieving the symposium. The total cost is -- is
12 approximately \$34,000.00. In some respects we feel this may
13 be high. We intend to produce an abstract book which would be
14 available at the time of the conference. Depending on the size
15 of the book, and the -- and the print shop that is contracted
16 to produce it, we feel that the estimated cost here is
17 probably on the high end and -- and could be reduced
18 substantially.

19 We have been estimating that the attendance at the
20 symposium would be approximately 1,000 people, and given this,
21 with the modest registration fee for a four-day meeting of
22 \$35.00, we could entirely cover the costs of putting on the
23 symposium. We could reduce these costs further by -- by not
24 claiming first of all Sea Grant's labor as part of the project,
25 we -- we could support the program of the -- of the convention

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center to reduce costs. This is all possibilities that are
1 still open to us.

2 And the costs that we have not included include travel,
3 we think this would be very minimum for a very few selected
4 parties, and refreshments, which we are proposing at this point
5 to seek a goodwill donor to provide to the conference.

6 The symposium is on a tight time frame. We're -- we're
7 planning on organizing further steps in the symposium
8 independent of a process which will be working towards
9 developing the proceedings. They are parallel processes
10 though, and the timing of -- of one will be coordinated with
11 -- with the timing of the other, so that by the time the
12 symposium is held, the manuscripts that will go into the
13 proceedings will also be available.

14 You have before you a tentative schedule as best we can
15 outline it now, starting with defining the scope of the
16 symposium. By that I mean approximately how many papers do we
17 think we can accept within a four-day meeting at -- at X-number
18 of minutes or portions of an hour per paper, identifying
19 potential speakers, sending out invitations, sending out
20 announcements, getting registration brochures put together and
21 returned all -- all in a time frame that would allow us to have
22 the symposium on the 2nd to 5th of February here in Anchorage
23 at the Egan Convention Center.

24 If you have any questions on what I presented, I'd be
25 happy to try and answer questions.

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MR. McVEE: I've got -- I have one question.
1 That -- is the propos- -- the proposal is to publish
2 abstracts, extended abstracts before the symposium?

3 MR. MORRIS: Yes, so they would be available --
4 probably not to be mailed out, but to be there for people to
5 pick up when they came to the symposium itself, yes.

6 MR. McVEE: So that -- I notice that then
7 there'll be technical review of abstracts -- oh, maybe I'm
8 misreading this, following the symposium -- symposium, will
9 arrange peer review of the papers.

10 MR. MORRIS: The papers that go into the
11 proceedings that will follow the symposium, yes.

12 MR. McVEE: I see. And you would not have the
13 peer review until after -- after the symposium?

14 MR. MORRIS: There would -- there would be a
15 much lower level of peer review of the abstracts to make sure
16 that they -- they are technically accurate when they're printed
17 and distributed at the symposium, but it's a lot less effort,
18 because it's a much smaller volume of pages we're dealing with.
19 And Dr. Spies suggests 40 to 50 hours of peer review time
20 would be sufficient for that.

21 MR. McVEE: Does the -- the budget include
22 publication of the proceedings?

23 MR. MORRIS: No. We -- we can at that time.
24 We're still defining the -- the scope of the symposium. Will
25 we include in the proceedings only those papers that are

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presented verbally at the symposium or will we include papers
1 that would be in addition to those that have verbal
2 presentations. That's not defined yet.

3 MR. McVEE: Do Counsel have other questions or
4 comments?

5 MR. COLE: Mr. Chairman?

6 MR. McVEE: Yes, Mr. Cole.

7 MR. COLE: Is any action called for by the
8 Counsel today on this subject?

9 MR. McVEE: Is -- is there any action that's
10 recommended by?

11 MR. MORRIS: No, we're not -- unless you --
12 we're telling you how we're planning on proceeding, and if you
13 have any action that you would like us rethink or revise, we
14 -- we'd entertain those suggestions, but we hope we're
15 following your direction and -- and this is just an update on
16 where we are.

17 MR. COLE: What about the 34,000? We've
18 allocated, what, 25? You -- are you looking at more?

19 MR. MORRIS: No. No, we -- yes, you've
20 allocated 25. We feel that the -- that it's -- to a large
21 extent we feel the registration fees will -- will cover the
22 cost of the symposium, and hopefully there will be a portion --
23 at least a portion, a large portion of the 25,000 yet available
24 for proceedings. That's -- that's our intention and plans.
25 If -- if you wish to provide more, we could certainly

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MR. COLE: I move we approve the direction that
1 the symposium group is taking.

2 MR. ROSIER: Second.

3 MR. McVEE: Further discussion? I guess my
4 only concern was if we're not publishing proceedings, why are
5 we doing peer review that is after the -- after the fact, after
6 the symposium? If you could explain the rationale there, it
7 might help me.

8 MR. MORRIS: We are publishing proceedings.
9 This will be -- The symposium's next February we're planning
10 on. The manuscripts for the proceedings we'll want due by the
11 time of the symposium. The review of these manuscripts to go
12 into the proceedings will follow the symposium. The -- we have
13 -- we -- I could -- we haven't got a complete package and
14 proposal for the proceedings yet, but just -- just for the
15 symposium.

16 MR. McVEE: Further discussion? The motion is
17 made to accept the report and the schedule. Any opposition?
18 The motion is carried.

19 The next item on the agenda was item seven, EIS options
20 for the draft restoration plan. Ken Rice, you have a report on
21 this?

22 MR. RICE: Mr. Chairman, at the, I think it was
23 the February Trustee Council meeting, you directed that the
24 restoration plan comply with the requirements of the National
25 Environmental Policy Act. The Restoration Team -- Team has

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1 been concerned for some time that the restoration planning work
2 group that's putting together the restoration plan under the
3 -- under the time constraints that -- that we've imposed would
4 not be able to complete an EIS, and we looked several options
5 for completing an EIS. The options that we eliminated were
6 those that required a major time commitment on the part of the
7 restoration planning work group. And you have before you three
8 options that are there for your consideration.

9 One is to go out with a competitive contract which has
10 some advantages and disadvantages. One of the major
11 disadvantages is it would take us about 120 days to get to an
12 RFP and -- and up to signing the contract, an estimated of
13 between three and \$400,000.00.

14 The other options that we have, one we had some
15 discussions with Walcoff and Associates who have been under
16 contract with the Justice Department, and they do have expertise
17 to be able to do an EIS. They say that they would be able to
18 do it within the time commitments that we have put forward.
19 We'd originally looked at using some of the money the federal
20 agencies had in some of the existing contracts with the Justice
21 Department for doing the economic studies. It's my
22 understanding that the agencies that control that money don't
23 want to free that up for other purposes. They -- they need it
24 for -- they need to get it back. However, you did approve some
25 money to the environmental compliance working group that would
26 certainly carry us through the end of this fiscal year, if you

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took this approach, that is to work with the Justice Department
1 and work with Walcoff and Associates to contract the completion
2 of the EIS.

3 The third approach that we have before us is to use
4 local -- hopefully local agency expertise, but it may require
5 detailing some people in from outside of Alaska or -- or from
6 at least outside of Anchorage, up to work on it. And what we
7 envision is a three or four-person team. It could be a multi-
8 agency team or it could be people from one agency that would
9 work on analyzing the impacts of the restoration plan and
10 writing the EIS. The cost for that is what you see in front of
11 your. It's a bit different than what the Walcoff contract
12 comes in at. I think realistically the difference is not all
13 that great. The -- the one that would involve agency people
14 doesn't include cost for -- for bringing anybody in from
15 outside of Anchorage, in other words, any -- any travel or per
16 diem for bringing in any experts if that became a necessity.
17 If we had a multi-agency team housing or -- or at least
18 providing office space, maybe -- maybe a problem, not an
19 insurmountable one, but if we had to find or rent space for
20 that team for the ten-month period or whatever it takes to get
21 the EIS done, that's a cost that hasn't been included in there.
22 So as you go into providing us some direction on a course of
23 action to get this EIS done, I wouldn't use the difference
24 between the Walcoff estimate for completion and the -- the
25 figures that we've provided here.

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Basically what the Restoration Team is after is some
1 direction on -- on what course of action or what -- which ones
2 of these we should pursue to get -- to get the environmental
3 impact statement completed. We were -- we were divided between
4 -- within the Restoration Team as to whether the Walcoff
5 contract was a better option to go than using agency people,
6 and -- and so we come to you with either options two or three,
7 but we -- we don't feel that going for a competitive contract
8 at this time is going to get us a contract or in enough time to
9 be able to get the draft out in -- in time to -- to be -- to
10 meet the time frames for our restoration plan.

11 Questions?

12 MR. McVEE: One -- one question I guess, is the
13 -- is the Walcoff contract, DOJ contract -- you know,
14 procurement or contracting people, either state or federal,
15 looked at this to know whether it can be expanded or enlarged
16 to include this? You know, is it flexible enough or?

17 MR. RICE: I'm

18 MS. PULITZER: I think we think it wouldn't be
19 outside the scope of the contract. Do you want me?

20 MR. McVEE: Yes. Yes, please.

21 MS. PULITZER: Yeah, I'm Lisa Pulitzer from --
22 from Justice, and I don't think we think it's outside the scope
23 of the contract. The contract was most specifically for expert
24 work surrounding the Exxon Valdez oil spill, and I think that
25 it was written in a broad enough way to be not a scope problem.

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1 If, you know, if that vehicle is the vehicle you -- you'd like
2 to pursue. Okay.

3 MR. McVEE: Thanks, Lisa. Yes, Mr. Sandor?

4 MR. SANDOR: What time span is -- is covered by
5 this EIS?

6 MR. RICE: Basically I looked at the time span
7 for completing the draft and final restoration plan which the
8 draft is out, what, in early February, the final is out at the
9 end of May. So it would be starting almost immediately and --
10 and going through the end of May.

11 MR. SANDOR: Covering restoration activities
12 for what period of time?

13 MR. RICE: I'm not sure I quite understand your
14 -- your question, but the restoration plan is basically for the
15 life of the -- of the -- the funds that we'd be receiving, so
16 it would be roughly ten years.

17 MR. SANDOR: Yeah, well, that's the point that
18 I wanted to -- to make that this is a one-time EIS commitment
19 of 300,000 or whatever it is, it's a one-time commitment,
20 that's the intention?

21 MR. RICE: That's correct. If we -- if we do
22 an adequate enough evaluation, then any subsequent projects
23 that are developed as part of annual work plans, may require
24 some site specific analysis, but hopefully would not require an
25 EIS. They could be done tiering (ph) to the restoration plan
EIS.

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MR. SANDOR: Okay. Thank you.

1 MR. COLLINSWORTH: Mr. Chairman?

2 MR. McVEE: Yes, Mr. Collinsworth?

3 MR. COLLINSWORTH: Are we going to have -- are
4 we really going to have enough information available in the
5 draft restoration plan to do an EIS at this point? I mean, we
6 -- we have to, as you know, in -- a NEPA document requires that
7 there be enough information available in the proposed federal
8 action and the alternatives to allow the decision makers and
9 the public, the public an opportunity to comment specifically
10 and the decision makers to use the information in making their
11 decisions, and if -- if we're just talking about kind of some
12 generic activities in the restoration plan for the -- the ten-
13 year or decade life of the plan, then I'm not sure that there's
14 enough information to initiate an EIS.

15 And I do think that you're going to have to use step
16 down or tiered EIS's if -- as you get more specificity into
17 specific projects. If you identify, for example, fish
18 ladders, well, a fish ladder is a mitigation or a restoration
19 measure or a compensation measure. A fish ladder in one place
20 is not a fish ladder in another place. It depends on the
21 species, the location, the ecology, and it's a lot of --
22 they're very -- very different projects so if you just put in
23 fish ladders in a -- in a generalized restoration plan, you're
24 not going to satisfy at least in my opinion the requirements of
25 -- of NEPA when you get to specific projects.

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MR. McVEE: I guess is there a response to
1 that, and then Mr. Cole?

2 MR. RICE: Yeah, I think you made an excellent
3 point. Depending on the level of specificity that the Trustee
4 Council wants in the restoration plan will help determine what
5 level of analysis that -- that can be accomplished. If the
6 restoration plan provides enough direction that -- that at
7 least a general course for the amount of different restoration
8 options that might go forward over the course of the year, then
9 you'll make some cumulative effects analysis based on that as
10 to approximately how many fish passes, for example, might be
11 built. No, you wouldn't be able to analyze the specific site,
12 but you could at least make some projections as to what the
13 changes that would occur within the oil spill area are. Then
14 you would have to do your more -- more systematic analyses on a
15 case-by-case basis.

16 MR. COLLINSWORTH: Mr. Chairman, I -- just to
17 -- just following up. I'm -- I'm just concerned that when --
18 if -- I think NEPA is a very interesting piece of legislation.
19 It's -- and it's a good -- it's a good piece of work in a lot
20 of respects, and it does provide I think a systematic way of
21 evaluating the potential impacts or the effects on the
22 environment, you know, the biological, physical, natural
23 environment as well as the human environment by engaging
24 certain kinds of projects. And -- but you have to have enough
25 detail in order to make evaluations, because a key part of NEPA

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1 is the comparison of one alternative -- I mean one means of
2 achieving your objective against another means of achieving
3 that same objective, and unless you have the viable
4 alternatives specified well enough, it doesn't really produce a
5 meaningful document, and I don't think we'd want to spend three
6 or \$400,000.00, you know, as -- as we start -- you know, we --
7 we can certainly start the NEPA process early enough in the
8 planning because that's -- that's one of the accepted concepts
9 is that NEPA goes along with the other planning, but we don't
10 want to get -- you know, we don't want to lead ourselves to
11 believe that when -- when we complete a NEPA document, unless
12 we have enough detail, that that's going to carry us for ten
13 years. So I mean, we've got to have enough detail in the
14 restoration plan to be able to do a NEPA

14 MR. RICE: One -- one of the -- as you pointed
15 out, one of the critical points that we're going to have in the
16 restoration plan is -- is what those alternatives look like,
17 and the restoration team was -- had some time set up tomorrow
18 to sit down with the restoration plan work group and start
19 providing some direction on that. The Trustee Council has a
20 role to play in that as well, so that we develop clear
21 alternatives that are different enough that provide some --
22 some range in which you can make a clear choice and -- and just
23 be able to display the differences. It's going to be a tough
24 one, and it's going to take some real effort both on the
25 Trustee Counsel and on the -- on the planning work group.

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MR. McVEE: Mr. Cole?

1 MR. COLE: I -- I like Commissioner
2 Collinsworth was concerned about the answer that Commissioner
3 Sandor received to his question as to the period covered by
4 this EIS. It's -- I find it hard to imagine that one EIS will
5 get us through ten years, because I don't think that we can
6 come up with a restoration plan, you know, this year or next
7 which will point us in all the directions and provide all the
8 solutions and the alternatives that are going to -- the choices
9 we'll be faced with in the future years. And I -- I suspect
10 we're almost going to have to have this EIS supplemented or
11 amended every year as we make specific decisions. And I'm also
12 a little troubled about this not being done before, you know,
13 next May, or the end of May, because we should be well along
14 with the '93 plan by that time. We -- don't we have to have
15 this done before then? I mean, I don't

16 MR. RICE: Let me respond just to both of your
17 points. The Council on Environmental Quality requires that if
18 an EIS is more than five years old, you go back and take a
19 look, so you're -- you're right. While we would estimate the
20 effects for ten years, we are going to have to go back and look
21 at it. If it's between three and five years old, if the plan
22 -- if the EIS is between three and five years old, you might
23 want to make a judgment call as to whether you need to go back
24 and re-analyze what went into the EIS and what's out there in
25 your environment. But if it's more than five years old, you

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really do have to by -- by Council on Environmental Quality
1 regulations do that.

2 In answer to your second question, the -- the time
3 frame that -- that I was looking at follows the schedule that
4 the Trustee Council approved, I think it was at the April 27th
5 Trustee Council meeting where the time frame was spelled out.

6 It was an expanded time frame from what I think you had
7 originally anticipated, but it an attempt to be a little more
8 realistic than -- and grasp what we -- we think we can
9 accomplish.

10 MR. McVEE: It's my understanding, and maybe
11 it's -- it's easier to describe, you know, the life of an EIS
12 in a given number of years, but relate it to the restoration
13 plan. The restoration plan as I visualize it at least, is a
14 general programmatic statement that evaluates or -- or
15 describes options that are available and provides guidance to
16 the Trustee Council, and that -- that as it gets amended, and
17 I'm sure that it will have to be as we move forward, I don't
18 know whether on an annual basis or whatever, but as need
19 arises, then it would seem like we'd have to address the -- the
20 EIS or the NEPA requirements at that point. And maybe it
21 requires a supplement, maybe it could be handled differently,
22 but as far as I guess the '93 projects, I think we would deal
23 with those since they will be approved, will occur, initiation
24 of -- of them will occur before this EIS, and we'll have to
25 deal with them pretty much like we dealt with the '92, and that

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is through the -- through environmental assessment process
1 unless there's some major kind of activities proposed, and --
2 and I don't know what we would find when we get into land, you
3 know, acquisition, but major activities might -- you know,
4 might require an EIS, individual projects. But we seem to have
5 done well this year with working the environmental assessment
6 process for those that required it.

7 Yes, Mr. Sandor?

8 MR. SANDOR: Well, the question on the time
9 span was just to I guess make certain or to try to get some
10 agreement or understanding that whatever contract was made,
11 agreement either with Walcoff through Department of Justice or
12 the agencies that we would be looking at the total period of
13 time and the -- the ten-year period and perhaps the -- I think
14 as both Attorney General Cole and Don Collinsworth points out,
15 it probably isn't realistic to expect that we would have
16 adequate information to cover the whole -- the -- the
17 restoration activities for the whole ten-year period.

18 On the other hand, the process should be set up so that
19 either through addendums to the plan or environmental
20 assessments that the -- at least the ten-year period is covered
21 and that -- and I understood, Ken, that's what you're saying
22 this -- this was. The worst case scenario would be that this
23 would lay out 300,000 for '93 and then find out they had to lay
24 out another 300,000 in '95 and '97, and that's what I was
25 worried about.

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MR. RICE: Yeah. Hopefully we wouldn't have to

1 -- to do it every two years, but what we're looking at is
2 getting an EIS that's compatible with the restoration plan and
3 -- and that we deal with an analysis to the level of detail
4 that's provided in the restoration plan and -- and the detail
5 that's provided in there and, of course, a direction to go in.
6 And it would be a one-shot deal

7 However, we would have to go back and -- and look every
8 -- every few years at least at the adequacy of that analysis.
9 It may require for a couple of years just a fairly quick look
10 to see if the -- the situation has changed. As time goes on,
11 it may require a more detailed look.

12 MR. McVEE: Yes, Mr. Sandor?

13 MR. SANDOR: Just a question, do you need a
14 decision today on whether to go to the Walcoff group or
15 the

16 MR. RICE: We need a sensing from the Trustee
17 Council as to whether they -- they would like us to pursue both
18 of them and see which one we can bring to resolution the
19 quickest and the cheapest and -- and to provide us the best
20 product, or whether they have a feeling for one over the other.

21 MR. SANDOR: I move the former.

22 MR. COLE: Perhaps you would explain what that
23 is?

24 MR. SANDOR: Pursue them both to

25 MR. COLE: Along those lines.

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MR. SANDOR: Along those lines. That is to
1 say, Ken, I -- I heard you say that if it was possible, to
2 pursue both options, look to get this long-range period and --
3 and ways of accommodating and the most cost effective and --
4 and to get the best product. And so you don't really need a
5 decision today on -- on one or the other?

MR. RICE: Yes and no. It would be -- it would
6 be nice if we -- if we could say, "yeah, we're going to focus
7 in on this." The problem is we don't have all of the
8 information back from the agencies, for example, as to whether
9 enough people are available to do this for us, and -- and we --
10 we would need to do some additional work with Justice
11 Department and Walcoff to make sure that any funds that needed
12 to be made available to be done within the -- within the monies
13 that we have available to do that. Additional money would have
14 to be -- have to come out of the '93 budget I suspect to cover
15 the cost for a Walcoff contract, and -- and they would have to
16 be comfortable that -- with that. So there's still some
17 unresolved issues out there with both of these options.

MR. McVEE: Mr. Wolfe?

MR. WOLFE: I'll follow up on the same thing.
20 What time frame would it take to implement something under
21 Walcoff's contract? Has Justice given you a date or a time
22 frame on that?
23

MR. RICE: I don't have an answer to that.
24 Perhaps Lisa can help with that?
25

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MS. PULITZER: I think at -- at Ken's request

1 Walcoff prepared a rough proposal which is how you got the cost
2 figure. The process with the contract as it exists now would
3 be that should be modified however the Trustee Council and the
4 Restoration Team feel is appropriate. Then that would go back
5 out to Walcoff and they would make sure that their pricing
6 didn't in any way change. Then if that was all agreed to,
7 then really it would be a matter of acquiring the funding and
8 getting a task order issued by having a contracting officer,
9 you know, sign the requisite forms. So that's a relatively
10 straight forward process that can move fairly quickly, you
11 know, if that's the route that you want to pursue.

12 MR. McVEE: Well, the Walcoff contract's with
13 DOJ, so would it still continue to be a DOJ contract?

14 MS. PULITZER: Yeah, unless -- you know, unless
15 there would be a agency that could meet with us and talk about
16 some possibility of doing a hand-off, but it is right now a
17 Justice contract. It hasn't required the level of over-sight
18 that the CACI contract has, so I -- I don't know that there
19 would be a problem with continuing it. I don't know that
20 Justice would come back and say, "We feel there ought to be a
21 handling charge." I don't think that there would be, you know,
22 any -- any great addition of any kind from that.

23 MR. WOLFE: Yeah. Before Lisa leaves, do the
24 people that Walcoff have on board have experience in writing
25 NEPA documents for this type of a -- well, for any projects?

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MS. PULITZER: I -- I believe so. Sharon?

1 MR. RICE: Yeah. Sharon Saari put in a
2 proposal and she would probably be one of the leads on this.
3 She has about 15 EIS under her belt, which is a heck of a lot
4 more than I have.

5 MS. PULITZER: Yeah, but I mean she's -- she's
6 here actually if you'd like to, you know, to talk with her.
7 Anything else?

8 MR. SANDOR: Well, a question. It boils down
9 to which is going to give us the -- excuse me, the -- the
10 quality product in a -- in a cost-effective way. Was the
11 Restoration Team prepared to answer that question or give some
12 suggestion of which?

13 MR. RICE: Well, we had a bit of discussion at
14 it last -- late last week, and basically we were kind of split.
15 There are -- there are advantages to going with a contractor.
16 You can hold their feet to the fire. It's -- so we feel that
17 we would be able to get a good product from it. They're out of
18 state, there's some coordination problem with being that far
19 away, not insurmountable with our electronic age, but certainly
20 there are some -- some problems with that.

21 If we had a team here, we could work a little more
22 closely with them.

23 Cost-wise, I'm not sure there's a tremendous
24 difference, although it appears that there's a little bit of a
25 difference there. In terms of whether the product would be any

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better under one or the other, I -- I would hope that there --
1 there wouldn't be a tremendous difference in that product.

2 MR. SANDOR: Mr. Chairman, a third of a million
3 dollars is a lot of money. Why don't we take five minutes or
4 so to have an explanation such as you offered? Somebody is
5 here that?

6 MS. PULITZER: Of -- of what it -- what it is?
7 Sharon, do you want to come and answer questions or describe
8 the process?

9 MS. SAARI: What we've proposed is a generic
10 environmental impact statement similar to a programmatic
11 environmental impact statement which would cover the
12 restoration plan. I agree with Ken that it should be looked
13 at within five years to see if it's still adequate. If one of
14 the proposals for restoration was a significant change that
15 would affect the environment, say you wanted to channelize a
16 river to introduce fish into an island, a major action like
17 that would require either a supplemental EIS or an
18 environmental assessment to look at it.

19 I would be the lead on this project. I have 20 -- 20
20 years of experience in environmental impact statements. I've
21 written a book called "Environmental Impact Statement Data
22 Book". I've worked on EIS's in Alaska, and we have some
23 experts that are left-over experts from our previous life doing
24 NRDA work that we would also transfer and use in this project.
25 We have somebody proposed to do socio-economics who has

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1 expertise working with natives and someone on our team that
2 came from the U.S. Fish and Wildlife Service who also has
3 experience with the Fish and Wildlife Service, and we're
4 prepared to start tomorrow on this, if that's what you want.

5 MR. McVEE: I have a few questions.

6 MR. SANDOR: Mr. Chairman?

7 MR. McVEE: Go ahead.

8 MR. SANDOR: I was just going to say I -- I
9 would move that we move forward on this, you know, exploring
10 the possibility of, you know, developing a more complete plan
11 on doing this thing, giving the Restoration Team the authority
12 to work out the hand-off option that -- with that experience
13 and background, I -- I think we -- we would have assurance that
14 the product is going to be of a quality type.

15 MS. SAARI: We have done contract mods and --
16 and done that agency -- inter-agency agreements. We've done
17 that in less than a week. We have a lot of experience in the
18 past several years in doing this with this project, so the
19 contractual problems would not be significant.

20 MR. McVEE: And you -- you have pretty an
21 inter-disciplinary type group

22 MS. SAARI: Yes.

23 MR. McVEE: or basis for it at
24 least

25 MS. SAARI: Yes.

MR. McVEE: that's available to you now?

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MS. SAARI: Yes, sir. And have -- and we've
1 submitted the resumes and -- and Ken has them if you want to
2 see them.

3 MR. COLLINSWORTH: Mr. Chairman?

4 MR. McVEE: A question?

5 MR. COLLINSWORTH: Before you leave, how do
6 you, in -- in initiating your EIS, identifying very clearly
7 what the -- the federal or what -- what the objective is and
8 what the federal proposed action and what the alternatives are,
9 is -- is a key element.

10 MS. SAARI: That -- and that key is in the
11 restoration plan. We can't go beyond describing what the
12 alternatives are than what the restoration team will do in
13 their restoration plan, so as they've organized their
14 alternatives, which may fall into management actions,
15 acquisition actions, the various actions that -- that they
16 outline in the restoration plan are the same alternatives that
17 we would use in the environmental impact statement, and it
18 would be just a parallel sister document that goes in -- as Ken
19 said, in the same level of detail. We would not go into more
20 detail than they have.

21 MR. COLLINSWORTH: So

22 MS. SAARI: We -- we wouldn't

23 MR. COLLINSWORTH: I'm -- what I was

24 MS. SAARI: re-invent options.

25 MR. COLLINSWORTH: really testing the

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water for is to identify how this Trustee Council would
1 participate in -- in making sure that we have concurrence on
2 what the objective -- the objective is or objectives are, and
3 what the feasible approved (ph) alternatives are. And so it
4 would be the -- the -- that we receive in terms of the planning
5 document from the plan team. So when we approve that, then we
6 prescribe what will be analyzed?

7 MS. SAARI: And we can also provide you with
8 copies as we go along. As we propose to do the work, the first
9 thing we would do is an outline. So when we submitted that to
10 the restoration team, you all would also get the outline. As
11 we revise the outline because of public comments or public
12 input for including more options, you would get a copy of that.
13 As we wrote the initial chapters to describe Prince William
14 Sound, for example, before and after the spill, you could get
15 vir- -- you know, as we provide those review chapters and
16 review outlines and things to the Restoration Team, you could
17 get the same copies at the same time, so you don't have to wait
18 until the end, to public review until you would have some
19 review capabilities yourself. But I

20 MR. McVEE: Mr. Rice?

21 MR. RICE: Just to expand on that just a little
22 bit, there are some -- some really critical junctures where the
23 Trustee Council needs to be involved. Early on as you identify
24 the issues that need to be addressed in the environmental
25 impact statement, if you misidentify, leave some out or -- or

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gloss over some or -- or whatever, then you can end up with
1 some real headaches down the road, so it's going to be
2 important that the Trustee Council take a look at those and
3 say, yes, this is -- this is what needs to be analyzed, and
4 then as you get into the alternatives, before you get too far
5 with the alternatives, the Trustee Council says, "yes, this is
6 a reasonable range of alternatives, and it will provide us a
7 wide enough differences between those alternatives that we can
8 adequately make a decision, and -- and you'll be able to
9 adequately display the differences in those alternatives." So
10 those are at least just two of the fairly early on critical
11 junctures where you can be involved.

12 MR. McVEE: Mr. Cole, and then -- Mr. Cole?

13 MR. COLE: Are we far enough along in the
14 restoration plan to be able to initiate work on the EIS?

15 MR. McVEE: Mr. Rice?

16 MR. RICE: I think we're pretty close on that.
17 We've got some working drafts of the -- of options that the
18 restoration plan work group is -- is putting together. The
19 Restoration Team hasn't had a chance to review those, but
20 they're -- they're making their way through the process. As
21 those get finalized and the Restoration (sic) starts sitting
22 down in the next week or so to start working on alternatives,
23 then, you know, we're -- that starts getting involved is where
24 the EIS team, whether it's Walcoff or an agency team needs to
25 start being able to pull that together, start looking at the

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public comments that have come in and say here are the issues
1 that need to be analyzed as they relate to the restoration
2 plan, so I don't think we're too early to pull somebody in
3 like -- like Sharon

4 MS. SAARI: As we've done

5 MR. RICE: into this process.

6 MS. SAARI: on programmatic EIS's where
7 they didn't have a clue where the program was going when they
8 started the EIS. And this is at least a lot further than a
9 clue, so

10 MR. COLE: That may be where we are.

11 MS. SAARI: Oh, you have

12 MR. McVEE: Mr. Collinsworth?

13 MR. COLLINSWORTH: Yes. With regard -- one of
14 the key elements of NEPA is early on in the process in
15 developing an EIS is scoping. How -- what vehicle are we going
16 to use for scoping?

17 MS. SAARI: The Restoration Team wrote in their
18 framework plan, I don't know if you've read that or not, but
19 they assumed that the public review of the restoration
20 framework plan would provide most of what was needed for
21 scoping. Now, I have not gone through all of the comments, as
22 they have just been collected during this month, but I still
23 think that we could have a scoping meeting, inviting the
24 agencies here in Anchorage, and if any of the public wanted to
25 come, to add additional -- additional issues, that we could

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still have a scoping meeting in addition to what we've done
1 under the framework plan as long as it wasn't, you know, a big
2 all-out public hearing, kind of expensive thing, by just
3 inviting the agencies to address the issues and make that
4 public -- open to the public. That plus the public comments
5 from the framework plan, we should have the issues identified.

6 MR. McVEE: I think that one advantage in that
7 last winter when we started talking about the restoration plan
8 that we did approach it, you know, approached -- approached it
9 at least considering the -- the comment process would be an
10 environmental impact statement, and so there's been quite a
11 little bit of information, public information at least obtained
12 from the scoping process and so on, as well as we have the
13 draft or the restoration document that's -- that's presently
14 out, and that is better than most scoping documents that I have
15 seen on the EIS.

16 Any other questions? Thank you very much.

17 MS. SAARI: Thank you.

18 MR. McVEE: It's useful.

19 We have a motion that's on the floor. You know, I
20 can't remember what it was now, but just

21 MR. COLE: Along those lines.

22 MR. McVEE: Shall we try again?

23 MR. COLE: Along the lines of an EIS.

24 MR. McVEE: Along the lines of an EIS.

25 MR. SANDOR: Mr. Chairman, I had moved that we

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-- we proceed forward with the EIS process and that we move
1 to engage Walcoff through the Department of Justice, but that
2 the Restoration Team be certain that these questions that were
3 discussed here today be answered and -- before the thing is
4 finalized, but the -- the motion is to move forward with
5 Walcoff.

6 MR. McVEE: Is there a second?

7 MR. COLE: Would you restate that?

8 MR. SANDOR: Along those lines.

9 MR. McVEE: Along those lines. Is there a
10 second to that motion?

11 MR. WOLFE: I'll second.

12 MR. McVEE: Is there further discussion of the
13 motion? Any opposition to the motion? The motion passed.

14 It's close to a break time here, but we have item
15 eight, if we could finish that, I think in very quick order
16 before we take the break, then we -- we have a logical break
17 before we go into the next item.

18 DR. GIBBONS: Yes, Mr. Chair, that -- that was
19 aimed at trying to set up a teleconference for the approval of
20 a final '92 budget, including the -- the office of
21 administrative director and the Restoration Team. But after
22 hearing the -- what's going to be looked at in the habitat
23 protection arena and those -- those other activities for -- for
24 that date, I'd -- I'd like to propose that the next Trustee
25 Council face-to-face meeting be on August 3rd and we deal with

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the final administrative budget and the habitat protection
1 grand plan or, you know, the options. Or -- or perhaps a
2 little later than that if the Trustee Council would like.

3 MS. RUTHERFORD: But not before.

4 DR. GIBBONS: But not -- yeah, not -- not
5 before. The -- the budget package was -- was shipped out mid
6 June, we're giving the public ade- -- we feel adequate time to
7 comment on the administrative budget portion of it, and then
8 analyze their comments and get back to you.

9 MR. McVEE: August 3rd's on Monday.

10 MR. COLE: I think Commissioner Sandor has a
11 point of order.

12 MR. SANDOR: No. August 3 is Monday?

13 MR. McVEE: Mr. Sandor?

14 MR. SANDOR: Well, are you sure you're going to
15 be able to have the

16 MS. RUTHERFORD: A little extra time would not
17 hurt.

18 DR. GIBBONS: That's -- that's correct. The
19 15th or a month later even.

20 MR. SANDOR: No, I was thinking August 10 or --
21 or 11 or something, the following week, but, yeah, third is --
22 if that's what the Restoration Team recommends, that's fine.

23 MS. RUTHERFORD: The 10th? The 10th is fine.

24 MR. COLE: No, it's bad for me. Thanks.

25 MR. McVEE: I'm hearing a week later from some

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of the members here, so -- yes. Any other comments on that?

1 MR. SANDOR: The 10th is bad for you?

2 MR. COLE: The 10th is bad for me.

3 MR. SANDOR: The 10th is bad, okay.

4 MR. McVEE: The tenth is bad for Mr. Cole.

5 Just that date that week or?

6 MR. COLE: The third is fine. No, I -- I --

7 sometime out in there I know I'm

8 MR. McVEE: Can you look?

9 MR. COLE: supposed to be some place
10 other than here then.

11 MR. McVEE: You don't have to tell us where.

12 MR. COLE: Well, I don't know. I think it's
13 the Conference of Western Attorney Generals some place.

14 MR. McVEE: Oh, okay.

15 MR. COLE: Yes. But I don't know the exact
16 dates.

17 DR. GIBBONS: Mr. -- Mr. Chair, maybe I can
18 poll the Trustee Council at a later date, get their calendars
19 and try to establish a date?

20 MR. McVEE: Sounds good to me. All right.

21 MR. COLE: Well, let me ask this, do we have
22 any decisions that we have to make timely here?

23 MR. McVEE: I think we -- maybe we should
24 finish up the '92 budget which would be the -- the
25 administrative component budget so that we can then schedule a

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request to the Court for the -- for the remainder of the -- of
1 the budget on in for -- into the next -- next year. It seemed
2 like that maybe is the most critical thing.

3 MR. SANDOR: Do we even need a meeting, a
4 formal meeting to do that? Can

5 MR. COLE: Yeah, can -- can we do that by
6 telephone or

7 MR. SANDOR: Yes.

8 MR. COLE: teleconference is what we're
9 thinking.

10 MR. SANDOR: Yeah.

11 DR. GIBBONS: The -- the administrative budget
12 portion of that, I think we can. But the habitat protection I
13 think we need to -- we're going to -- it sounds like you --
14 you want some detail and we're going to -- we're going to need
15 to get into it.

16 MR. COLE: With belaboring this, it -- it seems
17 to me that we can do -- we don't have to do them both at the
18 same time. We can get the budget done by teleconferencing.
19 If you need more time on the habitat, you know, plan and
20 inventory and those things, we could push that back two weeks
21 or something like that.

22 DR. GIBBONS: Okay. That -- that's fine.

23 MR. McVEE: Okay. We'll work on that basis
24 then. Let's recess for ten minutes and then we'll come back to
25 this location.

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(Off record)

1 (On record)

2 MR. McVEE: Trustee Council members are all
3 present. We'd like to continue with consideration of the
4 agenda items for this meeting.

5 The next item on the agenda was Trustee Council
6 executive session. Before we go into that executive session, I
7 felt like it was worthwhile to -- to discuss among ourselves
8 here at public session kind of the process of what we're going
9 to -- going through to select representatives for the public
10 advisory group, and we have a slate of some 31 nominations I
11 believe it is now, and nominations in every category, and
12 nominations from -- from many of the communities all over the -
13 - basically I think all of the communities, so we have
14 opportunity for wide representation in terms of the categories
15 of interest as -- as well as wide representation in terms of
16 the -- of the geographic areas.

17 What I would propose to do, and have some discussion
18 among the members of the Trustee Council, is that we go into
19 executive session and since we will be discussing, you know,
20 I'd say personnel papers and actions and -- and qualifications,
21 that we go into executive session to do that, and then come
22 back into a public session, hopefully, you know, later on this
23 afternoon and -- and discuss and make the final -- the -- the
24 final cut at the recommendations for the P.A.G.

25 And I'm somewhat sensitive to, and I think we have to

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1 be, to being sensitive to the -- to the Open Meetings Act of
2 the State, and -- and public -- public interest in this -- in
3 this subject, which has been expressed many, many times at --
4 at our meeting in the past, and I guess at this point, I'd like
5 to have any comments from the Trustee Council members on that
6 kind of an approach to the -- the process of selecting P.A.G.
7 members.

8 MR. WOLFE: It sounds good.

9 MR. McVEE: Sounds good?

10 MR. COLLINSWORTH: I move something along those
11 lines.

12 MR. McVEE: Something along those lines. With
13 that I guess then we'll adjourn. Is the upstairs meeting room
14 available to us? And we'll adjourn to executive session. I
15 shouldn't say adjourn, recess into executive session.

16 MR. COLE: Well, before we do that.

17 MR. McVEE: Yes, Mr. Cole?

18 MR. COLE: Let me see if I understand this
19 correctly. Well, to help me understand it correctly, would you
20 tell me once again what the plan is?

21 MR. McVEE: The idea I presented was one of --
22 of being able to go into executive session and look in detail
23 at the qualifications of the various nominees and coming out of
24 that session with a slate of acceptable candidates which then
25 we can act upon in -- in public session and make the final
selection.

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MR. COLE: And will we do that by category?

1 MR. McVEE: Yes, by category. It's my thought
2 that

3 MR. COLE: Could we have public comment on
4 that? I mean, I'm -- I'm really in -- you know, I'm having a
5 lot of trouble making up my mind whether that's the right thing
6 to do. Look, I mean, you know, I think we -- well, that's --
7 comply with the Open Meetings Act, can we do that? Probably.
8 Should we do it? I mean, I just wonder if that's what we
9 ought to do.

10 MR. McVEE: I'd certainly be open to having
11 comment on it. Mr. Sandor, did you have some comment?

12 MR. SANDOR: Well, I was mostly wanting to
13 query about the process of -- it is the intention of -- of
14 doing this today if possible, right?

15 MR. McVEE: Yes.

16 MR. SANDOR: Well, there are several ways that
17 one could -- could do this. We could have this executive
18 session, lay out the -- the names that -- but then I had -- had
19 thought that from that executive session actually have --
20 public comment period is already in place from five to seven,
21 even to utilize that public comment period for, you know,
22 whatever comments plus this and then have the final executive
23 session at seven to eight or whatever

24 MR. COLE: No. No. No. I mean, maybe
25 tomorrow, maybe next week, but, you know, 12 hours of this at

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one time is enough. I mean,

1 MR. SANDOR: Okay. But I mean if you really
2 want public comment, you've got a period five to seven, we
3 could fax them the -- to everybody on teleconference the
4 product of the executive meeting, then you'd have comments from
5 everybody.

6 MR. COLE: Well, I'm -- I'm not objecting to
7 public comment. I mean, that's what I'm asking for. The

8 MR. SANDOR: Well, that's an option.

9 MR. COLE: The problem is -- is I just --
10 after we get the public comment, I mean, frankly like I say,
11 you -- you know, you and I started at seven on this this
12 morning. That's essentially 12 straight hours, and I think
13 being fair to people, and being fair to the process, I mean, I
14 don't want to do this when I'm so tired and beat up that, you
15 know, I can't really think as clearly as I'd like to.

16 But I would like to get public comment, and I am
17 concerned about, you know, adjourning to the back room and
18 saying, "Well, now we'll just come up with the list of the good
19 old boys, you know, and then we'll come out and go through,
20 you know, and go through the motions and won't everything be
21 lovely." And you know we'll get intense criticism for that,
22 and -- and -- so that's where I think we should have public
23 comment just hopefully maybe to give us guidance and support
24 for the process we adopt, but, you know, that's what I find
25 troubling.

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MR. McVEE: Is there anyone in the audience,
1 just raise hands I guess, who would want to make comment on
2 this process or procedures for selecting or identifying the
3 P.A.G. members?

MR. COLE: May I say, here's the problem, you
4 know, I -- I know what people are going to say, you know, you -
5 - you can see it coming, can't you? They'll say, "look, they
6 weeded out the people who didn't agree with their views, and
7 they didn't put them on, I mean, you know, because they know
8 that you -- you won't be as malleable and agree with just what
9 goes on, with what -- what John Sandor wants to do." And --
10 and so -- and -- and, you know, I -- I think we -- this is a
11 very important decision, because we all know how important this
12 Public Advisory Group is and what strong support there is for
13 it. So, how we proceed here at this juncture is critical, and
14 I'd like to hear public views on this before, about the process
15 and how we do it. I like Ms. Brody, I mean I don't mind saying
16 look, I mean I know she'll be a thorn in our side, we can throw
17 her off right now. But if we're going to throw her off, we
18 should throw her off right here in public, not in the back
19 room, you know. So, you get what I'm thinking about.

MR. McVEE: Is -- are there any people in the
21 audience who wish to comment on this process and procedure?
22 With your indulgence then, I would like to have them follow-
23 through (ph), we have one hand raised is all I can see.

MS. BRODY: Thank you, Mr. Chairman. I guess

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you all know, I'm Pamela Brody from the Sierra Club. And I'd
1 like to say that although, I think this is similar to a
2 personnel matter, it is different. These Public Advisory Group
3 members will be representing the public, and I do believe that
4 it should be open to the public, the process of choosing the
5 people. And even though it might hurt my feelings, I guess I
6 just will have to take it, and so, I would recommend an open
7 process.

8 MR. COLE: And then, can I ask a question?

9 MS. BRODY: Um-hum.

10 MR. COLE: Do you think we -- you know, some of
11 these people we may find unacceptable for reasons, you know,
12 unrelated to their direct service on -- or qualifications to
13 serve as a Public Advisory member. And I mean we're concerned
14 about, in essence, some form of rights to privacy of these
15 candidates. And so we said, you know, what I heard about, you
16 know, Joe Blow, you know, what he was involved in 15 years ago,
17 let me tell you. I mean, you know, that's what's, see,
18 troubling the Trustees; how far can we go to express these
19 views because it's not maybe pleasant to be hurt in public.
20 And we're trying to protect the privacy of these applicants on
21 the one hand, and on the other hand, the attention (ph) is
22 created, we must conduct this business as much as possible in
23 public. And then, you know, not an easy call.

24 So, that's why I, personally, would like some help.
25 Maybe we need some experts here in ethics and things like that

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to counsel. Thank you.

1 MS. BRODY: Just in response to that, there is
2 the problem when discussions go on behind closed doors that
3 people can have information that isn't accurate, too, and that
4 things that are said and are not public, then the person
5 doesn't have any chance to respond.

6 MR. COLE: In some ways, they're not going to
7 have any -- much of a chance to respond after we make the
8 decision and go on, if he's stricken from the list. And you
9 know, he doesn't -- he or she may not have the same forum we do
10 to respond, and it's a little unfair. So, what I'm saying is
11 when we say that we may have some reservations about doing this
12 in public, we're trying to protect the individual's personal
13 right of privacy and reputation, things like that. So, I mean
14 it's not an easy call.

15 MS. BRODY: I agree.

16 MR. McVEE: Mr. Sandor.

17 MR. SANDOR: Ms. Brody, do you think insofar as
18 having the public discussion and participation that we should
19 do this in this group, in this setting, or include the
20 teleconference, 5:00 to 7:00 or what would

21 MR. COLLINSWORTH: Mr. Chairman.

22 MR. McVEE: Yes.

23 MR. COLLINSWORTH: It's unclear to me what
24 we're trying to solicit here in terms of input that will aid us
25 in the decision-making process. I mean what are we going to

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ask in the public hearing, if somebody wants to provide
1 testimony in support of some particular candidate or in
2 opposition of some particular nominee, what the makeup should
3 be? What are we trying to solicit from the public?

4 MR. COLE: I can answer that. We're trying to
5 solicit from the public, right at this moment, should we go
6 into Executive Session and make some decisions about members
7 who constitute this Advisory Group or shall we just do the
8 whole thing right in public and use our best discretion about
9 protecting people's right of privacy.

10 MR. COLLINSWORTH: Yeah. I heard
11 (indiscernible - interrupted)

12 MR. COLE: That's what I'm seeing guidance on.

13 MR. COLLINSWORTH: taking about the
14 teleconference between 5:00 and 7:00 this evening, and as you
15 know, we have a special purpose, I guess, inquiry of our public
16 here regarding process, but I thought there was some talk about
17 the public comment between 5:00 and 7:00 of what we were
18 soliciting on that.

19 MR. SANDOR: Well, I guess the reason I raise
20 that question, Don, is the agenda as published, you know, it
21 didn't provide for that kind of a thing. And I'm just trying
22 to deal with the most practical, best way to -- in effect, to
23 assure that all those interests, you know, can have the optimum
24 or maximum benefit of the information that's developed. It was
25 my understanding that the proposal was such that we would,

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essentially, go through -- essentially, an analysis of all the
1 candidates and weed out these right of privacy things and come
2 back with a listing of multiple names that are being considered
3 in each category, and then publicly select from that listing
4 and could do that here before the public comment period 5:00 to
5 7:00 or after. And (indiscernible) raise the question, you
6 know, what it is we're going to do, it could be done, you know,
7 a number of different ways.

8 I, as I said earlier today, was very impressed with the
9 group and all other -- only 31 that actually applied that I
10 found in each category, at least, three very qualified people,
11 any one of whom would be, you know, simply from my perspective
12 would be very find. And so, I don't think there's a shortage
13 of candidates, but I'm just trying to suggest we be responsive
14 to give them maximum, you know, public exposure to what it is
15 we're doing. And so

16 MR. COLLINSWORTH: Mr. Chairman.

17 MR. McVEE: Yes, Mr. Collinsworth.

18 MR. COLLINSWORTH: I am familiar with one other
19 process that solicits a lot of public interest and a lot of
20 participation, and that is the -- how the North Pacific Fishery
21 Management Council operates under the provisions of the
22 Magnuson (ph) Act, and it has a scientific review body, a
23 scientific and statistical committee as well as an advisory
24 panel. And there's 21 or 22 members of the advisory panel that
25 play an important role in the proceedings of the Council and

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serve for one-year terms, and go- -- and they have a nominating
1 process that's quite similar to what we've engaged here. And
2 the Council goes through an initial selection of the list of
3 folks in Executive Session, and has done that since the first
4 Council -- or the first advisory committee was appointed about
5 in 1970- -- late '77, early '78, and has participation with
6 both state and federal members on the committee. And it seems
7 to have worked satisfactorily protecting -- having the Council
8 take formal approval action in public session, but dealing with
9 some of those fairly delicate personal issues, the right of
10 privacy type issues that Mr. Cole mentioned, that is done in
11 Executive Session. And I think that's a model that we should
12 follow here.

13 MR. McVEE: I guess since we asked for public
14 comment, I should find out if there is any more -- if there's
15 anyone else that wishes to comment.

16 MS. RODERMAN: I'm Lisa Roderman (ph), I'm from
17 Cordova. Just -- I think your point about other advisory
18 councils is well-taken, but this is a public advisory council,
19 and it is to represent the public. The advisory council on
20 Fisheries matters, for instance, that you referred to, you
21 know, you might ask other scientists what they think of these
22 scientists and to provide input. You know, in thinking about
23 it, I guess I would have to support Pam's suggestion that since
24 simply because whoever you choose does represent all of us,
25 that all of us should know why you chose those people or did

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not choose them.

1 The other alternative might be to keep a record of what
2 you say in there, and then if someone wants to know why they
3 weren't chosen, they have access to that record.

4 MR. McVEE: Is there other public comment on
5 this issue? No other comment at this time.

6 MR. COLLINSWORTH: Mr. Chairman,
7 notwithstanding the testimony we've just heard, I believe the
8 process that I outlined, at least having an Executive Session
9 and taking a look to see if there are any reasons why we
10 believe that any of these individuals that have been nominated
11 do not satisfy the minimum qualifications or the qualifications
12 that personal -- you know, requirements, if that could be done
13 in Executive Session, then we could complete the process in
14 open forum.

15 MR. McVEE: Is that the motion?

16 MR. COLE: Well, I have another idea,
17 Mr. Chairman.

18 MR. McVEE: I haven't got a second to the
19 motion, so go ahead, Mr. Cole.

20 MR. COLE: Well, I was thinking maybe we could
21 have -- this is just a wild thought -- but one person or so or
22 someone to, essentially, be a witness to the fact there wasn't
23 any skulduggery going on there in the Executive Session, you
24 know, so that somebody could say yes, they really did focus on
25 the issues, and they didn't go in the back room and agree upon

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the final, you know, selection. We can do that, too, to sort
1 of have -- and swear them to secrecy, so to speak, except on
2 that issue, you know, that they did do the right thing back
3 there. And that way it would be a form of public, you know,
4 involvement in the process, and not entirely in secret or
5 Executive Session, but give the public some assurance that we
6 were, you know, being responsible. If we could find somebody
7 who could agree with that.

8 Anyway, that's just another thought that occurs to me.

9 MR. McVEE: Mr. Collinsworth, did you want to
10 divert (ph) your statement to an admission (ph) or what, do I
11 have a motion here? Because we need to get something on the
12 table so we can take an action here.

13 MR. COLLINSWORTH: I move that we adjourn to
14 Executive Session and review the applications and the
15 qualifications of the individuals. If individuals are
16 identified by -- or if there are nominees that identified by
17 the Council Members as not being suitable for appointment, that
18 we could take care of it at that time. Those that we believe
19 meet the qualifications, bring that group back and proceed in
20 public forum.

21 Either that or -- well, I could make that as the
22 motion, but since we -- our rules of procedure are somewhat
23 lax, you might want to appoint a nominating committee or a
24 subcommittee, because somebody's going to have to take now and
25 -- you know, we've got to array (ph) these folks into the

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appropriate category, make sure that the categories are
1 satisfactory; and the Staff has done some of that for us. And
2 then, we're going to have to -- when we have multiple
3 candidates for a given discipline or interest, we're going to
4 have to decide, you know, how we are going to select that among
5 the qualified individuals.

6 Several of these people I know only by resume and
7 recommendations, I don't know them personally. Maybe other
8 members do and can provide some insights on how to proceed.

9 MR. SANDOR: Mr. Chairman.

10 MR. McVEE: Mr. Sandor.

11 MR. SANDOR: My thought is that whatever the
12 process is, it ought to be open from the standpoint of what is
13 done. I think, perhaps, everybody approaches a little bit
14 differently. I went through the list Saturday and Sunday -- a
15 few Sunday morning, and I identified at least three individuals
16 in each category, any one of which would be, you know, I
17 thought terrific. And I thought, you know, that when we got
18 together, either in Executive Session or open session, that I
19 was certainly prepared to identify these individuals. I
20 thought there might be a consensus, and it turns out that these
21 people, 31, really have excellent -- you know, there's --
22 seemingly, we wanted -- we thought -- we might've been
23 disappointed 'case we didn't have a hundred, I'm thankful we
24 didn't have a hundred, because the 31 there, the qualifications
25 are really great.

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1 So, in the Executive Session, I will display these
2 three in each category, in open session I'd display these three
3 categories. It doesn't make any difference to me.

4 MR. COLE: Mr. Chairman.

5 MR. McVEE: Mr. Cole.

6 MR. COLE: Speaking to Mr. Collinsworth's
7 motion, it seems to me that we, as part of that motion, should
8 have a limitation on those -- the reasons for someone not
9 making the cut. You know, it should be reasons -- by reasons
10 of something other than I just don't particularly like this
11 person or, you know, this person is said to be disruptive, so
12 in the Executive Session we scratch them off the list. And you
13 see, that doesn't satisfy the public process as far as I'm
14 concerned.

15 I think that in Executive Session for people -- reasons
16 for people not making the cut should be some -- specified here,
17 you see, because other than -- well, whatever, just because
18 somebody doesn't like them. Say, Ms. Brody has commented upon
19 my views here a number of times, so I go to the back room and
20 say well, strike her off the list, you know. I mean you see,
21 that's the way of avoiding the public process, and that's what
22 I am concerned about.

23 MR. COLLINSWORTH: Mr. Chairman. I don't want
24 to avoid the public process. I would like to engage some
25 process today, however. You know, I mean

MR. COLE: We've struggled through these things

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and usually get the right answer, eventually.

1 MR. COLLINSWORTH: Well, I mean if we want to
2 make it a participatory type of situation, let's have -- let's
3 pass out a paper and everybody write down 15 names, and we'll
4 add them up and whoever gets the most votes gets on the panel.

5 MR. McVEE: Mr. Sandor.

6 MR. SANDOR: Well, the other way, the way I
7 approached this thing was to --

8 MR. COLLINSWORTH: I mean pass it out to
9 everybody.

10 MR. SANDOR: to -- in identifying these
11 top three was credentials, both with respect to, you know, from
12 the standpoint of science or knowledge and then from the
13 standpoint of their involvement in the categories, either
14 professional societies or organizations. And there are no
15 shortage of qualified people. I don't think we need to look so
16 much at the negatives as to identify the positives of these
17 people, and that's what I would urge the individuals to do is
18 to identify these positives. And

19 MR. COLE: Well, then you wouldn't go into
20 Executive Session.

21 MR. SANDOR: We don't have to. I said that I'm
22 -- what I move to present in Executive Session is the same
23 thing that I would permit (ph) here. There's just no shortage
24 of qualified people.

25 MR. COLE: Well, can we talk about something

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else? How are we going to select these people when we're no
1 longer in Executive Session, if we ever go to Executive
2 Session? That's another, we haven't faced that terrible
3 problem yet.

4 MR. SANDOR: Do you mean (ph) by consensus or
5 numerical ranking as he suggests?

6 MR. McVEE: Maybe could we talk about -- I
7 guess if we're not going to do it, if we're not going to
8 function as a review panel in Executive Session, may we talk
9 about how we would do that (ph) in a public session?

10 MR. COLE: That's as big a problem.

11 MR. McVEE: And one of the possibilities that
12 Staff suggested is that -- brought a note to me here, is that
13 we could each identify -- you know, as categories, we could
14 identify on a written ballot the acceptable candidates, and
15 then take that list and discuss it and make the selections. Is
16 there a problem with that approach or should we just start down
17 the list?

18 MR. SANDOR: Well, who -- whatever -- I don't
19 what Staff person suggested that, but could you run that by
20 again? In other words, we each

21 MR. McVEE: We'd each identify a candidate or
22 candidates in a category that are acceptable, and then discuss
23 and make a selection from that list. Does that work?

24 MR. COLE: Do we need to decide this today?

25 MR. McVEE: Dr. Gibbons told me earlier that we

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needed to -- if we're going to keep on our schedule to get a
1 P.A.G. appointed so it could act on the '93 budget in a timely
2 manner, that we needed to decide this.

3 MR. COLE: I move we continue this until the
4 next meeting and get this straightened out how we're going --
5 whether we're going to have an Executive Session on these
6 issues, and then, if we no longer have an Executive Session,
7 how we are going to select the members, whether it's by -- you
8 know, the basic rule has been unanimity, does that rule still
9 apply or are we going to change the rules or what?

10 I mean I think for the first time we're addressing this
11 hard issue, so I, therefore, move to pass it for

12 MR. COLLINSWORTH: Second.

13 MR. McVEE: There's a motion to table. Also,
14 one comment, I guess, that might be worthwhile to pass on is
15 that, you know, we could handle this, the discussion, in an
16 open session, when we reach any point where privacy matters,
17 confidential issues needed to be discussed, adjourn at that
18 point. We have, I guess, a motion to table till our next
19 meeting; is that essentially what -- Mr. Cole, what your motion
20 was (ph)?

21 MR. COLE: I just want to say, one might -- we
22 all might be better prepared, too, at the next meeting.

23 MR. SANDOR: The motion to table,
24 Mr. Parliamentarian, whoever you are, ordinarily is not
25 really

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MR. McVEE: It's not open for discussion
1 normally under

2 MR. SANDOR: Yeah. It's open (ph) to
3 discussion but

4 MR. McVEE: If you want to discuss
5 (indiscernible - interrupted)

6 MR. SANDOR: But can I

7 MR. COLE: Go ahead.

8 MR. SANDOR: make a comment about it?

9 MR. COLE: I suspend the rules.

10 MR. SANDOR: I think we're putting this off.
11 Why don't we simply go ahead. My gosh, this Public Advisory
12 Group, we need to get on with it.

13 MR. COLE: What's the downside, then?

14 MR. SANDOR: Well, the downside is no (ph)
15 worse that can happen in this thing is just to -- if we -- each
16 one of us, in open session, simply identified two, three, four
17 people, or whatever number, and say, you know -- and see what
18 happens going through the six members, there may well be a
19 consensus, and then go through each category and pick one, you
20 know, by vote. And I would suspend the consensus rule and
21 maybe even go by a majority vote of the Trustee Council in each
22 category.

23 MR. COLE: Well, let me bring up something else
24 since we've suspended the rules. You know, we have two pinch
25 hitters today here, you know, and --

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MR. SANDOR: Who?

1 MR. COLE: and in deference to
2 Mr. Collinsworth and Mr. Wolfe, and you know, that's one-third
3 of the group that's not here. And their -- you know, maybe
4 they have some views on these that we would want, they would
5 want to be expressed among the group. I don't know how
6 Mr. Collinsworth feels about that but

7 MR. COLLINSWORTH: I'd love to postpone it and
8 let the boss take care of it.

9 MR. SANDOR: Well, that's a point I overlooked,
10 I guess, frankly, and that's the only (indiscernible -
11 simultaneous speech)

12 MR. COLE: Or you think it's the only argument
13 and that it's (ph) worthwhile.

14 MR. COLLINSWORTH: On the other hand, I've --
15 (indiscernible) complete competence to make the selection if
16 you would (ph) like to go forward.

17 MR. McVEE: Well, we have a motion to table.
18 Is there any opposition to that motion to table to a future
19 meeting?

20 There is opposition, is that

21 MR. COLE: Wow.

22 MR. SANDOR: I think we're really making a
23 mistake not doing anything, and you know, that if only to get
24 together in Executive Session to get our act together. I think
25 it's a disgrace to come here and deal with this subject which

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1 is on the agenda and then not do something. And we've got a
2 whole hour before the public comment period. Why don't we go
3 into Executive Session to think about the process and then
4 (indiscernible - interrupted)

5 MR. COLE: No. No. That is -- I would totally
6 object to that.

7 MR. SANDOR: Well, just to lay out -- or
8 publicly reach a conclusion, but when we go to the four winds
9 and wait till August 3 or August 10, you know, we lose another
10 month

11 MR. COLE: But why do we need -- I'm trying to
12 address this rationally for a change. Why -- if we -- what
13 would the -- if we don't get the Advisory Council today, how is
14 the process be disadvantaged if we do it next time rather than
15 today?

16 MR. McVEE: My comment upon that would be that
17 after we make a recommendation, then there's the group -- or
18 make a selection, then there's the appointment process to go
19 through, so it just delays that appointment process. However,
20 you know, I don't think that's going to take a great deal of
21 time but it's -- a delay is a delay, whatever it amounts to.
22 And notification and the scheduling of the first meeting, I
23 think there has to be a 30 day notice on a meeting --

24 MR. COLLINSWORTH: Fifteen.

25 MR. McVEE:

MS. SLAETER: (Indiscernible - away from a

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microphone) -- Federal Register.

1 MR. McVEE: Pardon?

2 MS. SLAETER: The notice is published in the
3 Federal Register of our meetings, dates and which takes another
4 period of time.

5 MR. McVEE: It takes some time, so it just
6 delays. One suggestion, you know, possibly as far as the
7 process, would be that -- is that we -- each member identify,
8 you know, their candidate or candidates acceptable on a list
9 and we exchange that information. And we maybe have that
10 available for our teleconference and go through the process.
11 The problem with that is in the public "forum."

12 John.

13 MR. SANDOR: Well, I was going to move that
14 we

15 MR. COLE: There's a motion on the

16 MR. SANDOR: I'm sorry.

17 MR. COLE: There's a motion pending isn't
18 there?

19 MR. McVEE: Well, the motion failed, basically,
20 John

21 MR. COLE: Because he objected?

22 MR. SANDOR: And I'll never hear the end of it.
23 Well, I was -- I move that we table this final selection with
24 the understanding that for our next meeting, each of the
25 Trustees identify at least three people or up to three people

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in each category, and that list then be developed in advance of
1 the meeting and be available to the public. And for action,
2 then, in other words, what would be available at August 3 or
3 whenever the meeting is and, in fact, what the composite list
4 of people that is acceptable.

5 MR. COLE: Can we talk about that a little?

6 MR. SANDOR: Sure.

7 MR. COLE: Well, would we -- would you have in
8 mind that we would get that list to the Executive Director say
9 in two weeks?

10 MR. SANDOR: Yeah.

11 MR. COLE: And then, that would just be each
12 member acting independently and not in any -- you know, in
13 league with any other member, we would just each nominate three
14 people. And then, how -- what would we do when we came back on
15 the 3rd?

16 MR. SANDOR: Then, the Trustees would have a
17 compounded list of everyone, and as a matter of public
18 disclosure, as far as that's concerned, for the public record,
19 the individual Trustees -- you know, that -- those lists could
20 be the backup. But what we want along this path (ph) would be
21 the composite list of the total group (ph).

22 MR. COLE: Well, that's right. But then do we
23 have unanimous or do we take a vote on these eligibles? You
24 know, I think we should decide that sort of now, too, since you
25 want to do something today.

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1 MR. SANDOR: Okay. I'd say that we attempt to
2 get consensus, but if we fail, rather than delay the decision
3 to yet another meeting, that we go by majority vote.

4 MR. McVEE: Is there a second to the motion?

5 MR. ROSIER: I second it.

6 MR. McVEE: I guess the only problem with that
7 is in terms of timing that -- you know, with this scenario,
8 that we will -- probably could not schedule a P.A.G. meeting
9 until sometime in September, maybe mid-September; it depends on
10 how fast things move.

11 The motion is to table action today, and that each
12 Trustee Council Member will provide a listing of three in each
13 category or up to three?

14 MR. SANDOR: Up to three.

15 MR. McVEE: Up to three in each category from
16 the nomination list, and that we attempt to resolve this --
17 make those selections by consensus at our next meeting, that
18 that'll (ph) leave the option open for us to perform jury
19 votes (ph).

20 Discussion on the motion? Staff?

21 MR. MONTAGUE: Mr. Chairman.

22 MR. McVEE: Montague.

23 MR. MONTAGUE: I just want to bring up a point.
24 A few of the categories only had three people in them, and I'm
25 wondering if on these three names if they should be ranked in
26 terms of first, second and third priority or not by ballot

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(ph) .

1 MR. SANDOR: No. No, not at this time.

2 MR. COLE: It's up to three, too.

3 MR. COLLINSWORTH: Yeah.

4 MR. SANDOR: Up to three.

5 MR. COLLINSWORTH: Mr. Chairman. As I
6 understood it, it was up to three; it could be one for each
7 category or up to three for each category.

8 MR. McVEE: Yeah. I tried to put words into
9 John's mouth there.

10 MR. COLE: No, he doesn't need help.

11 MR. McVEE: It didn't work. Is there
12 agreement? Any objection to that motion? Okay. The motion
13 passed.

14 MS. RUTHERFORD: Mr. Chair.

15 MR. McVEE: Yes, Marty.

16 MS. RUTHERFORD: Could I ask for a point of
17 clarification. When we will make public the information, the
18 lists of the three, do you want the Trustee Council's name for
19 that -- for each list attached to it and made public, too, or
20 do you just want a cumulative list made public without any
21 indication of which Trustee Council suggested those names?

22 MR. McVEE: Opinion

23 MR. SANDOR: Mr. Chairman, my opinion would be
24 that what would be published would be a composite listing, but
25 if anyone wanted to look (ph) at the backup information, that

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that be accessible to them but not formally published.

1 MS. RUTHERFORD: Thank you.

2 MR. McVEE: The other item that we had
3 scheduled for Trustee Council Executive Session was working
4 group memberships, and this is a matter of Privacy Act concern.
5 And I guess maybe before we retire or recess for the Executive
6 Session on the working groups, is there any other matter at
7 this time that we need to bring up?

8 Dave, do you have any -- does Staff have any comments?

9 MR. SANDOR: No other -- Mr. Chairman. No
10 other subject, but we have -- we're going to do two things, are
11 we going to have a teleconference on the budget first and then
12 a meeting, or what was our decision on the next meeting and
13 teleconference or what -- or in-person or what?

14 DR. GIBBONS: The next meeting, I understand,
15 would have now three items on it; administrative budget, the
16 financial operating procedures and the P.A.G. selection.

17 MR. SANDOR: Okay. So, we're going to do all
18 three at a regular meeting?

19 MR. McVEE: At an August meeting.

20 MR. SANDOR: August. Is the date set?

21 DR. GIBBONS: August 3rd.

22 MR. SANDOR: Okay.

23 MR. COLLINSWORTH: Is that for a
24 teleconference?

25 MR. SANDOR: No. That's what I was asking, and

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I heard

1 MR. COLE: No, because -- excuse me. I thought
2 we said we could do the budget by teleconference, and then at
3 sometime later than August 3,

4 DR. GIBBONS: Yeah.

5 MR. COLE: maybe the 20- -- 25th or
6 something like that, we can then have this meeting to give the
7 Habitat Team a little more time to make -- to get a
8 product (ph).

9 DR. GIBBONS: Yes. What -- that was the
10 decision. The August 25th meeting has got two agenda items on
11 it, it's got the habitat protection and it also has the 1993
12 work plan. And so that -- if you want to put the P.A.G.
13 selection -- Public Advisory Group selection off till the 25th,
14 I would prefer to deal with it on the 3rd, if we can, to get
15 that process going. But maybe defer the financial operating
16 procedures, but

17 MR. COLE: Well, let me make another -- since
18 there is some idea of some urgency in the Public Advisory
19 Group, could we have a meeting sometime in late July? I mean,
20 you know, move it forward rather than some of this -- a little
21 bit, we'd get the budget done in advance, we could get

22 MR. SANDOR: Yeah.

23 MR. COLE: the Public Advisory Group
24 done.

25 MR. WOLFE: And defer the habitat?

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MR. SANDOR: Yeah.

1 MR. COLE: And then defer -- yeah, defer the
2 habitat. Yeah.

3 MR. WOLFE: We really do need to move that
4 back (ph).

5 DR. GIBBONS: So -- excuse me. The suggestion
6 would be to have a face-to-face Trustee Council meeting at the
7 end of July to deal with the Public Advisory Group members,
8 then have a teleconference on August 3 to deal with
9 administrative budget

10 MR. COLE: No.

11 MR. SANDOR: No.

12 DR. GIBBONS: and then have another face-
13 to-face meeting on the 25th to deal with the '93 and habitat
14 protection?

15 MR. COLE: No. Do the administrative budget,
16 if we can, at the meeting in July.

17 DR. GIBBONS: Well, I really can't -- at this
18 time, I don't know how many comments we're going to get. We
19 were trying to give ourselves about a week to get comments and
20 redo the administrative budget, if possible, or respond to the
21 comments. That was our -- that's my only concern.

22 MR. COLE: Let's do the administrative budget,
23 if need be, by telephone.

24 MR. McVEE: Can we wrap up -- I guess the
25 suggestion is can we do the administrative budget by

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teleconference in early August, go ahead with the -- you know,
1 a meeting in July for completing the P.A.G.

2 MR. COLE: Or any other business for next
3 year's program (ph).

4 MR. ROSIER: I'm on business in the last half
5 of July.

6 MR. McVEE: You're out of touch?

7 MR. ROSIER: Yeah. I'm in the field the last
8 two weeks of July.

9 MR. MONTAGUE: Mr. Chairman.

10 MR. McVEE: Yes, Jerome.

11 MR. MONTAGUE: I think we may have forgotten
12 about the July 20th teleconference, or it could be a face-to-
13 face meeting, to look at the very early burden of just titles
14 of the '93 work plan. So -- and because of the review process
15 being the 22nd to the 27th, there is no room to delay that. I
16 would wonder if the Council and Dave would consider that face-
17 to-face meeting on the 20th or thereabouts.

18 MR. COLE: Great.

19 DR. GIBBONS: We could deal with the Public
20 Advisory Group nomination process at that time.

21 UNIDENTIFIED VOICE: On the 20th.

22 MR. McVEE: On the 20th. How does that work
23 out on the calendars?

24 MR. COLE: Well, could we take a look at where
25 we are in our various other duties and notify the

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Administrative Director if the 20th is acceptable or whatever?

1 MR. McVEE: Let's do that. Look at our
2 calendars and see if that's possible. We may have to poll us
3 (indiscernible). Any other matters before we recess to
4 Executive Session?

5 MR. COLE: May I be

6 MR. COLLINSWORTH: Yeah. I have a question.
7 Why are we recessing to Executive Session?

8 MR. McVEE: There is a discussion on work group
9 membership.

10 MR. SANDOR: The work group membership.

11 MR. McVEE: Yes, that's on the agenda.

12 MR. SANDOR: We're not going to be talking
13 about P.A.G.s?

14 MR. McVEE: No. No. Just work group
15 membership.

16 MR. COLE: May I be excused from the work group
17 membership meeting? I'll give you my proxy, you and
18 Commissioner Rosier, but you have to exercise it jointly.

19 MR. SANDOR: With a consensus, you mean (ph).

20 MR. COLE: No, unanimity. Then, I'll be back
21 at 5:00, there's some things that

22 MR. McVEE: Let's adjourn. I guess the
23 upstairs conference room is available. We'll be back at
24 5:00 o'clock or shortly before for the teleconference.

25 (Off record)

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(On record)

1 MR. McVEE: reconvene for the
2 teleconference session of the public -- to take public
3 testimony or public comment of this meeting of the Trustee
4 Council. I might just check right now and try to do a roll
5 call of who we might have on-line, and then immediately
6 following that, I will have Dr. Gibbons do a summary of today's
7 activities of the Trustee Council.

8 Do we have anyone from Chenega? Chenega Bay, is anyone
9 on-line?

10 CONFERENCE OPERATOR: The only sites on-line
11 are Juneau and Kodiak.

12 MR. McVEE: Pardon?

13 UNIDENTIFIED VOICE: The only sites on-line
14 right now are Juneau and Kodiak.

15 MR. McVEE: Juneau and Kodiak are on-line.
16 Let's then proceed to with the -- Dr. Gibbons' summary, then
17 following that, we'll do a round-robin of all of the sites and
18 take public comment. Dr. Gibbons.

19 DR. GIBBONS: Yeah. Okay. I'm going to follow
20 the format of the agenda. And the first action item taken by
21 the Trustee Council was concerning the 1992 Work Plan. The
22 Trustee Council moved to accept the 1992 Work Plan as
23 developed, with the addition of \$47,000.00 to the fish --
24 Shellfish Project Number 27, the sockeye salmon project, and
25 103,000 for R60-C, the pink salmon project. Fish & Game will

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1 revise the detailed study plans concerning these two projects
2 and have those ready -- will have those prepared by -- in
3 several weeks, I think the term was.

4 We will -- the Trustee Council also approved forwarding
5 all specific new projects to the 1993 Work Plan for analysis
6 and inclusion in that plan, and the habitat protection
7 proposals to the Habitat Protection Working Group synthesis
8 (ph) and development.

9 The final 1992 Work Plan, in response to public
10 comments, will be sent to all commentors, and that is final
11 now, the copy's out here and will be sent to the
12 teleconferencing sites also.

13 The second agenda item, the financial operating
14 procedures. The Trustee Council tabled the financial operating
15 procedures until August 3rd Trustee Council teleconference.
16 The Financial Committee is to review the standard authorities
17 by agencies and suggest the change that's identified in the
18 procedures by the Trustee Council.

19 The third item, the 1993 Work Plan. The Trustee
20 Council moved to approve the 1993 schedule in concept,
21 including changes involving the Public Advisory Group, O&B and
22 others for inclusion.

23 The Trustee Council proposed to request funding from
24 the Court for the 1993 projects in December, with a
25 consideration of others needing emergency funding before that
time.

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1 The remaining five months of the 1992 budget will be
2 requested from the Court to enable obtaining funds prior to the
3 start of the 1993 fiscal year on October 1.

4 More involvement, as suggested by the Trustee Council,
5 is needed by the chief scientist, peer reviewers and Public
6 Advisory Group in the 1993 proposed schedule. The Restoration
7 Team is to meet with the chief scientist tomorrow to facilitate
8 this increased involvement.

9 Fourth item, habitat protection. For the August 25th
10 Trustee Council meeting, the Restoration Team is develop an
11 outline for the overall habitat protection plan, including
12 level of detail, options for accomplishment, identification of
13 critical habitats for imminent threat. The Trustee Council
14 wants an integrated package to start moving forward in this
15 area.

16 Item Number 5, the symposium. The Trustee Council
17 approves of the direction that the Restoration Team has
18 presented in the information document in the package.

19 Item Number 6, EIS options. The Trustee Council has
20 recommended to proceed with the Walkoff contract, Option Number
21 2, for the development of a draft EIS restoration plan.

22 Item Number 7, Public Advisory Group. The Trustee
23 Council tabled the final selection of the Public Advisory Group
24 members with the understanding that each Trustee Council member
25 will independently nominate up to three members in each
category by the next Trustee Council meeting, which would be

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July 20th. The composite list at the Trustee Council meeting
1 will then be used for the selection of the members.

2 The last item, the Trust- -- the next Trustee Council
3 meetings: July 20th is the next scheduled Trustee Council
4 meeting, the agenda items will be an overview of the 1993 Work
5 Plan and the Public Advisory Group process and selection.
6 There is a teleconference -- Trustee Council teleconference
7 scheduled for August 3rd on the administrative budget. And
8 August 25th is another Trustee Council meeting to discuss the
9 draft 1993 Work Plan and the habitat protection long-term
10 process. These dates are suggested dates at this time, I need
11 to check with the lat date with the Trustee Council and on the
12 August 3rd to see if those are firm dates.

13 MR. McVEE: Thank you, Dave. I guess at this
14 point, we'll start taking comment from the public. And have we
15 still just got two?

16 (Side conversations)

17 MR. McVEE: Okay. Who do we have on-line? Do
18 we have anybody from Chenega Bay on-line? Cordova, anyone from
19 Cordova on-line? Fairbanks? Fairbanks Information Office, are
20 you on-line? Juneau, are you still on-line?

21 JUNEAU: Juneau is on-line, however there is
22 nobody here, so I'm probably going to be hanging up until we do
23 get some -- if and when we get some participants.

24 MR. McVEE: Okay. Homer, Teleconference
25 Center? Homer, on-line?

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HOMER: Yes, Homer's on-line and Nancy Lord is here but she just wishes to listen.

MR. McVEE: Okay. Kenai, is Kenai on-line? How about Kodiak, Kodiak Information Office?

KODIAK: Kodiak is on-line, although we just have observers here, no one to testify.

MR. McVEE: Okay. Seward, is Seward on-line? Tatitlek, is there anyone from Tatitlek on-line? Valdez Information Office, are you on-line? Valdez? Whittier, is there anyone at Whittier?

Okay. At this point then, I'd ask if there's anyone from the Anchorage audience who wants to testify at this point?

Yes. John, Arliss, Senator

SENATOR STURGULEWSKI: Yeah, (indiscernible - away from microphone).

MR. SIBERT: My name is John Sibert (ph), I'm the Executive Director of the Alaska Science & Technology Foundation, and I wanted to speak just a minute to the proposal that Arliss Sturgulewski had put to this body regarding the establishment of Exxon Valdez Marine Sciences Endowment.

There are two reasons, I think, that something like this is important and would be very useful, whether it was done in FY '93 or at some later point in time. And I think one of them has been brought home to me by the kinds of proposals I see all the time; we get a couple hundred proposals a year in all sorts of areas, including, as you can well imagine, right

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after the Spill, an awful lot of things on how you're going to
1 clean up that Oil Spill, what you're going to do about it, how
2 we're going to prevent it, all of those sorts of things.

3 One of the concerns I have from various meetings I've
4 been to is that the focus, in many cases, has been on the -- I
5 guess what one might call the sexier aspects of that Spill in
6 terms of the, you know, sea otters, murrelets, et cetera, and
7 very little, or at least a reduced amount of effort in areas
8 related to the bottom of the food chain, bitoplanktons (ph),
9 zoe plankton (ph), a lot of things that are related to long-
10 term problems that we do not understand with regard to oil
11 spills. If you look at the Amoco Cadiz and the problems that
12 have -- in fact, the studies that are still ongoing there in
13 the marshes along the French coast. They're still learning
14 about the problems from oil -- crude oil and biota,
15 particularly, the bottom end of the food chain, as I said.

16 And I think these are important, because if you wipe
17 out that or have an affect on that, you're certainly going to
18 affect the top end of the food chain later. So, I think it's
19 important that we have some long-term commitment to these kinds
20 of studies. These are not the kinds of things you're going to
21 see a change in a year or two years but much longer term

22 And the second point I'd like to make since the Science
23 & Technology Foundation was set up with an endowment, and we
24 use the earnings from that endowment to fund research and
25 development projects, that the system works pretty well. We've

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1 been in existence, in terms of actual operations, for about
2 three years. It allows one to take a longer term view, there
3 are less -- let's say less subject to some of the vagaries of
4 the changes in the way the wind's blowing when it comes to
5 dealing with those longer-term research projects. The -- and
6 what it does do is provide some continuity. It allows one to
7 establish a good, sound RFP project -- process which can carry
8 forward year to year. It allows, as I said, the time to
9 thoughtfully evaluate proposals, peer reviewed projects and
10 things of that sort, and do it in a very consistent manner.

11 So, I would strongly support, if it's possible for this
12 group to do that, the establishment of an endowment for the
13 longer-term evaluation of the affects of the Oil Spill in
14 Prince William Sound. I'll be glad to -- in fact, at any other
15 time or at any time, I would be glad to talk to any members of
16 the Commission about how the Science & Technology Foundation
17 was set up, and how we are dealing with these kinds of issues,
18 if you would so wish.

19 MR. McVEE: Yes, Mr. Sandor.

20 MR. SANDOR: You say you have as many as 200
21 proposals that come before the Alaska Science & Technology
22 Foundation a year?

23 MR. SIBERT: Yeah. Last year, it was about
24 200.

25 MR. SANDOR: Very briefly, how do you go
through those and pick out the priorities and what -- and the

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way in which that's relevant for us?

1 MR. SIBERT: We lay out a number of criteria
2 that are critical in order for someone to be funded. At least
3 one member of your Commission, in fact, two -- is Mike Barton
4 still involved with -- Mike is the technical area (ph) review
5 chairman for forest products for our -- for the Science &
6 Technology Foundation and Kurt has reviewed proposals for us
7 before. And that what we do is a two-stage process; there's a
8 pre-proposal which is fairly short. I've looked at a thousand
9 of those in three years. And they -- we evaluate those based
10 upon the criteria that are established, those criteria being --
11 what's appropriate, of course, for the Science & Technology
12 Foundation is a focus on economic development more than on the
13 kinds of knowledge that we're dealing with here, and give some
14 feedback to the potential proposer as to whether or not that
15 proposal is appropriate and what might be done to fix it. And
16 then, get the proposals in, each one is peer reviewed by three
17 to five peer reviewers, and finally evaluated by the Board of
18 Directors three times a year.

19 That's one way to do it. I also serve as a Board of
20 Governors member of the National Coastal Research & Resources
21 Institute, which is a Congressional and Federal committee, to
22 do research related to economic development in coastal areas.
23 And they use a somewhat similar process, but they use a
24 separate board of advisors that does the first screening, and
25 then the Board of Governors makes the final decision. There

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are mechanisms to do that, I think, that make it not too
1 onerous, though my staff might disagree with that.

2 MR. McVEE: Yes. John, one question, I guess,
3 is on your peer review process, you have, I guess, a roster of
4 names for various categories of projects that may come to you,
5 and then those are utilized over and over again as peer review?

6 MR. SIBERT: Right. But we have a lot of them.
7 The peer review list, at the current time, has 570 people on
8 it from all over the country. And we try not to over-use
9 anybody. We use, as I said, technical area review chairman for
10 various areas to help assign peer reviewers, the people who are
11 knowledgeable in the field; as I said, Mike Barton is forestry
12 for us and so on. Sam Dunaway (ph) is mining. So, we have
13 that process built in. It's take a while to build up a good
14 list of peer reviewers, but once you've done that, it helps a
15 lot. They are voluntary peer reviewers and very happy to serve
16 as voluntary peer reviewers, from my observation. They're
17 interested in what's happening because they have knowledge in
18 the field, and it's one way for them to keep current. Also,
19 peer reviewers can write proposals as well.

20 MR. McVEE: Um-hum. Further questions? Yes,
21 Mr. Sandor.

22 MR. SANDOR: Well, just an observation, I think
23 we ought to take John's offer of providing some assistance and
24 guidance to us in not only developing the proposal or
25 evaluating proposals for an endowment but for a proposal for a

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way in which we review projects and screen them. It seems if²¹⁵
1 like you've been in business for three years, that you can
2 provide some help to us.

3 MR. SIBERT: My beard turned completely white
4 in that period, you understand.

5 MR. McVEE: You've done well. Any other
6 questions for John here? Thank you very much.

7 MR. SIBERT: Thanks.

8 MR. McVEE: Senator. I feel kind of awkward
9 sitting at this side of the table from you.

10 SENATOR STURGULEWSKI: Yeah. It's about time
11 you got even with me. This is not user friendly, by the way.
12 What you need is a table and for us to be sitting down at

13 MR. McVEE: Yes.

14 SENATOR STURGULEWSKI: the level of you.
15 However, this is one opportunity I have to speak down to you,
16 so I will. But I do thank you for giving me just a few
17 minutes. I know that you've got a long way to go before you
18 make the decisions for 1993. But as you also know, I've had an
19 opportunity to talk to a number of you, I'm very interested in
20 seeing a science foundation established, and I'd like to just
21 give you a very little bit of background. But I'm very
22 interested in the founding and the action of the Arctic
23 Research Commission.

24 And he's not on now, but was a wonderful scientist by
25 the name of John Steele from Wood's Hole. And we were out

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Unalaska one time, I have family there, and it was pouring rain
 1 and we were walking in the rain, and John was telling me about
 2 this little grain of whatever starting it's way from iceland
 3 and taking a thousand years to come all the way around and be
 4 part of the upwelling that goes into the incredibly rich Bering
 5 Sea. And I think Alaska learned in spades how the tides work
 6 as a result of the Exxon Valdez.

7 In 1988, Paul Fooz (ph), who was then the Mayor of
 8 Unalaska, and I appeared before the Arctic Research Commission.
 9 And as a result of our appearance before them, they adopted,
 10 and it then became a part of the Interagency Arctic Research
 11 Policy Committee, which is NFC is the National Science
 12 Foundation's interagency group, a study on the research to
 13 understand the Arctic Ocean, the Bering and Marginal Seas, the
 14 sea ice, the seabed, and on and on. But it -- they're actually
 15 focusing now research dollars into the Bering Sea, and both the
 16 water itself and oceanography and so on.

17 I have been a member and advisor for some years now to
 18 the International North Pacific Fisheries Commission, which has
 19 Don and Carl and others will know, is going to be superseded by
 20 -- or is being superseded by a new agency which will include,
 21 now, Russia and Japan, Canada and the United States, and it's
 22 just underway. But I've been interested in what I've been
 23 hearing over a series of years about research, about what we
 24 know and what we don't know. There are some tremendous gaps
 25 out there, and those gaps have led, I think, to over-fishing on

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the Bogoslof, we've seen that closed now in terms of bottom
1 fishing. Nobody, I'm sure, of the scientists in the room can
2 tell us why the crab went away, why we're seeing very small
3 species, there's a very complex interrelationship.

4 I think you had a situation this morning where certain
5 things are happening, and so you're going to toss some dollars,
6 and you don't really know why those are happening, you think
7 there may or there may not be an interrelationship to the Exxon
8 Valdez. So, it seems to me there's a tremendous need for
9 additional information.

10 As a result of a meeting that the advisors held in
11 Japan in Tokyo last year, Senators Zharoff, Cotten and myself
12 make a request to our Senate Research Agency to take a look at
13 the various agencies that were doing research. And I believe I
14 have made that available -- I'm sure I've made it available to
15 the Staff. But it talks about all of the different agencies
16 from the regulatory agencies, such as the Pacific Halibut
17 Commission to NOAA to the University of Alaska to et cetera, et
18 cetera; the major players that are out there. Very complex
19 interrelationship. Most of them, as you well know, starved for
20 dollars. But I've seen us in the Legislature, more when the
21 money first came, doing lots and lots of short-term things.
22 And I think that that is one of the dangers that we face as we
23 look toward restoration and restoration projects is knowing
24 enough, getting enough snapshots so that we have a good basis
25 on which to make the decisions that you have coming. And it

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was with this in mind that I have pursued the idea of
1 establishing a foundation.

2 I've talked to some of you and there seems to be some
3 concern as to whether it fits directly. I think that it does
4 in spades in terms of you have to know what's happening out
5 there in order to make the kind of judgments as to restoration
6 and to their value.

7 And so I would just encourage you as Trustees, I
8 realize this is a premature presentation, but I would encourage
9 you to really get involved. Where do you want to go with this?
10 Where do you want to end up? And I'm talking about the whole
11 restoration effort. You've got a lot of money, maybe \$700
12 million, and what is the goal?

13 It seems to me that if we can advance our knowledge and
14 -- and understanding of the interrelationship of the -- of our
15 oceans and our seas and our currents, that it does a lot for us
16 in this particular endeavor, but, of course, it's valuable
17 information if -- if anything happens in the future. And I
18 know that makes -- that part of it makes the farthest reach,
19 but what a wonderful thing if we could not only help in the
20 wise restoration, but have the information we need so that we
21 can continue to manage our resources.

22 So at this point I -- I hope you take up John's offer.
23 He's done a marvelous job of bringing a peer or scientific
24 review to -- to issues. I didn't call and ask him to be here
25 today, but I'm delighted he is, because we go the -- the same

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way on a lot of these -- these various areas, and so just with
1 that I'll look forward to working with you and hope you'll
2 seriously consider the proposal.

3 Thank you.

4 MR. McVEE: Thank you.

5 SENATOR STURGULEWSKI: Thank you.

6 MR. McVEE: Are there any questions for the
7 Senator?

8 SENATOR STURGULEWSKI: Thank you.

9 MR. McVEE: Thank you, Senator.

10 Since we did not have anyone identified available for
11 public comment in the other localities, I will again ask if
12 there's anyone else from Anchorage, and then -- yes, come
13 forward?

14 MAYOR SELBY: Good afternoon, Mr. Chairman and
15 members of the Trustees. I'm Jerome Selby, Mayor of the Kodiak
16 Island Borough. I appreciate your giving us an opportunity
17 today.

18 I wanted to primarily today call your attention to this
19 particular document which I know each of you have a copy of,
20 because I mailed it to you at the same time we submitted it to
21 the staff, and just talk briefly to that document. I guess
22 we're a little amazed that there's 450 projects, because
23 there's a total of 36 projects in this document.

24 This document is a ten-year plan, it's not a one-year
25 plan. It's a ten-year plan. The sum of the request over that

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ten-year time period is something a little less than
1 \$280 million total, including \$95 million into an endowment of
2 the 280 million. We are requesting for 1993 a modest
3 \$5 million to put in the endowment as -- more or less as a seed
4 money. Our request for 1993 for these projects is \$22.9
5 million, which again we -- we felt was somewhat modest going
6 in.

7 The way that the projects break out, just for a little
8 information and -- and based on some of the -- the discussion
9 you folks had earlier here today, for acquisition, we've got
10 about \$134 million in there, or roughly 45 to 47% of the total.
11 For the endowment, it runs 95 million, roughly 30-32%, and
12 then for other restoration type projects, we've got
13 approximately 50 million or 20 to 25%.

14 Now, we anticipate that the endowment figure that we
15 have in here is high. I mean, we -- we don't make any bones
16 about that, but what we do anticipate is that that gives us
17 some room for that endowment figure to shrink a little bit if
18 over the ten years, and we anticipate there will be some
19 additional projects that are identified that -- that we don't
20 know of today, we haven't thought of yet, based on other
21 information that will come in. During the time period, we're -
22 - we feel confident that there will be some other good projects
23 identified, and that you could take that money then out of the
24 95 million and still have a hefty endowment fund if you've
25 followed a similar format for the other two subareas of the

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spill area.

1 I'd like to speak to just a couple of them in
2 particular that maybe you don't -- one of the acquisitions, of
3 course, is the Afognak acquisition. What we've done with that
4 is that I think you folks are aware that there's studies
5 underway this summer by both Fish and Wildlife and the
6 Department of Fish and Game of Afognak, of the Afognak lands.
7 And so what we did is we simply proposed in there to start a
8 year from now with a \$4 million, if you will earnest money or -
9 - depending on if you buy an option or -- or -- it gives you
10 some options there. And then spread the actual acquisition
11 over the remaining time period that funds would become
12 available. And so that's the approach we used on most of the
13 acquisitions.

14 We have kind of a potpourri of acquisitions. This weir
15 sites, for example, for the Department of Fish and Game, those
16 are all real well defined. Virtually all of them are currently
17 under lease, and we're proposing to begin that acquisition this
18 -- in 1993. So in this case we feel that the acquisition is
19 very clearly defined. What's -- what is needed to be acquired,
20 and we have a ballpark of a figure and are proposing to move
21 ahead with those.

22 Similarly with the bear refuge in-holdings, we're
23 proposing to move ahead with that in 1993, but allocate some
24 amount of funds, and it's \$5 million per year for the remainder
25 of the time period here, but again that's a fairly well defined

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in-holding acquisition program.

1 So we've kind of got a range of -- of acquisitions in
2 there.

3 There's a couple of projects within the restoration
4 projects that we'd like to particularly draw your attention to,
5 because they kind of don't fit with some of the conversation
6 that we've heard espoused by the -- the Council before. That's
7 the expansion of the Fisheries Industrial Technology Center in
8 Kodiak, and we're requesting seven and a half million dollars
9 for that, three and a half million in 1993, three and a half in
10 1994, and a half a million in 1995.

11 We feel that that's a really critical project and one
12 that deserves a lot of attention from you folks, because it
13 basically is what we consider to be a win-win-win situation.
14 We win three times over as -- as a state to fund that
15 particular construction. First of all we win because it allows
16 a lot of the analysis that's going to be done by some of the
17 other studies that are being funded from these projects to be
18 done right here in Alaska as opposed to shipping them to
19 laboratories outside the State of Alaska. And so we consider
20 that a win if we can support the studies in-state at a facility
21 in -- in the State of Alaska.

22 Now, it's win for the University and the Fish -- the
23 Fish Tech Center itself, because it allows them to move ahead
24 with programming that they need anyway. So in order to do the
25 research that we need to have done, on our fisheries research,

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on our fisheries in the State of Alaska, we need this
1 capability.

2 And the third win that we look at is the fact that one
3 of the biggest drawbacks we had during the Exxon Valdez spill
4 is that we had no capability laboratory-wise in the State of
5 Alaska to support and analyze, particularly where we got
6 frustrated was to determine whether subsistence clam and fish
7 were safe to eat or not. And we pursued that throughout the
8 summer of 1989. We ended up spending from the Kodiak Island
9 Borough \$1 million trying to get that answer. Do you know when
10 we got the answer? We got the answer in November of 1989.
11 Now the folks that were trying to get their subsistence fish in
12 during the summer of 1989 really didn't benefit at all from
13 that. And the reason it took so long is that all of the
14 samples we took starting in April, they came to Anchorage
15 first, but then the Anchorage labs were so plugged that they
16 had to go to -- I think part of it was done in Denver,
17 Colorado, and part of it was done in Texas, and I'm not sure
18 where the third place was, but by the time we got the -- the
19 data back, it was November.

20 Meanwhile, what folks had to go on was the
21 recommendation from -- I think it was from NOAA, not to pick on
22 anybody in particular, but they were kind of the lead agency on
23 the subsistence, the rule of thumb for the folks in the
24 villages was, if you open a clam and it smells like oil, don't
25 eat it. You know, that's -- that just didn't make it as far as

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those people were considered -- concerned, particularly the
1 subsistence folks.

2 And so we desperately need to have the capability to do
3 some of this analysis in the State of Alaska. Hopefully we'll
4 never have another situation like this to deal with, but if we
5 do, we definitely need to have, and we would have that
6 capability sitting here in this facility.

7 The other one then also -- similar is the
8 archaeological museum for the Kodiak Area Native Association.
9 I understand that you folks weren't too excited about bricks
10 and mortar, but we would encourage you to look at this one
11 very closely as part of the over-all archaeological results of
12 the spill.

13 Now, what -- what we all know is, is there were a
14 number of excellent sites mapped during the Exxon Valdez spill.
15 What we know since then is that some of those have already
16 been pretty much cleaned out, because some of those maps got
17 into private hands somehow, who knows how.

18 What we're concerned about is being able to go out and
19 actually do some digs and preserve some of those artifacts
20 permanently in a good facility here in Alaska. Again, the
21 other option is to dig them and send them -- send them to the
22 Smithsonian I guess back in Washington, D.C. That doesn't do
23 much for the people in Alaska.

24 In addition, just recently within the last few weeks,
25 the archaeological folks at KANA have discovered what may be

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one of the most significant finds in the -- in the North
1 American continent, and Jim Carmichael can probably tell you
2 more about this than I can, but my understanding is -- is that
3 on the north side of Afognak Island, in a dig they've
4 discovered an area where because of a change in water tables,
5 the artifacts have been preserved in the absence of oxygen, and
6 so they have some premier materials that they're digging up
7 that have not deteriorated at all for several hundred years,
8 and it's ranked -- it was immediately ranked as maybe being one
9 of the top four archeological sites in North America.

10 Now, where are we going to take those artifacts?
11 Again, we could leave them there, in which case they'll
12 disappear, or we can bring them out and have a place to put
13 them. And that's why we feel it's real important to have a
14 place to put them here in Alaska, and close to the people whose
15 culture they represent. And these also are the people in our
16 view that really got significantly hindered, damaged by the
17 spill itself, hence we feel it's -- it makes sense from a
18 restoration perspective to provide a place to put these and
19 give these folks some pride in their culture and a place to
20 keep these things on Kodiak Island.

21 So again we know the -- you folks have said they don't
22 maybe quite fit as well as they should, but we feel they fit
23 real well, and they fit very strongly within the -- the
24 archaeological preservation aspect of the -- of the framework
25 document.

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Now, the Exxon Valdez Restoration Committee in Kodiak

1 is made up of folks from Federal Parks, Federal Fish and
 2 Wildlife, State Fish and Game, State DEC, the Kodiak Island
 3 Borough, Kodiak Area Native Association. Basically what we did
 4 is we took the Shoreline Clean-up Committee, and we've expanded
 5 it some since then, but we took the -- these folks are the
 6 folks who spent the most part of two years on the shore during
 7 the oil spill in the field and know where the impacts are, and
 8 as a result of that, these are the projects that those folks
 9 have come up with, and we've expanded that -- we've had as high
 10 as 25 or 30 people at some of the meetings that we've had
 11 putting this document together, and so we'd like to recommend
 12 it to you for careful consideration for -- for funding in the
 13 Kodiak area.

14 The -- the one concern I have as far as the briefness
 15 of the descriptions is that I'm a little concerned that they're
 16 too brief and maybe the full impact or importance of some of
 17 the projects may not come across in a page and a half of
 18 documents. So I'd sure hope that you and your staff will get
 19 back to us if you want more backup, and virtually all of these
 20 projects, we've got quite a bit more backup and thought that's
 21 gone into them, so that is available.

22 And as a final thought, I did comment during the -- the
 23 review of the framework document itself, and -- and something
 24 that we still think is a little bit light, and that we'd like
 25 to see the -- the Trustees consider a little more in the

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future, is we'd still like you to consider the resource, the
1 restoration of the people resource, the impact to the people
2 themselves that were involved in the spill. We saw it on a
3 daily basis throughout 1989, and -- and we'd like you to see --
4 maybe put something in the framework document itself for some
5 guidelines along -- along that line, so

6 If there's any questions, I'd be glad to answer them.

7 MR. McVEE: Are there any questions? I guess I
8 might ask staff a question. Is this document -- do you have
9 this with the -- with the '93 submissions, Dr. Montague?

10 DR. MONTAGUE: Mr. Chairman, yes.

11 MAYOR SELBY: Thank you.

12 MR. SANDOR: Well, I

13 MR. McVEE: Mr. Sandor?

14 MR. SANDOR: Mr. Mayor, you make reference in -
15-in here to -- well, one of the options, the five million set
16aside for an endowment fund, and then you -- you point out in
17that same paragraph, or the group points out in that same
18paragraph the spill-wide an endowment might be an option to
19that, and -- but that's the first question with respect to --
20to the concept of endowment spill-wide, I presume -- or the way
21I interpret this paragraph that you would endorse either.

22 MAYOR SELBY: That

23 MR. SANDOR: Would you talk to that, what
24your concept is?

25 MAYOR SELBY: That's correct, Mr. Sandor, we

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don't -- we aren't preconceived. We just -- basically what you
1 see here is that we support the -- the development of an
2 endowment program to continue this availability of some funding
3 on a -- on a long-term basis. We're not hung up about whether
4 it should be a spill-wide endowment or if -- if no one else --
5 if the other two subareas don't support endowments, or you
6 folks aren't getting that kind of information from them, then
7 we'd be willing to do an endowment and management it with the
8 Kodiak Island Borough, but that's -- we're not stating a strong
9 preference for one or the other. We're just saying that we
10 think there should be an endowment, and we want to work with
11 you folks in -- in the development of the endowment and how it
12 might be structured so that things are -- are covered for the
13 future for some of these critical areas that I think most of us
14 share a concern about, and so that's where we are with it.

15 We haven't really thought through how the thing ought
16 to get structured. You know, maybe a piece of it broken off
17 for Senator Sturgulewski's idea is -- is a good way to go. You
18 know, maybe there ought to be an endowment with three or four
19 different categories within it or -- or something like that.
20 But -- and I know you folks are starting to wrestle with that
21 and -- and we're not here to try to suggest to you that we've
22 thought through all that and have all the answers for you by
23 any stretch.

24 MR. SANDOR: I guess the second question, your
25 proposals in effect as I understand them run around 30 million

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per year for the next nine years, is that about right?

1 MAYOR SELBY: That's correct. The first year
2 is a little lighter as I've mentioned. It's 22.9, and that's
3 because we knew you folks had some other financial obligations
4 the first year here, particularly in 1993 that had to be taken
5 care of, so we've come in intentionally light in '93. But then
6 '94 through the -- through the rest of the years, we targeted
7 to try to hit right around 30 million.

8 MR. SANDOR: And that roughly is equivalent to
9 about a third of the monies available?

10 MAYOR SELBY: Yeah, roughly. We've -- we left
11 what we felt was funding for administration and whatnot and --
12 and we're not necessarily totally locked in on a regional one-
13 third, one-third, one-third. We feel that we got a little bit
14 more than one-third of the impact quite frankly out of the
15 whole -- whole thing, but we don't want to turn it into a
16 regional strife type of situation, but we thought that made
17 some amount of sense for us to target going in roughly one-
18 third, one -- for each of the subareas just as something for us
19 to work against in terms of putting together a ten-year plan.

20 MR. SANDOR: Well, Mr. Chairman, this is really
21 an impressive package of proposals, and surely will be helpful
22 for the restoration -- for the '93/94 planning effort.

23 Priorities aren't always identified in there though?

24 MAYOR SELBY: We intentionally avoided
25 priorities in order to keep the whole group working together.

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We didn't want to get into an internal cat fight, and so we
1 didn't -- intentionally avoided trying to prioritize. We did
2 target that we would not exceed the 30 million, and -- and
3 fortunately it turned out. Now, you know, I want to give
4 credit to a lot of folks that worked real hard on putting this
5 together. We kind of did the typing and -- and whatnot, but
6 actually staff and several of you sitting here at this table
7 are the ones that did a lot of the work on putting this
8 information together, and had I -- they've done an excellent
9 job. The people have worked real hard. Thank you.

10 MR. McVEE: Yes, Mr. Cole?

11 MR. COLE: Just thinking about this 300 million
12 roughly, 270, whatever, first you have to take out 90 million,
13 75, 80 million for reimbursement of state expenses, we have at
14 least 60 for -- plus for federal expenses, that's 150. We have
15 administrative expenses and expenses this year of I think 20 at
16 least. And I can easily see 200 million sort of evaporate if
17 you will fairly quickly. And that leaves 700. Take your 300
18 out of there, that's 400 left, you know, so you might want to
19 do a little homespun math and take a hard look at your
20 proposals, because I think it's going to be very hard to give
21 Kodiak 300 million out of seventy- -- 700 or less that will be
22 available. I mean, you know, just thinking realistically.

23 And then we get proposals for the acquisition of
24 habitat, you know. I can see two or 300 million there going
25 faster than you can blink an eye. So I tell people generally,

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you know, we have to take a hard look at these expenditures and
1 where we're going to put the bucks, for what it's worth.

2 That's simple math.

3 MAYOR SELBY: Yeah, we've -- now the
4 acquisitions in the Kodiak area, of course are included in
5 here. So

6 MR. COLE: They are? How about Afognak?

7 MAYOR SELBY: That's in here.

8 MR. COLE: You -- Afognak's in your plan.

9 MAYOR SELBY: That's in here, yeah. So I -- I
10 know what you're saying, and -- and obviously there has to be a
11 balance that's struck there, and we're willing to work with the
12 Council on -- on coming up with that. We're not saying that
13 we're adamant that it's 300 million to Kodiak Island by any
14 stretch of the imagination.

15 MR. COLE: Let me just mention another problem
16 that we can think about in connection with this endowment. I
17 mean, suppose we set up the endowment and -- and times change
18 and we retire and all those good things, and then another, you
19 know, some -- the Trustee Council changes. Somebody says,
20 "Well, we don't like this endowment," and they terminate it.
21 Are we thinking about that possibility, Commissioner?

22 MR. SANDOR: Yes.

23 MR. COLE: I mean, that's -- it's a little
24 troubling,

25 MR. SANDOR: Yeah.

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MR. COLE: you know. We say, well, let's
 1 just take this 100 million or so and put it into an endowment,
 2 be very prudent, and then here comes a new group, different
 3 composition, which surely will happen, and say "We don't like
 4 this endowment," and, poof, they all take it out like the
 5 Alaska Legislature did to 411 and 50 million's gone before you
 6 bat an eye. And that's the thing that troubles me, John,
 7 about this endowment. I think we have to think very hard.

8 And then as we think about that, well, what right do we
 9 have to set up an endowment and, you know, essentially lock in
 10 money, you know, from a future Trustee Council -- Trustee
 11 members. It's -- it's a little troubling. So you might give
 12 some thought to that.

13 MR. McVEE: Dr. Montague?

14 DR. MONTAGUE: Mr. Chairman, I do have a
 15 question for Mayor Selby. You had mentioned the desire to work
 16 with us on further development of these ideas. Currently our
 17 mode of operation is that the agency that, you know, one of the
 18 six lead agencies would turn each of these one-pagers into the
 19 brief project description. Our intent was to not have the
 20 public work too much on an idea that may never be funded, but I
 21 guess the question is would the Borough be interested in --
 22 and/or willing to turn these one-page ideas into the project
 23 descriptions or would you prefer that we do it?

24 MAYOR SELBY: We'd be glad to do it, because
 25 I'm -- we're not going to do it. We're going to go back to

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each agency that submitted each of the projects and have them
1 complete it. Like I say, most of them do already have a fair
2 amount of backup on most of these projects already, so it would
3 not be that hard of a problem from our perspective, because
4 we're going to spread the load across probably ten or 12 other
5 agencies. We have some from the Borough itself, obviously, but
6 it would -- it kind of spreads the workload out. We could
7 certainly do that if that's beneficial.

8 DR. MONTAGUE: Thank you.

9 MR. McVEE: Yes, Mr. Wolfe?

10 MAYOR SELBY: Mayor Selby, just one other
11 question is you folks have quite a bit of land acquisition
12 proposed as part of your project. Did you use any kind of a
13 screening process? We're -- we're wrestling with how we're
14 going to deal with the land acquisition proposals, and maybe
15 your -- your Borough has come up with some ideas that we could
16 use if you have a screening established.

17 MAYOR SELBY: Well, the only screening we
18 really provided, Mr. Wolfe was that we had the framework
19 document itself, and suggested to folks that if the project
20 that they were proposing didn't clearly fit in the framework
21 document, don't bother to submit it, you know. I mean, the --
22 the committee could say no if it's something that actually
23 didn't fit. I was real pleased with the response we got from
24 that, because we didn't have to turn down any. Every project
25 that was submitted is in here. From our perspective, they all

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do fit in the framework document, and so these are areas that
1 are, you know, high priority, I think primo habitat as far as
2 the acquisition is concerned.

3 Some of the information that's already coming in from
4 the north Afognak study that's being conducted right now
5 indicates that North Afognak might be even better habitat and
6 more critical habitat than we had thought it was. The marbled
7 murrelet nesting areas apparently are much higher than they
8 thought they were going in there, for example, and there's
9 other bits of information that I'm getting back from the folks
10 doing the study, so we feel that the ones that we've identified
11 and -- and we've not locked in, that's an important point, on
12 exactly what on north Afognak would be included in the actual
13 acquisition.

14 Basically what we've done is we've notified the owners
15 that we want to start a negotiation process, but until we got
16 the information from those studies this summer, we really
17 weren't in a process -- in a position to -- to move ahead with
18 that. And so that's why that number, while it's a little bit
19 soft, at least it's provided for in our ten-year plan so that
20 once the final determination of what the habitat area is that
21 we really need, we could move ahead with the negotiation and
22 the -- and the funding would be -- would be forthcoming.

23 MR. WOLFE: Thank you.

24 MR. McVEE: Other questions? I guess not.

25 MAYOR SELBY: Thank you.

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MR. McVEE: Thank you very much, Mayor Selby.

1 Rick Steiner?

2 MR. STEINER: I almost forgot what I was going
3 to say. That was quite -- quite a discourse there.

4 I'm Rick Steiner from Cordova, and first of all I think
5 Mr. Selby's ideas deserve some merit. I -- it opens up a whole
6 new can of worms though having regional management in -- in
7 this sort of context I think, so it's something you're going to
8 have to wrestle with a little bit.

9 Mainly what I wanted to do, I just have a couple of
10 quick comments, but I wanted to thank the Council for some
11 positive movement on the habitat acquisition issue. I know
12 you've been creeping along in that direction, but I'd
13 specifically like to thank Don Collinsworth, Charlie Cole and
14 John Sandor for the leadership they've shown today in pushing
15 this issue along. It means a lot to hundreds of people in the
16 region. Thanks a lot.

17 I think the critical thing that I think Attorney
18 General Cole alluded to in this discussion today is interim
19 protection. It's been talked about for over two years, and we
20 have none in place, and I don't mean to be critical, it's just
21 we need to move on it if we're going to do it.

22 One of the primary examples of why we probably should
23 have had this two years ago is Patton Bay which there's a road
24 right now, about a third of it has been built on Montague
25 Island I just heard today, and the other 20 miles will be built

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1 in the next month and a half. That -- the Patton Bay timber,
2 which will probably start being cut in late summer, probably I
3 think would -- would have fallen out in any system of criteria
4 for acquisition of equivalent resources or of habitat for
5 species injured by the spill. It's very close to where most of
6 the oil exited the Sound, and that's -- that's an opportunity
7 we have lost, period.

8 And not to focus on the negative and looking backwards,
9 I think if we look forward, the question is how many more of
10 those are we prepared to lose, which is why I think the urgency
11 in this issue is paramount. So thanks again.

12 The -- the next question is, how much money's in the
13 bank right now? You've about 18 million or so that has not
14 been appropriated, is that?

15 DR. GIBBONS: Seventeen.

16 MR. STEINER: Seventeen. It would be nice at
17 your next meeting to keep that -- to keep that money on the
18 table, or at least be very, very aware that it's there, and be
19 prepared, if -- if you're ready institutionally, to provide
20 some of that in -- by way of moratorium, offers, option offers
21 to timber owners, resource owners that are prepared to work
22 with you. There are a number in the region that are.

23 The endowment idea, very quickly, I do like
24 Senator Sturgulewski's idea of a research endowment. A number
25 of people have mentioned that before. I think it might be a
way of organizing the research in -- in a fairly logical manner

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and provide long-term research for this -- for this Restoration
1 Team.

2 The idea though of taking all the money and putting it
3 into an endowment I think is a little premature at this stage.

4 I think Mr. Collinsworth mentioned it earlier today. Instead
5 of figuring out a financial plan, -- correct me if I'm
6 paraphrasing you incorrectly. Instead of figuring out a
7 financial plan and then tailoring a restoration program to fit
8 that -- that's sort of the -- the tail wagging the dog. What
9 we need to do is figure out what we're going to do and then
10 figure out how to finance it.

11 So I think at this stage -- and plus there's only been
12 a couple of people really that have ever even mentioned putting
13 the entire pot of money that comes in over ten years in an
14 endowment. There's been a lot of testimony against it. So I
15 think we need to be careful about that.

16 The next thing I'd like to mention very quickly in
17 context of what Mayor Selby said was it's important in this
18 whole process to keep our eyes on the prize, and that's
19 borrowing from the civil rights movement. There's going to be
20 a lot of proposals before you. You've already seen a lot. A
21 Seward storm sewer, separate -- oil and grease separators and
22 facilities here and there to do various different things, but
23 as Charlie Cole has mentioned, we're bound by the court
24 settlement. This is a natural resource damage settlement. And
25 as the Justice Department stated in pleading before Judge

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Holland, this is largely an environmental crime, and it should
1 be treated as an environmental crime, natural resource-wise.
2 So, please, let's all keep our eyes on -- on the prize, which I
3 think in this case is -- is the full recovery of the damaged
4 environment.

5 Next, I've got a question for the three federal
6 Trustees, and that is what plans have been made for the -- or
7 the Trustee Council members, excuse me, for the federal
8 \$50 million? Has -- has there been -- I'm sure that -- sure
9 there's been discussion as to what to do with that money, and
10 I'm just kind of curious for those of us here, what those plans
11 are?

12 MR. McVEE: I can respond to that. There have
13 been no commitment for the \$50 million that -- restitution
14 funds, what you're referring to, that -- So currently there's
15 no plan basically for the expenditure of that money. We've
16 talked some about -- among ourselves about an agreement as to -
17 - as to how a process could be set up to expend it, but we have
18 not reached conclusions on that, so we're still in discussion
19 mode.

20 MR. STEINER: Okay. Yeah. What -- what we had
21 heard, what I had been told by one of the federal agency people
22 is that they've -- that the three federal trustee agencies had
23 essentially agreed to divide the pot 17 million each, and that
24 projects that are in the field this summer, that they expect -
25 - that you expect to repay out of that federal 50 million

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without having gone through the process of public review, so I²³⁹
1 just wanted to correct that. Thanks.

2 MR. McVEE: Yeah. That -- that's not quite
3 correct.

4 MR. STEINER: Okay.

5 MR. McVEE: We haven't gone through that

6 MR. STEINER: Good. I'm glad to hear that.

7 The other thing that one of the federal agencies
8 mentioned to me that was partic- -- was probably the most
9 disturbing of all is that they've already decided that
10 acquisition is not -- is not within their ball game here,
11 period. End of report. And that, besides seeming extremely
12 arrogant to me, goes against the entire public process that I
13 think this Trustees Council wants to engender. I could name
14 the agency, but I don't think it's worth putting them on the
15 spot right now. By and large it might be all the federal
16 agencies, but I think with the leadership we've seen this
17 afternoon, I hope that policy will be thought through very
18 carefully and people will be a little more open minded.
19 So

20 Two more things very quickly. The -- these documents
21 that are being passed out in the Oil Spill Public Information
22 Center Library here are a little bit disturbing to a number of
23 people. They are Exxon publications and that in and of itself
24 is fine, if we want to be doing that, but they should be
25 clearly labeled as paid for by the Exxon Corporation I think.

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They espouse "sea otters are fine in Prince William Sound,"²⁴⁰
1 "bald eagles are fine in Prince William Sound," "Prince William
2 Sound is blue". These were all paid for by Exxon. And the
3 other one, I wanted to get another copy of it, but its title
4 is, "It's time to drill Alaska's Refuge".

5 Now, my question is now regardless of which side of the
6 Arctic Refuge issue you're on, is that something we want to be
7 passing out in the Oil Spill Public Information Center Library?

8 So I would ask -- I mean, we might as well be publish- -- or
9 passing out National Inquirer and Hustler Magazine if we're
10 going to be passing out things like this.

11 So I'd ask that if we are going to continue doing this,
12 that we have equal space for "No drilling in the Arctic
13 Refuge," things like that. That's all.

14 One last quick thing, and that is I'll reiterate my, or
15 a number of people's invitation for the Trustees Council as a
16 body to visit the region. There is simply no replacing it.
17 Getting on the ground and wearing hip boots and getting in the
18 water and seeing the place, talking to the timber owners,
19 talking to the fishermen, and I hope you don't interpret the
20 lack of participation today -- at today's meeting as a lack of
21 interest, because salmon don't wait for meetings.

22 So that's all I have. If there's any questions?

23 MR. McVEE: Any questions?

24 MR. STEINER: Thanks.

25 MR. McVEE: Thank you. Thank you.

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MS. ROTTERMAN: I'm Lisa Rotterman. I spoke
1 with you a little bit earlier. I'm an independent research
2 scientist and I'm also a citizen of Cordova, and I speak to you
3 today in both capacities representing myself as an independent
4 research scientist and as a citizen.

5 Just -- first to give you a little bit of background
6 about me so that you can interpret some of my remarks
7 accordingly, I've been studying sea otters in Prince William
8 Sound since 1984 on a continuous basis, and I was also one of
9 the principal investigators on damage assessment studies of sea
10 otters. I was a principal investigator on the weanling study
11 which I think you've all heard quite a bit about in terms of
12 the increased mortality that was observed among sea otter
13 weanlings, and also on the sea otter blood chemistry and
14 hematology studies.

15 There's three points that I'd like to discuss today,
16 three issues I'd like to bring up, and I'll keep referring to
17 my notes so I can stick to the topic, and also not forget some
18 things.

19 The first issue, which is unrelated to the other two is
20 the issue of habitat acquisition. I'd just like to go on
21 record publicly since I had not done so before, that I support
22 acquisition of timber rights within Prince William Sound. I
23 think scientifically it seems obvious to most of us that have
24 been working on damage assessment and restoration that there's
25 not a heck of a lot you can do to help restore Prince William

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1 Sound except to prevent further damage, and with the scheduled
2 clear-cutting of most of the timber rights -- timber in Prince
3 William Sound, that's certainly damage that will occur if
4 something isn't done.

5 I also as did Rick, I'd like to thank the Trustee
6 Council today for their positive movement towards temporary
7 protection of timber rights, and I particularly liked the
8 comments about, you know, how much detail do we need to have
9 temporary, to identify habitats that require temporary
10 protection. And, you know, I don't think we want to wait until
11 everything is mapped and computerized and everything. That
12 you'll probably want to justify permanent acquisition of timber
13 rights.

14 But something I would suggest that you consider is
15 having The Nature Conservancy convene a one-day workshop to
16 which are invited members of the fishing industry and the
17 scientific community and some of the other interest groups, or
18 just the scientific community if you'd rather keep this totally
19 on a scientific basis, individuals who have been doing studies
20 in Prince William for, set some arbitrary limit, say two years.

21 And I think that you would find that, you know, put people's
22 noses to the grind stone, make them identify the critical
23 habitats for their species on a map and justify why they're
24 doing so and identify the types of data that they have that
25 might be useful in the future to justify those temporary
26 acquisitions, possibly as permanent.

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The other two issues that I'd like to bring up are
1 related, and they have to do with opening up the process of
2 funding of scientific projects and then also the related issues
3 of problems with scientific ethics and conflict of interest
4 that have been discussed just a little bit before. And they're
5 related to opening up the process.

6 I -- I would urge the Trustees to consider
7 establishment of an independent research fund, the funds of
8 which -- or an endowment fund somewhere -- I would say seven to
9 12 million is -- a year is certainly enough. And with the
10 dispensation of the funds being by an independent, a totally
11 independent scientific body, so that the issue of conflict of
12 interest is totally avoided. You could even think about
13 something like giving the money to NSF to establish a Prince
14 William Sound damage assessment and restoration fund just like
15 there is specific money in -- in NSF for Arctic research.
16 There could be specific money within NSF for oil spill research
17 and restoration funds.

18 If you do this, then one thing you will avoid is --
19 well, you'll -- you'll get several benefits. I believe you
20 will get proposals from people all over the world. This would
21 be very healthy competition, and I think would result in over-
22 all better quality research and certainly more efficient use of
23 research dollars, because private -- well, I just think if
24 there's that kind of competition, you'll find people are more
25 efficient in the way they spend the money.

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And I would suggest that both public and private
1 scientists should have to compete in a very open fashion to
2 this fund so that there's not a separate agency pot and
3 separate pot for independent scientists.

4 And part of the reason I think -- I think this would be
5 desirable under any circumstances, but I think it's also
6 necessary due to problems with conflict of interest and
7 scientific ethics. And just to give you a little bit of
8 background, and I won't belabor this, but to give you an
9 example of the sorts of problems that independent scientists
10 such as myself have encountered, I'll just give you a little
11 bit of background.

12 Well, I have been studying sea otters for a long period
13 of time in Prince William Sound and was in the, you know,
14 middle of a monitoring otters that were instrumented as part of
15 the Exxon Valdez oil spill, and in 1990 I was asked
16 specifically by agency personnel to provide ideas for
17 restoration proposals with the agreement, which is a typical
18 scientific -- you know, which is coincident with what's
19 considered good scientific ethics that if I wrote these
20 proposals, that if the proposals were funded, that the -- we
21 would be the people that did the work. And I wrote these
22 proposals in 1990 and they were well received by the
23 Restoration Planning Team, but they decided not to fund them
24 for that season.

25 Then again in 1991 I also submitted proposals for

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restoration and continued damage assessment to the Restoration
1 Planning Team and -- and so everyone had access to that first
2 group of proposals, I would like to make that clear. And in
3 1991 was told that basically the decision had been made that if
4 the agency personnel did not want to administer a contract,
5 that no such proposals were going to be considered, which I was
6 I thought unwise, because I think open competition is good, but
7 basically I wouldn't be worried about it, because I think
8 private funding would be available. Except that then what
9 happened was agency personnel incorporated the research task
10 that we had outlined and designed into their own set of
11 proposals and recommended that they be funded to do so, to do
12 these tasks.

13 And so basically you have a case a case of an
14 independent scientist who was forced to compete with -- with
15 themselves in a sense, and I thought it raised some interesting
16 scientific ethics questions, and also questions of conflict of
17 interest in terms of people who were going to be taking, you
18 know, taking advantage of a nine-year data base that other
19 people had developed and even in fact taking over an on-going
20 study, about the last third of a study which had involved a
21 tremendous amount of research on other scientists' part. And
22 this is not the sort of thing that in the open scientific world
23 ever occurs. Well, yeah, I shouldn't say it never occurs. It
24 occurs occasionally, but it is not something that is generally
25 considered acceptable.

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And so I would ask -- would like to know if the
1 Trustees have a process for addressing these kinds of problems,
2 whether or not any guidelines have been given to the
3 Restoration Planning Team with respect to issues of this matter
4 -- or -- or these -- these kinds of issues rather. Let's see,
5 whether you believe there -- if there's not, if the answer to
6 that is no, do you believe that there should be some sort of a
7 process. And what I would recommend as a totally independent
8 body, basically sort of an ombudsman type of a function to
9 resolve guidelines of scientific ethics and -- and conflict of
10 interest if this occurs.

11 And then I think he's not here, but I would -- would
12 like you to specifically ask at your next meeting for Dr. Spies
13 to comment publicly on the process of opening this whole
14 scientific -- opening funding for scientific research entirely
15 to agency and nonagency people and ask him whether or not this
16 issue of -- of scientific ethics and intellectual property is
17 one that he views as serious.

18 Part of the problem is -- is that if -- if you don't
19 deal with this issue, you won't get proposals from the private
20 sector, because they will be -- people will be afraid to, you
21 know, go to a lot of trouble to submit ideas that, you know,
22 then might end up being in someone else's research proposal,
23 and so it's very serious in terms of stifling intellectual
24 discourse and -- and intellectual inquiry.

25 And so if -- if possible, if at least a couple

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different trustees could address these -- these issues, both in
1 terms of establishment of a research -- independent research
2 fund, which I think would go a long ways towards alleviating
3 some of these problems, and then also the -- what your process
4 is and what your concerns might be about these ethical and
5 conflict of interest issues.

6 Thanks.

7 MR. McVEE: Comments or questions?

8 MR. SANDOR: Well,

9 MR. McVEE: Mr. Sandor?

10 MS. ROTTERMAN: Oh, sorry.

11 MR. SANDOR: Well, that concept of -- of
12 opening up the process and then having the independent research
13 fund, how many private researchers or research groups are out
14 there? You know, is this

15 MS. ROTTERMAN: There's thousands of
16 independent researchers. One of the -- one of the

17 MR. SANDOR: I mean

18 MS. ROTTERMAN: reasons I've heard

19 MS. ROTTERMAN: insofar as focused on the
20 oil spill area? The whole

21 MS. ROTTERMAN: Well, there aren't very many
22 that have been involved thus far, although the questions that I
23 -- or the problems that I've raised -- at least I've been
24 contacted by several other independent entities that have been
25 having some of these same -- same problems, ethics problems.

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1 So there aren't very many independent scientists that have
2 been doing damage assessment research, just those few that, you
3 know, for one reason or another were considered to have an
4 expertise that was not within the agencies at the time of the
5 spill. But there are, of course, a considerable number of
6 scientists that have expertise related to disciplines where
7 they could make a great contribution towards understanding
8 restoration or continued damage assessment, and there are other
9 researchers that have prior to the oil spill done research in
10 Prince William Sound, a very large number actually, in -- you
11 know, in a whole host of disciplines.

12 I think that -- that a criticism I've heard of this
13 from certain -- certain agency personnel is that they don't
14 think it would be fair, because, you know, somebody might come
15 in with a lower overhead and, you know, more impressive
16 credentials or something like that, but I think that the
17 projects that really should go on, and -- and where someone has
18 done really excellent science and they have a lot of good
19 baseline, dependent (ph) -- regardless of whether, you know,
20 they -- they have a Ph.D. or they don't, or what university
21 they're associated with, I think those would stand out
22 regardless, and that they shouldn't be afraid of the
23 competition, because this is settlement money that should be
24 used to, you know, now just to fund agency people, but to
25 achieve the best understanding of how to restore Prince William
26 Sound and what the damages were.

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MR. SANDOR: I -- I don't have any questions,
1 but I -- I'd be interested in Dr. Spies observation on the
2 independent research fund and opening up this process. Thank
3 you.

4 MR. McVEE: I guess that's all. Thank you.

5 MR. COLLINSWORTH: Mr. Chairman?

6 MR. McVEE: Yes, Mr. Collinsworth?

7 MR. COLLINSWORTH: I'm not sure whether we're
8 getting ready to lose Mr. Cole or not. He's folded his books
9 and looks like he was going to sneak off into the night.

10 But

11 MR. COLE: Back to Juneau. Down to Juneau.

12 SENATOR STURGULEWSKI: Apparently it's 88, you
13 better not go home. 88.

14 MR. COLLINSWORTH: That's too warm. Anyway,
15 Mr. Chairman, if we might interrupt -- if we might interrupt
16 just for a moment the -- the public hearing, before Mr. Cole
17 leaves or anyone else leaves, one of the previous agenda items
18 that we dealt with this morning in terms of the FY '92 work
19 plan, subsequent to our vote this morning I've looked at some
20 additional review materials that were provided by staff. Now,
21 we approved rather quickly the \$47,000.00 for the -- the reader
22 for the Kenai project and \$103,000.00 for genetic experiments
23 and -- on pink salmon in -- in Prince William Sound. The --
24 the briefing document that I read subsequent indicates that
25 this project, the total cost of this project may be as much as

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a million dollars, and that it -- the \$103,000.00 project we initiated -- the \$103,000.00 project we initiated this morning, that that project may ultimately cost upwards of million dollars to complete the experiment, multiple year, and the -- the staff advice that -- that I have is that you'd better be willing to make the commitment for the project over the long term, or you shouldn't initiate it, because once you initiate it, once you start it, you'd better be willing to -- to carry it through.

I have no problem I guess in -- in doing that, but that was -- it was something that I didn't have in hand this morning when we -- when we made that decision that -- that this is a multi-year project, the \$103,000.00 is just kind of the first increment, and we may be looking at ten times that much by the time we conclude.

Now, maybe -- maybe my information is wrong, but I just wanted to make sure that the Council understood that we were kicking off a multi-year project here that may cost up to a million dollars.

MR. COLE: Commissioner Rosier?

MR. McVEE: Mr. Rosier?

MR. COLE: Is there anything to that?

MR. ROSIER: I'll have to fall back on my technical person here on this.

DR. MONTAGUE: Mr. Chairman, I -- I don't know if Bob is here, but my memory of it, what Don is describing is

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somewhat true.

1 MR. McVEE: Somewhat true?

2 DR. MONTAGUE: Well, let me -- there's two
3 components to the project: one, the field component, and one
4 the laboratory component. The field component stands alone
5 each year and at the end of one year, you certainly have a
6 final product that's useful, and it could go on for more years.

7 The laboratory phase of the project indeed would require a
8 certain amount of funding. You know, if both components went
9 to the full five years I think it is, it would be a million
10 dollars, but the -- the one that stands alone every year may
11 well not go that far, and the reason it wasn't brought up I
12 guess is that as in the '92 program, all the other projects,
13 they were just to be viewed as -- on an annual basis. And
14 the 1992 work plan does not in any project commit to anything
15 beyond '92. To commit beyond '92 now would be different from
16 the sixty-odd other projects in there.

17 MR. COLLINSWORTH: Well, Mr. -- Mr. Chairman, I
18 -- I didn't

19 MR. McVEE: Mr. Collinsworth?

20 MR. COLLINSWORTH: bring that up to --
21 necessarily to argue against it, but if we make some additional
22 investment, we've -- I -- I just didn't want us to be surprised
23 when the '93 work plan came back in and we saw another
24 increment in the '94 plan and the '95 plan, because this
25 extends out into that kind of a time period.

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MR. McVEE: Yes, I understand that, you know, -

1 - or realize that there are probably other '92 projects that
2 fall within this same -- have this same relationship that we
3 will see follow-on budgets. There was a number of close-out,
4 but there are -- there are some newer projects that, you know,
5 that funding for '93 has not been approved as has not been
6 approved for this project and would be a subject that would be
7 taken up in the future. But this isn't the only project that
8 has that characteristic I don't believe in the '92 program.

9 Yes, Mr. Sandor?

10 MR. SANDOR: Well, Mr. Chairman, that does
11 illustrate the flaw though I guess in the fact that that was
12 directly placed before us without going to the Restoration
13 Team, and we're not saying, are we, or are we, that -- is
14 there any pay-off to the 140,000 that -- that -- 150,000 I
15 guess, that that -- you know, by itself, or are we really --
16 had we essentially embarked on a million dollar yellow brick
17 road?

18 DR. MONTAGUE: Mr. Chairman, relative to 47,000
19 of that for the optical scanner, that -- indeed that -- you
20 know, that doesn't -- isn't committing to anything in the
21 future.

22 As I mentioned for the -- the pink salmon project,
23 approximately half of it is stand alone each year and would not
24 suffer unduly if it wasn't funded the next year. The lab
25 component indeed

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MR. SANDOR: Yeah.

1 DR. MONTAGUE: to be most successful, has
2 to go the full five years.

3 MR. McVEE: I think we -- we should proceed
4 with public comment. If we need to revisit this, maybe -- but
5 we only have another 45 minutes until we're

6 MS. ROTTERMAN: Mr. Chairman, if I may, I just
7 -- I -- I had asked if a couple of the Trustees could clarify
8 just for the record and then we -- we got off on a question,
9 whether or not there had been guidelines given to the
10 Restoration Planning Team with respect to specific ways or
11 specific guidelines on avoiding conflict of interest in
12 scientific ethics matters, and whether there was a process for
13 resolution of disputes, and if -- again specifically if -- if
14 two of the Trustees could comment if the answer is -- to those
15 questions are no, whether you foresee -- whether -- whether you
16 believe that having such guidelines and having a way to -- to
17 remedy such disputes desirable.

18 MR. McVEE: Does anyone want to comment on
19 that? Yes, Jerome?

20 DR. MONTAGUE: Mr. Chairman, at least relative
21 to the '93 plan, I think I can explain a few things that may
22 help answer your question.

23 First of all, to avoid some of the -- the ethics
24 problem you're talking about, that is, receiving proprietary
25 information and then taking it for -- giving it to somebody

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else or whatever, to get around that, our guidance to the
1 public and the agencies for '93 was that if you submit a one-
2 page idea, you give up all your control over that idea. So --
3 And that was stamped right on the front of the form. So any
4 '93 ideas that came in, whoever came up with the idea should be
5 well aware that they have not particular use of that idea, you
6 know, specific to them.

7 And then relative to, you know, contracting out, we do
8 anticipate that each agency would make a very strong effort to
9 contract out. And that process would be to -- from this brief
10 project description a detailed request for proposals would be
11 developed and competitively procured, so that for some
12 presumably significant number of the '93 projects, they will be
13 competitively procured through an RFP process.

14 MS. ROTTERMAN: Well, if -- if -- possibly if
15 you could address this, Jerome, then, since there was -- you
16 know, there's definitely not that kind of an agreement for '91
17 and '9- -- 1990/91 proposals or -- well, they were for '92, but
18 ones submitted in '90 and '91, how would the Trustee Council or
19 the Restoration Working Group advise one to go about trying to
20 address a conflict such as I've described?

21 DR. MONTAGUE: Mr. Chairman, my, I guess,
22 familiarity is with the -- the '93 program. I haven't given
23 any thought to the particular specific problem that's arisen
24 on '91 and '92 work plans. Perhaps Dave or Byron could

25 MR. McVEE: Dr. Gibbons?

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DR. GIBBONS: Mr. Chairman, yes, as -- as
1 regards to the 19- -- 1990 and '91 activities, they were still
2 under litigation sensitivity, and the -- the studies of that
3 time were agency supported, and Lisa's study was a sea otter
4 study, and I don't know the specifics of that, but I know she
5 submitted one in 1990. The -- the Restoration Team at that
6 time, or the Management Team it was -- as it was called,
7 decided not to fund it. It was resubmitted in '91 like she
8 said. There was some discussions with one of the federal
9 agencies on -- on the process for what she submitted and what
10 they submitted to be funded in '91. I don't know the details
11 of that, but those were -- like I say, they're litigation -- it
12 wasn't an open process like we have now. I don't know how she
13 can go -- I don't know what we can do to go back and see what
14 -- what to do on the '90 and '91. I -- I think we --
15 personally I think we -- to move ahead with '93 would be --
16 would be the best, but that's just my gut feeling. I don't
17 know how to move back and try to correct a situation that we
18 had in 1990 and 1991.

19 MS. ROTTERMAN: Well, just real quickly, the
20 reason it's of concern is an activity that was proposed, even
21 though Dr. Spies had recommended, you know, that it not be
22 funded by the Trustees and so it wasn't, but one of the
23 activities proposed in our 1991 proposals is going to be
24 initiated by agency personnel in September, and so there is
25 still -- while it's not really just an abstract issue, it's an

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1 issue that is rather timely this summer. So if there -- I
2 mean, if there was some sort of a process in terms of an
3 independent board that could look at this issue.

4 MR. McVEE: Any other comment by the Council
5 members? Yes, Mr. Rosier?

6 MR. ROSIER: Mr. Chairman, if I might, Lisa
7 really raises a good point, and this was part of the -- part of
8 what I was -- I was referencing this morning in the discussion,
9 when we had Dr. Spies up here in terms of who we would in fact
10 proceed with -- with the public proposal in conjunction with --
11 with the agency proposals. And I think that we are supposed
12 to hear back from him on this particular subject. I think that
13 was -- that was the word. But that was certainly my concern at
14 the time that I raised that with Dr. Spies this morning.

15 MR. McVEE: I guess my reaction is that -- is
16 that Lisa's flagged an issue that -- that we need to give some
17 attention since we are soliciting proposals from the public,
18 and -- you know, and hopefully that will increase. So we need
19 to give that area, that concern some attention. I don't know
20 how we deal with those public proposals. Having been for a
21 short -- for a period of time in the private consulting
22 business, I realize that you put a lot of work into project
23 proposals, and sometimes you just give them away and somebody
24 else picks them up, and that it all is -- it doesn't set very
25 well, so I think this is an area that does need some thought
and discussion. Yes.

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So to continue with public comment, Pam?

1 MS. BRODY: Thank you. I'm Pamela Brody with
2 the Sierra Club, and I'd like to make comments or ask questions
3 on five different issues. I'll try to be brief.

4 First the question of choosing the public advisory
5 group, which you gentlemen were discussing earlier about the --
6 whether or not you needed an executive session, and it occurred
7 to me after I spoke then that the problem might be solved by
8 your power of veto, that is, any particular trustee can prevent
9 any particular person from getting on this committee, and you
10 don't have to give any justification for your reasons, and
11 perhaps that should be something you might want to add to your
12 process. It's not only a majority vote, but also the -- the
13 veto power, and then you might not need this executive session.

14 And that leads me to my second point, and I hope this
15 will not seem presumptuous for me to suggest something about --
16 about your process, but I think that it sometimes takes a long
17 time for people to decide how to decide something. It's not
18 necessarily an obvious thing, and -- and the public advisory
19 group was just one example of how you can -- people can talk
20 for an hour or more, to figure out how best to decide something
21 and -- and I thought that you might in the future when --
22 direct your staff that when they bring something to you that
23 needs to be decided that they might also give options or
24 recommendations about a procedure for making the decision,
25 which you don't have to accept, but it might streamline things.

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Thirdly, the -- the question of the EIS, and maybe I
 1 have a misunderstanding here. I had thought that the
 2 restoration plan was going to be an environment impact
 3 statement, and then today as I understood it, there was an
 4 allocation for a separate environmental impact statement which
 5 seemed to me to be a similar parallel thing, and -- and I
 6 didn't understand why the environ- -- the -- the restoration
 7 plan couldn't be an environmental impact statement? That
 8 seemed more -- more efficient.

9 MR. McVEE: Yes, Mr. Rice, do you want to
 10 respond to that?

11 MR. RICE: Yeah, Pam, I think the -- the
 12 thinking that went into trying to separate the two was that
 13 there really -- the plan is designed to spell out what you're
 14 going to be doing. The EIS has a different -- not -- I won't
 15 say audience, but a different -- it's got a different purpose,
 16 and it's a disclosure document. It's going to say, "if you
 17 decide to do something, here's the effects of what you're going
 18 to do," so it's to inform and -- and consider. And to try and
 19 meld in a plan that gives direction as to what -- to where the
 20 restoration should be going, as well as disclose it all in one
 21 document could get confus- -- confusing to present as well as
 22 to understand. So if we take the plan, certain components of
 23 it are going to go right into the EIS and are going to look
 24 exactly the same, but basically what's your intent is -- is a
 25 little bit different in each one and it's better to separate

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them out.

1 MS. BRODY: Thank you for the explanation.

2 My fourth point, and I -- I wish that Attorney General
3 Cole were here, because he did touch on this point, but I think
4 that the public would be very interested to know how much money
5 has been spent so far and how it has been spent, and I -- I
6 believe it's somewhere between 200 million and \$300 million
7 that has been spent or committed so far, but I don't know how
8 much it is, and -- and I'd like to see that if that's
9 available, if that can be released, telling how much -- what --
10 what the bottom is -- line is, but also how much has gone to
11 each agency and for what.

12 I would -- the reason I -- I have this spread in my
13 mind between two and 300 million is that some months ago
14 Commissioner Sandor submitted an idea for an endowment in which
15 almost all the money would go into an endowment, and on that
16 document it said that the State would need to be reimbursed
17 \$115 million, and the federal government \$100 million, and then
18 I add to those the \$50 million to Exxon and the approximately
19 20 million that's been -- been allocated for this year's
20 budget, and I come up with close to 300 million, but maybe
21 there's some double counting in there, so I -- I had question,
22 is -- is that available at this point?

23 MR. McVEE: Yeah, maybe a brief comment, and,
24 you know, I guess what's been spent, and it isn't spent yet I
25 guess, but what it amounts to, there's been over -- Just

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slightly over 12 million that's been -- been approved by the Court, so there's 12 million that's been fully committed towards the -- the '92 program, projects in the '92 program. And then in addition to that was the amount, and I don't remember the exact figure, that was -- that was withdrawn from the joint account, or -- or -- I guess for

DR. GIBBONS: 54 million.

MR. McVEE: 54 million for reimbursements.

MS. BRODY: I -- I guess I wasn't making myself clear. I didn't mean just the money that's been spent, but that's been committed also, because the agencies were spending money with the understanding that they would be reimbursed, and there was language in the settlement for up to I think 67 million and 75 million to go to paying back that, but then the -- the document from Commissioner Sandor had larger numbers than that.

MR. McVEE: Yeah, I think there's -- there's still some reimbursement required, but I -- to my knowledge I don't think anyone has the absolute number on that. There's still some auditing to do. I think it was mentioned earlier what the -- the upper level of that would be, but I know that discussions on the federal side, that that -- that those numbers aren't completely firm at this time.

Maybe -- maybe Dr. Gibbons can -- can add to that.

DR. GIBBONS: Pam, I think what you're referring to is that under the settlement agreement, the State

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was allowed 75 million reimbursement charges previous, the
1 federal government was 67 million, totalling 142 million. The
2 payment for 1992, there's an allocation of about 50 million for
3 clean-up response activities from -- for '91 and '92, making it
4 192,000 (sic). Right now the Trustee Council has approved an
5 addition to -- that -- that 54 million is part of that. It's
6 part of that 142 million. Okay. In addition that, the Trustee
7 Council has approved slightly over \$12 million from the Court,
8 gotten from the Court, you know, and so that -- that's the
9 expenditures that I'm aware of to date. There's some things
10 yet to be determined on reimbursements, but that -- that's the
11 numbers we have to date.

12 MR. WOLFE: Mr. Chairman?

13 MS. BRODY: Is -- is there anything available
14 to the public that -- that is more specific about how much went
15 to which agencies and for what?

16 MR. McVEE: Mr. Wolfe?

17 MR. WOLFE: Yeah, I -- I guess to partially
18 answer her question, is I don't think there's any publication
19 out at this point in time. The numbers are available. At the
20 end of this fiscal year, our financial procedures are set up to
21 include an accounting process, or going back and accounting for
22 all the dollars. So on an annual basis there be an
23 accomplishment report. So given -- give us time, and there
24 will be reports coming out annually on the status of
25 restoration, which should include the fiscal end of it.

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MS. BRODY: So that would be the end of
1 September?

2 MR. WOLFE: It will probably be a time --
3 period of time after that before the final report is out, Pam.

4 MS. BRODY: Okay. Thank you.

5 And my final point is, of course, my favorite issue,
6 habitat acquisition, and I was pleased, very happy today to
7 hear what some commission -- some Trustee Council members were
8 saying about the need to move ahead with this, and I was --
9 particularly would like to agree with what Commissioner
10 Collinsworth said about that the data that we need does exist
11 for -- for the most part. We don't need to gather a lot of new
12 data. The agencies do have the data we need.

13 And I'd like to go beyond that and say I feel quite
14 sure that in every area the land managers for that area could
15 right now tell you some areas of very critical habitat that --
16 that they would very much like to acquire, and that while it
17 might take a long time to study, to -- to put a whole priority
18 for their area, for everything possible, that you don't need to
19 do that before you can buy the cream. And so I would really
20 like the -- to encourage the Trustees to allocate a certain
21 amount of money for each area and -- and direct the agencies to
22 go ahead and specify certain areas which very clearly are
23 critical habitat and then they can come back and tell you and
24 then you -- if you like what you hear, you can tell them to go
25 ahead and start negotiating for those areas, and that this

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would show a commitment to the corporations that own these
1 lands and timber rights that -- that this is really going to
2 happen.

3 I would also like to echo what Rick Steiner said about
4 the need for interim protection.

5 Thank you very much.

6 MR. McVEE: Thank you, Pam. The Nature
7 Conservancy?

8 MS. RUDDY: Thank you, Mr. Chairman. I'm Susan
9 Ruddy, I'm director of The Nature Conservancy of Alaska, and I
10 want to take just a minute of your time to join the chorus of
11 all those who have commended you today for your discussion
12 about habitat protection needs.

13 I want to suggest also that I agree with what you had
14 to say about it being critical that you be better prepared to
15 address these needs in a timely manner. For that reason we
16 look forward to seeing the information that's being provided to
17 you by the habitat subgroup and to working with you and with
18 them in whatever way best serves you and the process in the
19 future.

20 Thanks very much.

21 MR. McVEE: Thank you. Are there any
22 questions? Thank you. Yes?

23 MR. McKEY: My name is Charles McKey, and first
24 of all I want to indicate that I want to preserve the 1892
25 mining law for myself as a real person, not a legal fiction, in

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other words corporations. And I want to take and bring back
1 the habitat through access of mining, to restore the pristine
2 environment, primarily under the water.

3 But first let me go and say what my difficulty is in so
4 doing. First of all I have here a Barry Goldwater campaign
5 booklet and his adversary, or say he who was running against
6 Lyndon Johnson. And he was -- he aimed at getting communism
7 out, and he went on to say that it primarily is centered in
8 centralized government in Washington, D.C.

9 That's why I focus my effort on the United States
10 Treasury seal on the money, and that we're working with a very
11 expensive money, which is federal reserve corporate note. It's
12 very expensive, it -- it is a direct impact on the degradation
13 of our environment, because we have to cut corners in
14 environmental safeguards, because, well, we have to pay the
15 interest on the money loaned to the -- the company in question.
16 If it's -- regardless of what it is. So I -- I focus on that.

17 And, of course, we can look back on Kennedy's
18 Administration, and I'm reading from a book written to him, "A
19 Limited War and American Defense Policy," and he had to
20 actually go to Congress and request \$100 million, and we know
21 that he was instrumental in causing the United States paper, or
22 greenback currency to be printed '63 to -- to '66, which I
23 wrote about in that letter to Mr. Dellums (ph) in Congress that
24 you all have a copy of.

25 Now, the problem is -- is this is their strategy,

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maneuver warfare. And what happens is, and I'm reading from
1 John C. Roberts editorial, April the 28th, 1992, Anchorage
2 Times, and he says, "The focus is a shattered (ph) enemy is
3 moral and physical -- physically by avoiding his strengths,
4 exploiting his vulnerabilities, and by striking him in a way
5 that -- which will hurt him most."

6 And that's what I'm -- I've seen that it's -- when
7 you're trying to access the currency to pay for the
8 restoration, they maneuver so much, they're not a sitting
9 target. In fact they're paradoxal, they have many different
10 heads and so they don't -- they're not in one spot and they --
11 and they diversify.

12 And so I -- I refer to this article by Dick Randolph,
13 June the 9th, 1992, Tuesday, Anchorage Daily News. In short he
14 talks about constitutional convention, need to fix the errors
15 in the past. And what -- basically it says here, in short,
16 much of what is now our state, Alaska, Constitution was written
17 in New York City by a bunch of eastern political scientists,
18 lawyers and practitioners of government. There is your
19 maneuverability. Right there.

20 And then another individual, Fritz Pettyjohn wrote
21 another article in reference to it, June 21, 1992, Sunday,
22 Anchorage Daily News.

23 It's in short, shoplifting. That's all it is. And so
24 what we need to do, rather than -- rather than a convention --
25 a constitutional convention, what we need to do is simply adopt

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the California constitution. Just -- I mean, we're so used to
1 plagiarizing one another, that all we have to do is scratch
2 their name off of it, and put our name on it, because Alaska
3 was primarily populated by mining indus- -- interests as well
4 as the fishing industry, but we, of -- of course, gave that to
5 other interests.

6 But I have right here a 1915 issue by the Legislature
7 of California, and so in lieu of the other proposals, I'd like
8 to go where there's about -- and I've had the other people
9 telling me that you used to have deep sea diving companies that
10 would go down and extract sunken ships. You know, the salvage
11 operations, and they said to me that there's about 4 million
12 gallons of crude sitting at the bottom of Prince William Sound,
13 not to mention what's under the subsurface on the beaches.
14 They actually -- the crude actually picked up the -- the
15 sediment coming off the glaciers and have filtered around in
16 the water there waiting for the plankton to blow in and use
17 that as a food source. But in other words, that's how the oil
18 got -- lost its buoyancy and started settling.

19 So -- another thing that I'd like to point out is a
20 little bit of information, the Financial Times, June 4th, 1992,
21 Thursday, it's a European business newspaper, indicated Lloyd's
22 of London lost about \$3.6 billion in 196- -- or 1989, and, boy,
23 that's a coincidence, you know, because we had had an oil
24 spill about that year also in pristine Prince William Sound,
25 and so they had to pay off a lot of agents, but we never got

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any of their money, not that amount anyway. They're trying to²⁶⁷
1 buy us off with 900 million of Federal Reserve corporate notes.

2 And then all this thing is -- it's based on a tontine
3 princ- -- blue book plan, and it's nothing but a con game, and
4 it's very maneuverable. And I have an article out of a 1906
5 book describing the tontine principle, i.e. the blue book plan,
6 and how they overpay the agents to sell policies and they
7 overpay them through commissions, and it doesn't get to the
8 consumer. And so it -- it primarily discusses life insurance
9 policy, but it went on into everything else, every policy sold.
10 Every risk. And so I'll leave this with you and hope you
11 refer to this.

12 Again I'll submit the January 1992 article -- letter
13 that I wrote, the 14th to Richard Dellums, and I -- in addition
14 I added a page out of -- on the back, the last page, I added a
15 page out of a book written by Buckmeister Fuller, and he was
16 referring to J.P. Morgan and how they wanted to -- and how they
17 proposed and has controlled the economy through maintaining
18 control over energy production, primarily electricity, and, of
19 course, we use a lot of fossil fuel for that.

20 So as I say, they made it difficult for us to recall
21 any officials within the current corporate state constitution,
22 so I suggest that we go for the -- adopt -- simply adopt the
23 constitution of California. And by the way I submitted this to
24 the Presidential Candidate Jerry Brown, faxed it to him Friday.
25 He was campaigning on saving America, collecting \$100.00

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bills for doing same, to campaign -- to fund his campaign, and
1 Federal Reserve corporate notes by the way, and he wasn't even
2 aware of the Treasury seal. But I suggested he submit this to
3 Congress, this letter, and to make sure he gets it to the Clerk
4 of Court, because that impacts our resources up here. And he
5 was the Governor of the State of California prior to his
6 campaigning and candidacy for the President of the United
7 States. Democrat I might add. And so

8 MR. McVEE: Can you leave those things with us.
9 We need to kind of move on. I've

10 MR. McKEY: Yeah. Just

11 MR. McVEE: got to canvas the

12 MR. McKEY: one more thing

13 MR. McVEE: Okay.

14 MR. McKEY: is the reason why I indicated
15-- I made reference to public libraries is we have a
16 continuation from the Lower 48, a continuation, seeing as how
17 we border with Canada on one instance, we are associated with
18 the Northwest Library Association, and so therefore we do have
19 a continuation through -- down Canada and to the Lower 48,
20 because of that.

21 Thank you.

22 MR. McVEE: Thank you. The gentleman in back
23 was next.

24 MR. TOTEMOFF: Thank you, Mr. Chairman. My
25 name is Chuck Totemoff, President and CEO for Chenega Corp.

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I'll be brief.

1 Just a point of clarification. Chenega Corp turned in
2 some restoration projects some weeks ago and I was just
3 wondering if they're under '92 or '93 considerations? I've got
4 some copies here.

5 DR. MONTAGUE: Mr. Chairman?

6 MR. McVEE: Yes, Jerome?

7 DR. MONTAGUE: I don't know if we have all
8 them, but we certainly have Chenega proposals for '93 and,
9 Byron, were there any in '92?

10 MR. TOTEMOFF: I can leave these copies here.

11 MR. McVEE: Yes, if you would leave those
12 copies, then we can be sure that

13 MR. TOTEMOFF: All right.

14 MR. McVEE: we have a full submission.

15 MR. TOTEMOFF: That's all I had, Mr. Chairman.

16 MR. McVEE: Thank you very much. Is there any
17 more comment from Anchorage before I canvas the teleconference
18 sites?

19 We had had three teleconference sites on line. Juneau?
20 Is there anyone in Juneau that would want to make comments at
21 this time? They may have left us.

22 Homer? Does anyone in Homer have comments at this
23 time?

24 HOMER: There are no comments from Homer, thank
25 you.

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MR. McVEE: Thank you, Homer.

1 Kodiak Legislative Information Office, any- -- anyone
2 who wanted to make comments from Kodiak?

3 KODIAK: No comments from Kodiak, thank you.

4 MR. McVEE: Thank you.

5 Were there any of the other sites that came on line
6 later on, do you know? Or should I just canvas?

7 MS. EVANS: Canvas.

8 MR. McVEE: I'll canvas them. Chenega Bay?
9 Anyone from Chenega Bay on line?

10 Cordova? Anyone from Cordova?

11 Fairbanks? Did Fairbanks come on line?

12 Kenai Peninsula Information Office?

13 Is Seward on line? Anyone from Seward want to make
14 comment?

15 SEWARD: Mr. Chairman, thank you very much.
16 Our people have drifted in and out. We're listening intently,
17 but we have no comments at this time, thank you.

18 MR. McVEE: Thank you, Seward.

19 Tatitlik? Is there anyone from Tatitlik, the IRA
20 Council Office?

21 Valdez? Is Valdez on line at the present time?

22 VALDEZ: Valdez is on line and we have no
23 comments at this time.

24 MR. McVEE: Thank you, Valdez.

25 Whittier? Is there anyone from Whittier?

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I believe we've -- we've completed the -- the list of
1 -- of teleconference sites plus no more -- no one else here
2 from Anchorage.

3 Do we need to -- do we need to adjourn the meeting, or
4 -- or will we stay -- your next meeting will be on the

5 DR. GIBBONS: 20th.

6 MR. McVEE: 20th, and that will be a
7 face to face meeting with notice and -- notice will go out on
8 that?

9 Do Trustee Council members have any -- any comments or
10 additional items they want to

11 MR. SANDOR: Just to thank, Mr. Chairman, staff
12 for doing an excellent job of preparing and getting the
13 materials out in advance. That was great.

14 MR. McVEE: That was very -- very helpful.

15 MR. BRODERSON: Mr. Chairman, we might want
16 to

17 MR. McVEE: Yes, Mark?

18 MR. BRODERSON: just recess, because of
19 difficulty of noticing the meeting by the 20th to make
20 ourselves level. We'll notice it, but to make ourselves legal,
21 we might want to just recess until the 20th.

22 MR. SANDOR: So move.

23 MR. McVEE: Is there any -- do -- do you have
24 any further comment? At that point then, we'll -- we'll
25 recess this meeting until -- until July 20th. And we'll --

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you will get a notice out also for that date?

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MR. BRODERSON: Yes, we'll -- we'll advertise it, but to make sure we stay within the letter of the law, we should just recess.

MR. McVEE: We are recessed.

(END OF PROCEEDINGS)

* * * * *

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1 UNITED STATES OF AMERICA)
2) ss.
3 STATE OF ALASKA)

4 I, Meredith L. Downing, Notary Public in and for the
5 State of Alaska and Reporter for R & R Court Reporters, Inc.,
6 do hereby certify:

7 THAT the foregoing pages numbered 02 through 282
8 contain a full, true and correct Transcript of the Exxon Valdez
9 Oil Spill Settlement Trustee Council meeting taken
10 electronically by me on the 29th day of June, 1992, beginning
11 at the hour of 8:00 o'clock a.m. at the offices of the Oil
12 Spill Public Information Center, 645 G Street, Anchorage,
13 Alaska;

14 THAT the transcript is a true and correct transcript
15 requested to be transcribed and thereafter transcribed by me
16 to the best of my knowledge and ability;

17 THAT I am not an employee, attorney, or party
18 interested in any way in this action.

19 DATED at Anchorage, Alaska, this 2nd day of July 1992.

20 _____
21 Notary Public in and for Alaska
22 My Commission Expires: 7/3/94

23 **S E A L**

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