

**EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL**

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

Continuation Meeting of the Trustees Council
January 19 and 20, 1993

VOLUME I

January 19, 1993
8:00 a.m.

TRUSTEE COUNCIL MEMBERS in attendance:

State of Alaska	MR. CHARLES COLE Attorney General
State of Alaska Department of Environmental Conservation	MR. JOHN SANDOR Commissioner
United States Department of the Interior	MR. CURTIS McVEE Special Assistant to the Secretary
State Department of Fish and Game	MR. CARL ROSIER Commissioner
United States Department of Agriculture - Forest Service	MR. MIKE BARTON Regional Forester
United States Department of Commerce - NOAA	MR. STEVE PENNOYER Director, Alaska Region

RESTORATION TEAM in attendance

DAVE GIBBONS	Interim Administrative Director, Trustees Council
PAMELA BERGMANN	Regional Environmental Assistant, United States Department of the Interior
MARK BRODERSEN	Restoration Chief, Alaska Department of Environmental Conservation
JEROME MONTAGUE	Director, Oil Spill Impact Assessment & Restoration Division, Alaska Department of Fish and Game

BYRON MORRIS Chief, Office of Oil Spill Damage Assessment
and Restoration, United States Department of
Commerce - NOAA

KEN RICE Deputy Natural Resource Manager, United States
Department of Agriculture - Forest Service

MARTY RUTHERFORD Assistant Commissioner of EVOS, Alaska
Department of Natural Resources

PUBLIC ADVISORY GROUP MEMBERS in attendance:

DOUGLAS MUTTER Department of the Interior
Designated Federal Officer

DONNA FISCHER Vice Chairman

PAMELA BRODIE

CHARLES TOTEMOFF

OTHERS IN ATTENDANCE who testified

DR. ROBERT SPIES

CAROL GORBICS

DR. JOE SULLIVAN

CHARLES McKEE

DR. JAMES SEEB

JEFF PARKER, Alaska Sport Fishing Association

CHRIS MOSS, Cook Inlet Seiners Association

THEO MATTHEWS

JIM WOLF

TOM LIVINGSTON

TYLER JONES

PAUL GATES, U.S. Department of the Interior

CRAIG TILLERY, Alaska Attorney General's Office

ALEX SWIDERSKI, Alaska Attorney General's Office

RITA MIRAGLIA

TASHA CHMIELEWSKI

JOHN STRAND

BOB LOEFFLER

JIM CARMICHAEL

KIM SUNDBERG

WALT SHERIDAN

VIA TELECONFERENCE

MARY McBURNEY

CHIP THOMA

P R O C E E D I N G S

(On Record at 8:10 a.m. January 19, 1993)

MR. SANDOR: Good morning. This is -- the Exxon Valdez Oil Spill Settlement Trustee Council meeting. Convening as a continuation of our meeting -- last meeting. Present this morning are Charles Cole, Attorney General, State of Alaska; Steve Pennoyer, Director, Alaska Region, National Marine Fishery Service; Michael Barton, Regional Forester, Alaska Region, Forest Service, Department of Agriculture; Curt McVee, Special Assistant to the Secretary, U.S. Department of Interior; Carl Rosier, Commissioner, Alaska Department of Fish & Game; and John Sandor, Commissioner of Department of Environmental Conservation, chairing this meeting as a continuation of the last meeting.

We have a full agenda today and -- so we want to immediately get on with the tasks at hand and we'll begin with the agenda. Are there any additions to the agenda that we would propose? Dave Gibbons, are there anything to add, any Trustee Council members want to add something to the agenda?

MR. COLE: Yes, Mr. Chairman, I do.

MR. SANDOR: Mr. Cole?

MR. COLE: I see nothing there, perhaps it is there, but I don't see it, dealing with the Kachemak Bay appropriation, if that's the term. I would like to see that on the agenda, if, in your view, it is not already there.

MR. SANDOR: It doesn't appear to be there as a continuation item discussed at the last meeting. Why don't we add

that to these, again, if there is no objection, any other additional items to the agenda?

MR. McVEE: Mr. Chairman?

MR. SANDOR: Yes.

MR. McVEE: Are we going to consider all of the, I guess, there was six of the -- proposed projects that came before the PAG, Public Advisory Group. There was one that was voted down and there was five that they made recommendations on it and I would propose that we consider all six. That would include the, of course, Chugach Resource Management Agency.

MR. SANDOR: I would agree, is there any objection to that? We'll then, add on to the consideration of the work plan proposals, the items suggested by the, by the Public Advisory Group. There are other proposals I believe as well, and -- we could consider those at the same time. We'll begin with Kachemak Bay, then move to 1993 work plan, the -- restoration plan, Public Advisory Group resolutions, and a public comment period at four. Let's have a break at noon, for lunch. Coffee break at ten.

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes, Mr. Cole.

MR. COLE: Can I have an explanation of why we're having a public comment period today. I see no reason for a public comment period today. We're dealing essentially with these 1993 projects, plus Kachemak Bay, and those things have already been out to the public, ad nauseam, and is there some reason that we have that, since we're going to be a little pressed for time. I suppose

we have to do it, now that it's been advertised but I just wonder whether that's appropriate at every meeting.

MR. SANDOR: Any comments on that? Dave?

DR. GIBBONS: Mr. Chair, yeah. I put that on there due to the interest of the public on '93 work plan. There was kind of a short comment period last time, and so I just put it on there, the, as a courtesy to the public, that's, I'm the one that put it there.

MR. SANDOR: And it may be that after we work till four o'clock, they'll want to say something, I don't know.

MR. COLE: Mr. Chairman, let me just say, you know, when we have these things that have been out and advertised, we've received 250 comments, the Public Advisory Group has held hearings, and -- with Valdez and Kodiak, we had comments on this at the last two or three or more meetings and I think we have to have a time when public comment on these things is closed. But, I don't want to be the sole one that objects to it, but I -- I do think that that the end of day and we're tired and we have so much business to do and sometimes I must say that there's little new that the advisory comments.

MR. SANDOR: Okay. As you said, it's been announced, so we're probably trapped, but we'll see how the day goes. Any other additions or corrects to the agenda? Yes, Carl?

MR. ROSIER: Mr. Chairman, I think we've got one item that probably should be discussed relating to the kinda -- the status of where we are on the executive director selection.

MR. SANDOR: Okay. Shall we cover that at the last item or after the Public Advisory Group resolution?

MR. ROSIER: That would be fine.

MR. SANDOR: Executive director. Any other additions to the agenda? -- assume that that completes the agenda and we'll begin with the Kachemak Bay discussion, continuing from the previous meeting. Dr. Gibbons do you have anything on Kachemak?

DR. GIBBONS: Yeah. There was just a handout just a few minutes ago to the Trustee Council from the Restoration Team and the subject, it was sent Friday. But, the subject is the restoration approach special criteria and evaluation ranking for criteria applied to Kachemak Bay parcel. Some background on the habitat protection working group, in regards to the -- to the post that we've taken in regards to official criteria and elevation ranking criteria and it's -- intended to help the -- any activities that you like to do regarding Kachemak Bay.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: I move we adopt an alternative B with the additional recommendations of the Habitat Protection Group.

UNIDENTIFIED: Second the motion.

MR. SANDOR: Moved and seconded. The committee adopt.

MR. COLE: As, as an interim procedure.

MR. PENNOYER: I don't believe we all have the sheet of music in front of us.

MR. PENNOYER: -- I think we may have the sheet of music

but haven't had a chance to look at it and I'm not clear what, what it is we're adopting.

MR. SANDOR: By alternative B, that's what you're referring to right?

UNIDENTIFIED: Yes, sir.

MR. SANDOR: Anyone want to explain that at this time?

MR. PENNOYER: Mr. Chairman, I might, would somebody explain what the package is that we just got, five minutes ago. Run through it for us.

MR. SANDOR: Dave Gibbons, can you, walk this -- , please?

MS. RUTHERFORD: Mr. Chair?

MR. SANDOR: Yes?

MS. RUTHERFORD: Perhaps I can walk you through a little bit. It was sent out on Friday, but it was late in the day. We have -- the Habitat Protection Work Group had intended for this package to be available to you as part of our February presentation. But, we were advised by the Department of Interior that should they choose to act on Kachemak on the 19th, today, that they wanted to be able to first act on some interim threshold criteria and some interim ranking and evaluation criteria before they felt comfortable with that, so we hurriedly -- and we did send it out late on Friday and put this together and cleared it through the Restoration Team and now it's provided for you. Basically, it is intended to be interim -- criteria until such time as the restoration plan places the permanent criteria, and the Set B which

Attorney General Cole was just referring to is the threshold criteria and I think that, probably on page four of the packet in front of you, they are shown there, one, two, three, four and five.

Do you want me to go through it in more detail, or would you like a moment to read through that? Maybe if you read

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: At some point, we're going to act on this today and I think the Interior's request is perfectly appropriate.

I think we need to know in some detail as to how Kachemak Bay fits some set of criteria that we're going, we agree we're going to adopt. So we need to vote -- the alternatives we have and the type of criteria we might want to use and also, how Kachemak Bay fits those.

MS. RUTHERFORD: If you were to adopt the criteria which is set B with the amendments that Attorney General Cole just referred to and are indicated in this memo, and if you were to adopt the evaluation criteria that are also indicated on page five and six -- Kachemak ranked high. In fact, it was ranked the highest of all the interim -- imminent threat parcels that were reviewed.

MR. COLE: Mr. Chairman, may I suggest that you go through the options in Set A, Set B and Set C right now, sort of, so, we can all be familiar with what they are and then also, I think we should go through the criteria and the evaluation ranking criteria because if we don't, I think perhaps some of the council members will be a little uneasy about addressing the Kachemak Bay

proposal. That's my suggestion, Mr. Chairman. If there is any objection, I'll certainly withdraw it.

MR. SANDOR: Please proceed.

MS. RUTHERFORD: Mr. Chair, I think what's, if you would like to follow along -- would be helpful is you (inaudible -- coughing) back of packet, a table that looks like this. It says table one comparison. It's -- looks like its table one comparison of alternative threshold criteria sets -- set A, B and C.

Set A, which is in front of you, imposes the least restrictive threshold criteria. It, it is very similar to set B, with one basic difference, and that is that Four B requires that -- for A, let me go down to Set A -- Four A requires -- indicates that you can address an injured or equivalent resource or service that would benefit from protection.

Set B, four B, makes you focus strictly on the injured resource, you cannot then go to the equivalent service or resource.

Those, those are the only, Set AB -- Set A and B are very similar in that, that there is a willing seller, the parcel contains key habitats, the seller acknowledges that the government can only pay fair market value and then, Set four, A and B have those slight differences. One focuses strictly on injured resources or service, and one allows you to look at injured or equivalent resources or service. So that's Set A and B.

Set C is a much more restrictive criteria -- threshold criteria, and it follows a hierarchical strategy for acquisition and protection. In addition to what's in sets A and B, the

proposals, the parcels would need to demonstrate that they contain habitats that are directly linked to recovery of injured resources or services. That's recovery. And additionally, a finding is needed that existing laws, regs., and other requirements are inadequate to provide the level of protection that a proposed habitat action would provide. Additionally, reviews of proposal would need to demonstrate that the expected land uses, such as logging, would indeed threaten resources injured by the spill. Additionally, a demonstration of the parcels must show that failure to act on proposal would foreclose medium restoration objectives and also restoration options other than a protection or acquisition proposal would be inadequate to meet restoration objectives. So, it's, it's much more restrictive. It's hierarchical in nature, and given the fact that you do not even have a restoration plan in place at this time, it's impossible to do with imminent threat if you wanted to act on imminent threat parcels at this time. So, we -- when we sent out these Sets A, B and C to the public as part of the restoration framework supplement, the public responded that they were most comfortable with Set A, which is the least restrictive. It basically opens the door for almost, consideration of almost all parcels.

We took that input very seriously however, given the fact that there is no restoration plan in place yet, we felt that a combination of Set A and B would be more appropriate to be a little more conservative than just part opening the doors and so we chose basically, Set -- Set -- like I said, Set A and B are the same

except for four. We show Set B and we also added criteria number nine, which is the, that the acquired parcels, property rights, can easily be, incorporated into an existing public management land, public land management scheme. So basically, that's -- we took, primarily what the public wanted with a slightly more conservative bent for this interim period.

MR. SANDOR: Are there any questions? Mike Barton?

MR. BARTON: I have a couple questions. I don't -- I'm curious as to what discussions you might have had regarding cost-effectiveness and cost benefit.

MS. RUTHERFORD: That was not part of the threshold criteria. When we got into some ranking and evaluation, we began to look at that -- find my sheet here -- I'm trying to think on this, just a minute. Dave, do you remember eight?

Yeah what, what happened, as we began to look at this imminent threat, we were working with the evaluation of ranking criteria as we went along and we didn't feel that since, since we did not have a draft restoration plan in place, it was difficult for us to analyze the cost benefit, compared to other actions because we didn't have any other in place at this time. So during this interim, these evaluation criteria, the -- not the threshold, but the evaluation ranking criteria do not have a cost-benefit analysis (inaudible -- coughing).

MR. COLE: Mr. Chairman. In that regard, doesn't eight, threshold criteria eight deal with that, cost effectiveness? Like to me it does. Page -- looks like it has a number 38 or something

there, down at the bottom. It's on table two.

MS. RUTHERFORD: Yes it does, except we did not, we are not recommending item number eight as part of this interim criteria. And again, we felt that we couldn't do that appropriately until there is a restoration plan in place. So that's --

MR. SANDOR: Any other questions, Mike?

MR. BARTON: And what discussions did you have on natural recovery, and the role of natural recovery?

MS. RUTHERFORD: Natural recovery was part of the hierarchical discussion and -- we felt that we had gotten in some indication from the public and from the Trustee Council that you did want to pursue imminent threat parcels and we felt that we couldn't, we couldn't look at that, except if we were going to look at a hierarchical approach.

MR. SANDOR: Mike?

MR. BARTON: Why is it we're considering this today, instead of on February 16th?

MS. RUTHERFORD: Again, we had, I had -- the Habitat Protection Work Group and the Restoration Team had intended to give it to you as part of the February 16th meeting, but we did receive a call, or I did receive a call from the Department of Interior saying should the Trustee Council choose to act on Kachemak Bay and in order to facilitate you if you wanted to pursue that, we needed to have this available for your action prior to acting on Kachemak.

MR. SANDOR: Curt McVee?

MR. McVEE: Mr. Chairman, it was our feeling that -- since we have -- the criteria have been developed, you know, we're pending our action, we should to look to that then prior to making that decision on Kachemak Bay, assuming that we're going to do that -- do that today, as we discussed, the \$20 million that's in the budget. And it seems like to us, you know, if we were to call them interim at this point is fine, but that -- that we should establish some criteria which we're using to make that decision.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: Sir, I fully agree with that. I'm not sure that this discussion has left me completely happy or -- feeling secure with the criteria. I understand generally what you've said. I haven't had any time to think about it. Maybe if you went down the list of A, B and C and told me how Kachemak Bay would fit in or where it would or wouldn't fit in with those, variable lists of criteria, I better understand how they would be applied. For example, A, B and C one, willing seller, I guess that's following the criteria we've established for any purchase -- use of the funds for Kachemak Bay, anyway. Somebody would have to come back and say, yes, we do have a willing seller and here's what it is and so on. So that would, would apply across the board, they're all the same anyway. And two, how that would fit in, you know, can you march down through the table and show me how Kachemak, how these threshold criteria would apply, whichever one we're going to adopt?

MR. SANDOR: Marty, are you prepared to do that?

MS. RUTHERFORD: I, I am thinking here. I'm not sure I am prepared to do it. I have, some of material on Kachemak with me, but I don't have all of it. I could --

MR. PENNOYER: I guess what I'm saying Mr. Chairman, is that logically what, the question Mr. Barton asked was a correct one. The logical question has, or would also fall, if we're willing to do that February 16th, why don't we do Kachemak Bay on February 16th. So unless somebody can explain here and take me through the detail why the criteria, the threshold criteria -- I haven't had much time to look at it -- works and how they would apply to Kachemak Bay, I'm going to have a hard time combining those two decisions.

MR. COLE: Mr. Chairman?

MR. SANDOR: Cole?

MR. COLE: I thought we did that essentially last time in my presentation, which I would have liked to adopt here and now. Let me just sketch through those if you don't mind. First, we have expressions of the willing seller -- of this property, and certainly we don't intend to acquire it by condemnation or eminent domain, so that's satisfied. Number two, the parcel contains key habitats that are linked to, replace, provide the equivalent of, or substitute for injured resources or services based on scientific data or other relevant information. We went through that as I recall, at the presentation last time. We talked about, certainly, the services provided there were clear, at least in my view. And then we talked about the injured resources in some detail and spoke

with the scientific background there. It's in the transcript which we have here. I could just refer you to the transcript and I think that would give us some -- now I have a little concern about number three, I would say that three should be somewhat amended so that we might have the opportunity to purchase the property at less than fair market value. I see no reason why we should be required to pay fair market value if the seller is willing to make a donation of the difference between the purchase price and fair market value.

But certainly we have satisfied that. The fair market value which has been appraised as high as \$30 million, but we're in the area of twenty-two. And number four, an injured or equivalent resource or service would benefit from the protection -- and I think in the public comments, which I would like to incorporate here in my remarks, that's an overwhelming satisfaction of that criteria, services, which that provides a way of, by way of -- viewing, and other recreational benefits, gone over that and we know what the injured resources would benefit by giving it this protection of the habitat. It seems to me that those clearly, indeed without question, virtually satisfied. So I would say, would therefore be appropriate that -- we got to adopt these and the interim and as is shown here in this comment, in -- last page by the Restoration Team, page seven, the evaluation of parcel of Kachemak Bay in-holdings were raised the highest of all of the imminently-threatened parcels by those criteria. Thank you, Mr. Chairman.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: That's the type of rundown I was looking

for. I don't remember from the last meeting, exactly all the discussions from the charts that were put on the wall, so I don't recall each resources and resource and all the links and maybe as you said correctly, -- should have that. In terms of the last comment, that Kachemak Bay rated the highest. Is that what this table reflects on page seven?

MS. RUTHERFORD: No, that table is not indicative of any kind of a -- prioritization. It -- it actually rated on a weighted score 37.5 and I think the next highest was like a 25. It's, I suppose it is possible, we have not cleared the whole part, package for the February 16th with the Restoration Team and that's, you know, I'm a little unwilling, I mean they may have some comments about our presentation in comparison between Kachemak and all the other parcels, so. But it was, by far and away, the highest. Yeah, it ranks in the highest.

MR. COLE: Is there a higher one?

MS. RUTHERFORD: No.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: I wanted -- question I understand and I think Attorney General Cole's run down through the first four items and shown how Kachemak Bay could be made to, or could be seen to fit under, under B -- actually, down that far, Kachemak Bay would fit under C too, as well I think. No, it wouldn't meet the inadequate restoration objectives terms, we haven't done that type of analysis. What else between B and C, would Kachemak Bay not fit under, I mean, -- it doesn't meet Set C-four because we haven't

done an analysis about the reg -- other regulations and their adequacy to the restoration objectives. You have not offered a restoration plan, obviously, and -- five, nature and immediacy of expected changes in use will further affect resources injured by the spill. That might be a judgment call, but I would suspect we could say that was true. There is a -- I guess what I'm saying is, it's my impression that at some point of restoration plan, there's nothing under C that we would necessarily adopt that -- well there are because you have the equivalent resources question.

MS. RUTHERFORD: There were elements of C actually that we found were more appropriate in threshold criteria and there were a couple of them -- oh excuse me -- in the evaluation criteria. Well actually, there was a couple of them that moving to threshold criteria and a couple of them that couldn't be implemented until there was a restoration plan in place. I can't find my notes or I'd know what --

MR. PENNOYER: Mr. Chairman, I guess what I'm sorta asking, when we try and hear it, adoptive interim criteria, A, B or C. It seems to me that -- I'm not sure that's what we're really trying to do -- or are we, there is some elements in C that I think you will probably want ultimately and you could even use now. Some of them in C might even apply right now and -- what makes one set here more appropriate is the interim criteria, I guess, what I'm asking -- I understand under C where it says you got to have a restoration plan in place. We obviously can't do that -- criteria, because that's not available. But, can you highlight for me what

the difference is going between A, B and C?

MR. COLE: I think on page three where there's an analysis of the difference between Sets A, and Set B and Set C. It spells that out.

MR. SANDOR: Any further questions?

MR. BRODERSEN: Mr. Chairman?

MR. SANDOR: Yes, Mark Brodersen?

MR. BRODERSEN: I'd like to have a go at this for just a minute to perhaps give some insight on how the threshold criteria is used. What they're intended for. All they're intended to do is create a pool of parcels that you're going to look at or not look at and they are a yes or no-type decision. Were they going to look at a parcel for habitat protection or not. And so the actual ranking criteria, which will come later, then tell you if it's made it into this pool of parcels you're going to look at, whether you actually want to do something with it or not. And this is why we're trying to not exclude too many, but by the same token not open it up too greatly as first interim parcel -- interim protection look that we were doing with these parcels. They were twenty -- twenty some odd parcels. Just a question of, of this twenty some odd parcels, which one would we want to look at further, and it was not an attempt to say, through the threshold criteria, this is a good decision or a bad decision as far applying habitat protection to it. It was which parcels are going to be looked at with the ranking criteria, and so, one should not make too much of the threshold criteria.

MR. SANDOR: Mr. McVee?

MR. McVEE: It seems like the way this would work is if we could accept as interim criteria the -- the B set, that what happens then is that we have some basic criteria that we could utilize as we consider proposals for the expenditure for the use of the \$20 million acquisition funds. Assuming that we're going to approve that, which I hope we do today. Without any criteria, then we're operating on a very piece-meal kind of basis and I think we have an opportunity here. There's been some extra work done by this work group to set up some -- some standards, criteria, some process, to put them in place and -- it seems like during this interim period, utilizing the \$20 million that's in the budget now, that we can actually test these criteria, we may want to refine those as we proceed in the next several months. It seems like it would be wise to take that action and have those on the books.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: Chair, I understand what Mr. McVee is saying and I agree with it, I guess what I am trying to get at, is this action at this meeting, in order to adopt Kachemak Bay, taking a place or -- discussion on February 16th. Are we adopting criteria for the purposes of one proposal here that we then re-adopt for another interim set of things on February 16th, or is what we're doing here going to govern what we do, do we eliminate the need for February 16th meeting?

MS. RUTHERFORD: The threshold criteria and evaluation criteria that you'd be approving here is what we would also be

recommending you use for the February 16th, it's the same.

MR. PENNOYER: Okay.

MS. RUTHERFORD: The February 16th meeting though, is very necessary because we will be presenting information, detailed information on the parcels.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: My view of that is -- we will continue to refine our thoughts on these criteria, not only in February, but as this process of habitat acquisition continues and we need to see what our experience is in applying it and see if it meets their standards. It is a little difficult to grasp in some respects I admit. But I think as an interim proposal, it meets our needs. Frankly, I think that Kachemak Bay would satisfy set C and all the criteria requirements there because it's -- has to do with injured resources, protection of injured resources, restoration of injured resources, -- and services. I think Kachemak Bay satisfies all the requirements of any set, but I do think that we should at this time, so - hue a middle course and not get the most liberal set and on the other hand, not be too restrictive as we sort of chart the course.

MR. SANDOR: Are there any further questions? Chair understands then that this is an interim set that will be utilized also at our February 16th meeting, possibly refined then or at a later date, but this will be the basic criteria that all parcel acquisitions uphold, evaluated, is that right?

MR. BRODERSEN: Until we have a restoration plan or you modify them further.

MR. SANDOR: And the restoration plan is expected to be completed when?

MR. BRODERSEN: We're hoping that it can be totally adopted in December.

MR. SANDOR: Of 1993?

MR. BRODERSEN: Of this year. A working draft should be out in late March for your consideration and then it takes a while to work through the legal requirements and also public comments. Because they're difficult to plan for.

MR. SANDOR: Thank you. Any further questions on the motion on the floor? Call for the question. All those in favor of the motion, signify by saying aye.

ALL TRUSTEES: Aye.

MR. SANDOR: Any opposition? Motion approved. Any further action on this item needed?

MR. PENNOYER: Mr. Chairman. We adopted the criteria B, we haven't actually adopted Kachemak Bay, have we?

MR. COLE: Well, I was going to say, is it, did we pass that motion with the understanding that we could pay less than fair market value if the situation arose?

MR. SANDOR: I think we need to formalize that.

MR. COLE: Well I will so move.

MR. SANDOR: It's been moved that -- that the Set B, number 3, which now reads the seller acknowledges that the

Government can only purchase parcel property rights at fair market value. Let that be at no more than fair market value?

MR. COLE: Not in excess of.

MR. SANDOR: Not in excess of fair market value. Is there a second to that?

MR. BARTON: I'll second it for discussion.

MR. SANDOR: Seconded by Mr. Barton. Do we have a discussion of this motion? Okay. Is there any opposition to that change? Then moved. Number three in Set B is modified to read the seller acknowledges that the government can only purchase the parcel of property rights

MR. COLE: not in excess of -- for an amount not in excess of fair market value.

MR. SANDOR: In an amount not in excess of fair market value. Any further action that's needed on this? Mr. Pennoyer?

MR. PENNOYER: Well we adopted the B criteria, and I think Attorney General Cole gave some good reasons as why Kachemak Bay might even fit C, have we actually adopted the fact that we're going forward with Kachemak Bay. That was expenditure then, I don't believe we have.

MR. SANDOR: No we have not. Good question.

MR. PENNOYER: I have a question about the criteria then.

One more question before we adopt it. I notice here it says that the difference between Set A and Set B is that proposals once benefit the recovery of injured resources, rather than merely providing a benefit to an injured or equivalent resource. How do

you promote recovery from preventing some form of perhaps degradation. Is the proposal for Kachemak Bay consistent with that idea? And if so, would you state for the record why.

MR. SANDOR: Any response from Restoration Team?

MS. RUTHERFORD: As I understood the question, it was the difference between Four A and B, is that -- that correct, Mr. Pennoyer?

MR. PENNOYER: As related to Kachemak Bay.

MS. RUTHERFORD: Again, four B focuses on the injured resources, not an equivalent, so, yes, there are injured resources and services in Kachemak that protecting it from any kind of logging activity would protect them.

MR. PENNOYER: So we're assuming a protection is the equivalent to -- promoting recovery.

MR. SANDOR: Mr. Brodersen?

MR. BRODERSEN: Excuse me for jumping in here.

MR. PENNOYER: Have at it.

MR. BRODERSEN: Four, four A -- four B limits you just to the injured resource or service. Four A allows you to also reflect upon an equivalent resource or service and at this point, since these were interim ones, we didn't want to jump into the field of equivalent resources. We figured that that more appropriately came under the plan. You were getting farther afield from items that everyone could agree to in advance to the Restoration plan that would probably appear in the restoration plan. And so, what you're saying earlier, I'm not quite sure follows with what's written in

Four A and Four B. Four A, threshold criteria, allows you to consider both, this is to repeat, consider both injured resources and services and equivalent resources and services for those that were injured. Where as Four B limits you just to injured resources and services, and not equivalent resources and services.

MR. PENNOYER: Sure, I understand that. I guess what I was getting back at was the discussion we had earlier about the question of whether you're promoting recovery, part protection for the activity that hasn't occurred.

MR. BRODERSEN: You are keeping recovery on course. And you're not allowing further degradation to slow that recovery in Kachemak acquisition. Yeah.

MR. SANDOR: Any further questions and discussions? Do you have comment?

MR. RICE: Point of clarification, the Restoration Team's recommendation was Set B with nine C. Did the motion adopt nine C or just Set B?

MR. COLE: Nine C was my understanding. It was the recommendation.

MR. SANDOR: Any further discussions?

DR. GIBBONS: Mr. Chair.

MR. SANDOR: Yes, Dr. Gibbons?

DR. GIBBONS: Just a point here, we've been talking threshold criteria the whole time. The recommendation of the Restoration Team is threshold criteria -- Set B and nine C. But also we have a recommendation concerning the evaluation and ranking

criteria. And here in discussion here this morning. Those have not been discussed. So that would need to be brought up.

MS. RUTHERFORD: Page five.

DR. GIBBONS: Page five of your docket.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: Chairman. You have given us an opinion that Kachemak Bay ranks very high and my presumption is you used these to do that.

MS. RUTHERFORD: That's correct.

DR. GIBBONS: That's correct.

MR. PENNOYER: So, maybe if you just read them, we could have a motion to -- to adopt. Because if we have already, I guess adopted their use, I -- of

MR. COLE: Mr. Chairman, actually my motion contemplated the adoption of the ranking criteria too. Unfortunately the chair didn't specifically say that, so, we'll correct that by

MR. PENNOYER: Mr. Chairman. I don't know that we have had them actually presented to us. Perhaps we should do that as a conscious action. We discussed at some length the A, B and C sets, but we didn't, I think really go into any detail here. Maybe somebody from the team could just present them to us and we'd know how they were used relative to Kachemak Bay.

MR. SANDOR: Marty or Mark?

MS. RUTHERFORD: There are eight of them. The first one is that the parcel contained essential habitat sites for injured -- excuse me, essential habitat or sites for injured species or

services. Essential habitats include feeding, reproductive, molting, roosting and migration concentrations. Essential sites include known or presumed high public use areas. Key factors for determining essential habitat and sites are population, or number of animals or number of public users, number of essential habitats or sites on parcel and the quality of the essential habitats and sites. Number two, is that the parcel can function as an intact ecological unit or essential habitats on the possible are linked to other elements or habitats in the greater ecosystem. Number three is that the adjacent land users will not significantly degrade the ecological function of the essential habitats intended for protection. Number four, protection of the habitats on the parcels would benefit more than one injured species of service unless protection of a single species or service would provide a higher recovery benefit. Excuse me, a high recovery benefit. Number five is that the parcel contains critical habitat for a depleted, rare, threatened, or endangered species. Number six is that essential habitats or sites on parcel are vulnerable or potentially threatened by human activity. Number seven, management of adjacent lands is, or could easily be made compatible with protection of essential habitats on parcel. And number eight is that the parcel is located within the oil spill- affected area.

MR. SANDOR: The chair would move for adoption of these for discussion purposes.

MR. BARTON: Moved.

MR. SANDOR: It's moved and seconded. Discussion on

these criteria.

MR. PENNOYER: Now again, these are the criteria that you use to evaluate Kachemak Bay and the preliminary

MS. RUTHERFORD: That's correct, all of the -- descriptions.

MR. COLE: So this is to view, one, two. Mr. Chair?

MR. SANDOR: Yes?

MR. BRODERSEN: Yeah, these were used once a parcel made it through the threshold criteria. The pool that made it through the threshold criteria were then ranked using criteria.

MR. PENNOYER: And doing that at Kachemak Bay came out very high, if not the highest. Thank you.

MR. SANDOR: There any objection to the adoption of these criteria, as interim criteria. It's passed and finally, any other actions we need to formally approve the allocation of the funding for this

MR. PENNOYER: For the record, we have requested that some NEPA compliance be done for this meeting. On the record, was that completed? I think we've seen the correspondence, most of the public record. Maybe we should say how that worked out.

MR. SANDOR: Mr. Barton.

MR. BARTON: Yes. As you recall, the council asked the Forest Service to take a lead in the NEPA compliance for the federal side on this. The state determined that the proposal was properly categorically excluded in the NEPA process, and on review of that finding by the state, we agree with that.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman, at the last meeting, we had a motion relative to how we're going to do with Kachemak Bay that had a bunch of provisions in bringing back the agreements and secondary approval once the system was worked and so forth, rather than just, if somebody could restate that motion, if that's we're going to deal with here, that might be appropriate.

MR. COLE: I happen to have it right here.

MR. PENNOYER: You happen to have it right there -- motion. That's very good.

MR. COLE: Do you have an extra copy there?

MR. PENNOYER: That's a resolution. Can we get it down to a motion of ten words or less?

MR. COLE: Well I think we should -- as I say, sock it in, factual. Treat it lightly. I think that's what sort of does it in this proposed resolution and it makes these findings and ties it in to the criteria that we just discussed.

MR. SANDOR: Do we have copies of this resolution?

MR. COLE: Maybe we could get copies.

MR. SANDOR: Why don't we get copies of this resolution made and

MR. PENNOYER: Mr. Chairman. I think that's part of the background, Mr. Cole has said is a background to record of our decision which is appropriate, but I still, the motion in terms of our action item here, and what we're approving was I think seven and a half million dollars toward

MR. COLE: Yes.

MR. PENNOYER: and it was stated that that would be contingent upon the arrangements being work out and brought back to the Trustee Council either parcel by parcel or in total, or however document come back to us.

MR. COLE: Mr. Chairman. That is in the resolution that we were looking at. That's why I thought we should have it in detail. In written form.

MR. PENNOYER: The resolution actually states it.

MR. COLE: Yes.

MR. PENNOYER: What our action on it is?

MR. COLE: Yes.

MR. SANDOR: While the resolution is being duplicated, copied, I suggest that we move forward and get back to that item. I did want to lay out a proposed rules of engagement for the review of the 1993 work plan items. This is for discussion on -- part of the fees -- I would propose that the Trustees agree that to have the presentation of the Chief Scientist and Restoration recommendations by Dr. Gibbons, Public Advisory Group recommendations. Now this would be done and stated in sort of an overall summary to begin with and it would be my proposal to go through each of the project proposals, one by one as, as -- as outlined before you with this, these additions. That is, we would state the project number and the project description. Identify the agency or agencies that were involved to confirm the total amount of money that is allocated for that project and then -- verify

that, one, there's been a compliance with the Consent Decree. Two, that there was a compliance with the National Environmental Policy Act and three, in determination, Yes or No, made as to whether the project proposal was time critical. That information then, coupled with the Restoration Team's recommendation, chief scientist recommendations and the Public Advisory Group's recommendation to be the basis on which a motion would be made to, to -- either adopt, disapprove or defer action on the project before us.

MR. PENNOYER: Mr. Chairman, could you express by the table you're working from, so that we

MR. SANDOR: Yeah, I'm using this table. The table entitled, titled 1993 draft work plan, summary of recommendations matrix, prepared by Dr. Gibbons, and the only thing I would have added would be those, those items that I mentioned so there would be, again, project number and title, the -- I've gone through already, identifying the agencies and the amount of money which is involved and then I would ask your approval -- and first of all, each agreement on whether or not this is in compliance with the Consent Decree; second whether it was in compliance with NEPA, and third, if it's time critical. Then with your agreement, I would entertain a motion to either approve, reject, or, or defer. Yes, Mr. Pennoyer?

MR. PENNOYER: Chairman, did you elaborate on what compliance with -- Consent Decree means in your view?

MR. SANDOR: Well, I think the question of whether or not, for example, the activity involved, a damaged -- resource or

services and related to this specific direction and in conformance with the parts of the Consent Decree, that specifically with the question -- damaged resources or services. Yes, Mr. McVee?

MR. McVEE: Yes. I have no problems with that process -- I guess I am concerned that if we get into a lot of discussion with project by project basis that we won't get through the list during the day. We have been, we have handled discussions on most of the projects, the RT's had the discussion, the PAG's had, had two days' worth of discussions, so, I think if we can, if we can expedite it, we are prepared, Department of Interior is prepared and has done a matrix that we have utilized in reaching our conclusions on these projects and we have a position on each of them. There are several key factors. I think I gave you a copy of that matrix and also our latest statement that we both, like to have both of these documents within the record. There's several key factors that concern the department and foremost was the question of whether each expenditure was necessary to be made prior to the adoption of the restoration plan. The position that the Department of Interior has taken for many months was that restoration implementation activity must proceed by the adoption of a plan, except where there is action of emergency or time-critical natures required. We will, the Interior has supported and will continue to do so, decisions of the Trustee Council such as proposed funding for habitat acquisition, which is subject imminent threat. And the Department feels strongly how the restoration plan must be finalized before expenditures of non-emergency nature are made. One of the problems

unfortunately, it seems like the settlement funds to be viewed by far too many people as a large pot of money available for every interest view of what are worthwhile public works projects. And is, it's either Trustees of natural resource pursuant to provisions of Clean Water Act or representatives of those trustees, I think our mission is to implement the various statutes and court decrees which control how these funds can be spent. Not to simply spend the money for purposes by themselves, which maybe worthwhile, but are not sufficiently linked to injuries caused by the oil spill. The only subject that I feel as of today, which is being addressed in a comprehensive way is the habitat protection and acquisition. We reviewed land offers and we're proceeding with categorization and develop criteria to set priorities. And the other resources, - - the other areas we're discussing are being approached very much piece-meal. The restoration plan will provide analysis of each resource, identifying damage and analyzing injury assessment, restoration replacement, enhancement and acquisition. Examples, the restoration plan should look at recreation in context of the above criteria and develop a strategy of plans. Similarly, it should do for all other resources. Fisheries, both for commercial and sport fishing. Things like you know, this, this is a -- this would be a well thought out process in order to reach conclusions.

We reiterate position, express numerous council meetings by Attorney General Cole and repeated last week by some Restoration Team members before the Public Advisory Group. That -- authorized funding for any particular project this year is not to be construed

instructions and therefore, Mr. Cole was right, we might as well not discuss them because we can't have a consensus?

MR. McVEE: Our position is that, you know, there has

another fifteen others that ought to have no's in front of them, then we just don't do anything? I'm not clear, we're not going to discuss these, we're simply going to accept the fact that one member has reached the conclusion that these projects don't fit without the rest of us having a chance to talk about it. I admit that on a consensus basis, it doesn't make any difference if we talk about it or not, if you're automatically going to vote no on those items, but I would hope that that's not the way we decided we were going to do business.

MR. SANDOR: It was the chair's intention and -- before the actual motion to, to adopt, defer or reject -- that we dealt with this question of compliance with the Consent Decree and the NEPA compliance and the time critical because I, I looking at some of the comments now that there in fact may be a difference of opinion that could be reconciled at this meeting, namely that if in fact, the question of compliance, with the Consent Decree and NEPA compliance or time critical is erroneously -- you know, determined in your view that you would, you know, reconsider that, so, my intent to really go through all of these projects and if in fact, Mr. McVee is correct in the conclusion that it wasn't in compliance, either with NEPA or the Consent Decree, is really, we all ought to be opposed to it. And so, but on the other hand, if it could be demonstrated that we are in compliance, then presumably, Mr. McVee might modify his position, but -- what, what he's done has summarized very effectively what the analysis the DOI has reached and -- and pinpointed the areas of reaching that, Mr.

Rosier?

MR. ROSIER: Thank you Mr. Chairman. I share a little bit of Mr. Pennoyer's concerns here as well with this particular issue. I, and I haven't looked at the list in detail here at the present time, but this casual run through here at the present time.

It appears to me that if we're going to see DOI vote as indicated in the -- the last column there on this at this time, it seems to me that we're totally ignoring the large body of public input that has been there. We're ignoring a large body of time and effort that was put into this by the Public Advisory Group on this, and that these people were certainly given the benefit of the legal advice during their deliberations as well and to categorize their views as just someone looking at a pot of money and spending it on worthwhile projects. I don't believe it's a really reasonable approach to this.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: My view is that we have limited time and that's the reason, in part, I put the question to Mr. McVee in the fashion which I did. If these are tentative conclusions only of Mr. McVee as Trustee, that is one situation. If it is, his firm on all -- essentially an honorable intent to vote this way, following discussion, then that's another matter and -- so, if that remains his position, I think we should at least first deal with the other projects and then see where we are, but that's just a thought. As such be the case.

MR. SANDOR: Mr. Cole. You know, it was the chair's assumption that these were tentative the conclusions as opposed to final, but the chair could be wrong on that. Mr. McVee?

MR. McVEE: Mr. Chairman. Suggestion might be to develop -- a consensus list of those which have, have consensus among all of the Trustee Council and pass those off as a motion to get those out of the way; and then to take the second list, it would be those projects which there is -- you know, one member or more that may object to of a -- of a doing a very brief review looking at the NEPA compliance, the time critical, compliance with the court decree, particularly the time-critical element which is the -- a key criteria as far as the Department of Interior is concerned, giving each one of those projects, those proposals on that list a few minutes and then, then putting them to the floor for vote.

MR. SANDOR: Well then, if the chair understands indeed then, that -- that the DOI, Department of Interior's position is subject to change with the discussions that are to take place, if in fact the conclusions you reached were -- you found that they were subject to modification.

MR. McVEE: I'm willing to listen to argument.

MR. SANDOR: Okay. Mr. Pennoyer. Any suggestion?

MR. PENNOYER: Mr. Chairman. I'm not sure that's different than going down through the list and if we hit one we want to reserve for discussion, we say reserve. We hit one we want to approve, we all -- we're asked the question, if nobody has any problem with it, we'll just put it on the list. So we end up, when

we get to the bottom, rather quickly hopefully, we'll have approved X number of projects and then we'll come back and deal with the others one at time. You're not going to know if everybody agrees it with it unless you ask the question, any how.

MR. SANDOR: Okay. Shall we do that, that's essentially what the chair had proposed. Great.

MR. COLE: Mr. Chairman, is it my understanding then, we're going through each one?

MR. SANDOR: Yes. And then determine whether or not

MR. PENNOYER: We may not act, Mr. Chairman, we may not actually have a discussion on it though, if nobody objects or wants to raise a question.

MR. SANDOR: Yes. We do have the resolution distributed, can we step back to that. It might be that the Chair deems it significant enough to actually read this.

We, the undersigned, duly authorized members of the Exxon Valdez Settlement Trustee Council, after extensive review and after consideration of the views of the public, finds as follows. One, the Seldovia Native Association owns lands within Kachemak Bay State Park, consisting of approximately 23,802 acres and more particularly described in Attachment A. These in-holdings were selected pursuant to the Alaska Native Claims Settlement Act. The timber rights for the in-holdings are held by the Timber Trading Company and the subsurface rights by Cook Inlet Region, Incorporated. The subsurface rights held by Cook Inlet Region Incorporated are not entirely coextensive within the surface rights

due to minor exchanges between the State and Cook Inlet Regional Incorporated. Two, the park is within the oil spill affected area and the tidelands adjoining the park inholdings were oiled in 1989.

Three, a substantial portion of the park inholdings are threatened with imminent clear-cut logging. Permit applications are pending for the logging of 5900 acres. Additional acreage is also subject to the threat of logging. The majority of threatened lands are coastal land surrounded, surrounding China Poot and Neptune Bays with smaller parcels at the head of Sadie Cove. Logging may commence on these lands during the 1993 season. Four, the park inholdings provide exceptional services to recreational users. Much of the recreational use is concentrated on or adjacent to the park's near shore waters and tidelands including areas which were oiled in 1989. Activities include pleasure boating, sport fishing for silver, pink and sockeye salmon, winter king salmon fishing, recreational dipnetting, clam digging, shrimping, kayaking, crabbing, beachcombing, photography, hiking, mountain bike riding, and wildlife observation. Logging would further impact these services. Five, the park inholdings include important habitat for several species of wildlife for which significant injury has been documented. There is substantial evidence that the park inholdings at Neptune and China Poot Bays are particularly important marbled murrelet nesting areas. The extent to which marbled murrelets are natural recover -- naturally recovering is unknown. Harlequin ducks, a species which continues to suffer injury, nest and forage in the China Poot drainage. Logging would directly affect these

activities and hence rehabilitation of these two species. Restoration of black oystercatchers and river otters, which use shore lines adjacent to uplands slated for logging, would be impacted by logging. Harbor seal haul-outs, numerous archeological sites, anadromous fish streams and intertidal and subtidal biota are all found in substantial quantity in the threatened areas and would be impacted. Sea otters in China Poot Bay may be impacted by the increased logging activity. A murre colony on Gull Island which is immediately offshore from the timber harvest area will likely be impacted by the increased disturbance that attends any logging operation. Murres and sea otters were injured by the oil spill and do not yet appear to be recovering. Six, existing laws and regulations, including but not limited to the Alaska Forest Practices Act, the Clean Water Act, the Alaska Coastal Management Act, the Bald Eagle Protection Act and the Marine Mammals Protection Act, are intended, under normal circumstances, to protect resources from serious adverse effects from logging and other developmental activities. However, restoration, replacement and enhancement of resources injured by the Exxon Valdez Oil spill represent a unique situation. Without passing on the adequacy or inadequacy of existing law and regulation to protect resources, biologists, scientists and other resource specialists agree that, in their best professional judgment, protection of habitat in the spill affected area to levels above and beyond that provided by existing law and regulation will likely have a beneficial effect on recovery of injured resource and lost or diminished services.

Seven, there has been widespread public support for the acquisition of the park inholdings. Eight, the purchase of the park inholdings is an appropriate means to restore injured resources and services in the Kachemak Bay region. Nine, approximately 7 mill -- 7,500 acres of land, identified by an underlined marking on Attachment A, have been specifically identified as having both high natural resources or services values and as being immediately threatened with logging. This acreage has an estimated value of approximately seven million, five hundred thousand to eight million, four hundred thousand dollars. Therefore, we request the Attorney General of the State of Alaska and the Assistant Attorney General of the Environmental and Natural Resources Division of the United Department of Justice to petition the United States District Court for the District of Alaska for withdrawal of the sum of seven million five hundred thousand from the Exxon Valdez oil Spill Settlement Account (Exxon Settlement Account) established in the Court Registry Investment System as a result of the government's settlement with the Exxon companies. These funds shall be paid into the Alaska -- Alyeska Settlement Fund established by the State of Alaska as required in the Alyeska Settlement Agreement, and, together with the interest thereon, used to purchase fee simple title to the park inholdings. Title to the land shall be granted to the State of Alaska for inclusion of the lands in the Kachemak Bay State Park. The use of these funds is conditioned as follows.

One, the purchase must be completed by December 31, 1993; two, the total purchase price may not exceed twenty-two million dollars; and

three, the park inholdings must be purchased in fee simple title including all time and all subsurface rights. If any of these conditions are not met, the funds shall be returned, together with accrued interest, to the Exxon Settlement account.

MR. COLE: Mr. Chairman, I move the adoption of the foregoing resolution just read.

MR. SANDOR: It's been moved that this

MR. PENNOYER: Second.

MR. SANDOR: Resolution and seconded by Pennoyer that this Resolution be adopted.

MR. PENNOYER: Mr. Chairman?

MR. SANDOR: Yes.

MR. PENNOYER: Two questions on the way this is worded. We're asking for seven and a half million dollars to be withdrawn and the purchase price not to exceed twenty-two million. Is it clear where the other fourteen -- other fifteen, other fourteen and a-half million dollars is to come from, or is it an implication that it goes up to twenty-two million, the settlement funds might still pay the full amount?

MR. SANDOR: Mr. Cole, do you want to address that?

MR. COLE: Well, we have already committed seven and a half million from the Alyeska Pipeline Company -- committed. So if this is adopted, we have then twenty, fifteen million. We then are required to seek from other sources, another seven million dollars.

Now what, what are those possible sources? One, appropriation from the treasury of the State of Alaska. Two, the use of some

funds

from the fifty million dollar Exxon criminal settlement. Those are possibilities.

MR. SANDOR: Any further questions, Mr. Pennoyer?

MR. PENNOYER: One additional question. Is seven and a half million dollars part of the twenty million dollars were voting for eminent threat later on this, this -- meeting. If we do vote for it. Assuming we have already voted for seven and a half million on it, if we do vote here on this one. But -- is the seven and half then to come out of the twenty million, was that the intent?

MR. COLE: Yes.

MR. PENNOYER: Thank you.

MR. SANDOR: Any further questions. No further discussion, I call for the question. All those in favor, signify by saying aye.

ALL TRUSTEES: Aye.

MR. SANDOR: Opposed? Motion carried. Resolution is passed unanimously. Let's move forward. And I would like at this time, the approval of the Trustees to, to have comments by the Public Advisory Group recommendations by Donna Fischer, co-chair, followed by chief scientist and Restoration Team recommendation, Dave Gibbons. And -- Donna is co-chair of the Public Advisory Group -- Will be leaving at noon to return to Valdez.

MS. FISCHER: Good Morning. Thank you for allowing me to come through early and I know you're busy, I know you've got a hard schedule so I don't want to take too much of your time. I realize

that you have the transcripts in front of you. I realize that you may not have had a chance to read them, but a lot of our comments and questions are in the transcript. Before I get started, there's a couple members of our group here that I wish to introduce. Chuck Totemoff, who is a member of our -- Chuck was here, he is around somewhere. Pamela Brodie is a member of our Group, and we have an alternative that sits occasionally for John Sturgeon, Kim Benton. They were here. So, on our meeting of January 6th and 7th, we had approximately fifteen members of our PAG committee. We feel that we had a good working meeting. We continued on, on the 7th till about seven, seven-thirty in the evening before we adjourned. So we did really get into the nuts and bolts of the Restoration Plan.

One of the things that was of great concern to the PAG committee was that many members of the committee felt that the appearances that the agencies are funding on-going operations, or even doubling funding -- double funding activities, and we questioned that quite extensively. A recommendation from the PAG is that the Trustee Council have an independent review of this situation in order to ensure accountability and to avoid duplicate or excessive funding for some of the projects. Another concern that we had is that we've already met three times, and instead of our meetings be limited to four, that we wanted to extend them to six and we may even wind up going more than that, as well. February will be our fourth meeting. Also was the handout by Jim Cloud that I think most members do support, or we feel was a good recommendation and hope that you will get the time to read it.

MR. COLE: Can I ask a question on that?

MS. FISCHER: Sure.

MR. COLE: How many members of the Public Advisory Group supported Mr. Cloud's remarks as shown in his letter of January 9th?

MS. FISCHER: Okay. This was not brought up at the meeting. This was given later. But, they were, if you'll read the transcripts, there were different things in the transcripts of what we supported that Mr. Cloud has summarized here.

MR. COLE: Pretty big assignment. There's probably 200 pages here in (inaudible) --. 505 pages is a pretty heavy assignment. Trying to get through these projects. Let me ask another question, if you don't mind answering them.

MS. FISCHER: No.

MR. COLE: With respect to the so-called double-dipping by state and federal agencies, were you able to pinpoint any specific instances of that, or was it just a general feeling?

MS. FISCHER: I believe, Mr. Cole, that it was pretty much a general feeling. But there was some instances where, and I'm just going to use this for example. It's not that I'm picking on them, because Alaska departments were in there as well. But just say, like a, Fish & Wildlife, Department of Interior, where they had, I know, I'm just using examples, generalities here because the Alaska State Department of Environment, different departments did the same thing where in personnel, they kept charging, you know, into the fund. And we felt that those people

are already there, but yet they're getting paid over and over again, or the money was in the budgets over and over again. There was some instance in the contractual was quite high and then we found out that some of the departments are doing the contractual instead of it going out, and we felt that could have been reduced.

But we do, we did see a lot of duplication in personnel where the monies were high and we felt that the people were already there and the monies could have been eliminated or maybe sometimes some of these projects could have been pulled together jointly, instead of being a separate project. There was several of them that were in the projects that we noticed. Did that answer?

MR. COLE: Generally.

MR. SANDOR: Any further questions of Ms. Fischer. I guess I will ask a question. Did -- I'm sorry I was not at the meeting, but was there any discussion of the possibility of prioritizing projects. No doubt you must have, known that -- recommended fairly quick -- quickly that we have a difficult job of trying to weigh relative merits of projects.

MS. FISCHER: Yes, we did, and that was going to be the last thing we were going to do. We were going to go back over add -- numberize -- numer -- add numbers to the projects that we felt would maybe be ranked a little bit higher than others. But we ran out of time, and so we plan to take this up at the 10th meeting. That's where we intend to continue on.

MR. SANDOR: I see, so

MS. FISCHER: So you will have that by the time you meet

again in February.

MR. SANDOR: I see, and, and there will be essentially, numerical or some ranking system?

MS. FISCHER: Yes, yes. We plan to do a ranking system. Maybe a one, two, three. You know, like one is good and two is mediocre, maybe three, go down toward the bottom, or something to that order.

MR. SANDOR: From the Chair's perspective, this would be very helpful to the Trustees.

MS. FISCHER: I think that's our first order of business.

MR. COLE: Why would we do that if we've already acted upon these and they're essentially history? I mean, it would, seems to me that -- that's sort of waste of time if we act on these today. It wouldn't make any difference whether once we approve or at the bottom or at the top. That would be my thought on that.

MS. FISCHER: Well I think when we go back over them, I think what we did was, or -- not, I don't think what we did, what we did was we went through and analyzed, you know, each project. Then we wanted to go back and where I mentioned before. Where some of these projects seem to be duplicates, they would be grouped in as one instead of having two or maybe three different areas. Unless there was some explanation of why it should be divided up and then rank them in that order as well.

MR. COLE: Well, we have to deal with these today. Approve them or reject them. I mean it's, any further action by the Public Advisory Group on these projects, unless I don't

understand what we're doing.

MR. SANDOR: There may be some Mr. Cole, that are not time critical that action will be deferred and

MR. COLE: Deferred until when?

MR. SANDOR: February 16 I'm told is the next meeting.

DR. GIBBONS: Mr. Chair?

MR. SANDOR: Yes, Dr. Gibbons.

DR. GIBBONS: I just looked at a copy of the agenda for the February 10th, Public Advisory Group meeting, and this is not on the agenda. It, I -- I would assume that if a project is deferred from the '93, that it would fit into the '94, and not pick it up sooner than that because we're -- we're starting the initial phases of '94 now, but -- just, I was not aware that they were, they were going to pick this up on February 10th.

MS. FISCHER: It was my understanding that we were going to try and prioritizers -- prioritize these at the last meeting. We ran out of time and you know, that was some of the discussion. If you look at our voting record, you'll see too, where we had a majority vote. Should get some idea to the prioritizing of some of the projects.

MR. SANDOR: Thank you. Any other questions of Ms. Fischer? Well, we very much appreciate the work of you and the other members of the Public Advisory Group

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes, Cole?

MR. COLE: Let's -- talk about, if you don't mind, what

we're doing. I'm not prepared to go into February and revisit these projects and make further decisions. I don't -- I mean, I think today is the day we make the call. Today and maybe tomorrow, but, but to talk about, Mr. Chairman, -- with deference, you mentioned looking at some of these projects again in February is not exactly what I have in mind.

MR. SANDOR: The Chair was simply speculating that it may possibly be a project or two, three, four,

MR. COLE: Or five or six.

MR. SANDOR: Mr. Barton?

MR. BARTON: I wish the Chair would not speculate. (Laughter) I think we need to take final action on these projects today. There's still a lot of work to be done before they can go into the field, and the field season is fast upon us, so I would like to see us take action on the '93 program and work today and finalize it. If there's some emergency or great overriding reason for reopening that at some later time, I can do it. But, I would not like to go into February with one, two, three, four, five or six projects maybe out there somewhere. So, and I think with all do respect to the PAG, in the interest of utilizing their resources that prioritization of these, frankly, would be too late for us to use this year.

MR. SANDOR: Thank you. The Chair will cease, desist and stop speculating.

MR. COLE: Mr. Chairman, you know, we're three months behind on this now, at least, you know, and the time has come to

make some decisions and

MR. SANDOR: Amen Mr. Cole. We will proceed that we have just twenty minutes before break and my suggestion that we continue with the agenda and Dr. Gibbons, do you have any remarks at this time?

DR. GIBBONS: Yes, I do. If you pull out your draft -- 1992 (sic) 1993 draft work plan. Some of you, matrix, I've got a few changes to that matrix that I'd like to give you at this time. It's, this one right here.

MR. SANDOR: Thank you.

DR. GIBBONS: Under the chief scientist's recommended, not recommended column. There was about eight projects that he called enhancement projects that inadvertently got listed as not recommended. So I would like to just give you those at this point.

MR. SANDOR: Please do so.

DR. GIBBONS: 93004 change not recommended to enhancement project; page two,

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes.

UNIDENTIFIED: I don't follow that, it's either recommended or no opinion. What do you want to put in there?

MR. SANDOR: 93004 is changed from not recommended to enhancement project?

DR. GIBBONS: Yeah. His wording is -- I'll read it to you. The project may enhance natural resources, but is unrelated to the recovery of injured resources, and he classified that as an

enhancement, an E category. Bob may want to speak to that

DR. SPIES: Yeah, in my memo of October 8th, which is the draft 1993 work plan, I have more than recommended or not --I ranked projects, plus had a special category and an enhancement category, and Dave's referring to the enhancement category. In my opinion, that the, it was not an injury but it was a (inaudible) to the resource.

MR. COLE: Do you recommend it or don't you, I mean, in a -- yes or no?

MR. PENNOYER: The, I think Mr. Chairman, that Dr. Spies is saying that if we decide to go ahead with the enhancement, it might be a valid project.

DR. SPIES: Right.

MR. SANDOR: Categories are summarized in the sixth page of -- Curt McVee's former speech, right?

MR. McVEE: Yes. Dr. Gibbons, could you -- I guess as you give those, these to us, could you just identify the chief scientist's rating system on those, think that would be helpful.

DR. GIBBONS: Okay. These, mean the --

MR. McVEE: Like this one, you rated as an E

DR. GIBBONS: Right. I can list the E's. The other ones we have reviewed -- I have reviewed with Dr. Spies and stays there. Recommended, or no opinion or not recommended.

MR. McVEE: Okay.

DR. GIBBONS: You know, just, just list the ones that are enhancement projects so you're, so you have those. I mentioned

93004; the next one 93014 on page two; page three, 93024, Coghill Lake; 93025, Montague Island chum salmon; 93028, wet -- wetlands habitat; 93029

MR. COLE: You mean there's two ways of enhancement, is that what you're saying?

DR. GIBBONS: Yes. 93029, second growth management enhancement. 93032, Pink and Cold Creek pink salmon restoration; page four, 93042, killer whales; and the last one, page five, 93063, survey and evaluation of instream habitat.

MR. SANDOR: Actually, Mr. McVee, in your listing -- column two conforms to the same thing and is in fact, Dr. Spies' ranking to the, yes sir?

MR. McVee: Why don't we, as we go through them, do that --

MR. SANDOR: Anything else Dr. Gibbons?

DR. GIBBONS: Yes. One, one -- one other thing I'd like to bring up. A memo I passed out to the earlier Trustee Council meeting dated September 11, 1992, was included in the package that was submitted to you and it has been included in the public package previously. It lays out the process that the Restoration Team used to initially screen the restoration ideas and then evaluate all the restoration projects to create our recommendation to you in the blue book. And like I said, I passed it out in a package that was sent to you, but I'd like to just go through it again to make sure that it's understood that, the process that we used.

MR. SANDOR: Okay. Let's be sure we all have this. Does

everyone have that? I do not have it handy. Do we have extra copies, at least I don't

DR. GIBBONS: I'll get some extra copies.

MR. SANDOR: That was not given this morning.

DR. GIBBONS: That was given in the package that was DHL'd out about -- passed out.

MR. SANDOR: Oh, we do have it here. Oh, it's in the --

UNIDENTIFIED VOICE: January 12th?

DR. GIBBONS: September 11th date on it.

MR. SANDOR: Yeah, okay. September 11, oh, it's behind the -- yeah, it's the fourth sheet below the packet. Okay. Got it. Do we all have that? It's the fourth page below the large bound group. That's it. I guess we all have it now. Dave, go ahead.

DR. GIBBONS: Okay. I gave my copy to have copied, so

MR. ROSIER: Here, go ahead.

DR. GIBBONS: Thank you Mr. Rosier. The -- the initial projects were received and they were screened under the three critical factors listed on page one and the top of page two. And those, the initial screening criteria were linkage to resources and/or services injured by the Exxon Valdez oil spill. Was there a link. The second criteria, was it technically feasible? Are the technology and management skills available to do it? And the third one, is it consistent with the applicable, federal law and state laws and policies. So that was the initial screening of the

ideas, and that kicked out about 300 of them, through that initial screening process. And then the next screening that we did is on page two and three. If there's any questions on the initial?

MR. SANDOR: Any questions? I heard none.

DR. GIBBONS: Page two and three, if the restoration idea was a damage assessment idea, it was considered under the work criteria on page two which are, was the project previously funded for close-out? Our thought here was if it was funded for close out in 1992, we weren't going to fund it 1993. That criteria. The second criteria, in 1993 close-out project, should we fund it as a close-out project in 1993? If it was funded in 1992 and can we, should we fund it as a close out in '93. The third criteria, is the new, the new project, is there a new project for entry just came to light. We have new information that indicates that there is injury out there that we need to look at. And the fourth, is it a damage assessment continuation project. And an example of this would be the Kenai, sockeye work. Then if the project, the idea was submitted, restoration idea was submitted for restoration work, the criteria on page three were kicked in. The first criteria, is there a restoration end point. Our thoughts here, if it wasn't leading to help recovery, or restore the injured resources services, it shouldn't be done. The second criteria, time critical to the recovery of the injured resource or service. Must it be conducted in 1993. And I'll make a comment here, some of the projects went forward with a 5-1 recommendation. That's our -- the operating procedures of the Restoration Team. And what that means,

is five members thought it was time critical and one member thought it was not time critical. So, a point of clarification there. That, that's true with all of these. The third, opportunity lost if not funded in the '93. Was there -- the intent of this criteria was to identify those project ideas that needed some implementation now or the opportunity would be lost. My idea on that would be imminent threat lands, the lands were going to be threatened and injured in some way in 1993 and the last criteria. Does it involve a long-term commitment? Is it committing to long-term funding before a restoration plan. And -- the -- the sheet that we used is the last page. And I just wanted to run through these criteria again for you to make sure, to let you know that we did consider these factors (inaudible).

DR. GIBBONS: murre. Are -- are, is the rate of recovery adequate? Harlequin ducks would be another one, you know, are, are, are they nesting again this year. We considered -- do we do it this year or can it defer it to '94. Do we have to do it every year. Some of these questions were the ones that were asked. Thank you.

MR. SANDOR: Any further questions? Dr. Gibbons, do you have any additional information to present?

DR. GIBBONS: No, I do not.

MR. SANDOR: Dr. Spies, I know you're not on the agenda, but do you have any comments you would want to make with respect to your ranking system now? Self-explanatory?

DR. SPIES: It's pretty self-explanatory. I might

mention that in connection with the, the two projects that were linked to shellfish hatcheries. There's now information among the peer reviewers that's analyzed the -- some of the data available from the NOAA study and state that started outside process that now indicates that there are some -- his opinion is significant reason to believe that there's damage to shelter populations from the spill.

MR. SANDOR: Thank you.

MR. BARTON: Which ones are those?

DR. MONTAGUE: Mr. Chairman?

MR. SANDOR: Yes?

DR. MONTAGUE: 19 and 20.

MR. SANDOR: These are projects 19 and 20. Okay. Well we were going to break in seven minutes. Let's see how many projects we go through in seven minutes. And I would suggest, if the Trustees would agree, that we simultaneously then, do a bifurcate if necessary, and look at both the -- charts prepared by Dr. Gibbons and the chart prepared by Curt McVee and again, follow this sequence, each project. I would begin with Project 93002, sockeye overescapement. This is a project -- the agency is the ADF&G, the amount is \$714.6 thousand, that's, the Restoration Team recommendation is five yeses, no one's. Chief Scientist was a recommendation, right, two. The Public Advisory Group was yes-no, nine-five. No abstentions. And -- it's the Interior's table, in compliance with the Consent Decree, meets the NEPA requirement, it's time critical and you see DOI's recommendations and comments.

The way that I would propose to the Trustees at this point, invite some action -- either adoption or defer.

MR. ROSIER: Move for adoption.

MR. SANDOR: Moved by Carl Rosier for adoption. Second by any second?

UNIDENTIFIED: Sorry, I didn't hear that.

MR. SANDOR: 9 -- 93002 is moved for adoption by Rosier, seconded by -- by Pennoyer.

MR. PENNOYER: I seconded it for discussion.

MR. SANDOR: By Pennoyer for discussion purposes, and Curt McVee has a comment.

MR. McVEE: We had problems with this project because it's not directly related to the oil spill. The relationship as I understand it, is to a decision of which was made concerning the fate of commercial salmon and that the result of any the overescapement -- problem, that there is no direct connection to the oil spill.

MR. PENNOYER: Mr. Chairman?

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: In, commenting on our procedures here, I agree with Mr. McVee that it's going to require some discussion. The whole question of salmon management and many of these projects is going to require discussion. I don't really want to do it twice. I thought what we were going to do is go through here and sort of run down the list, so does anybody have any objections to some sort project, if some of you did, then we defer it and take it

up later. Nobody has any objections after a brief discussion, we pass it on and rather than

MR. SANDOR: Approve it or just?

MR. PENNOYER: And, and approve the package. So we would approve those that nobody had any problems with, and then come back and deal with the one that somebody had a problem with again or later. But if we do it this way, I'm afraid we might discuss things twice and I

MR. SANDOR: Oh okay.

MR. PENNOYER: I guess the procedure would be on the first ones, does anybody have any objections; if somebody would, we would defer to later discussion. Second one, if you have any objections, move to adopt, second no, no objections or maybe some discussion and then adoption. But I don't

MR. SANDOR: Then go back?

MR. PENNOYER: Then go back to the ones that we said defer, because otherwise I think we'll do it twice.

MR. SANDOR: -- do we, at some point, to -- so 93002, an objection?

UNIDENTIFIED: Yes.

MR. SANDOR: So we defer. 93003, pink salmon egg to pre-emergent fry survival in Prince William Sound. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I don't know if we've got to adopt it or make a motion to get it on the floor, for discussion, I had a question about that one, for, besides it was unanimously recommended by the Public Advisory Group, recommended by the Chief

Scientist and Restoration Team. My question is -- it deals with, with fry tagging and I know we've heard a lot of comment from the PAG group about not funding items that are already funded. I know we have a fry-tagging program in Prince William Sound for forecast purposes and perhaps Mr. Rosier could elaborate on why this is different and that program is not just simply substitute funding.

MR. ROSIER: Well I believe that this particular project goes beyond this, the fry tagging that goes along with the, with the forecasting work that's going on there. It's a project that is specific to the oil, oil-damaged systems, if I'm not mistaken. And this is, this is work in addition to what's going on as far as pre-emergent and is restricted to the oil damaged systems.

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes?

MR. COLE: But it doesn't just fund the project later on the forecast project done?

MR. ROSIER: No, it does not.

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes Mr. Cole?

MR. COLE: Is this a normal, normal agency function?

MR. SANDOR: The agencies involved here is ADF&G, and NOAA, at 686 -- is NOAA or ADF&G wants to comment. Is this a normal agency function, Mr. Rosier?

MR. ROSIER: Yes. In terms of the function, it -- it probably is a normal agency function, but in terms of the intensity on which we're sampling here, I think that's -- that would not be

the situation. In other words, we would not be doing these systems necessarily if it had not been for the oil spill damage.

MR. COLE: Mr. Chairman, the reason I ask, there has been public comment that takes the view that this is something which NOAA should -- is doing as far as this normal agency -- appropriation.

MR. PENNOYER: Mr. Chairman, as long as Mr. Cole asked -- we are not managing pink salmon, so the management part is not a normal process, and we don't have any funds for doing the genetic -- oil contamination work that is outside of this process.

MR. COLE: Is that the same -- is true at the Alaska Department?

MR. ROSIER: Yes, Mr. Chairman, that's correct.

MR. SANDOR: Is there any objection to adoption? There being no objection, 93003 is adopted. 93004 -- documentation, numeration and preservation of genetically discrete wild populations of pink salmon impacted by EVOS in Prince William Sound. Let's see, the Department of Interior is a no. Is this to be deferred?

MR. McVEE: Yes.

MR. SANDOR: Project 93005, cultural resources -- this too is a project proposed for negative vote by the Department of Interior, not time critical, this is to be deferred?

MR. McVEE: Yes.

MR. SANDOR: Project 93006, site-specific archaeological restoration -- and you have both charts before you, is there any

objection to adoption?

MR. COLE: I, I want to object at this time to -- let's see, six, seven, eight, the archaeological projects and discuss them as a group.

MR. SANDOR: Projects six, seven, eight and nine. Is that correct, six, seven, eight and nine?

MR. COLE: Yes. Well let me look at nine, that's public information.

MR. SANDOR: Six, seven and eight?

MR. COLE: Well let's -- I think we should put -- nine -- nine is not as necessarily an archaeological project.

MR. SANDOR: No.

MR. COLE: So I'm talking about six, seven and eight to be deferred in my view and to be discussed collectively at the same time.

MR. SANDOR: Six, seven and eight to be deferred from discussion later collectively. 93009, public information, education and interpretation. No -- Department of Interior to be deferred?

MR. McVEE: Yes.

MR. SANDOR: 93-10, reduced disturbance near Murre colony showing indications of injury from the EVOS is unanimously not recommended and has to be --

MR. COLE: We dealing with ten?

MR. SANDOR: Yes. Move along.

MR. McVEE: DOI's list on page four, we separated out the

projects not recommended by --

MR. SANDOR: Okay. That's unanimously recommended, are we deferring discussion -- or not approving? Deferring discussion.

93011, develop harvest guidelines to aid restoration of river otters and harlequin ducks. DOI defers, or objects, so we defer, and we'll take a break for twenty minutes.

MR. PENNOYER: Well, we approved one anyway. (Laughter)

(Off Record at 10:00 a.m.)

(On Record at 10:20 a.m.)

MR. SANDOR: May we reconvene please. Have we stopped the speculation? Okay -- well, moving on -- to project 93022 is that it?

MR. COLE: No we're 12.

MR. SANDOR: Nope. Excuse me, 93012.

UNIDENTIFIED: Really do know what's going on.

MR. SANDOR: 93 - 12. Okay, genetic stock identification of Kenai River sockeye salmon, DOI opposes no, we defer. 93014 is deferred.

MR. COLE: Hold it just a second.

MR. SANDOR: Okay. 93015, Kenai River sockeye salmon restoration, DOI no, is deferred. 93016, Chenega Bay chinook and silver salmon, DOI no, is deferred. 93017, subsistence food safety survey and testing. Is there objection to these, acceptance of the project 93017, subsistence restoration project ADF&G, NOAA, at \$360.6 thousand?

MR. COLE: May I have a moment, please?

MR. SANDOR: Sure.

MR. BARTON: I think we ought to discuss.

MR. SANDOR: This is, should be discussed. Need to defer for discussion and 93018, DOI opposes no, deferred for discussion. 93019 -- not recommended, so that's deferred. 93020 not recommended, is deferred. 93022 -- 93022, evaluating the feasibility of enhancing productivity of murre by using decoys, dummy eggs and recording of murre calls to simulate normal densities at breeding colonies affected by EVOS and monitoring the recoveries of murre in the Barren Islands. Department of Interior, Fish & Wildlife Service, \$281,000 --

MR. PENNOYER: We defer it.

MR. SANDOR: It has been opposed by Pennoyer. It's deferred, deferred. 93024 restoration of the Coghill Lake sockeye salmon stock. DOI recommends deferral. 93025, Montague Island chum salmon restoration, DOI recommends deferral.

MR. PENNOYER: Mr. Chairman?

MR. SANDOR: Yes, Mr. Pennoyer?

MR. PENNOYER: Anytime, going down this list, if DOI wants to change their mind and discuss something ahead of time, it would be alright with me.

MR. SANDOR: 93026, restoration of wetlands, DOI commands deferral. 93028 --

MR. COLE: '26 was wetlands.

MR. SANDOR: '26 was -- deferred. I'm sorry;

MR. COLE: '26 was deferred?

MR. SANDOR: Deferred, yes.

MR. PENNOYER: I guess all the projects not recommended by the Restoration Team.

MR. SANDOR: Yeah.

MR. COLE: '25 is deferred, '26 is deferred, is '28 deferred?

MR. SANDOR: 93028, restoration of wetlands, Department of Interior recommends deferral, or no deferral. 93029, second growth, DOI no -- deferral. 93029, Prince William Sound, second growth management, okay, that one is no as well, deferral. 93030, Red Lake Restoration, DOI deferred. 93031, Red Lake mitigation for red salmon fishery, DOI deferred. 93032, Cold. -- Pink and Cold Creek pink salmon restoration, DOI deferral. 93033, harlequin duck restoration monitoring study in Prince William Sound, Kenai and Afognak oil spill areas, ADF&G project, at \$717.9 thousand. Is there any objection to that project?

MR. COLE: I'd like to talk about it. I'm not objecting it, just would like to talk about it.

MR. SANDOR: Later, deferred. Okay. Do you want to talk about it now?

MR. COLE: Short discussion.

MR. SANDOR: How about we try that, just to break the monotony. (Laughter) So, is there a motion for discussion purposes that 93033 harlequin duck restoration monitoring studies in Prince William Sound, Kenai and Afognak oil spill area, ADF&G lead agency of \$717.9 thousand. Is there a move for adoption?

MR. PENNOYER: I move to adopt.

MR. McVEE: Seconded.

MR. SANDOR: Moved by Pennoyer, seconded by McVee.

Discussion. Do you have questions on -- Mr. Cole?

MR. COLE: Well, I used somewhat as a guide for these comments, how much is this project?

MR. SANDOR: \$717.9 thousand.

MR. COLE: Well the Chugach National Forest group takes the view that that 25036 says that it's not necessary for this project for a stable population, other comment is that the harlequin ducks are really growing in size and therefore, this project is not warranted. Other comments are, it's a very expensive project to determine what is already known about damage to harlequin ducks. So, I mean, could we have a response to the public comments?

MR. SANDOR: Are there any comments from the lead agency or other agencies with respect to questions that were raised in the course of public comments?

DR. MONTAGUE: Mr. Chairman?

MR. SANDOR: Yes, Dr. Montague?

DR. MONTAGUE: Is it on?

MR. SANDOR: Yes.

DR. MONTAGUE: Okay. In regards to, I might have misunderstood you, but did I hear you say that the population is growing?

MR. COLE: I'm saying that that's what people, who in the

public comment say. I haven't made a separate study of that. I'm just seeking response to the public comments, to the public comments.

DR. MONTAGUE: In the area that we've studied, as you know, there's been reproductive failures of, at least within that portion of the oil spill area and presumably other parts of the oil spill area, that the populations are not growing. In regards to the cost, it is an expensive project. A smaller project that was done in 1992 has had some financial difficulties from tight budgeting and feel this is justified for the work that's being put forward.

MR. COLE: I guess the question is this. I mean, we, we know that there has been some damage to harlequin ducks. We know that the oil spill caused it, and I take those as a given, I don't think there's any dissent from that. What do you need to study in light of that known information? Dr. Spies wants to comment, I think.

MR. SANDOR: Dr. Spies?

DR. SPIES: It really depends on what the Trustee Council would like to see in terms of the certainty of the criteria and as they move outside of Prince William Sound in relation to habitat acquisition. A lot of the expense of this project is, is working out on Afognak Island and the outer Kenai Coast, where we've ear-tagged harlequin ducks and trying to tie them back to injured resources. So it depends on your opinions, collectively, as to, as a Council as to how much certainty you need in order to perceive

whether it's just enough to say there were damage to Prince William Sound. If you one more certainty when you just -- move outside Prince William Sound. This is the kind of cost involved in obtaining for the harlequin duck.

MR. SANDOR: Yes, Steve Pennoyer?

MR. PENNOYER: Yeah, Mr. Chairman, I was trying to think.

If I'm not mistaken here, originally the ADF&G component was Prince William Sound and Afognak? And you added the Kenai component at our request for about \$200,000 so, we asked the -- proposers to actually add the Kenai component, and the reason of the \$700,000 is because of the request we had that it be extended to Kenai. And I don't know if we ever signed off on the fact that we were happy with that expansion, but we did request it.

DR. MONTAGUE: Mr. Chairman, could I further address some of the --

MR. SANDOR: Yes.

DR. MONTAGUE: We agree that documenting in western Prince William Sound, that there is another year of reproductive failure isn't particularly the key component and very little effort is being devoted to that in this project. The primary aspects of the project were that we were comfortable with the description of what habitats the harlequins used in western Prince William Sound, and one aspect of this project is to see other areas in Prince William Sound that have similar habitats, can we just extrapolate that information to it without actually studying it. But the outer Kenai coast and Afognak was considered that whatever we found, the

habitats were enough different there that the findings from western Prince William Sound would not be applicable, so that if we were interested in purchasing habitats to support harlequins in Afognak or the outer Kenai Coast, that we wouldn't have the information suitable to do that.

MR. SANDOR: Curt McVee. Yeah, McVee?

MR. McVEE: I think that we did have, mentioned here, that we did have considerable discussion along the expansion of this project, at one of our, at one of our latter meetings and that -- that aspect of that discussion was relevant to the habitat goal -- three goals in the project that was relative to that goal and we felt, it felt like, or feel like that this -- project is needed -- in order to support the habitat protection live acquisition.

MR. SANDOR: Attorney General Cole?

MR. COLE: What I'm having trouble with is what are we going to study out in, out in Afognak Islands, that's what I'm struggling with. -- harlequin ducks out there, what are we going to look for when we study harlequin ducks out there?

DR. MONTAGUE: Mr. Chairman?

MR. SANDOR: Yes?

DR. MONTAGUE: I think I can help with that in -- just picking an arbitrary example, say that -- in western Prince William Sound, harlequins nest on a twenty degree slope at 100 foot tree, in particular species, in, within 100 yards of an anadromous stream. I mean those are just arbitrary examples, but it would be to find those characteristics on Afognak and the outer Kenai Coast

that would say, yes, this is harlequin nesting habitat.

MR. COLE: Where harlequin ducks nest, the, the habitat of which harlequin ducks nest, is that what we're looking for in Afognak?

DR. MONTAGUE: That's the primary purpose, but we also, - - I mean, that's where most of the cost is, but while we're there, we want to see if the reproductive failure we've seen in western Prince William Sound is also occurring --.

MR. COLE: For essentially \$1 million.

MR. SANDOR: Mr. Pennoyer? Do you have a question or comment?

MR PENNOYER: Yes, Mr. Chairman. We have -- the Chair or somebody, I guess Mr. McVee made the famous all-bets-are-off statement that if we approved something here, still after the restoration plan is done, we're going to come back and look at it.

I notice this project is going to be conducted from '93 to '95 and we're funding authorization for the one year. What do we lose if we don't do that this year and the corollary is what do you lose if we don't do the additional two years' of work?

DR. MONTAGUE: Mr. Chairman. The outer years of the projects is mentioned here are, I don't know if arbitrary is the right word, but it's depending on the findings of '93. Presumably that it may well be possible to adequately describe the habitats in that year and in fact, in our discussions for '94, we're, we're not looking so much as to -- conducting the same project in '94 to that degree, and the only reason that we would, would be if it was

unsuccessful in '93.

MR. SANDOR: Mr. Cole?

MR. COLE: I hate to take this time, but it's a million dollars, and it maybe more than a million, it may be a million and half to two, but don't we already know where harlequin ducks nest?

I mean is that something that we don't have a pretty good sense of at this time? I think that somebody by this time would know where harlequin ducks nest, number one, and number two is, do we really need to spend a million dollars to find out that they nest some place different on Afognak, then they do in eastern Prince William Sound. I mean, this seems to me we're sort of getting to what are we really studying now and henceforth, with this money.

MR. SANDOR: Dr. Montague, do you want to comment?

DR. MONTAGUE: Yes. Well, relative to harlequin nesting, it probably be surprising, but it was virtually unknown anywhere else in the world or in any other investigator's or projects. This was the first project that really dealt with harlequins and, and the findings on the ten or so nests that we found on this project were basically all there, all that's known in the world about this harlequin nesting. And, and the habitats in Afognak and the outer Kenai Coast are very, very different than, I mean, I guess they're similar in some ways, but quite a bit different than western Prince William Sound, and the Restoration Team and the peer reviewers felt that the probability of selecting lands on Afognak for harlequin habitat being incorrect was pretty high on the current data.

MR. SANDOR: Any further comments or questions? Mr.

Barton?

MR. BARTON: Are we being asked to approve \$717,000 for the entire two and a half to two and three-quarter year period, or is this just the -- what it's going to cost in '93?

DR. MONTAGUE: Mr. Chairman, it's for '93.

MR. BARTON: And what would future year cost be projected to be?

DR. MONTAGUE: Well again, if we succeed in '93, the '94 costs would simply be to finish analyzing the data and preparing the report. You know, if there was a total failure, you could see a project this big again if you wanted to look at Afognak and the outer Kenai Coast. One aspect of this project that probably wouldn't -- many as -- none of it maybe required, but another aspect of the project is to verify if the reproductive failure is due to oiled mussel beds or some other cause, so that aspect we hope to finish in '93 and actually, we hope to finish all of it in '93, except for the analysis and write up.

MR. SANDOR: Mr. Penn -- Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman, I guess since everybody recommended, honestly recommended it, my assumption is they all felt it was critical to do it this year. And I haven't heard your comment on that.

DR. MONTAGUE: Mr. Chairman, -- since the species is playing such a prominent role in the habitat selection process that we felt that for the restora -- when the restoration plan is done that this information -- to the extent, as quick as possible needs

to be available or the habitat acquisition process could be delayed on the receipt of this information. Plus, the har -- this reproductive failure in harlequins three or four years after the spill and the cause of it, we're only looking at it in harlequins and maybe one other species, but it's the key to the injuries into a lot of other systems and species as well, so --

MR. COLE: What other systems and species?

DR. MONTAGUE: Well, if indeed we find that the harlequins aren't reproducing because of the oiled mussel beds, then the extent the full area where these mussel beds occur, we could assume that the same problem is occurring there as occurring with all species that eat, that eat the mussels, which would include river otters, wide range of sea birds, and other sea ducks, and could be indicative of chronic oiling injury in lower trophic levels and invertebrates as well.

MR. SANDOR: Are the black, excuse me, beg you pardon?

MR. BARTON: Well, well on the last point, why wouldn't we just look at the oiled mussel beds and make that determination?

DR. MONTAGUE: Well the reason is, well we know the mussel beds are oiled and we know its not hurting the mussels, so, it's only, its affect on other species is really of concern. If it wasn't affecting others, we'd leave them.

MR. BARTON: Have we not looked at other species, though?

MR. SANDOR: Wasn't the black oystercatcher one of them?

DR. MONTAGUE: Yeah, that was the other species. You know, we have, those are the two primary indicators, currently.

MR. BARTON: Mr. Chairman?

MR. SANDOR: Excuse me -- Mr. Barton?

MR. BARTON: One other question, is there some reason why we think the nesting habits of the harlequin are different outside of Prince William Sound than they are inside Prince William Sound?

DR. MONTAGUE: Yes, we think so because the topography, the terrain and vegetation are different. So, we know they're nesting there because they're there. But the same type of conditions we're seeing in western Prince William Sound, for the most, don't exist there. So we know they're using something else there.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole.

MR. COLE: Well if such be the case, why worry about where they're nesting. I mean, you know, they're nesting in habitat, they're nesting in Afognak Island. What do we need to know more specifically than that -- first -- and second, why does it cost three-quarters of a million dollars to find out where harlequin ducks are nesting? That's the trouble.

DR. MONTAGUE: Mr. Chairman. Well on the first point, basically, you could be buying habitat that you thought were providing protection of harlequin nesting and may not be at all. That's, that's primary the answer to the first question. Then -- second is, one of the logistics of working in the relatively exposed areas on western Kenai Coast or eastern Kenai Coast and Afognak area is more expensive than western Prince William Sound

and

MR. COLE: How many months will you be in the field. I mean, you know, just figure it out. It's about \$200,000 a month if it's four months.

DR. MONTAGUE: It's actually not, I don't think that long. It's more like two and half, three.

MR. COLE: \$250,000 a month studying where harlequins nest in Afognak. I tell you, that seems like an awful lot of money. Maybe I don't understand what the costs are -- seems like a lot of money.

MR. SANDOR: Dr. Spies?

DR. SPIES: It all comes down to how, how specific do you want the information. You know the, the, what we found in eastern Prince William Sound so far is that the harlequin ducks is nesting along side anadromous streams, fairly far up the streams, close to the stream, usually under a log, or something like that, close to the stream, and you think, you know, the terrain is quite a bit different but they're probably also -- nesting in, along side natural streams in Afognak as well, although the exact habitat may be a little bit different. Now if that's enough information, you feel comfortable making decisions on that, then we don't need it. But if you think more specific information -- habitat -- that's not the cost of -- more specific.

MR. COLE: It's \$10,000 a day, \$250,000 work in 25 days a month, \$10,000 a day.

DR. SPIES: We're talking about ship time (inaudible)

pretty expensive.

MR. SANDOR: Any further comments or -- Mr. Pennoyer?

MR. PENNOYER: Well, I share Attorney General Cole's concerns about the amount we spend on any of these projects relative to what Dr. Spies said about how exact you want to get because obviously you could try to get so exact on some of these stock separation, projects, you could spend unlimited amount of money. However, I notice the Restoration Team unanimously recommended this, and Dr. Spies thought it was an acceptable type of project. I'm not sure, does the RT wish to comment?

MR. SANDOR: Restoration Team comment, anyone? Jerome?

DR. MONTAGUE: I would ask that, perhaps Marty is chair of the Habitat Working Group. do you have anything to say about Habitat Working Group needs for this information?

MS. RUTHERFORD: Well just briefly. I, I -- as chief scientist Spies indicated, I mean, it all depends on your comfort level. We are going to, we are currently, our level of information is presumptive. We are assuming best professional judgment that given information about Prince William Sound, harlequin nesting habitat that -- you know, we're extrapolating, so, if you are going to need something more specific, this is the kind of project you need to fund. If you are comfortable with the presumptive habitat, then, then we probably don't need to do it.

MR. PENNOYER: Mr. Chairman?

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: Well since the RT voted unanimously for

this project, our assumption is that you had some feelings about whether we should be comfortable with it or not because I haven't seen the data. I have no way of judging my own comfort level and telling you ahead of time. My assumptions that when you went through the project and looked at them. You thought, one, this was needed information and two, the type of work being proposed is probably the type we needed, and third, that the cost wasn't totally out of line. My assumption is that the RT looked at each one of these projects from that stand point and viewed it on unanimous recommendation, you had some feelings about Dr. Spies' comfort level or mine, and about what we're doing way out here. So, my assumption has been all along that you've done that type of vetting.

MR. SANDOR: Chair has a question, just to confirm. Dr. Spies, your ranking system is two, three and four. Two was the way this was ranked may help in restoration of injured species through management actions -- this one provides a better understanding of the nature and injury. Three was project has a low probability of contributing to recovery. Four, project is inappropriate for a restoration program as it will not contribute to recovery of injured resources and as I, I went through this listing of projects, I found two is the highest ranking which you had given any project, and that I interpreted this as meaning that insofar as a relative ranking of these projects. You felt comfortable with recommending that, is that a reasonable conclusion that I reach?

DR. SPIES: Yeah, I felt pretty comfortable -- with the

size -- again, it comes back, it's kind of a chicken and egg question as to what kind of specific information you need to make, decisions on habitat and this -- some game. We know we've got, what, \$600 million left and (inaudible) some stage, how specific the information and how do you want to spend all the money. Do you want to have an endowment, or do you want to do something else with it. You're going to have to cut back on the science at this time, so, I'm trying not to make policies for you, but I'm comfortable with the, with the approach to produce information that you think you need (inaudible).

MR. SANDOR: Would the, did any of the peer scientists reviewed, scientists review, look at this project (inaudible -- coughing)?

DR. SPIES: Yes they have and -- we, in fact, plan a workshop on harlequin duck in the near future anticipating that if you approve this, we're going to have look very carefully at what's been done up to now and with that the field work to -- make sure this is on track as far as (inaudible) dealt with levels certain to have injury and the level of information that come out of (inaudible).

MR. SANDOR: Thank you. Mr. Pennoyer?

MR. PENNOYER: Chair, I never heard an answer for RT as to why they unanimously recommended this. Apparently, thinking our comfort level leading this type of project.

MR. BRODERSEN: Chair?

MR. SANDOR: Mr. Brodersen?

MR. BRODERSEN: May I address that please. My comfort level on harlequins and protection is not very high at this point, so I naturally extrapolated that you're comfort level also would not be. But I would like to take a couple moments to go through why my comfort level is not very high on this point. As Dr. Montague was saying, prior to investigations here in Alaska, very little was known of harlequins. I think there was one nest in Iceland that's been found, and maybe on B.C., I forget exactly where it was, essentially, no nest at all to characterize habitat nesting characteristics. At this point, we don't know whether a sixty-six buffer strip along the stream is adequate, a 100 foot buffer strip, whether we need 1,000 acres on the side, at what elevation these things nest. Is it above treeline, is below treeline, is it in the scrub timber? These are all questions that I think that we need to be answering before we go out and willy-nilly start buying habitat to protect these species. We may find we don't need to buy any habitat at all to protect them -- that it needs to be focused. We need to spend a few dollars now, to be able to focus our major purchases later on to protect this species and as I say, at this point, we don't know. The habitat characteristics in Prince William Sound are quite a bit different than they are in Kenai, which is also different than it is in the Afognak. We need to find this out before we go spending money willy-nilly.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: Of course, I disagree with the fact that we have any intentions of any kind to spend money willy-nilly. I don't think any of us here sitting at this table, making these decisions, have the slightest thought of spending money willy-nilly, certainly with respect to the acquisition of habitat. Did anybody in the Restoration Team or the Public Advisory Group say, hey, here's \$10,000 a day, expenses on this project. What really troubles me is, if this is the level of analysis that, that is developed by the Restoration Team for these projects and the Public Advisory Group on all these projects, then I have substantial concerns. I mean we have a finite amount of money and I think that, that before we say this is a good project, you know, give us some information, we have to make a balance of how much money we can afford to spend on finding out just exactly the type of terrain that harlequin ducks nest in on Afognak Island. Three-quarters of a million dollars, maybe more the next year, could be a million dollars. And it's very troubling to me that we could be thinking about spending \$10,000 a day for that purpose now. Maybe I don't understand the world of economics or what things cost, but I mean, I'll wasn't exactly born yesterday and it strikes me, this ungodly sum of money to be spending for that purpose. So, that's the way I feel, sorry gentleman, but

MR. SANDOR: Any other comments, Dr. Gibbons?

DR. GIBBONS: Yes, Mr. Chair. I remember we had extensive discussions on this and we discussed extrapolation to Kenai and to Afognak and how comfortable we were and some level of

comfortability and the price, the price came high. We reduced it down to around \$500,000, and as it has been mentioned here previously, you added the Kenai back and upped it up to \$7,000 -- \$700,000 so, we, the Restoration Team felt comfortable with, with a level that was reduced from \$700,000, looking at Afognak, Kodiak, and trying to extrapolate to the Kenai. So just to point of, I remember the discussions. We've had a lot of discussions on this project. Part of, part of the cost -- being related to coastal habitat is, you get up in Shelikoff Straits, I don't care when you're there. You need a boat that cost you, you know, quite a bit of money a day, so there, I don't know, three to four thousand, five thousand a day right there in the boat, so that, that's the cost, a lot of the cost.

MR. SANDOR: Thank you Dr. Gibbons, and Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman, then the original cost before we added the Kenai was the \$506,000?

DR. GIBBONS: That's correct.

MR. PENNOYER: And you were comfortable with that to start with, until we added, you know.

MR. BRODERSEN: Mr. Chairman?

MR. SANDOR: Mr. Brodersen?

MR. BRODERSEN: Comfort, I'm not sure is quite the right word. We tried to strike a balance between what we thought was the very minimum that we could do in terms of getting this information and the cost of the information, but I would feel a lot more comfortable doing the whole thing in terms of its credibility, but

one does have to make decisions, and we made the decision to be a little less comfortable than the \$500,000 and try and extrapolate.

That also then gives you the opportunity in later years if you've discovered that by taking the lower level you've messed up, you can go back and get it. Money once spent is gone. It, it was the attitude on this. One other point to go back to Attorney General Cole's comment on the cost per day. A rough rule of thumb, whenever you run these programs is that for every day in the field, you need to spend roughly five days in the office preparing for it and then once you get back taking care of the information that you have, and so, if you look at the budgets that are in here. A large part of this is salaries for individuals both preparing to go and then demobilizing and taking care of the information once they get back.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: I'm going to vote no on this project as originally placed before us and I've listened carefully. I've considered the view of the Restoration Team, Public Advisory Group, but I'm not satisfied that this is a wise expenditure of our money and therefore, not being comfortable with that -- my conscience -- I'm duty-bound to vote no. I vote no.

MR. SANDOR: Okay, we move on then to 930

MR. PENNOYER: Mr. Chairman?

MR. SANDOR: Yes, Mr. Pennoyer?

MR. PENNOYER: Is it deferred then or do we just write

that one off?

MR. SANDOR: Well, I've marked it deferred.

MR. COLE: But I would like to that when this meeting is over, if there is some provisions to this project that falls in less expenditure of money, I would reconsider it from that standpoint. It strikes me that three -- four thousand or five thousand a day boats are a little bit rich out there. I mean, I remember boats out there in Prince William Sound and charters pretty fine boats that were substantially less than \$5,000 a day and -- anybody really take -- the court say a hard look at that type of cost.

MR. SANDOR: Okay, the Chair's marked this as deferral, unless there is other comments, Mr. Rosier?

MR. ROSIER: Go ahead Curt

MR. SANDOR: Curt, Curt McVee?

MR. ROSIER: I'll follow Mr. McVee.

MR. McVEE: I guess I, I can't relate to the costs on this and I think a lot of our projects probably do appear to have high costs. This was -- this was discussed by the PAG, I thought, but they, similar to us, had some problems dealing with that, but there, there are only a very few species which will serve as a basis, a linkage, and these are species that use the uplands that were damaged by the oil spill will serve some part of the linkage to land acquisition. The habitat protection and the harlequin ducks are one of that roles and the others certainly is the marbled murrelet. There maybe something else I'm missing, but those are

the two primary ones. River otters possibly. So, it seemed to me like that -- that a, if we do not have enough information, you know, to, to address, and this is the question, to address -- the protection of those habitats, but are utilized by those species, then we, we necessarily have to go get some further information, and that's kinda where I come from, but the RT has said that, that -- we don't have, apparently we don't have enough information. We should go get some more. In terms of costs, I'd be delighted if it could be done with less costs.

MR. SANDOR: Mr. Rosier?

MR. ROSIER: Yes, Mr. Chairman. I'd like to have a little better understanding here, I notice that the to -- personnel was one of the major costs that's involved here on this -- almost \$300,000 is involved in personnel costs, and I'm not sure that -- what this might not have been the type of thing that certainly the Public Advisory Group is in effect speaking to -- duplication. Can you give me a little bit better understanding in what all's involved in the personnel costs of this project. Are we, are we talking new people or what are talking about associated with this two hundred -- \$298,000 -- here?

MR. SANDOR: Dr. Montague?

DR. MONTAGUE: Mr. Chairman. -- As you know, the Department had, did not have any harlequin programs -- prior to the oil spill so -- indeed, all aspects of this project are -- are new additional people and they're currently onboard from projects approved from '89 through '92. In terms of -- a number of field

camps I have the detailed budget here, we could look it up, but I believe that this would involve three centers of operation. One in the Kenai Coast, one in Afognak, one in Prince William Sound, which they would have several camps associated with each center, and each camp would have three or four people in it. And so, during the field season, I believe there is approximately 25 people, 20 to 25 people that are involved, in the analysis stage there are approximately four.

MR. SANDOR: Thank you. Any further comments or discussion, Dr. Gibbons?

DR. GIBBONS: Yes. I heard Mr. Cole say that he would feel more comfortable with this project if it was reduced in cost and perhaps one, one way to do that would be to remove the Kenai portion, if this is acceptable, back to about \$500,000 of the original proposal. Would that -- you know, be more in line with what you are, you're thinking?

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: Well, not necessarily. When I hear in three or four thousand a day boats out there, I mean, it just strikes me that, that maybe this whole thing is too rich, maybe we're trying to be too fine in our analysis. Maybe we don't need to take this all the way out there with twenty five people in the field, looking at these, I don't know, but, I, I mean we have the public keep telling us, you know, first there's too many agency, or agencies working on this detail. You know, don't study these problems to

death, the public tells us. Those happen to be my own views as a matter of fact. You know, at some point, you know, we have to, you know, just get out there and start getting it done and cut off the study. I agree that the harlequin ducks is one species that we should look at carefully for those reasons, but I think the project is rich. I don't think we need 25 people in the field, -- you know you can say, what's he know about it and it's a legitimate complaint or observation but, you know, I just have the sense that this is just costing far too much and it may be the case where the other project to get the information we need to get on, on, ongoing with the restoration plan itself. It just really troubles me, gentlemen. Projects are costing an awful lot of money.

MR. SANDOR: Any further comments or questions? The Chair indicates this is to be deferred and not really reconsidered unless it is amended. Project 93034, Department of Interior, Fish & Wildlife Service, 165.8, Pigeon Guillemot colony survey, unanimously recommended, no objection from the Interior. We've got a -- any objection to its adoption?

MR. ROSIER: I object.

MR. SANDOR: Objected to by Carl Rosier. Do you want it deferred?

MR. ROSIER: Yes, please.

MR. SANDOR: Deferred then. And project 93035, potential impact of oiled mussel beds on higher organisms; contamination of black oystercatchers breeding on persistently oiled sites in Prince William Sound, and this -- has approval with Interior, unanimously

recommended -- is there any objection to the adoption of 93035? 93035 is adopted, approved. 93036, recovery, monitoring and restoration of intertidal oil -- intertidal oil mussel beds in Prince William Sound and the GOA impacted by the Exxon Valdez Oil Spill -- the lead agencies -- NOAA, Interior, National Park Service at 404.8 thousand; no objection by Interior, is there any objection to the approval of 93036?

MR. COLE: Can I just have one moment, please?

MR. SANDOR: Yes.

MR. COLE: I have no objection.

MR. SANDOR: No objection --

MR. ROSIER: Mr. Chairman, I don't have any objection, but I would like, like to question here, this is obviously one of the key areas that I think is going to be with us for a period of time and certainly we know that we still got oiled mussel beds out there and, and in substantial quantities. I guess I'm not clear on where we're in fact, headed with this. Again, I guess the same questions are raised here that were raised with -- Attorney General Cole was raising about this. We know we've got it and is this going to lead us to a restoration project that's in fact going to, you know, gives the treatment method something that we could do with the oil problem or is this again, are we, are we looking at studying the, studying here on this as Mr. Cole characterizes on his.

MR. SANDOR: Can anyone comment on that?

MR. MORRIS: I will try, Mr. Chairman.

MR. SANDOR: Yes, please do.

MR. MORRIS: I think there's, there's two concerns we do have and the first is, can we do anything about these oiled mussel beds. We started this past year to do some manipulations of the beds, removing some of the layers of the mussels and seeing if and then letting the area wash and seeing if it helped accelerate the removal of this oil -- to placing of the mussels -- we, if, if we find that this works, then we may have a solution to the problem -- certain of at least the hot spot areas. If we find it doesn't work and we, we confirm that these mussels are really a problem to higher trophic levels, we have to bite the bullet and decide whether we're going to live with the problem or do something on a larger scale and I think that's where we're heading with this program.

MR. SANDOR: Any further questions?

MR. ROSIER: Thank you.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: Taking a leaf out of the Interior's book, is there any reason that could not defer this until the adoption of the restoration plan?

MR. SANDOR: Anyone? Byron Morris, do you want to respond to that?

MR. MORRIS: Well -- we would just be that much farther down the road in figuring out what to do with a continuing problem we feel is time critical because we do recognize the problem needs

to be resolved. I'm not sure the restoration plan itself is going to help us that much with this study -- it's, it almost has one foot on, on restoration and one foot on further treatment of pollution.

MR. SANDOR: Any further comments or questions? Once again, is there any objection to the approval of 93036? If not, it is approved. 93038, shoreline assessment, ADEC, ADNR, U.S. Fish and Wildlife Service, NOAA, DOI, ADF&G. 520.7 thousand. No objection indicated from the Interior. Is there any objection to this -- shoreline assessment project, 93038?

MR. McVEE: Mr. Chairman?

MR. SANDOR: Mr. McVee?

MR. McVEE: I have a question to ask was the NEPA compliance, has that been done, or is it needed?

MR. SANDOR: Mark, do you want to

MR. BRODERSEN: Mr. Chairman, DEC proposed to NOAA that this be a categorical exclusion and they concurred in that finding.

MR. McVEE: Thank you.

MR. SANDOR: NEPA compliance has been made. Any objection to this project? It is approved. 93039, Herring Bay experimental and monitoring studies. And ADF&G projects a 507.5 thousand, no objections indicated, unanimously recommended. Is there any objection to this project? It is approved.

MR. COLE: Can I have just a moment, please?

MR. SANDOR: Yes, Mr. Cole.

MR. COLE: What is the fundamental purpose for this

study? You can answer to that Mr. Chairman.

MR. SANDOR: Well I shall defer to Dr. Montague and --

DR. MONTAGUE: Mr. Chairman, this project has two components. First of all, as you remember, I'm sure you all remember the \$17 million coastal habitat project that was closed out in 1992 -- documented wide areas of damage to the injury to the coastal habitat, coastal habitats and one of the most intensively areas, one of the areas most intensively studied in showing some of the greatest injury was Herring Bay, and that one thrust of the project is to continue to monitor the recovery at Herring Bay. One, to -- we have seen some improvement and -- but a lack of improvement there would be very indicative that we need to carry out more active restoration measures in wider area. So it's, it's very focused in that regard, just to Herring Bay. And second, there was an aspect of the project that was to look at various ways of artificially encouraging the colonization of fucus. At our '94, some of our '94 discussions, we had some information to indicate fucus was recovering at an acceptable rate. Is Dr. Spies here? Bob, is the information sufficient at this time to -- should we still go ahead in your mind with the fucus recolonization work or is recovery sufficient?

DR. SPIES: -- is, our latest information recovery has, is starting, but has not completely occurred. Now, if you wish to follow the -- this recovering tidal zone, the point of no recovery, then probably another year or two would be required -- objections are that -- another two to five years will be required, or it be

(inaudible) inter-tidal zone to return to pre-spill conditions.

MR. COLE: Well -- may I ask a question, Mr. Chairman?

MR. SANDOR: Mr. Cole.

MR. COLE: What -- why can't we defer this then till next year and see how natural recovery develops in 93? If it is really, naturally reoccurring?

DR. SPIES: That, that could be done. I mean, you could lose a year's of information, but you know, it's may not lose a lot. It's going to take two to five years.

MR. COLE: That's number one, and number two, is Dr. Montague talked about Herring Bay, but as I look at this proposed project, you're talking about assessing the shorelines of, impacted shorelines of Prince William Sound and the Gulf of Alaska, the principal areas are Knight, LaTouche, Evans, Elrington, Green and Disk Islands in Prince William Sound, Tonsina Bay, Windy Bay, Chugach Bay and the Gulf of Alaska. Well, I mean it's a, pretty broad assessment, -- oh '39?

MR. SANDOR: '39, sorry.

MR. COLE: Shows you, I don't -- but how about '38? That's the one -- continued to trouble us. (Laughter) I think the -- of it was, the trouble on '38.

MR. SANDOR: Ah, so we're on '38.

MR. COLE: Well I mean, we skipped one, I'm sorry

MR. SANDOR: That's okay.

MR. COLE: But I, you know, do we really need to survey all the shorelines in this year? Let's see where we are.

MR. SANDOR: Mr. -- Chairman -- I'm going to ask Mark Brodersen to comment

MR. COLE: And why couldn't we wait till next year as part of the restoration plan to take another look at the shorelines to see how they're coming naturally?

MR. SANDOR: Mr. Chairman, well, this, we have been doing the -- The Chair will outline at least his perception of this project '38, shoreline assessment then. There has, as you know, been shoreline assessment in each of the years following the spill itself and, of course, the project, the clean-up work that was done last year, up at the shoreline assessment cleaned the shorelines to the state and federal standards described for clean up. Both the federal and state on-scene coordinator and the agencies involved, you know, did not say, the areas were entirely clean from the standpoint of potential damage to, to resources and so this project will do the shoreline assessment again, essentially looking at all or most of the same sites and -- and actually determine as a result of the activity of the storms and so forth since the clean-up work was completed last year, if in fact, if there's, you know, what's the status of the oil spill indicated. There may or may not be any activities to do but that is, that is a "clean-up action to be done." On the other hand it continues and brings to closure, I believe, the work that was done, you know since '89 in shoreline assessments in -- and subsequent clean-up work. There were a lot of questions raised about "how clean," was it clean when the project, the clean work was terminated last July and, again, the --

both the federal and state position was that they there were cleaned to state standards and federal standards but, not "entirely clean." I think from my perspective of environmental conservation that it is essential that this assessment continue and continue along the same lines that was done sequentially following the spill of March of '89 and would be a serious mistake not to do that. Mark, do you want to add something to this?

MR. BRODERSEN: Well I think you covered it very well. I just need to bring people's comfort level up from where we ended last year. We cleaned it until we said it was clean, but not free of oil, and at this point, we need to go out and see if Mother Nature hasn't really finished the job for us and if she hasn't, there maybe isolated pockets that we need to treat. I would hope we don't find that, but we need to see if that's the case or not.

MR. SANDOR: In the water, I could buy that, but you know, like the oiled mussel beds -- conclusion that was reached in the clean up process that -- the oil, the mussel beds themselves would be just raised, cleaned and then reset. The oiled mussel studies, I guess, one of the optional treatment was to do stripping in the oiled mussel beds and try to allow -- the wave action perhaps to get under the mussel beds themselves. Anyway

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes?

MR. COLE: I'd like to ask a question. First, are we, we're studying mussel beds, aren't we? That's a separate issue?

MR. SANDOR: Well, but I'm just saying that the degree of

clean-up was not universal in the -- in this -- this shoreline assessment will work at the whole thing again.

MR. COLE: What troubles me is in, we're shore -- in shoreline assessment, the last three years, shoreline assessment this year, then next year we'll say, well, you know, we'll have to see what happens next year, I mean and how it's going. Is this the last year for this, or, do you contemplate another assessment next year? That's question number one. And number two, what cleanup activities can we justifiably do, even if we find some continued oiled beaches?

MR. SANDOR: Well, number one, I would hope that -- as a result of this shoreline assessment, this would indeed show that nature's continued it's restoration work and that this may not be continued. Number two -- I don't, I don't know that there would be any clean-up work that might have to be done, perhaps except in subsistence areas. I know in some of the clean-up work that was done last year and the year before, that there was tidelands and what not that had to be cleaned up in areas that -- or -- were subsistence and what not. But more importantly, or equally important I think, the comfort level and I think the people would be reassured that, indeed, this natural recovery process is occurring, so, --

MR. COLE: I'd like to make one other comment Mr. Chair. We know the public says don't overlap these studies, and if we're studying subsistence areas as we think we were in these projects, then, you know, we can't, should not be in any event overlapping,

but if it's recognized we're paying \$500,000 for a comfort level of the status of the oiling on the beach of Prince William Sound, I personally not prepared to vote against it, but I think that this is another example that we're getting pretty far out on studies and not leaving much to restoration -- but let's go on. Thank you.

MR. SANDOR: Okay, for 93038, that's been approved.

UNIDENTIFIED: Yes we've done '38.

MR. SANDOR: 93039 is, without objection is approved? And moving on to 93041, comprehensive restoration monitoring program phase 2; monitoring plan development, NOAA, \$237.9 thousand, no objection from Interior. Is there any objection to this project?

MR. COLE: What are we monitoring this time?

DR. MORRIS: Excuse me, I anticipated the question, Mr. Chairman?

MR. SANDOR: Alright.

DR. MORRIS: This is to complete the development of the monitoring plan that will become part of the restoration plan. In 1992, we con -- we had a project which was to design the conceptual design of the monitoring plan. Phase 2 is to go from concept to reality with, with a plan, a document that requires input. So that's all this is. It's a con -- it's mainly -- money for a contract to complete the development of the natural recovery long-term monitoring plan in conjunction with the restoration plan.

MR. SANDOR: Any further questions? Are there any objections to 93041, comprehensive restoration monitoring. There

being no objections, that project is approved. 93 --

MR. COLE: Let me ask this question.

MR. SANDOR: Yes?

MR. COLE: I'm just troubled. Are we -- is this in addition to the million five for the restoration plan -- and how does it fit to the restoration plan?

MR. SANDOR: Mr. Morris, would you -- hold any -- number the Restoration Team address that question?

DR. MORRIS: Monitoring is intended, monitoring of natural recovery of resources and services is intended to be a component -- an integral component of the restoration plan that the Trustee Council will adopt. It's intended because it hasn't been adopted yet or approved, designed. This particular thing will be the technical document that supports the restoration plan in how the monitoring component will be implemented in future years. Did that answer the question?

MR. COLE: Are we monitoring by virtue of this plan any injured resource, the recovery of any injured resource?

MR. MORRIS: We intend to be and in some subsequent years, this particular project is not, conditions -- any field work and monitoring the work shops and data gathering.

MR. COLE: Are you designing a process for the monitoring component of the restoration plan?

MR. MORRIS: Okay. Yes, we are. But it's -- it's essentially a supplement - it'll be a supplemental to the restoration plan itself. The restoration plan funding -- the restoration plan

is not intended to include the technical monitoring plan and so for the funding for the development of the restoration plan does not include this.

MR. COLE: This is an addition, an addition to the -- or supplement to the work on the restoration plan?

MR. MORRIS: Yes.

MR. McVEE: Mr. Chairman?

MR. SANDOR: Mr. McVee?

MR. McVEE: Will this get at the question, coming out of this investment, will get at the question of which resources need to be -- continue to be monitored relative to the rate of recovery and also, as to how often monitoring should take place. Every year, every other year, every five years, is that one of the elements that will be?

MR. MORRIS: Yes, that's what's is intended to do. What resources should be monitored, and how often, to what level of detail. What most cost-effective ways to combine and coordinate the different monitoring components.

MR. COLE: Mr. Chairman, what does Dr. Spies say about this?

MR. SANDOR: Dr. Spies?

DR. SPIES: I think it -- it's, if the Trustee's wish to, to -- move ahead with monitoring recovery of natural resources. This is, this is the plan to do it and what we have now is a collection of different studies of which you, many of these are represented in the current work plan, and this is an attempt to

collate those together and move forward into monitoring natural resources.

MR. SANDOR: Mr. Barton?

MR. BARTON: Mr. Chairman, I think this is one of the most important components of the restoration plan and -- I think we ought to move ahead with it. I think it probably can save us money over the long-haul, so I full support this study, and it may well be in addition to the funds that we've set aside for the restoration plan, but I think it's a good investment.

MR. COLE: Okay. Thank you.

MR. SANDOR: Any further comments or questions? Any objection to 93041. It is then approved. 93042, recovery monitoring of Prince William Sound killer whales injured by Exxon Valdez oil spill using photo identification techniques. It's a NOAA project, 127.1 thousand, four to two vote on the Restoration Team, recommendation by chief scientist, unanimously recommend by the Public Advisory Group. Is there any objection to this 93042 project?

MR. COLE: Isn't this the third time that's come back before us? I don't like to think I'm getting weak, but I don't object to it.

UNIDENTIFIED: We skipped it in your

MR. COLE: If they don't get it done, we'll come back every year till we get it done --

MR. SANDOR: There being no objection, the project is approved. The third time is a charm, perhaps. 93043, sea otter

population demographics and habitat use in areas affected by the Exxon Valdez oil spill, Department of Interior, Fish & Wildlife Service, 291.9 thousand. Five to one, Restoration Team vote. Chief scientist recommends with a reduced budget, --

MR. ROSIER: Recommend deferral.

MR. SANDOR: ... Public Advisory Group looked at the contracting, and Mr. Rosier recommends it be deferred, deferred. 93045 - survey, excuse me.

MR. PENNOYER: I'd add, certainly if anybody, if any council member is going to say no, as the Interior memo does, then we would defer, but -- do I, can I ask why we're deferring this one?

MR. ROSIER: Mr. Chairman, in my mind, at this time, I'm just not willing to, to really -- understand what this project is about and I think we need some further discussion on it.

MR. PENNOYER: Thank you.

MR. SANDOR: And we'll have that opportunity for discussion later today. 93045, surveys to monitor marine bird and sea otter populations in Prince William Sound during summer and winter. Department of Interior and Fish and Wildlife Service unanimously recommended. Previously approved by Trustee Council Advisory Group, I guess. Don't quite understand that comment -- no objection by Interior, yes? Curt McVee?

MR. McVEE: Yes. I believe we took up this up at the last meeting and we did approve funding for it because it was a project which had to start first of March.

MR. SANDOR: Oh, okay. So we are reaffirming it. Well, obviously, we've already authorized so, I guess without objection, we'll continue to approve that project. Approved. 93046, habitat use, behavior and monitoring of harbor seals in Prince William Sound, Alaska. ADF&G, \$230.5 thousand -- no objections indicated, Dr. -- Mr. Pennoyer?

MR. PENNOYER: Well it's simply a question and I think we've done something on harbor seals monitoring, population size, habitat work every year of the spill, have we not or have we actually skipped a year?

DR. MONTAGUE: Mr. Chairman, we did not fund this work in 1992 with the idea that we could skip a year and we'd look at it again in '93.

MR. PENNOYER: Thank you.

MR. SANDOR: Notice the Public Advisory Group says look at more local involvement. What local involvement is there going to be in this project? Jerome, do you -- have a comment?

DR. MONTAGUE: Yes, Mr. Chairman, the principal investigator on this project does work right closely with the local people and has a good reputation for that. I think the issue the Public Advisory Group raised was to be absolutely certain of it, but not only did we come out with a final report, but that all the villages that could potentially benefit from this information as to whether their subsistence resources are recovering or where they're doing better and where they're doing worse, it should be considered as part of the project and, and we will do our best to accommodate

that.

MR. SANDOR: Mr. McVee?

MR. McVEE: Chairman. If I've got this acronym right PTT is a part-time temporary, or some sort of thing? Is that right?

DR. MONTAGUE: Where do you see it?

MR. McVEE: --

MR. SANDOR: In the blue book,

UNIDENTIFIED: It's page 187.

MR. SANDOR: I'm wrong, okay, well.

DR. MONTAGUE: Discussion - platform transmitters.

MR. SANDOR: Okay. Is there any objection to this project?

MR. COLE: Are we dealing with?

MR. SANDOR: 93046, habitat use, behavior and monitoring of harbor seals in Prince William Sound, ADF&G \$230.5 thousand. There be noing (ph) -- there being no objection, the project is approved. 93047, subtidal -- subtidal monitoring, recovery of sediments, hydrocarbon-degrading microorganisms, eelgrass communities, and fish in the shallow subtidal environment. This is NOAA and DEC, ADF&G, project is one million, 8.8 thousand dollars.

The Public Advisory Group says look at reducing costs. Can someone elaborate on the Public Advisory Committee's recommendation that costs of this project be reduced and responded to it, Dr. Gibbons?

DR. GIBBONS: Sure, yes. I was present. I think their thought when they looked at the price tag of one million dollars

that it was very, very high and that -- the, we should look at

reducing the cost. That's, that's basically what I got out of it. They said a million dollars was very, very expensive for the monitoring subtidal environments.

MR. COLE: Mr. Chairman?

MR. SANDOR: Mr. Cole?

MR. COLE: Is there -- how does this key to shoreline monitoring, this project that we went through with number 45?

UNIDENTIFIED: '38?

MR. COLE: No.

MR. SANDOR: The shoreline assessment?

MR. COLE: The shoreline assessment.

MR. SANDOR: This -- is -- more detailed and scientific. Mark?

MR. BRODERSEN: Mr. Chair, the project '38 looks primarily at oil present on the high intertidal and super-tidal areas of the beaches whereas this looks at the recovery of the marine organisms and the oil present in the subtidal regions which is below the surface level of the water and is much more geared toward natural recovery rates of those organisms in those areas. There's, there's not correlation between the two projects.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman, write up implies that we not do this in '92. We skipped the year, and now we're picking it up again. So this is one we dropped from last year because we didn't have to do it every year, now we're coming back and seeing where the oil has gone in the interim.

UNIDENTIFIED: That's right.

MR. SANDOR: Well this is -- was done two years ago, but not -- last year?

UNIDENTIFIED: Right.

MR. PENNOYER: That's one of those we made a judgment call, we didn't have to do every year, so we're skipping a year and coming back.

MR. SANDOR: Any other questions, Mr. Morris?

DR. MORRIS: May I make another comment? Yes -- it is -- on the face of a large budget for it, but I must remind you it's five different projects essentially combined under one, one title, and we no longer have the technical service for hydrocarbon analysis, so these costs have to support the analysis, the chemical analysis of the samples that they are, they are taken as well, rather. We use to have up to a \$2 million program just for chemistry, so.

MR. SANDOR: Any further comments or questions?

MR. COLE: Yes. Why does it cost a million dollars?

MR. SANDOR: Mr. Morris, can you -- take a crack at that?

MR. COLE: Well let me ask this question. Is this a one-year project?

DR. MORRIS: Yes, for the field effort. We will be requesting some funding for data analysis around October of '94 plan.

MR. COLE: About how much?

DR. MORRIS: 217,000.

MR. SANDOR: In '94?

DR. MORRIS Yeah.

MR. COLE: So, between now and the first of October, say, this is a one million dollar project, is that right?

DR. MORRIS: Yes.

MR. COLE: And when we, why, answer if you don't mind, why is, what's the expense of a million dollars for this project?

DR. MORRIS: Well, without referring to the detailed budget sheets, as I said, there are five proj -- subprojects within this. Two NOAA projects, two Alaska Department of Fish & Game projects and one Alaska Department of Environmental Conservation project. The, the NOAA component is, for the two studies includes logistics of the, of the vessel to take the sediment samples and to collect the -- the subtidal fish species that we're looking for hydro -- continued hydrocarbon exposure, and it'll be a contract vessel. We haven't --

MR. COLE: What is the estimated amount of the contract?

DR. MORRIS: Total cost is a hundred and -- what?

UNIDENTIFIED: (Inaudible)

DR. MORRIS: I have 185,000 total contractual detailed budget, obviously, but the vessel, estimated vessel cost is

MR. COLE: I would say between 150 to 200,000, is the rest essentially labor?

DR. MORRIS: No, a lot of it is -- hydrocarbon analysis.

MR. COLE: Is that analysis going to be done December, or October on or is that going to be done between now and October?

And while I'm at, did the Public Advisory Group ask these types of question.

UNIDENTIFIED: They did ask, look at reducing cost, they didn't raise the question of cost.

DR. MORRIS: The part, part one of this project for 1993 has a total cost of 325,000 including 160,000 for contractual which is 70,000 for vessels and 90,000 for chemistry analyses, plus personnel costs that, it's in general administration is about a \$325,000 project. Part two, is, is the microbiology component, the extent to which hydro -- hydrocarbon degrading bacteria are still present or dominate in the sea floor sediments and that's a \$75,000 component, mainly a contract to the University of Alaska - Fairbanks to do that type of work.

MR. COLE: 70,000?

DR. MORRIS: Yes. Part three is the Fish & Game component studying the Eelgrass beds which was, which is conducted through '91 as part of coastal habitat and then suspended in '92 shallow, subtidal primarily focusing on, on Eelgrass beds which shows evidence of injury through '91. That's a \$252,000 project of which \$230,000 is contractual to the University of Alaska - Fairbanks. Part four is

MR. COLE: Excuse me, what is the University going to do for \$230,000?

DR. MORRIS: I'll turn that over to Fish & Game, (inaudible)

MR. SANDOR: Dr. Montague?

DR. MONTAGUE: Yes -- this project -- in 19 -- Byron indicated through '91, we had several subtidal projects. Shallow and a deep -- bentic (ph) project, -- some of the more important injuries were in -- the shallow subtidal habitats and this wasn't carried out in 1992 because we felt it could go a year without a new look, so we looked at it in 1993 and our primary concern is that, the injuries that we've seen in the shallow subtidal are very likely to have wide-scale ecosystem food chain effects and as such, feel that it couldn't wait -- so in terms of what they're going to be doing, they'll be looking at a few select areas -- to monitor the recovery.

MR. COLE: How many?

DR. MONTAGUE: I'll have to look, I'm sorry, I don't know that.

DR. SPIES: I believe it's a --

UNIDENTIFIED: It's not very many.

DR. SPIES: -- four or five sites in each oiled and nonoiled areas?.

DR. MORRIS: This project was, Mr. Chairman, was substantially paired back in 1990 and '91 to, to just a few select controls in the oiled sites and this would be the sites they would be proposing to revisit in -- this coming field season.

MR. SANDOR: Question, Mr. Morris. What was the cost of the project in that year? The last time, any idea, do you remember -- recall --

DR. MORRIS: I, I really don't off the top of my head.

DR. MONTAGUE: Mr. Chairman, I believe (inaudible - no microphone).

UNIDENTIFIED: I would -- why the University of Alaska selected?

DR. MONTAGUE: As you know during the injury assessment litigation sensitive phase, none other projects were conducted by the competitive bid. They were selected because of their expertise and -- I guess the reason we're still proposing that is that they've developed the expertise, they've been doing it all these years, but there's nothing to preclude competitive bidding except that there probably isn't it time to develop a RFP and issue it in time for this field season.

MR. SANDOR: Any further questions?

DR. MORRIS: There's two more parts to it, should I just complete it?

MR. SANDOR: Yes, Please.

DR. MORRIS: Part four, is, is examining continued exposure to rockfish. It's a Fish & Game project. The total cost of the project is \$133,000. About \$83,000 of that is contractual for their vessel charters and aircraft charters and for chemical analysis of tissue analysis of the samples, not hydrocarbon analysis.

MR. COLE: Whose vessel?

DR. MORRIS: I beg your pardon?

MR. COLE: Is Fish & Game vessel? Separate -- contract for a different vessel? Is that it?

UNIDENTIFIED: It's \$40,000.

DR. MORRIS: I believe it's contracted. And then part five is, is the other non subtidal fish species that we've been monitoring the exposure of hydrocarbons, through hydrocarbon metabolites in the bio, mixed function oxy -- levels and histopathology, mainly of fish such as flathead sole, yellow flounder, key components of the benthic, subtidal community. It's heavily -- salary -- the total cost of the project is 218,000 of which 131,000 is in salary to the research team of about seven people for anywhere from two to five months of their time during the year. The only other comment I have on this project is this, is this was, and will remain to be a marine spill and most of the oil that we haven't recovered from the beaches went into the marine environment and this is the only project that Swedish studies we have that looks at noncommercial aspects of the marine environment in terms of continuing exposure from oil pollutants.

MR. SANDOR: 69,000. Excuse me. ADEC component of this, Mark, what, what, and that for the hydrocarbon degrading microorganisms, how, how is that project to be done, component?

MR. BRODERSEN: Mr. Chairman, DEC in the past has operated as the contractor -- word I'm looking for -- contractor. We've act, acted as the overseer of this project. The University of Alaska has actually carried it out. We've been the conduit for money to the University of Alaska to do projects and give an oversight of the project to make sure that they have fulfilled their contractual obligations. So it's not done in-house.

MR. SANDOR: University of Alaska unit what? What unit?

MR. BRODERSEN: I think, southeast? I think it's marine sciences, but I'm not sure, they operate out of Fairbanks and Seward.

MR. SANDOR: Okay. Mr. McVee. Excuse me.

MR. McVEE: Yes, a couple questions. Notice that the '93 budget is the million. '94 out year proposal Court is, is, almost a million 956,000, then a proposal would go into '95 -- are, are these proposals designed so that if we were to cut off funding, Council could make a determination at the end of '93 -- say based upon the monitoring plan, that we did not need to do the '94, '95, is, is the design such that it can be cut off in the information -- that was accumulated in '93 would be available, and I guess the other question is, is the sampling technique all diving or is there, is there other methodology that's being used to collect the samples?

MR. SANDOR: Jerome or Byron, can you respond to that?

DR. MORRIS: To a depth of about 20 meters, we have used divers to collect sediment samples. Beyond that we use grabs --the eelgrass component would be all divers. Those are the only two diving components. The subtidal fissures use trawls and other types of nets for collection. Of the out-year components, this project could be stopped. We asked people to envision what the work would be, but this is very iffy. This is the kind of project we wouldn't -- probably not do every year anyhow, but we was given guidance and we proposed to do it every two years. We could stop

it and just tell them to work up to date and give us a report at any time.

MR. SANDOR: Any other questions or comments? Attorney General Cole.

MR. COLE: What did the University of Alaska do for what, as I recall, was eighty thousand?

MR. SANDOR: What is it University of Alaska, Seward, Fairbanks or DEC at the sixty-nine thousand? What are they to do?

MR. BRODERSEN: Yes. The -- the piece that University of Alaska has that DEC is overseeing is they're looking at the numbers of hydrocarbon-degrading bacteria in the sediments. This is a very cheap method of quickly determining the likelihood of there still being oil present in sediments. This is a method that was developed early on in the spill to try to cut down on the total number of hydrocarbon analyses that had to be done. You can tell relatively cheaply on a given sample whether you need to do a hydrocarbon analysis or not. Hydrocarbon analysis for one sample is between six and seven hundred bucks. You can do the same analysis with microbes, less than a hundred dollars -- I forget what it is -- and that then tells you whether you need to then to do the hydrocarbon analysis on that sample. You can do a much, much wider sampling also than you could if you were to be limited strictly to the hydrocarbon analyses.

MR. SANDOR: Any further comments or questions on this project? Is there any objection to this project or its funding at the one point zero zero eight -- one million eight point eight

thousand dollars? -- It's one point zero zero eight point eight thousand -- one million eight point eight thousand dollars. Is there objection to this approval totally at that funding level? The project is approved at that total funding level with the admonition, I guess, that for God sakes try to save money (indiscernible -- laughing) questions.

MR. ROSIER: Mr. Chairman.

MR. SANDOR: -- As well as the Council. Yes, Mr. McVee, you had questions?

MR. McVEE: No.

MR. SANDOR: Oh, Mr. Rosier.

MR. ROSIER: Yes. A question there -- you were quoting a one point zero zero point eight budget. The blue book shows a one point zero zero seven. That's a hundred thousand somewhere here on this.

MR. BRODERSEN: That's a hundred dollars.

MR. ROSIER: Oh, that's a hundred dollars.

MR. BRODERSEN: It's rounding here, sir.

MR. ROSIER: Okay.

MR. SANDOR: Okay. I did that late in the evening, I think, but I lost a thousand dollars (simultaneous laughter). I stand correction again.

MR. BRODERSEN: In this version here, which is the original spreadsheet, its shows it eight, and there it's seven.

MR. SANDOR: Oh.

MR. BRODERSEN: It depends on the rounding convention that

you use for you to get a total to a seven or an eight.

MR. SANDOR: Oh, okay. I'm sorry. Anyway, it's one million -- seven. (Simultaneous laughter) 9305' -- let's see. Yeah, 93050 was not recommended, so we go to 93051. Habitat protection information for anadromous streams and marbled murrelets. This is a U.S. Fish & Wildlife Service, ADF&G, Department of Interior, Fish & Wildlife Service project at the one million one hundred and seventy-nine point eight -- unless I screwed up. And that was unanimously recommended by the Public Advisory Group -- well, the chief scientist recommended removal of channel-typing, and that was echoed by the Public Advisory Group. Dr. Spies, do you mind explaining that or just reiterating?

DR. SPIES: I didn't see the channel-type at this stage would provide that much more information that would be needed for restoration. It's (indiscernible -- out of range of microphone) expensive (indiscernible) -- a hundred thousand dollars at least (indiscernible).

MR. SANDOR: What would that do to the cost of that project?

MR. BRODERSEN: Mr. Chairman.

MR. SANDOR: Yes.

MR. BRODERSEN: \$363,000.

MR. SANDOR: I beg your pardon?

MR. BRODERSEN: \$363,000.

MR. SANDOR: Would be the total or is that --

MR. BRODERSEN: Would get a reduction.

MR. SANDOR: So the total would be

MR. BRODERSEN: I don't have the total price on it yet.

MR. SANDOR: Okay. So, less, with the channel-typing of three sixty-three. Is there an objection to the project with 93051, with the understanding that that is to be reduced with the removal of the channel-typing. So it's one point seven nine, minus three sixty-three, I guess.

MR. ROSIER: Eight sixteen point eight, I think.

MR. SANDOR: Any objection to that project?

MR. COLE: Could I have just a moment. One of the public comments say the oppose the radio telemetry aspect of this project. Would somebody like to comment on that for me?

MR. SANDOR: Who's in a position to comment on the radio

MR. COLE: Unnecessary and expensive.

MS. BERGMANN: Mr. Chair, the radio telemetry portion of this project was added by Fish & Wildlife Service at the recommendation of the peer reviewers. To date, the nests for marbled murrelets have been found primarily by dawn watches, and the peer reviewers felt that it might make sense to look at a feasibility study of actually doing radio tagging of marbled murrelets to try that as a technique to replace or supplement dawn watches. So it was in response to the peer reviewers.

MR. COLE: Dr. Spies.

MR. SANDOR: Dr. Spies.

DR. SPIES: This is directly analogous to the question

of harlequin ducks. How much information you need to feel comfortable making decisions about habitat. Again, this is one of two species that links to upland habitat. This is an attempt to get more specific information on the nesting habitat of marbled murrelets, which we know by now has been associated primarily in other areas, and to some extent has been sponsored by the Trustee Council in Prince William Sound and Naked Island on old-growth forest, and you know, this is an attempt to go out and get clearer information along those lines.

MR. SANDOR: Yes, Mr. Cole.

MR. COLE: Is this not a threatened species in the Northwest.

MS. BERGMANN: Yes.

MR. COLE: I mean, where, outside of Alaska is it not -- does it exist and its habitat, whatever, and it's not a threatened species.

DR. SPIES: British Columbia, I think there's quite a few marbled murrelets. Of course, they don't have the same laws that we do on endangered species.

MR. COLE: But there's no other place in the

DR. SPIES: I'm not an ornithologist. I would defer to (indiscernible -- out of range of microphone).

MS. CAROL GORBICS: My name is Carol Gorbics with the Fish & Wildlife Service. I don't know the exact answers to your questions but Prince William Sound has approximately a hundred or three hundred thousand marbled murrelets, and it is considered one

of the largest areas, concentrated areas, in the world for marbled murrelets. We don't have that same kind of information Kodiak-Afognak. We know they also have lots of marbled murrelets. But numbers have declined since the early '70s, even in Alaska, but we don't feel they're as threatened as they are in the Pacific Northwest at this point.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, two questions on this. This project is sort of divided into two parts. I'm not sure exactly how they relate to each other. They are different people using different information bases, although the final results may well have something to do with habitat, is there some split in the cost between the murrelet nesting part and the stream habitat assessment?

MS. BERGMANN: Mr. Chair?

MR. SANDOR: Yes, Pam.

MS. BERGMANN: Yes, there is. The marbled murrelet habitat piece, I might also say, is divided into two pieces. One using the traditional dawn watches to try to verify the different types of nesting habitat that are in Prince William Sound at Naked Island, which is where all the studies have focused to date, and then looking at other places in the Gulf of Alaska. And then there's also the radio telemetry piece of that. The marbled murrelet piece, which is part B in the detailed budget, is \$301,000 for Fish & Wildlife Service, and additional \$222,000 for the U.S. Forest Service to go in and do characterizations actually of the

habitats that Fish & Wildlife Service personnel would be finding that marbled murrelets are actually using. So the murrelet piece of that is about \$523,000. The part C is the habitat information - that's the channel-typing. Jerome, I'll let you talk about the other piece of the budget.

DR. MONTAGUE: Mr. Chairman, the stream habitat assessment was a project that was ongoing since last year, since 1992, to look at actually walking a number of the streams to determine their value as anadromous streams, and despite what many of us have been led to believe, this project indicated that fully sixty percent, if not more, of the streams they found as anadromous streams were not in current catalogs of anadromous streams, primarily because most of these were originally taken from topographic maps and aerials surveys, and many of the streams they found were not on these maps or in aerial pictures.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: So then \$600,000 is going to salmon work?

DR. MONTAGUE: I believe it's only \$335,000.

MR. PENNOYER: Where did the other \$300,000 go to then?

MS. BERGMANN: Channel-typing.

MR. SANDOR: Channel-typing.

DR. MONTAGUE: That part was the channel-typing, which yes, would go to -- certainly would be involved with salmon if you went ahead with it.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: One follow-up. You say you did this stream survey project in '91, '92? Do we have to do it

DR. MONTAGUE: '92.

MR. PENNOYER: This is -- okay even on odd cycles, we do it this year and then discontinue it.

DR. MONTAGUE: I believe that we'd be comfortable with the sites, certainly on Afognak, after this year.

MR. SANDOR: Any other comments or questions?

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Any -- Mr. Pennoyer.

MR. PENNOYER: One last follow-up then. So we have about \$300,000 in salmon stream surveys and \$363,000 in channel-typing, and five hundred and something in murrelets. What is the channel-typing that we're being asked by some people to drop? What's the value of it?

MR. COLE: What is channel-typing, for the benefit of the uninitiated?

MR. RICE: Mr. Chairman, channel-typing is basically a -- a system of identifying through sometimes remote sensing, i.e., topo (ph) maps, air photos, with some ground-truthing, the characteristics of a stream. You know the width of a stream, the length, different -- it's divided up into different segments, from, you know, the slopes from the banks as they come, basically what the watershed is like, and it gives you some information about the value of that stream to primarily anadromous fish, but certainly all fish species that use the stream.

MR. COLE: What does this have to do with the Exxon Valdez spill? Why are we getting this study in connection with the spill? Is this not sort of a normal agency function to find out where the anadromous streams are in Prince William Sound or Afognak?

MR. RICE: Mr. Chairman, a great deal of work has already been done on channel-typing within Prince William Sound. The Restoration Team felt there was some value in having this information in order to allow us to project a value of other areas to various -- stream value to habitat protection mechanisms or possible enhancement activities. If we did not walk every stream within the spill area, we would still have a body of knowledge that we could use for determining relative values.

MR. SANDOR: Any further comments or questions? The Chair asks for a motion on the floor to move approval of an adjustment to the proposed project as written, reducing at least the channel-typing, perhaps something else, and then -- the Trustee Council's proposal -- motion.

MR. PENNOYER: You're looking for a motion, Mr.

MR. SANDOR: To approve some project. I presume we do not want to -- the total project. If you want to do the total one, go ahead, but I thought we'd agreed to at least drop the channel-typing.

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes.

MR. COLE: Why are these projects related? This

survey of the anadromous streams and these murrelets. That's throwing me a little bit. What's the relationship in the singular projects?

DR. MONTAGUE: Mr. Chairman, primarily it's simply because they were all projects that supported information needs of the habitat protection process.

MR. PENNOYER: But they are -- Mr. Chairman? But they are separable, if we wanted to do that?

MR. COLE: But is there -- then if you say that, is there no other projects? I thought we'd discussed a number of other projects this morning which have to do with habitat protection. What is it that distinguishes these two projects and brings them together as distinguished from the other ones. That's what I'm troubled about.

DR. MONTAGUE: Mr. Chairman, I see your point. Indeed, there are other projects that are providing information to the habitat group, and all the projects here were initially discussed as separate projects. In the case of the harlequins, it was already an existing project that any particular combinations or re-administration was deemed to be counter-productive, but in this project it -- there was, certainly with the habitat -- the stream -- the channel-typing and the stream walks, certainly very closely related -- murrelets less so. The reason they were combined was the desire that some cost savings could be achieved.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: You propose stream walking as part of this anadromous fish project? I'm not sure I

DR. MONTAGUE: Mr. Chairman, yes. That's -- that's what stream habitat assessment is. I mean, not in its entirety, but it's a major part of it.

MR. COLE: The question is why don't we do that type work first by channel-typing, find out what information we get from the channel-typing, aerial surveys and all this type of thing, and then when we get done with that, then perhaps next year say, well, we didn't get enough information on stream number 135 and we'd better walk that stream. That's just a thought. The channel-typing seems to me would be an expeditious and relatively inexpensive method to acquire that would contrast with walking the stream.

DR. MONTAGUE: Mr. Chairman, I see what you're saying, and there was certainly a lot of discussion of that, but as I've indicated that what the stream walks have shown is that we really didn't have a very good idea of the full extent of the anadromous streams, and having the channel-typing information -- I'm not comfortable, and I believe the peer reviewers weren't comfortable, that that would eliminate the need for the stream habitat assessment.

MR. COLE: Last question -- how many streams are we talking about walking?

DR. MONTAGUE: Mr. Chairman, I can't answer that right now, but we'll have the answer as soon as possible.

MR. COLE: You know, about ten or a hundred -- two hundred?

DR. MONTAGUE: I believe it's in the hundreds.

MR. BARTON: Mr. Chairman.

MR. SANDOR: Mr. Barton -- excuse me.

MR. BARTON: Is not the stream walking really the ground-truthing for the classification work?

DR. MONTAGUE: Mr. Chairman, yes -- to call it ground-truthing would assume that you're doing most of the work using another method and you're only looking at this to test the accuracy of it, which isn't exactly the case where it's wide scale and we feel that there isn't a replacement for that activity.

MR. BARTON: I'm just going to say, Mr. Chairman, that we've used the stream classification system for many years in our fisheries, and I believe the state has done likewise on a number of streams in a number of areas around the state. We have it a valuable tool in planning fisheries enhancement projects and -- I'm ambivalent about the inclusion of the classification work, mainly because the Public Advisory Group seems to have problems with it, but I can tell you we have found it a valuable tool over the years.

MR. COLE: The walking?

MR. BARTON: No, the classification assisting, which includes some walking.

MR. SANDOR: Any other comments or questions?

MR. PENNOYER: One more.

MR. SANDOR: Yes, Mr. Pennoyer.

MR. PENNOYER: On the concept of not funding ongoing work, I am aware of the fact that the Prince William Sound Management & Research Center walked streams and done escapement surveys for thirty-three years since statehood, and some are more extensive than others, but some areas quite extensively, and how do these two programs mesh then? Are we doing the same things we've done before or are you seeking new areas, walking farther upstreams or -- ?

DR. MONTAGUE: Mr. Chairman, I probably don't -- no, I don't have the information to answer your question as correctly as you'd like. Certainly, that we have not walked the streams, I would say, even within one or two percent as extensively as we have in this project, and it's because of that that we found this error rate of about sixty percent.

MR. PENNOYER: Thank you.

MR. COLE: Mr. Chairman, just walking hundreds of streams in Prince William Sound and Afognak and Kodiak gives me a lot of pause. How far do you walk up these streams? Two or three miles? How far up -- ?

UNIDENTIFIED VOICE: 'Til you meet a bear.

(Simultaneous laughter)

MR. SANDOR: Start walking with the bears

DR. MONTAGUE: It sounds inordinate, but on the other hand they're able to walk these number of streams. I mean, you think about that, it's less than a thousand dollars a stream. Usually, it -- again I'll try to get more information for later

discussion -- but the intent is basically to walk the streams to where anadromous fish no longer use them, and you have to remember that the major anadromous streams that, you know, large streams visible from the air, aren't being walked. I mean, knowledge is already known on those. These are the smaller streams for which we don't have information, so we're not talking about streams where you walk them for fifty miles.

MR. SANDOR: Any further comments or questions? Mike Barton.

MR. BARTON: Yes. Just let me say to Mr. Cole that most of the streams, I believe on the public lands within the Sound, have already been classified. So how much more work would be necessary on those streams, if any --

MR. SANDOR: Any further comments or questions? Is there any move for adoption in whole or in part or a recommendation that this be deferred?

MR. PENNOYER: Mr. Chairman, I'm not sure what we're going to do with it if we defer it from our conversation here so far. I'm still not sure from the discussion that the channel-typing is something that we need to do now versus later on, and I haven't heard a very definitive answer to that so far. Some people seem to think that channel-typing and ground-truthing with walking; others seem to think the walking survey is the primary tool we're using and channel-typing is something you could do later or when you get around to it. So, I'm sort of left up in the air. I think we should perceive as an aspect of this, but I'm lost to say how

much.

MR. COLE: Well you're an expert in this area from NOAA, what do you think? (Laughter)

MR. PENNOYER: I haven't done much channel-typing.

MR. COLE: I mean, the lawyer doesn't

MR. PENNOYER: I've done a lot of the stream walking, Mr. Cole, but I haven't done much channel-typing, so I can't tell you how much you have to do.

MR. SANDOR: Dr. Montague.

DR. MONTAGUE: Mr. Chairman, Mike Barton hit on a topic that I'd wished I'd expressed straightaway, and that is that the stream habitat assessment is entirely conducted on private lands. It's not being done on public lands. And it's on the private lands that our information is poorest.

MR. SANDOR: (Indiscernible) give another option. Is there a motion for adoption? Adoption in whole or in part -- deferral?

UNIDENTIFIED VOICE: Mr. Chairman.

MR. SANDOR: Or do you want to go to lunch? (Laughter)

MR. PENNOYER: Mr. Chairman, I'll move we adopt everything but the channel-typing, and hold that over, defer that until somebody gives us a better explanation of why we have to do it now.

MR. SANDOR: Moved that the project be adopted, less the channel-typing. Is there a second.

MR. ROSIER: Second the motion.

MR. SANDOR: Seconded by Rosier. Any further discussion? Any objection?

MR. COLE: Object -- to the stream walking on private lands.

MR. SANDOR: An objection -- for deferral then later

MR. COLE: And let me say this, until there is more definitive information available of how many streams we're talking about and in what areas.

MR. SANDOR: Okay.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Yes.

MR. PENNOYER: Could I offer a substitute motion

MR. SANDOR: Yes.

MR. PENNOYER: ... to go with the murrelet part and defer the other two parts until further information is presented, to get us something.

MR. SANDOR: Please state the motion. Please state the motion.

MR. PENNOYER: The motion is that we proceed with the murrelet part of the project and defer the part on the channel-typing and stream walking until we receive further information.

MR. SANDOR: Is there a second?

MR. McVEE: Second.

MR. SANDOR: Seconded by Curt McVee. Any objection to that.

UNIDENTIFIED VOICE: I object.

MR. SANDOR: There's objection by

MR. PENNOYER: Best defer the whole thing and go to lunch.

(Simultaneous laughter)

DR. MONTAGUE: Mr. Chairman.

MR. SANDOR: Yes.

DR. MONTAGUE: Dr. Spies has a

MR. SANDOR: Dr. Spies, you have some thought?

DR. SPIES: I can't answer Attorney General Cole's question about how much have been walked or how many propose to be walked, but I do know that the peer reviewers that looked at this and what's been done over the past year in Prince William Sound were very high on this project and the value it has. It's relatively cheap for the amount of information you're getting. You're getting long, additional upstream portions and upland habitat described. You're getting additional streams. You're getting actual corrections to topographical maps. It seems to me that that's pretty basic information for making decisions on habitat purchase, so I would recommend that part of it.

MR. BARTON: Mr. Chairman.

MR. SANDOR: Mr. Barton.

MR. BARTON: I move adoption of this project, minus the stream classification.

MR. SANDOR: It has been moved that this project be adopted minus the stream classification. Is there a second?

MR. COLE: Can I ask before we move the question, what would we be doing then?

MR. BARTON: We'd be doing the murrelet study and the habitat assessment work -- the stream habitat assessment work.

MR. PENNOYER: Stream walking.

MR. COLE: Stream walking.

MR. PENNOYER: Is that the motion on the floor?

(Simultaneous laughter and talking)

MR. COLE: I might change my mind.

(Simultaneous laughter)

MR. COLE: Does Mr. Cole second or anyone else second?

MR. McVEE: Second the motion.

MR. SANDOR: It's been second. Is there any objection to that?

MR. COLE: Let's talk about it this afternoon.

(Simultaneous laughter)

MR. SANDOR: We will defer to lunch. I would ask that we return at 1:15, and we'll critique the process by which we're following and whether to continue.

(Off Record at 12:15 p.m.)

(On Record at 1:20 p.m.)

MR. SANDOR: Mr. Barton was here.

MR. PENNOYER: I've got some questions -- an answer from the RT.

MR. SANDOR: Sure.

MR. PENNOYER: Dr. Gibbons where in this document does it summarize the total amount requested by agency for the approved -- at least the initial group of approved projects? Is there a summary in there somewhere? I couldn't find one in the paperwork?

DR. GIBBONS: It's not in this one itself, but it is in the detailed budgets that were passed out, and I can get that xeroxed out of that detailed budget.

MR. PENNOYER: Well, it's not urgent, but if you get a chance before we finalize this, I'd like to have some comparison where we end up -- maybe not in the individual decisions but I'm interested overall what impact we're having.

MR. SANDOR: Now, let's call the Trustees -- the meeting of the Exxon Valdez Oil Spill Settlement Trustee Council continues, and as I said just before lunch that I felt it would be appropriate to spend just several minutes, a few minutes, to critique what we've done so far and what we plan to do the rest of the afternoon. See if we're -- if we want to continue the process we're following or modify the process in any way. The Chair's intent was to simply continue down this list, go through the five projects that the Public Advisory Group had suggested, and -- and other projects that might be proposed, and then begin again with each of the deferred projects for reconsideration, and the presumption was that all these deferrals, and specifically, I guess, the Department of Interior's position that was indicated as no on many of these projects that the rationale for them either be discussed and Curt McVee would either reaffirm or change the

position. But as to the process that we're following and what we've done up to this point, is there any comment, suggestion from any member of any change that we should do, any expectations of --

MR. PENNOYER: Yes, Mr. Chairman, we've only got about six more to go in the process in the way we were doing it, and then we'll be done, and presumably we'll decide whether we're going to start over again and how we start over.

MR. SANDOR: Okay.

MR. PENNOYER: We only have about six, excuse me, that we have to consider for deferral or approval.

MR. SANDOR: Okay, then shall we begin again with 93051, and determine if nourishment has somehow found some solution to action. Do we want to defer 93051? Adopt, approve it in total, or approve it in part?

MR. COLE: Mr. Chairman, nourishment has prompted more questions.

MR. SANDOR: Nourishment has prompted more questions. Let's mark that as deferred, and 93052 is identification, protection of important bald eagle habitats. That was not recommended. Moving to 93053, hydrocarbon data analysis, interpretations and database maintenance for restoration and NRDA environmental samples associated with the Exxon Valdez oil spill. The recommendations for action. Is there any objection to the adoption of 93053, which is led by NOAA, and is a \$105.5 thousand.

MR. COLE: Mr. Chairman?

MR. SANDOR: Yes.

MR. COLE: How does this relate to the analysis being done by the University of Alaska, these hydrocarbon analyses? Is there any way to put these analyses together? Why not do them all? Is that not feasible and why?

DR. MORRIS: The only analysis, to my knowledge, that the University of Alaska is performing is ultraviolet fluorescence screening on the sediment samples. You could ask somebody involved with the coastal habitat program. I'll correct that if I'm wrong. The -- with the termination of the technical services run program, which did all the damage assessment hydrocarbon analysis samples and farmed it out under contract to qualified laboratories, all the analyses that remain to be done in this program are being conducted by the NOAA (indiscernible) lab.

MR. SANDOR: Any further comments or questions?

MR. COLE: Yes. Are you saying that the University of Alaska is not doing any hydrocarbon analysis in any of these projects?

DR. MORRIS: They were never an approved -- they never applied or were approved as a laboratory to conduct any analysis for the damage assessment or restoration projects that we're doing.

MR. SANDOR: Any further questions? Is there any objection to the approval of this project -- 93053? The project is approved. 93057, damage assessment, GIS geographic information systems. What is that -- GIS? 93057 was unanimously recommended, ADNR, \$67.5 thousand. Is there any objection to the approval of this project? The project is approved.

MR. COLE: I would like to raise a question. You scooted along fairly fast there.

MR. SANDOR: Yes.

MR. COLE: Well, it says this project provides baseline information repository for shoreline, oiling, Environmental Sensitivity Index, shore type, ownership, salmon streams -- now what salmon streams are we talking about. In the first place, I mean, I -- you know, are you going to put your shoreline information, your study this summer, does that go into this project? If so (indiscernible -- mumbling), then are the salmon streams that you're talking about, the walking, the streams, go into this project?

MR. SANDOR: Marty, can you answer that question?

MS. RUTHERFORD: I'm sorry, I wasn't following. Could you repeat that again, Attorney General Cole?

MR. COLE: Well, it says this project provides baseline information repository. That's the central function for statistical analysis of mapping in support of damage assessment projects scheduled for completion during this last budget period and for final databases and project documentation, repository storage and distribution and dissemination. And then among the information, the groups of information which is to go to this repository is salmon streams and -- for example -- and shoreline oiling. Is this the project where the information's already collected, or it is for information which will be acquired this summer like from walking those salmon streams if we approve that

project, and DEC's oil shoreline monitoring.

MS. RUTHERFORD: Both actually. It has been -- historically it has been the repository and analytical analysis, GIS effort, for the natural resource damage assessment studies, and it would continue for the '93 projects, so it would be the completion of ones that are already ongoing, and then for those that are going to be starting up this summer as well -- continuing this summer.

MR. COLE: -- finish this by September 30, '93.

MS. RUTHERFORD: Pardon? I -- what was that?

MR. COLE: I said this was supposed to be finished by September 30, '93. Yeah, I thought we were talking about both. This is just the damage. This would be just for those being completed now, but it would be building on what they've gotten in previous years.

MR. COLE: So next year, we'll essentially do the same.

MS. RUTHERFORD: Next year we'd be moving just into restoration GIS, which is 93062. They've separated out the natural resource assessment GIS project from the restoration GIS project, which is 93062.

MR. COLE: So, as I understand it then, walking these streams would be done and so forth. That information will be collected in raw data forms by Fish & Game or whomever, and then given to the Natural Resources to plug into the final form. Is that the way it's designed to work.

MS. RUTHERFORD: I don't know about that particular project, but some projects the agencies do the work themselves and some projects the Alaska Department of Natural Resources GIS program does that program for them.

MR. COLE: Mr. Chairman, what I'm getting at is I continue to see how these things mesh together, and whether we could do some consolidation of what we're doing. We continually hear that from the public and the advisory group. Can't we do some of these projects together, and I -- I -- maybe we can't.

MR. SANDOR: Mr. Barton, do you have a comment.

MR. BARTON: Well, Marty answered my question, but I would like to comment. I would anticipate that the stream assessment would go into the GIS database though. I'm a little -- it seems to me we've just got one GIS database, even though we have two projects. Is that correct?

MS. RUTHERFORD: That's correct.

MR. BARTON: Yeah, in GIS. But, you know, I think our intent back in the beginning of this effort was that we would have a single GIS repository from which all the agencies then could draw, and that they would cover all the studies that needed that type of service, and we'd put several hundred thousand dollars into GIS in the early stages of the damage assessment process, and this is really just winding down the damage assessment GIS database and beginning to then incorporate in project '62 the restoration

MS. RUTHERFORD: That's correct.

MR. BARTON: ... GIS. So the distinction in my mind is

nonexistent.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Mr. McVee.

MR. McVEE: We have a GIS work group, and I assume that that work group is one that's responsibility is to monitor this whole effort and see that this project and damage assessment project is integrated within the other projects, and the other projects within this project. And I guess we haven't had a report from that work group to know how things -- I guess maybe the question is -- the work group funding is not included in this budget, that's a separate item in the administrative budget, isn't it?

MS. RUTHERFORD: Yes, that's a separate item.

MR. McVEE: Maybe we can talk about that a little bit more when we get to administrative budget.

MR. SANDOR: Any further comments or questions? Is there then any objection to 93057, damage assessment GIS, ADNR, \$67.5 thousand?

MR. COLE: Can we combine them with '62?

MR. SANDOR: Can we combine it with '62?

MS. RUTHERFORD: I don't think there'd be a problem with that.

MR. SANDOR: Can we combine it with some savings?

MS. RUTHERFORD: -- (Inaudible -- laughter) Mr. Chair.

MR. SANDOR: Well.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Yes.

MR. McVEE: We may have a problem combining it. Interior is saying no on '62. One of our problems with that is that we have not had a report from the GIS work group. We set up the work group. We have not had a report from them how it is working, and so on. But I would have no problem combining, if we approve that, if some later date you can get that report and ultimately have an efficient process and a good product, to my view.

MR. SANDOR: Well, let's jump to 93062, which is the restoration GIS. Again, DNR at \$138.4, which --

MS. RUTHERFORD: Mr. Chairman.

MR. SANDOR: ... that's on page 216-217. Why --

MS. RUTHERFORD: Mr. Chairman.

MR. SANDOR: Yes.

MS. RUTHERFORD: The only thing that I was thinking was, after I said there could be no savings, is -- we set this figure reflective of the work plan that we were recommending to the Trustee Council. If, in fact, the work plan is cut back significantly, then perhaps it is possible to have some savings in the 93062 project. So, I guess that is not beyond the realm of possibility here.

MR. COLE: Mr. Chairman.

MR. SANDOR: Yes.

MR. COLE: I thought that this -- that the view expressed by the Chairman, that can we make a savings if we combine

'57 and '62 by the very fact of combination, not whether we can cut back '62 in absolute terms.

MS. RUTHERFORD: I'm aware of that Mr. Chair, and I -- my initial reaction was no, and then I rethought and I -- the savings could be in '062 because if the restoration activities associated with the '93 work plan are not as great as we had anticipated then, we probably could have some savings, but it would be in this particular project, not the other one.

MR. PENNOYER: That's not a result of combination; that's the result of elimination of some projects?

MS. RUTHERFORD: That -- that is correct.

MR. SANDOR: Well, looking at these together is there some proposed action by the Trustees to approve these jointly with some targeted savings?

MR. BARTON: Mr. Chairman, I move that we combine '57 and '62, and that '62 be revised in accordance with the actions we take today regarding the program of work to reflect any savings that might accrue from that.

MR. PENNOYER: Second.

MR. SANDOR: Motion by Barton, seconded by Pennoyer. Is there any objection to that? Those two projects are approved with that condition and understanding. Then 93059 and 93060 had already been approved by the Trustee Council because they were time critical, so I presume there is no further action needed by this Council today. 93063 --

MR. COLE: Excuse me -- help again. Have we approved

-- you say -- '59 now?

MR. SANDOR: Well, '59 and '60 was previously approved by the Trustee Council.

MR. COLE: '59 and '60. What about '61?

MR. SANDOR: That's just where we're going now. 93061, new data acquisition. This is U.S. Forest Service and Alaska Department of Natural Resources at \$535,000. DNR proposes action on this list is to be deferred for discussion. Move to 93063, survey and evaluation of instream habitat and stock restoration techniques for anadromous fish. That's unanimously recommended. Dr. Spies has an E, and there is no objection. Is there any objection to approval of 93063, survey and evaluation of instream habitat and stock restoration techniques for anadromous fish.

MR. COLE: May I have a moment please?

MR. SANDOR: Yup. This is ADF&G at \$59.4 thousand.

MR. COLE: How much?

MR. SANDOR: \$59.4 thousand.

MR. COLE: This is to design salmon spawning habitat restoration and enhancement project. Is that information not now reasonably known?

MR. SANDOR: Dr. Montague?

DR. MONTAGUE: Mr. Chairman, this project was funded in 1992 and was not funded for a close-out, and the goal of the project was to fix streams throughout the oil spill area that could benefit from some sort of an enhancement action. You know, a waterfall here that a fish pass could be put in, and open up

upstream areas to anadromous fish use. And the equipment that was placed into the field in 1992 was not intended to be removed because it was planned that the project would carry on in 1993. The project did not pass the Restoration Team's review in 1993, so this aspect is simply to go out and get the data collection gear that's been left over the winter and to analyze the results of that.

MR. SANDOR: Any further questions or comments?

MR. COLE: Well, one of the project's goals is supposed to do is to review existing literature and databases to determine preliminary restoration techniques for specific sites and identify sites where field studies are needed. You know, that's what caught my eye. Isn't that the type of information that's already known by the agency?

DR. MONTAGUE: Well, it's known through this project, and basically what it's saying is that they will be reporting on that, which are the results of this project. But, no, the agency did not have a full assessment or much of an assessment at all of which areas could benefit from this kind of work.

MR. COLE: Mr. Chairman, it also says collect additional field data if necessary to develop. I just mention that in light of Dr. Montague's comment that it was only to go to the field and collect the weirs.

DR. SULLIVAN: There's a equipment out there that's taking measurements over the winter that needs to be retrieved, and you'll get data with that when you bring that equipment in. They

are not just weirs.

MR. SANDOR: Thank you. Any other comments or questions? Any objection to the approval of that project? Project is approved. 93064, habitat protection fund, ADNR, FED. This is a \$20 million critical habitat acquisition, and had unanimous recommendation from the Restoration Team. The chief scientist recommended. The Public Advisory Group requests review before acquiring parcels, ten-yes, no-one, abstentions-two. Can someone who attended that meeting sort of -- what's that about. I assume they're talking about the individual parcels. That's right, that they want to review each of the individual parcels. Is that --?

MS. RUTHERFORD: That's correct, Mr. Chair. They just wanted the same presentations to them as we're going to be making to you on individual parcel analysis when we have those available before monies are expended from the fund -- this fund.

MR. SANDOR: If the process is as outlined with the interim things we've already approved.

MS. RUTHERFORD: Exactly.

MR. SANDOR: Any comments or questions? Well -- any objection to the adoption of 93064, habitat protection fund. This is the \$20 million minus the seven and a half now. If not, this is approved. If the Trustees agree, then we will move to the Public Advisory Group projects, and who may -- yeah I see -- I guess a point of clarification, Curt McVee, on these Public Advisory Group projects, you indicate no NEPA compliance, no time critical, and a proposed no. Do you propose deferring this for discussion or would

you want to suggest that we have presentations by the Public Advisory Group? What -- I guess -- well I would ask all the Trustees, I guess, what your wish is. Shall we go over each one of these, one by one. It seems like that might be a starting point. Since we are now at the end of the other list, but the Chair is open to suggestion of where we go from here. Curt -- Carl?

MR. ROSIER: Mr. Chairman, if I might -- I'm very uneasy with going through these projects one at a time at the present time. I think the position taken by the Department of the Interior this morning has tainted the projects, the process, here today. I understand that I think that Mr. McVee is an honorable individual. He meant it when he said that he would truly consider these projects. Most of the projects though, you sort them out into the class of projects that are involved, the ones that have been pointed to by Interior is a challenge to the commercial projects, those involving basically the commercial species and the recreational species, I might add, that are important to a very large number of Alaskans. From my standpoint, this is unacceptable. We dealt with this same policy question this last year. We moved ahead with projects, we did our projects, we carried them out, and I felt that we had a good program underway. But Interior's onslaught against this, and the position that they took right off the bat this morning on this, leads me to believe that the process is not working. From this standpoint, Mr. Chairman, I would really like to see some assurance that we are, in fact, looking at these things objectively, because I think that the

decision that's been -- we make our decisions at the present time based on the individual merits of the single vote being able to determine whether we go forward or not, and I think we will see the defeat of the projects associated with the commercial aspects, the group of people in Alaska that was the most impacted by the oil spill, most impacted by the oil spill. For this reason, Mr. Chairman, unless I can, in fact, have some assurance that we are in fact willing to in fact vote on this -- the final approval of these as a package, Mr. Chairman, it's my feeling that the project -- excuse me, the process is flawed to the point that I cannot continue here today. Thank you.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Clarification -- what do you mean as a package?

MR. ROSIER: I mean all projects from 93002 to 93063. Those would be voted on as a package and no project would go forward until such time as we had voted on these package for recommendations for '93.

MR. COLE: It's all or nothing. Is that what saying?

MR. ROSIER: That's correct.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Mr. McVee.

MR. McVEE: Yes. Our position isn't, you know, against commercial interests. Our position is that -- is that unless the project is time critical, there's some reason need to do it right now to gather critical information or to protect damaged

resources, that there should be no expenditures until we have the restoration plan in place. I guess my feeling is if anything's been flawed, it's been the fact that we haven't had a restoration plan. We haven't had something to test all of our decisions against to know that we are making wise decisions, that we've got the proper balance between the various interests, between the various resources, and I feel like we've taken the right steps, particularly the habitat acquisition where we have done the analysis, we've the criteria, we've got a process set up, and that -- and that I feel like that there, you know, we can make good judgments. On many of these others, it seems like we're approaching them very much in a piece-meal way, and we will vote against those that are not of an emergency nature and that -- that don't need to be done right now, can wait until there is a restoration plan in place. It's very likely that they will reappear, and I think they probably should if they fit the criteria within that restoration plan, but the time is now to move forward with the restoration plan and develop the balance between the programs.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I agree with Mr. Rosier with some of the concerns I have with the way we started off this morning, but I'm not sure I understood still what his position is. We have a series of projects that we've worked with over a considerable period of time here and broken down into a couple of separate sections. First of all, there are a whole gamut of

projects that were initially not recommended by the Restoration Team, and most of which did not come forward to the Trustee Council when we sent our package out to public review. We sent the package out to public review, we broke it down into two parts. One part where the part had been approved by the Restoration Team, and the other part were restoration projects not recommended by the Team. Now, we've got a third part which are new projects recommended by the PAG at the -- at their last meeting. Is Mr. Rosier's position we approve the whole of these or none of them>

MR. ROSIER: That's correct at this point.

MR. PENNOYER: Mr. Chairman, I don't think I could go along with that.

MR. SANDOR: Mr. Barton.

MR. BARTON: Mr. Chairman, I feel a sense of frustration as well, but I -- I can't go along with an up or down vote on the entire package. I mean, these projects have their individual characteristics and the merits of each one I think need to be evaluated. So, I object to dealing with them as an entire package.

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Mr. Rosier.

MR. ROSIER: If I might -- I think we've had a good process up to the situation this morning. I think that we have looked at these very objectively over the -- over time. Nothing has really changed in my mind, perhaps it has in some people's minds as related to some of the projects that are underway. The

determination was made that damage had occurred, and I'm not sure what evidence is there after a review by the Restoration Team, a review by the public, a review by the Public Advisory Group that says that the projects which Interior has said do not qualify at the present time is in fact a fact, and it's a situation in which we're ignoring basically, as I see it, the advice that's been given to us by the public, by our own PAG -- we're going our own route. And we went through this same discussion last year over this, and the decision was made to move ahead. At this time, in my view, we've got a situation in which the process is being aborted by one agency, and that's their prerogative. I don't disagree with that. But it's also my prerogative not to go along with that.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. SANDOR: My view is that, first, with respect to the announcement by Interior this morning as to how they would vote as shown in their written materials was I think designed to be helpful to the process rather than to be obstructionist about it. Because it furnished us at the outset of an expression of views which was designed, I think, to save time in the process. We each of us could have done that had we had fixed views on certain projects. As to whether they have decided to vote appropriately on these twenty-plus projects, that's another matter, and also whether it was appropriate to make up their mind before there's any discussion here is also another matter. Although, certainly, we have had a lot of materials to review and have reviewed to guide us

in making our decisions today, but I think, Mr. -- Commissioner Rosier -- that we really should as a matter of discharging our legal responsibilities as Trustees is to go through each of these, and if we had a full up and down vote, well we might be, I think, acting appropriately as Trustees. I -- I would urge you to reflect upon that and also urge Mr. McVee to keep an open mind on the singular projects as we go through them. I think it would be unfortunate if we got hung up here at this stage. Everybody's put a lot of work into this, including ourselves, and we really should make the final vote today on each project. Thank you.

MR. SANDOR: Mr. McVee, you did change your mind on 93062. I guess the thing that bothers me about Interior's position is that we should wait until the restoration plan is in place, as you put it. And that isn't going to happen until December of '93, which would mean that we would -- you know, that was the astonishing revelation last month that it's going to take that amount of time because of the NEPA process. If we did the clean-up work on the Exxon Valdez -- you know and follow up other activities, nothing would have happened. Surely, you don't literally mean that we ought to wait until this NEPA process which is most -- much of it's bureaucratic and tied up into long delays. We've got to get on with the job of restoration of damaged resources and services, do we not?

MR. COLE: Mr. Chairman, can I have further thing before we get a response from Mr. McVee. He might say no. (Laughter) I'll take another pass at it -- but look (simultaneous

laughter) -- while we did tell, you will recall, Judge Holland and the public that one of the reasons for settling when we did was so we could get on with the restoration process. We made some representations to the public, we made some representations to the court that we wanted to get on with the restoration process. And I realize that you've said that only the time-critical projects should go on at this time, there's a lot of leeway in that, but as we go forward to collect data to be infused into the restoration process, in my view we should proceed to collect that data expeditiously in order to have it available to serve in the formulation of the restoration process. Now, I would simply in addition to my earlier remarks ask you to consider that as you reflect, if you will, upon your position.

MR. SANDOR: That better states the thing, because there's a lot of activities that aren't directly related to restoration but it's important to get the answers so we can move on this restoration. And I'm not sure I even understand what is time critical and not time critical in that regard, but anyway, I'm not even sure we're going to get the restoration plan in place by '93. We've been promised things before and invariably there's another slippage of two or three months. Excuse me -- go ahead.

MR. McVEE: I guess there's probably a fine line there -- a grey line -- on what is time critical, what's not time-critical, and there certainly can be differences of opinion on that. But I guess -- and we're going to have a draft plan before December that certainly is going to give us another step forward in

terms of providing some guidance and help determine what kind of a -- what kind of balance is proper, what kind of a balance is best.

It certainly won't provide all the answers, but it's going to provide more of the answers. The problem seems to us that we should proceed that there is imminent threat, there's emergency nature, we need to study information, and if we don't do it something bad happens, that we should proceed with those, but those that -- those projects that those things aren't going to occur that can be legitimately postponed 'til after the restoration plan is put in place, it seems to us that they should be. It seems to us in terms of investing the public's money that we would remiss if we did not do wisely, if we did not do it after we have a plan, after we have some documents, some guidance, that has been tested. I guess public opinion, the public input, that put -- to pick out projects here and there, so if these are good projects, we should move ahead. It's a piece-meal type of approach, and as public officials, we're really remiss if we do it that way.

MR. ROSIER: Mr. Chairman, I don't disagree with much of what Mr. McVee has to say there at the present time. However, in terms of the written materials presented to us this morning by Interior, I'm not sure that was the thought process that went into saying no to the commercial projects. That's what truly concerns me at the present time. We have strong support for most of those projects from the public, and I grant you any of these things should be evaluated against a plan at some point. The fact remains that we are talking about projects that are specific to the

resources that were in fact injured. It's a simple link, and from my standpoint it's a situation in those projects that have anything to commercial have, in fact, been targeted, and I guess part of this, I guess, is the frustration at the process because we've been talking about a plan for sometime. The plan is now a year or two years away actually from implementing anything under the plan, and many of the projects that Interior has said no to, in writing, are projects that have made this determination on -- you know -- last year, to move ahead on these, and now, based on no additional new information, we're in fact looking at terminating these under the -- under the comments that were put forth by Interior.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, wouldn't what Mr. Rosier stated constitute a loss, a threat to our data continuity meeting the restoration -- so we did something last year. You couldn't just terminate it this year and start it up again next year. So, I guess, the point I'm making, it seems to me we're going to go back and (indiscernible) project by project anyhow unless you veto that process. Isn't it appropriate you go back and do that, have these arguments relative to individual projects. We don't think they're all the same to all projects, and I think we're generalizing. But at the end, if it's still there, we either vote for the package as a whole or we don't. I think you made that statement when we started, that you would reserve judgment package until it was done. Maybe we should just go ahead here and do them project by project and see where we come out. I don't -- Mr. McVee

hasn't said he's going to automatically say no to the whole twenty or twenty-two or whatever it is, and I'm not sure you would say after each of these projects that each one of them meets all those criteria. So maybe we should go back and try it and see where we end up at. I think we're going to do that anyhow. We talk a lot about the process ahead of time, and still end up going back through them when we're done.

MR. SANDOR: Mr. Rosier.

MR. SANDOR: Mr. Chairman, on the motion, I did exclude the project 93064 for the very reasons that Mr. McVee outlined earlier. We've had a process. This is the habitat protection fund, and the reason I did that was for the very reasons that Mr. McVee outlined, that we in fact do have a process here that we've been working through, we've got the criteria place, and we're making our decisions based on that at the present time. I agree that there's some vagaries out there as far as most of the other projects are concerned, but I saw significant inconsistencies this morning in terms of the discussions over the individual projects, and that in itself coupled with Interior's position statement early this morning really disturbs me.

MR. SANDOR: Yes, Mr. Barton.

MR. BARTON: I still don't understand Mr. Rosier's motion. Your motion is to approve project '2 through '63?

MR. ROSIER: Yes, that's correct.

MR. COLE: Well, Mr. Chairman?

MR. SANDOR: Yes.

MR. COLE: I -- I must say that's not the way I understand it. Mr. Rosier has said that, as I understand it, we went through them individually at the end of the day, there would be one vote on his motion that we approve --

MR. ROSIER: The package.

MR. COLE: ... all sixty-three, sixty-two or whatever, sixty-three, and it would be an all-or-nothing vote. If we vote against his motion, you know, we would not have any projects. We would either not have any projects or we would have every proposed project. Is that the vote?

MR. ROSIER: That's correct.

MR. COLE: That's his motion. And I -- you know, I've, you know, I couldn't proceed on that basis because that might, you know, require us to -- well, first it would thwart the Public Advisory Group process, number one, because they didn't approve them all. Secondly, it would thwart the public process because there's a lot of public comment in here opposing some of these projects, not all of them but some of them, and it would just thwart that entire process. And a lot of the public, if you read these comments, have done an awful lot of work on these projects and put in a lot of time, and it just wouldn't be right. On the other hand, I don't think -- I mean, I can't conscientiously couldn't approve every one of these projects that's there. Let me say this about the perceived inconsistencies this morning. You know, I have pangs of conscience myself about approving some of those projects, and I realize that there may be some inconsistency,

but underneath some of that was the conclusion that maybe it's just best to let some of these projects go through without putting the microscope and the guillotine to some of them, so there's a lot of uncertainty in many of these projects. But in my particular view, I rely on your judgment, that of the other members of the Trustee Council -- I have a lot of reservations on a lot of those projects I didn't vote against and I relied upon my fellow Trustee Council members. So I think it would be inappropriate to have an all or nothing vote. But, on the other hand, I would again take this opportunity to urge Mr. McVee to keep an open mind and allow us to go through each one of these projects and hopefully we'd get through them by tomorrow night. (Laughter)

MR. SANDOR: Not to prolong this discussion, but as I understand it -- the understanding of myself and others, the next Public Advisory Group meeting is going to be laying the groundwork for '94 projects, is that right? So we'll be developing '94 projects and probably have a '94 package of projects by August of '93, right?

DR. GIBBONS: We have to have that -- Mr. Chairman, we have to have that (indiscernible -- coughing) both state and federal authorization to expend funds for the fiscal year starting October 1st, '93.

MR. SANDOR: And since we have to have the '94 project package ready by August of '93 and the restoration plan isn't to be out until December of '93, we would still -- it's an amazing thing how much we've done without a restoration plan. You must have

asked yourself is the million dollars that we've been spending on this restoration plan been worth it.

MR. COLE: That's another subject that we have yet to address. (Simultaneous laughter)

MR. SANDOR: So anyway, well, can we -- so that confirms our -- the indeed we are now moving forward with the '94 projects without even having a restoration plan, so -- which we're going to be living with for quite a while. It is the, I guess, would Mr. Rosier and Mr. McVee agree to review these projects one by one with an open mind.

MR. COLE: I move for a recess.

MR. SANDOR: Recess?

UNIDENTIFIED VOICE: Second.

MR. SANDOR: Second. 'Til two thirty? Recess.

(Off Record at 2:15 p.m.)

(On Record at 2: 30 p.m.)

MR. SANDOR: While we are reconvening -- while we are reconvening, the transcriber reminds me people who speak from the audience should get to the mike or else their words will not be etched in the public record, and thus totally ignored.

We always lose one person.

MR. COLE: Let's see, Mr. McVee, you say you're authorized to act through tomorrow? (Simultaneous laughter) Or is it just till they take the oath.

MR. McVEE: No, it's through tomorrow, but I've got to have a little time to clean out my desk and sort some papers.

MR. SANDOR: Mr. McVee is retiring tomorrow at close of business, not because he's been asked to but because he's got thirty-eight years of service and has paid his dues.

MR. COLE: God, and then some. (Simultaneous laughter).

MR. SANDOR: Anyway, we wish him well. It might be well while we're waiting, I was told that even though the 1994 work plan is going to begin being developed next month and the restoration won't be in its final form until December of 1993 or '94 perhaps. There'll be a draft of the work plan when, Dr. Gibbons?

DR. GIBBONS: Yes. It will be to the Trustee Council May 16th, a draft of the restoration plan and environmental impact statement.

MR. SANDOR: I suppose if we're smart enough we'll approve that plan on the spot, save \$800,000, and get on with it, but somebody will say, no, you can't do that. It makes sense. Anyway, I guess there's a -- I don't know why an environmental assessment would be --

MR. COLE: Mr. Chairman, could we send the sergeant-at-arms after Mr. Pennoyer?

MR. SANDOR: I suggest a state trooper. (Simultaneous laughter) Well, I guess, for the Trustees that are here, well, we're going to do several things when Mr. Pennoyer gets back, and that is recapitulate what we've done and where we're -- the process that we're going to follow. It -- just as a matter of interest, is

there some spokesperson for each of the Public Advisory Group projects, or a single person to present this, or, Dr. Gibbons, are you to make the presentations on behalf of the Public Advisory Group or what?

DR. GIBBONS: That wasn't clear. I was hoping that the Public Advisory Group would make their presentations themselves.

MR. SANDOR: Ms. Fischer had to go back to Valdez on the noon flight. Pam is here but, I don't know, but she's probably -- are you prepared to -- no.?

DR. GIBBONS: Maybe Doug Mutter and I can do that. The recommendation package from the PAG is included in your package, and there's comments out in the public there that documents their recommendations.

MR. SANDOR: Okay, so anyway, that'll be done between Doug and yourself, but back to the issue at hand before we recessed -- it has been proposed that we continue through these projects one by one, and then Mr. Rosier had proposed an up or down vote on what work we complete. Could you restate that?

MR. ROSIER: Yes. Thank you, Mr. Chairman, yes. I certainly don't want to leave anyone with the impression apparently that I poorly stated it earlier, left a number of questions hanging, but at least hanging in some people's minds about what I really meant, but I'm talking about the package that comes out after we have gone through these on a one-by-one basis, that we would have, in fact, an up or down vote at that time.

MR. SANDOR: And what would be the consequences of a

down vote.

MR. ROSIER: A down vote would mean that the projects would not go forward.

MR. SANDOR: None of them?

MR. ROSIER: None of them.

MR. SANDOR: Is that acceptable to the Trustees?

MR. PENNOYER: Well, Mr. Chairman, that concept of not sending anything forward is not acceptable to me, but I'm not sure in this consensus process wherein exactly -- I'd remind Mr. Rosier the ability to vote no if he wants to vote no at the end of it. I guess the package's acceptability as a whole --

MR. COLE: Mr. Chairman, I still don't understand Mr. Rosier's thought because I spoke with him very briefly during the recess, and I recall you said that you personally would not vote for all of these projects.

MR. ROSIER: That's correct.

MR. COLE: So, I'm -- I say I'm a little bit in the dark as to how you would have to vote. Let's just say we had a vote here and we all approved every other one. I mean, all -- we rejected all the odd numbers and voted in favor of all the even numbers --

MR. BARTON: That makes about as much sense as what else (Simultaneous laughter).

UNIDENTIFIED VOICE: I'm gonna second that. (Simultaneous laughter)

MR. SANDOR: That's right -- all projects.

MR. COLE: I mean, we could go to the corner bar and roll dice, which I always thought was better than going to the courtroom, but (Simultaneous laughter) -- there was much greater predictability, but just suppose that -- you know -- how would you propose to vote at that time? What was your all or nothing, up or down vote do? And surely you wouldn't say

MR. ROSIER: Well, it would depend upon the debate during the course of the individual reviews in terms of my making my -- a determination of whether I could in fact support the package or not.

MR. COLE: Well, what would be your motion, for example, at the end? Would you

MR. ROSIER: I think the motion is to accept the package?

MR. COLE: That we approved?

MR. ROSIER: Yeah.

MR. COLE: Just the package we approved?

MR. ROSIER: That's correct.

MR. COLE: Not the pack -- not the ones that we did not

MR. ROSIER: No.

MR. COLE: Alright. Well, that's --

MR. SANDOR: You accept that even though all the projects were approved, it could all be vetoed at that point and none go forward?

MR. COLE: Or he would say, all of those which we

unanimously approved, i.e., all the even numbers, we could -- if one person voted no on that, they would all be rejected.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Yes, Mr. Pennoyer.

MR. PENNOYER: Mr. Rosier's saying he has to like the package on balance before any of them will be approved, so he'll look at the balance when it's done, and then decide whether he's going to vote that, even though it's not all the projects, whether that package that he sees there is -- is okay. Right?

MR. COLE: Well, Mr. Chairman, I'm willing to proceed on that basis. I just think that we just wouldn't work.

MR. BARTON: What are going for odds-evens?

MR. COLE: Good as anything.

MR. BARTON: Let me just say that no going forward with the package for this summer field season is just unacceptable to me. I don't know what process is going to come up with it, whether it's odds and evens, or ups and downs, or

MR. SANDOR: Corner bar.

MR. BARTON: ... corner bar, rolling dice, but we, I think, would be irresponsible to not go forward with a package for this summer's field season.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Yes, Mr. McVee.

MR. McVEE: Our position -- Interior's position has always been to, you know, consider each project on its individual merits, and I think that's what we should do. We may have, we may

take a more stringent position than the other Trustee Council members do on the tests that we put the proposal to, but be that as it may, I think that, you know, is a prerogative of individuals on the Trustee Council.

MR. COLE: I propose that we just start down the list.

MR. SANDOR: Okay. We shall start down the list beginning with -- is it the pleasure of the Council to begin with the Public Advisory Group grouping or start with 93002.

MR. BARTON: Mr. Chairman.

MR. SANDOR: Yes, Mr. Barton.

MR. BARTON: Could you just briefly run through the ones now that we have to discuss. Just identify them by number.

MR. SANDOR: 93002, 93006, 93007, 93008, '9, '10, '11, '12, -- yeah --

MR. PENNOYER: It would be easier to identify the ones we passed.

MR. SANDOR: The ones that were passed were -- the ones that were passed are 93003

MR. COLE: Excuse me, why don't we just keep going the way we were going, if you don't mind. What about '4 and '5.

MR. SANDOR: They were deferred.

MR. COLE: Okay, '4 and '5.

MR. SANDOR: And everything on the next page was deferred. Everything on the next page down to '32 was deferred. The harlequin duck was deferred, but -- '33 and '34 deferred. '35

approved. Everything on the next page approved except '43.

MR. COLE: Please. What did we do with '34. You read so fast, I --

MR. SANDOR: '34 was deferred. '35 was approved. Everything on the next page from '36 from '47 was approved, except for '43 which was deferred, and on the next page '50 and '51 was deferred. '52 was not approved, and all the rest were approved, except for '61, which was deferred. And then we were just beginning the Public Advisory Group projects, and -- I thought it might be of interest to do those rather than go back to the beginning again to see what the public has generated. Is there any objection to that?

MR. PENNOYER: Mr. Chairman, I think the Public Advisory Group projects fall under some of the same criteria we applied to the others for deferred, and I notice that Interior has no next to each one of them. So if we follow our past -- past, we would defer those as well.

MR. SANDOR: Is that your proposal? Okay, so each of those are deferred. Okay. So we begin with 93002, sockeye overescapement, ADF&G, \$714.6 thousand. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I notice that there are at the bottom of that page another two projects 93012 and 93015 that also have -- are on the Kenai River, and each of those has a no from Interior as well, and the aggregate of all those is about a million, nearly two million dollars for Kenai River work. It seems to me that there's a basic question here is, one, how does Kenai

work relate to the criteria that we've selected in terms of relationship to injured resources and the spill, lost opportunities, emergency work, complimenting present work or something. Perhaps, rather than just look at the one project, we could get some discourse on why the Kenai River sockeye studies, you know, any type of restoration is sockeye studies at this time are appropriate things to undertake before we get a restoration plan. And then each of these projects has different pieces of sockeye studies, and Interior said no on all of them, so maybe it might be possible to get some discourse as to why Kenai sockeye are logical things to be studying at this stage and why these studies at this point in time are logical to approach. The total's about two million dollars.

MR. SANDOR: Does Jerome or Carl want to address that.

MR. ROSIER: Yeah, I might introduce it then, Mr. Chairman, and then have Jerome follow on here, because I think this is one of the areas where we know that -- that the results of the spill there in '89 that resulted in the closure of the commercial fishery placed a substantial number of sockeyes in the lake system, well over the escapement goal. While the escapement goal had been exceeded on a couple of years prior to that, this was the third year and it appears that that particular year was kind of the year that broke the straw -- was the final straw in terms of the lake carrying capacity on this. We've seen the smolt out-migrations as a result of that -- that '89 escapement, overescapement -- shrink to virtually, well, to a very small number. As a result we're

looking at '94 and '95 salmon returns to that particular system as -- in all probability -- being extremely low. The problem seems to have been restricted to the Kenai system. There will be other systems within the Cook Inlet area that we hope will be fishable to one degree or another, and in order to provide a fishery for those people that were impacted or are being impacted by what we see as a major reduction in the -- and probably no fishery at all on Kenai stocks -- we're looking to have the information in hand to be able to manage those runs and in such a manner that we can provide for the opportunity and still protect the resource for the Kenai. And these projects, I believe, in total are aimed at that very -- that very scenario.

MR. SANDOR: Any further questions?

MR. COLE: Well, Mr. Chairman, does anybody know why Senator Eliason voted against this project. I'm trying to find it in the transcript. He's knowledgeable about these salmon matters, and I just wondered what his thought was. We just got these transcripts this morning.

MR. SANDOR: Was anyone present at the Public Advisory Group meeting that can recall this? Pam -- Yes.

MS. BERGMANN: Mr. Chairman. If he was the fellow sitting on that end of the table, about where you were.

MR. COLE: I see Mr. King voted against it too.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Sir, in terms of at the time of the Exxon Valdez oil spill, we have a situation where, as I understand it the

Kenai escapements were much larger than desired three years in a row, the third year of which was Exxon, and I don't know that we have any direct cause and effect versus the oil spill and other management occurrences. Would you comment on that. Do we believe that the third year because of the spill set something off that wouldn't have happened based on the other two overescapements as well?

MR. ROSIER: Well, I think -- and that is what I was referencing when I say that the third year appears to be the year that probably -- or may have at least broken the camel's back so to speak in terms of the productivity of the lake system and the ability of the lake system to (indiscernible). To give you a specific answer, I don't believe we can have a cause and effect. I don't believe that information can be back in hand on this. But I can certainly -- from the first smolt out-migrations, as I recall, certainly from the first year of a large overescapement was pretty good, in fact, it was very good. The second year was falling and after the third year it fell clear off of the charts in terms of that smolt out-migration. But, black and white, yes or no, as to the -- to the Exxon Valdez, we know that we did not have a fishery, we know that we put a lot of extra fish in there, into that lake system, and -- and we know that -- we are pretty sure at the present time that we're looking at a major reduction in terms of commercial operations and that special measures in effect are going to have to be taken. In fact, harvest the returns in Cook Inlet in both '94 and '95.

MR. PENNOYER: Follow up questions -- so in '94 and '95, but not this summer?

MR. ROSIER: Not this summer, we are basically --

MR. PENNOYER: Will it be a good return this year?

MR. ROSIER: Fair return this year, about three and a half million which is about average for Cook Inlet.

MR. PENNOYER: But, please Mr. Chairman, can I just talk.

MR. ROSIER: By yourself.

MR. PENNOYER: These projects are basically all centered around -- I have been going to Kodiak -- they are all centered around the ability to better manage Kenai River stocks within Cook Inlet. So in fact, you're looking at, if you get a reduced Kenai River return in '94 that this year you would have the technology or techniques perfected so that in '94 you would be able to manage more discretely to keep pressure off Kenai while being able to harvest Susitna.

MR. ROSIER: We would hope so, that certainly has been the intent of the program right from the very beginning.

MR. PENNOYER: So in your view then it was time critical to have these restoration techniques in hand prior to the '94 season. I'm trying to establish how -- what you are doing relative to a creation of a restoration plan. I guess what you are saying is that if you wait until the restoration plan, you won't have the techniques, the years -- you'll start to get your bad returns, you won't be able to react to them. Is that...?

MR. ROSIER: Basically that is correct. I mean, under

the present system we are looking at not having a plan in place until the '94 year. You would be fielding field programs at that time and collecting information off the extremely weak return in '94. So at this point, if we don't proceed with the program, we will not have the information in hand to deal with the '94-'95 situation.

MR. PENNOYER: Mr. Chairman, I still think we need to go back to individual projects and talk about both from size and what they are doing or purporting to do relative to what a normal agency mission might be. But, Mr. Rosier's comments seem directly the antithesis of what Interior's comments -- the rationale is for writing no down. I wonder if you might have some comments from the Interior as to why they disagree with that summary that Mr. Rosier is presenting.

MR. SANDOR: Curt.

MR. McVEE: It's -- I guess the no is -- it's really, I guess a policy call, it's not -- it's not direct damage to resources by the oil spill, its a policy call whether -- where we should make an investment where there is indirect effect. I guess the other questions -- the question I have also is that -- is that we made investment in '92 in the overescapement issue -- I don't know what was done prior to that, if there was anything done prior to that, and the question is if we were not to authorize funds this year -- what kind of a loss does that represent?

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: I found what Senator Eliason says about this project and Mr. King too, but he's of the view, pretty much as follows. He said we know there was overescapement, said we spent \$800,000 determining that and his view is why don't we put the \$800,000 or \$700,000 into a restoration program now. I mean, is there a response to that?

MR. PENNOYER: Mr. Chairman, I think that is what we are -- i think the agency is prepared to do. Their restoration project has improved management in the absence of some other technology that would seem to be appropriate.

MR. ROSIER: That's correct.

MR. PENNOYER: The stocking of Kenai is an option of what's been considered but never managed to pull off.

DR. MONTAGUE: Mr. Chairman can I add a few things to that. That '12 and '15 are primarily related to restoration through better management. Project number 2, the primary focus on that project is to find out what exactly is the limiting factor in the rearing lake to prevent recovery. So you can -- you can better manage -- the better management is to basically protect the service and to allow adequate numbers of fish to return to the Kenai while still providing a commercial fishery. But in the end, we have to know what was in the rearing lakes or what continues to be in the rearing lakes that are preventing recovery, and to really restore the Kenai, we have to restore the rearing lakes. So, that's primarily what Project No. '2 is doing and '12 and '15 are directed primarily at determining redirecting fisheries effort away from

areas where it might catch Kenai-bound fish. So those two projects are primarily, as I have said, to protect the service provided by the commercial fishing there.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Mr. McVee, please.

MR. MCVEE: If the service is commercial fishing, we have a number of legal actions that are filed by commercial fishermen against Exxon. There is a problem, I guess, on how do we deal with restoring that service for there are those private actions. Are we -- how far should we go, I guess, is the question.

MR. SANDOR: Any response to that, Carl?

MR. ROSIER: Well, I guess that's an arena, I guess that, lawyers and judges would have to decide at some point on this. I think that the linkage is certainly there in terms of the injured resource on this, and I think that -- speaking to Mr. Cole's question there, earlier -- his statement earlier, the idea of restoration, I think, has certainly got different connotations for different people. I think that certainly Senator Eliason was thinking in a little different terms. I don't know, but I would suggest that he might be thinking in a little bit different terms than what restoration actually is. Having dealt with extensive hatchery programs and enhancement programs and so forth, during his stint in the legislature, but, you know, that is not where we are really at, in my estimation, as far as the Kenai is concerned at the present time. I think generally we have tried to maintain that system as a -- you know, as a pretty much a wild stock system and

- and I think that the long-term benefits of the Kenai and the benefits to the people that were impacted as a result of the spill is going to come from the philosophy of an improved management system there. I think that's why there has been basic support for these projects. Strong support from the public at large on this is because of the fact that may -- this is a stock separation issues - - the importance of the Kenai system to them as both individually and as a group and to the economy of the entire region is such that they are willing to come forth and support the projects that are on the table here at the present time.

MR. SANDOR: Mr. Cole.

MR. COLE: Let me see if I understand it. We're spending a million dollars on this project.

MR. ROSIER: It's \$200,000.

MR. COLE: Well, on this particular one, to determine how to improve the salmon runs in the Kenai River, is that it?

MR. ROSIER: No.

MR. COLE: What is it?

DR. MONTAGUE: Mr. Chairman. Right now we're limiting to project number '2?

MR. SANDOR: Yes.

DR. MONTAGUE: Okay, project number '2 is the project that makes the smolt count. So, in 1993 it will be that smolt count that indicates whether the collapse that we saw this year has continued and there's -- hope that is not the case, but I think we are all reasonably sure that that will be the case.

MR. COLE: Where we can -- we're spending a million dollars to count smolt?

DR. MONTAGUE: Okay, \$700,000.

MR. COLE: Well, it's \$200,000 here as I look at this chart.

DR. MONTAGUE: Okay, that was in 1992.

MR. COLE: \$250,000, October '92 to February '93. \$244,000 plus another \$714,000, add those up and what do you get?

DR. MONTAGUE: But the count --

MR. COLE: But where are we counting these smolt?

DR. MONTAGUE: Okay.

MR. COLE: It sounds like to me it's a lot of money to count smolt, that's where I am having trouble, but maybe it costs that much money to count smolt.

DR. MONTAGUE: Okay, the smolt count's primarily in the Kenai, but also on -- in one of the Kodiak systems and an equally expensive, the other half of the project, is what we term limnological work and that is what is going on once the eggs are laid until they leave the lake that determines their survival and that's the linchpin in them recovering, so that's what that project does. It does not get more fish into the system. That's what the other two projects do.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Chairman, I still think you sort of have to take all three of these projects in some type of concert. I guess, if we need to go back to the individual ones, I will here in

a minute, but each of these is specified as being a four year duration and the total between all of them is -- for this year alone is about one and a half, about two and a half million dollars. So, we are talking about a ten million dollar investment?

That order of magnitude over a four or five year period of time?

DR. MONTAGUE: Let me address that somewhat. First of all, in terms of a reduction in population size, we anticipate this as perhaps a 95% reduction over pre-spill and in that regard is by far the biggest injury anywhere in the oil spill area. Secondly, it will affect more people and a larger economy than any other injury. So, with that in mind, we view this -- dealing with this problem as being one of the highest priority and the fact that unlike any other injury, we know that it is going to happen in '94, so that the time -- in terms of defining time critical, there are no other projects in here that would meet the concept of time critical more than these projects. In terms of the longevity, the smolt counts we believe we can cease in 1994, assuming that everything goes right. That what we found is that our work in the lakes is correlating so well to the smolts that are outgoing that we may well be able to drop the smolt counts and just use the lake portion. And the second aspect of determining what the limiting factor is, once we determine that, there is no need to carry it on.

So that the long term outlook for number '2 would only be the work in the lakes that's used to estimate the outgoing smolts. Projects '12 and '15 would need to be carried out every year where escapements are forecasted to be poor and that you have to direct

fishing effort away from them. So, those projects, perhaps in a reduced effort or if some aspect of them doesn't prove to be worthwhile, '12 and '15 -- every year that we have a collapsed fishery and a very poor return, logically those should go ahead.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. It's very clear from work in Cook Inlet that they need better ways to forecast, better ways to separate stocks on a real-time basis in the Inlet, better ways to estimate the run strength as it enters the Inlet. All of these things are things you currently do. You currently smolt the Kenai, you currently do limnological work, have done some in the past. You currently do stock separation in Cook Inlet, maybe not in all the ways you want to but you do it, and you currently -- as I say -- estimate the number of smolt. You have a project in here to increase the accuracy of the hydroacoustic adult counts in the river, you're already doing that. I mean your dialing off the machine you actual want, but you are estimating the counts and if I remember correctly they are fairly accurate.

DR. MONTAGUE: Mr. Chairman, in 1992 we bought, the Trustee Council purchased the new equipment so it wasn't very good prior to that. It is good now.

MR. PENNOYER: But you have -- well, what's '015, increase the accuracy in pursuit of escapement monitoring by supplementing hydroacoustic equipment in the Kenai River.

DR. MONTAGUE: No, that is that project, I agree, but I am just saying that, as I understood your question, you had

indicated that it was good prior to initiating these projects and I responded that it was reasonably adequate, but it is not nearly as good as it is now. I understand the point of your question and I guess the quickest and most accurate response is that our expenditures in all of these areas have increased every year since '89. Not only has there not been a reduction, there has been an increase on what the agency spent doing these things that you have indicated.

MR. PENNOYER: This whole two and a half million -- Mr. Chairman -- this whole two and a half million dollars then is a whole new work, it doesn't take into account any of your basic program that you already have?

DR. MONTAGUE: I don't know if it doesn't take into account, but our -- what we are already spending to do that is added to this and what we had budgeted every year to do this is being added to this, to the total cost. I guess some specific examples is, for instance all the principal investigators on these projects, at least the two management projects, are not charged to the program. I mean, they are the agency management biologists that, you know, were charged with the management of the Kenai system so they are not being recharged here. There is a number of the management related projects in Prince William Sound and so on, that again the principal investigators are not on the Trustee Council payroll.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: How much longer is this study time to go on before you begin to say we have collected enough information from this as I say '89, '90, '91, what '92. Now you want to do it in '93. That's five years. When does the time come at which you say we have collected enough information? Let me say this, it's not the problem of we recognize it's an important resource and fishery, we recognize it affects a lot of people. That's not the problem. I think, while recognizing that, the problem then becomes when are we going to do something about it and that's what's troubling me. I imagine it is troubling everyone. Furthermore, I see where Mr. King says he thinks the whole problem was over fishing going back to '82, but I will defer to Mr. Pennoyer, he's the fisheries man. But those are just the things that troubles this -- with this -- these projects that I have and I think Senator Eliason has it. I think you need to stop studying and get on with the business.

DR. MONTAGUE: Mr. Chairman. Particularly relating to '12 and '15. I guess it has been hard to get the point across that those projects are getting on with it. In fact, that they have been getting on with it since last year, and what those projects do are more what we term hard restoration than they are data gathering. '12 and '15 as they are carried out in '94 and '95 during the years and beyond when we anticipate this poor return, is purely implementation, it's restoration implementation, it's not data gathering waiting to be used somewhere, this is exactly where it will be used, you know, in day-to-day shifting of the fisheries and ensuring that those fish return. So in terms of hard

restoration, you'll not get much better. The only other potential hard restoration that can be done would be if we find what it is in the lakes that are preventing recovery. For instance, you know, if fertilization will help, if decreasing the populations of phytoplankton will help. Those are hard restoration actions to be conducted in the waits, but in terms of restoring the Kenai, there's only those two options, the hard restoration in the lake and the better management of the harvest.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Mr. McVee.

MR. McVEE: Are '02 and '12 and '15, are they stand alone projects? Can any one of them be accomplished without the approval of the other?

DR. MONTAGUE: Mr. Chairman. They are pretty seriously linked. Certainly '12 and '15 is using three methods to separate the stocks. One of those three is the one derived in '12. Project number '2, certainly the counts of the outgoing smolts are key to how we manage that fishery that year. For instance if our '93 smolt counts were fantastic, then we would know that in 1996 we would not have to do '12 and '15, so they are interrelated in that way. So, the only part that isn't interrelated is that what's going on in the lakes is less related to '12 and '15 than the smolt counts in '2.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: On '15, Dr. Montague, actually is three parts, one is doing parasite and genetic stock identification and

the scale growth patterns, especially GSI stuff in '12, and it is also to improve the escapement counts in Kenai and to try to improve your test fishing on the Anchor Point line. At least those are the three objectives stated in '15.

DR. MONTAGUE: Well that's correct.

MR. PENNOYER: And I guess I don't completely understand those because upon the hydroacoustic equipment you have crews, and people in the river, right now monitoring escapement, and you did buy a new piece of equipment that has already been purchased for you by this funding from this program. So, I am not sure what part of that budget at some seven hundred and some thousand dollars goes into crews that are already on site, I assume, for escapement monitoring on the Kenai. And as far as their Anchor Point line test fishing, are you also trying to buy new sonar equipment for that, is that part of this project?

DR. MONTAGUE: Mr. Chairman. The second question is no. That -- the sonar is employed from vessels. It is not stream sonar, and that is rented equipment for each year that it is used. In terms of the crews and the cost on the sonar if they were counting the adults in the Kenai, all the people that are normally associated with counting using the sonar, the old sonar, and counting the incoming adults are still there. The only thing added is the volume of the data is -- I don't know whether it is orders of magnitude or -- in any case, it's a lot more than we had been conducting -- collecting prior to getting this new equipment. So, the additional effort is for analyzing a lot more information.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: But it is still \$700,000, so it is more than just analyzing some new information. Is the transect then a contract, cause it says in here in '93 you're going to do some type of hydroacoustic transect at the Anchor Point line. Is that what a lot of this is -- a contract for that, or -- I'm asking how you get up to \$732,000 for more information for a sonar counter you've already purchased.

DR. MONTAGUE: Okay. We're talking about project '15.

MR. PENNOYER: That's correct.

DR. MONTAGUE: Okay, well the sonar information was only part of it. You know, I couldn't say exactly how much more of the sonar counting is being taken over by this project in terms of costs, but it also had a very large costly component where the increased number of test fisheries and the attempted application of these three methods of separating the stocks and -- Dr. Seeb, is there anything you could add to this to further explain exactly what '15 is doing and what the roles of project '12 and '15 are?

DR. SEEB: I'm responsible for project '12 and I am not sure I understand the question. Project '12 depends on '15 for the collection of field samples for laboratory analysis. Maybe you could restate the question for me.

DR. MONTAGUE: I wondered if there was anymore you could add to what's going on on project '15 that would explain the cost. If you don't, I -- don't need to go on right now.

MR. COLE: I have a question -- maybe I can come up with. What is the Department of Fish & Game's -- excuse me you may want to stay there -- is doing on the Kenai River other than these three projects? Do you understand what I mean? Other than these three projects '2 and '12 and '15, as part of the normal agency function of the Department of Fish & Game, is it doing anything down there in the Kenai River, or is this the only projects it has on the Kenai River, these -- this '93 studies?

DR. SEEB: Charlie, I am the wrong person to answer that, I am a lab scientist. There's -- I have visited the Kenai a few times in the past twelve months and there are the standard Fish & Game staff assigned to the river, there are many additional new people that are operating boats and sonar equipment and collecting genetic samples for me, so it's -- I think a large scale effort involving a lot of new people to get new data to better manage the river.

MR. SONAR: Mr. Pennoyer.

MR. PENNOYER: I guess Jerome -- what I was pointing out in project '15 was there is a charted \$71,000 personnel cost and that's not just new data obviously, processing data to sonar -- are those mostly people in test fishing boats that are collecting samples in the fishery for genetic stock identification, or are those stream surveyors or --

DR. MONTAGUE: I wouldn't say it was mostly involved making all the test fishing. You know, in terms of staff time for the size of the project, you know that's approximately three full

time equivalence -- you know, 250,000. Is that the cost you indicated for the personnel was \$200,00.

MR. PENNOYER: \$271,000.

DR. MONTAGUE: \$271,000. I need to look at the detailed budget.

MR. PENNOYER: Okay.

MR. SANDOR: Mr. Rosier, did you have a comment?

MR. ROSIER: No I don't believe so, not at this point.

MR. COLE: Could I get an answer to my question? What precisely of these three projects is the Department of Fish & Game plan on doing in the Kenai River or lake this summer. Here's what I am getting at.

DR. MONTAGUE: I understand. I know we certainly have sport fishing components for doing creel (ph) surveys and so on from that. We have the regular management meetings where people are pulled together and various local boards are -- provide their input into the decisions and sharing of the data with those groups to arrive at the department's management actions. Carl, I -- are you aware of other things that go on there?

MR. ROSIER: As I understand this at the present time will continue. We are currently operating a sonar counting station there. That sonar counting station will continue to be operated under state general fund dollars. We also have the test fish operations in the Inlet itself which we are enumerating the fish coming in. As I understand it, the difference here now is instead of the nets we are talking about an acoustical technique, but we

would continue to use the nets as a comparison to the acoustical technique in the Inlet. This is looking at fish coming into the general area. So, this is -- in addition to this, I mean, there is also the normal management costs that go with the fishery in Cook Inlet, a major part of which, in fact, is associated with the Kenai River. So, it's not as if we're not spending a lot of dollars. We have a sizeable staff down there, and we are talking about expansions in most of the programs here and looking at new technology or improvement of the technology that we've got. We hope that it is an improvement of the technology that we've got, certainly in that system, in preparation for '94 and '95.

MR. PENNOYER: Well, one more question on this, on '15 -- '15 does under your offshore assessment program -- say purchase of offshore hydroacoustic equipment will be necessary in order to meet these goals. So, based on last summer and this summer's, I guess contractual hydroacoustic survey you're going to want to purchase hydroacoustic equipment next year out of this program?

DR. MONTAGUE: Well the hydroacoustic equipment we purchased in '92 was for the Kenai River, it wasn't for the vessel based --

MR. PENNOYER: I understand, but this says for the offshore you will want to purchase hydroacoustic equipment, so that would be a future expenditure. This summer you're doing the research to see which type of hydroacoustic equipment and then you come back and ask to purchase the unit?

DR. MONTAGUE: Mr. Chairman, I believe that this project

in '93 would purchase the equipment.

MR. PENNOYER: That's part of this expenditure that you listed here?

DR. MONTAGUE: Yes.

MR. McVEE: While we're talking about '02, '12 and '15, I guess all at the same time here, if -- I guess - except that there is a relationship between the red salmon population and the Kenai River and then -- it appears to me at least then '12 and '15 will expand the identification, data gathering to look at the whole upper Cook Inlet fishery -- gather data for the management of the upper Cook Inlet fishery which expands it far beyond the concept of damage to the Kenai River. What I read about the upper Cook Inlet fishery, doesn't have that linkage to the oil spill. It seems to me like that would more of a ongoing program, the department to handle that part of it.

MR. SANDOR: Mr. Rosier.

MR. ROSIER: Yes, thank you Mr. Chairman. I think at this point, we are talking about developing the information to, in fact, manage for the Kenai River itself. All of Cook Inlet is ultimately part of this, but the focus of the program is, of course, is on collecting the information, having the technology in place to, in fact, manage for the Kenai River because that was one of the (indiscernible) impacted.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I don't think you can separate management of the Kenai from management of other stocks in

the Cook Inlet -- currently -- so I think this project is set out to try and do that because if you have a body of sockeye out there it's difficult not to fish on them just because they might be Kenai in there. You want to be able to segregate your harvest rate appropriately to the stock as they enter the Inlet. So you need stock separation, you need some estimate of the abundance of the various stocks, and, of course, some estimate of what your escapement strategy is going to be. I guess next year if we got a good return back, you just take the sonar counter equipment, count yourself fortunate, and regret it all -- that it's not being affected. I don't think we have a final evaluation of the effect of the spill on the stock and probably won't have until we have some returns and then we still may not know the effect of the spill versus the effect of the overescapements that occurred prior to that. Whether it's the straw that broke the camel's back or not, I don't suppose we will ever know, but if, in fact, the Kenai was damaged by -- indirectly by the spill, I think the basic question Mr. McVee answered is the correct one. Is indirect resource damage going to be something that we want to look at. The second question is whether these programs in total on their expense, relative to the program being carried out by the agency, are the appropriate level. But if you answer the indirect question in the affirmative, and you're not willing to take the risk on having a negative run next year, that when it comes you won't be able to respond to -- and you're probably warranted with doing type of real-time restoration program. But, I have no way of evaluating whether it's

-- the level is the appropriate one or how it interacts with existing programs. That's just something you'll have to ask the agency and go with that. I have no way of separating that.

DR. MONTAGUE: Mr. Chairman, simplistically speaking, minus projects '12 and '15, we have considerable reason to believe that our management strategies would not be sufficient to protect and provide a return to the Kenai. And, so to meet appropriate return to the Kenai, we would have to have a wide scale closures that would very negatively affect stocks that were not injured and by rights should be fished by the sport and commercial entities that use those resources. But without being able to do that, to separate these stocks, we've never had to do that. We never had to manage that specific to the Kenai before. So, there would be negative consequences again to those stocks that weren't injured and the services that weren't injured by what we're going to have to do to protect the Kenai.

MR. SANDOR: Any further comments and questions upon either '02, '012 or '015? Yes, Mr. Pennoyer.

MR. PENNOYER: One last question. As a refresher in terms of damage, you're looking for new smolt equipment, but I presume the smolt equipment you think you have now is good enough to have predicted this damage was going to occur. I don't know what improvements you are going to make here, but can you give me some feeling for how good your estimates are of the damage that occurred, the reduction in smolt migration for example. How good you think that information is, and can you give me an idea of what

the relative magnitude is?

DR. MONTAGUE: Yes, first of all we are not proposing any new smolt equipment here. I think -- in fact in '94 we propose not even using the smolt counts, but the magnitude of the injury is that -- the '89 spill year produced three million smolts. The average survival is on the order of ten to fifteen percent. You know -- you know very unheard of survival would be thirty percent, so thirty percent would be a million fish returning in 1994. Our escapement goals are 400,000 to 700,000. So, say 600,000. That would allow 400,000 fish to be caught and that is assuming unheard of survival. More likely there will be barely the escapement poll somewhere between 400,000 and 700,000 which would allow no sport or commercial fishery. Now the returns from 1990 which was not an overescapement year, produced less than a million smolts, and at best, we probably wouldn't, even minimally, meet the escapement. So we would have -- assuming a thirty percent survival, which again is unheard of, we would only have three or four hundred thousand return which is below the minimal escapements. So what that indicates is that the rearing lakes have experienced a collapse that even returning escapements to the proper level are still going downhill. And, we would not be at all surprised to see a reduction, perhaps into the hundred thousand range following the current decline we're seeing -- in Coghill Lake -- is a good example of when these sockeye systems collapse and they can collapse completely. And, so 1990 is even worse than the previous years and I hope that addresses this.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I apologize, but Dr. Montague, you said you are not planning on doing anymore smolting, but project number 92002 says expanded smolting enumeration proposed for lower Kenai River, increased mark and recovery effort, coded wire tagging of smolts in the Moose River, and a smolt project in the Russian River system. You've expanded your smolting considerably under that project.

DR. MONTAGUE: Okay, I see your point on expansion, but I guess I was interpreting your question as a whole new approach that we hadn't done. The Russian River, we have never looked at so we don't know that it wasn't similarly affected, so the reason for that addition was to see if it affects everything or just Skilak and Kenai Lake. You also asked a question a few minutes ago on the accuracy of them. We believe they're certainly the best we've ever had and even if they were all by fifty percent, which is much higher than any of us suspect, the story is pretty much the same. Exxon was also very concerned with the results of these smolt counts and hired a consulting firm to participate with Fish & Game in those smolt counts. As best as I've understood, they were in agreement with the finding. Although I don't think there is any written determination of that.

MR. COLE: Mr. Chairman. Are you going to do some studies on this project on Kodiak Island too?

DR. MONTAGUE: Project '2.

MR. COLE: Why -- as part of this project are we doing

studies in Kodiak?

DR. MONTAGUE: Because the same thing that happened in the Kenai happened in the Red Lake system.

MR. SANDOR: Any further questions or comments? Is there a motion or action on 93002, 93012 or '15, all or individual? Mr. Barton.

MR. BARTON: Mr. Chairman. This discussion has been very enlightening. But, I note that the Restoration Team and the chief scientist and the Public Advisory Group, each recommend all three of these projects, albeit the Public Advisory Group thinks the budget may need be looked at. I move that we adopt or approve all three of these projects '2, '12 and '15.

MR. PENNOYER: Second.

MR. SANDOR: It was moved by Barton and seconded by Pennoyer that Project '2, '12, '15 be adopted. Any discussion?

MR. COLE: I have a comment.

MR. SANDOR: Mr. Cole.

MR. COLE: I would like to say in response to Mr. Barton's comment that the action of the Restoration Team, the Public Advisory team, if he so intended, but it's not determinative for me. I think we're required to exercise independent judgment and I -- you know, that's what I intend to do with respect to all of these and to ask hard questions if I am not satisfied with the presentation.

MR. BARTON: Mr. Chairman.

MR. SANDOR: Yes.

MR. BARTON: It was not my intent to not exercise independent judgment, but I found those considerations were helpful.

MR. SANDOR: Thank you. With respect to the budget concerns -- the motion does not address that, and are there any suggestions on the part of the agency that that's to be dealt with in some way?

DR. MONTAGUE: Mr. Chairman. We realize the budgets are very big for all of those three projects. We're making every effort to reach a management precision heretofore unknown in the department and to do it in a period of two years. And, certainly if we were looking at having an answer in a decade it would be a lot slower and probably overall less cost, but to try to have something ready by '94 it is problematic, but I would promise and would get back to the Trustee Council on the results of going back within the agency, taking a hard line with the personnel on those projects and doing everything in our power which is pretty much what we want to do to reduce these.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. I think these are very expensive projects. Now, for a period of four years and three years, they are going to amount to a lot of money. Course, if they don't come up with injury or some of these prove to be dead ends, we presumably wouldn't continue them. However, this is a large complex system, and it is a fairly significant budget item with Fish & Game's budget anyhow -- and I don't have any time to look at

the detail budget in any detail, so perhaps if people wanted to do that, we can request it at the next meeting the Department of Fish & Game come back with a spread on what the detail budget is relative to the budget currently being expended on -- Cook Inlet management research -- and we can better see how those -- and that's not in any way saying that I think there's a problem, its just might set everybody's mind at ease and perhaps lay a better foundation for the '94 budget consideration.

MR. SANDOR: Is there any further comments or questions on the motion on the floor? Yes, Mr. McVee.

MR. McVEE: Yes, I still have some problem with the relationships related to oil spill. Recognizing that the overescapement was a result of a decision that was made. Maybe, you know, we learned something there that there was, well maybe other alternatives than this potential exist, or is about to occur, other ways of handling the overescapement problem -- is in fact as we go through -- you know, you find out more information -- that it is determined -- that that is a fact. I guess, we saw -- time critical, we felt '02 and '15 were time critical, that '12 was not time critical, it was not something that couldn't be postponed until after restoration plans. Those are my comments at this point.

MR. PENNOYER: Maybe we should take them one at a time.

MR. SANDOR: Yes, your comments suggested that you would prefer taking them one at a time.

MR. McVEE: Yes.

MR. SANDOR: Would Mr. Barton agree to taking these projects one at a time and the second Mr. Pennoyer?

MR. BARTON: I would agree, let's just take them (indiscernible - laughing).

MR. SANDOR: Then project 93002, is there is no further discussion on project 93002, is there any objection to project 93002?

MR. COLE: I object.

MR. SANDOR: Okay. On project 92012, which is stock identification of the Kenai River sockeye salmon, and is there any objection to that project?

MR. McVEE: I objection.

MR. PENNOYER: Mr. Chairman, before you go any farther with this, can I inquire as to the nature of the objection in terms of whether it's the size of the budget or the indirect effects that we are deciding upon is appropriate or consider that -- that could lead us down to some of these further projects and the direction we want to go. Is it the indirect affect of all -- to these people, is its cost, is it what's proposed?

MR. COLE: You mean people, you mean me?

MR. PENNOYER: Well, no, Mr. McVee objected to '12 too, so before I raise this -- (indiscernible - simultaneous talking) we need to talk about.... we need to start with '02.

MR. SANDOR: Let's start with '02. Mr. Cole do have thoughts on it.

MR. COLE: I have a comment. Well, I guess I'm inclined

to defer to the professionals in the area, in the subject matter area that is under consideration, but I have concern about the cost, and I have concern about where the resolution of the problem is going to be, and it's not clear to me that spending this money is going to resolve the problem, and I guess that's troubling. It's not troubling enough to maybe vote against the project, because I don't know that much about it, so I'm inclined to go with the agency that's specializing in it. So those are the two questions -- fundamentally two insofar as overescapement, we do know that there was overescapement before the Exxon Valdez and while the Exxon Valdez may have been the straw that broke the camel's back and that's not the sole cause. So -- this is not a flashing green light, so -- that's why I asked the question of Dr. Montague, so are they going to look at costs and then come back and try to do something on that. That's a reservation I had.

DR. MONTAGUE: Mr. Chairman. Can I offer one short thought. This was a thorny issue in the '92 work plan and was brought up as a policy issue requiring Trustee Council decision on these same grounds of whether the secondary effect was legitimate for Trustee Council attention. And, in fact, that decision was that it was, and projects '2, '12 and '15 were indeed approved in 1992 by all six of the council members. I guess I am wondering about policy decisions being not held to.

MR. SANDOR: The question -- is not of being held to, is it being -- you know, are you going to be doing this in '94, '95, '96 and -- is there light at the end of the tunnel? And

again, I said I would prefer to defer to the specialist, but bear in mind that there was some concern of the Public Advisory Group as well -- some individuals who are knowledgeable in this area. Mr. Cole.

MR. COLE: First, your remarks replicate mine, number one, and you chose to vote in favor of it. I had the same view, and I chose to vote no, harboring those same thoughts. But, in addition to that, when we went through this in '92 as I recall, there was caution, reservation, hesitation then. You know, we sort of crept out way through this as I recall at that time. And, my vote is consistent here today with what I generally think we should be doing and that is getting on with restoration, and I think the time for study has got to e over at some time and I, just let me add one little note, that the cost -- you know, when we -- you know, we have troubles getting over the shoals and these projects in '92, then we come back and here's this big project -- you know, laid before us again and, you know, I would say you could give us a little help maybe in keeping the cost down, because I think all of us -- at least many of us, have a sense this is -- you know, maybe its a gut-edged project down there, and there is concern galore in these public comments here about this agency, you know, feathering their economic nests. You see it time and time and time again. And so, I -- just sort of get to the point where -- you know, I just drop off the other side. And if we could see what we are doing down there, I think it is a very important fishery. A lot of people use it. I think we ought to restore it, we ought to give it

all the help we can, but we ought to get on with the restoration, and we ought to do it in an economic fashion. That's what's troubling me, and that's why I voted the way I did.

DR. MONTAGUE: Mr. Chairman. Again, just wanted to reiterate that '12 and '15 are getting on with the restoration. But back on number '2, I guess the way we view it is that this fishery could remain collapsed throughout, you know, a decade. We will assume that we will have gotten on with the restoration, money could be spent and this most injured resource remains unrestored. And then, until we know how to restore it, we can't, so which would be the most unwise decision. Have your money spend and not have this most injured resource restored?

MR. SANDOR: Mr. Rice, do you have a comment?

MR. RICE: Mr. Chairman, there's been a great deal of concern expressed both by the public and the Trustee Council on the cost of projects. And, while the Restoration Team had very brief project proposals to deal with, we had a detailed budget which didn't really give us as good a feel for whether the project was within bounds or not. But, what the restoration team is planning to do is, once the Trustee Council approves the project to go forward, is request a very detailed study plan which will be going for peer review and with the Restoration Team review and the peer review of this detailed study -- we feel that we will have a much better handle on the requested budget.

MR. SANDOR: Ms. Bergmann.

MS. BERGMANN: Yes, Mr. Chairman. I would like the chief

scientist to comment on -- Jerome's statements that he has made several times about the salmon -- the red salmon being the most injured resource that we are dealing with here.

MR. COLE: Before we do that, let me respond to Mr. Rice.... I mean, how come we don't have that data now. We're called upon to act on these things and make decisions on these projects. And now you say, well we really not -- don't know if that's the cost data and the Restoration Team says well, we're not sure but that's what it will cost and its an economically reasonable budget request. I mean, now it's a little late for starting to look at that. It's very disturbing to me. Very, I am having -- frankly trouble with keeping my composure.

DR. MONTAGUE: Mr. Chairman.

MR. SANDOR: Dr. Montague.

DR. MONTAGUE: I think the point Ken was trying to make was that there were already in place opportunities and real opportunities for reducing costs, and that the primary way in which that would be done is that, you know, as we talked about in one of the projects earlier is that some of the findings just coming in now indicate that maybe some aspects won't be necessary in '93. So, that type of information would be used to alter projects. And further, the full-scale peer review of each and every project is done during a detailed project description stage. And, we deemed and still deem that that would be improper to have wide-scale paid peer review of these various projects and review over their costs for very specific reductions until the Trustee Council had approved

which ones went ahead because -- you know, it's probably -- perhaps Bob can correct me, but \$100,000 to \$200,000 cost for the peer review contract to review all of these detailed project descriptions.

DR. SPIES: I just might comment that the peer review process does not -- cannot help you with your problem of trying to compare what might be normally agency management function with proposed extra costs associated with the injury -- this information is not provided in the budget -- in the detailed budget. The reviewers have no way of making those -- in the past to make those (indiscernible - out of range of microphone).

MR. COLE: Mr. Chairman. Let's keep on this because this is fundamental. Are these numbers sort of outside numbers? Or is that what we're saying -- you're giving us a proposed budget that's the maximum numbers that we're dealing with?

DR. MONTAGUE: Mr. Chairman. I think there are very reasonable estimates, I would not categorize them as being maximum estimates.

DR. SEEB: Mr. Cole. I can address project '12, and I think my comments are probably accurate for '2 and '15 as well. These are ongoing projects, and we submit to the RT detailed budgets, including the costs of very small items down to paper clips. So, these aren't new projects with new budgets attached to them. They were submitted last year as four year plans -- number '12 was -- and, we have done budgets and redone budgets numerous times for the RT detailing personnel, contracts, very specifically.

DR. GIBBONS: Mr. Chair.

MR. SANDOR: Yes.

DR. GIBBONS: I guess my point of view here -- that these would be maximum budgets. I would not expect to see numbers come in that were greater than these when the detailed study plan is compared.

MR. SANDOR: They are then the outside?

DR. MONTAGUE: Mr. Chairman. Do you want to address that remark?

MR. BRODERSEN: I was going to refer to them as a cap, would be my thinking on them. If I may, Mr. Chairman, I'd like to address a little bit more as to the general discussion here. We've developed this in a fairly short time period, trying to shift from oil year to federal fiscal year, which I am sure we're all happy about doing, but it has meant a time crunch. So, there hasn't been all the time that we might have liked to have asked every single hard question that you all are asking. We've asked most of these questions ourselves. Along that same line, the detailed study plans are time-consumptive and staff-consumptive and we would prefer not to develop those for projects that Council does not approve, at least in concept. And so, what's been done is this three-pager has been developed, what is believed to be an accurate budget has been developed, that our intent, as Mr. Rice was saying, was to go back after you had approved the project in concept, get a detailed budget for peer review, look even closer at the -- see if detailed -- detailed project, and then a detailed budget also,

and then look at those much closer for the ones you would actually approve, so that we weren't expending settlement funds on projects for this detailed review that you would not approve in concept. And, I've always looked upon these numbers that you would be approving here as a cap, unless we've made some egregious blunder, in which case we would have to come back to and say we needed another \$100 or something like that.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, just -- again to try and get at this, because I think an awful lot of this is around -- centers around -- if you get by the indirect concept, and we did last year although we all had a little doubt (indiscernible - simultaneous talking). We had questions. Once you get past that, then I think you're talking about whether these are the appropriate projects, the approximate mix and the appropriate cost. These projects hit the question of management of Cook Inlet on a number of different levels. There's things like smolting in the Russian River, there is a level that you might or might not have to do. It might help you understand the system, but then again it might not. It might take you a lot of years to do it. Test fishing in Cook Inlet may or may not pay off, it would be nice to have. Stock separation could, and it's probably pretty much of an adamant need. Improved escapement counting on the Kenai, you said before was adequate. Probably was, now it is better, but I'm not sure how much more you have to do. Smolting in the Kenai River -- I'm not sure how much more you've got to do with that. So, it certainly might come down

here to a decision as to whether you think within these three projects there's some type of priority. If you've got two and a half million dollars, is all that an absolute necessity to make this system interact? And, if you can't design a Cadillac, is a GMC going to be better than what you've got now? I've seen no prioritization as to whether some of these are adamantly needed. Tagging -- coded wire tagging of smolts in Moose Creek -- I don't know what it costs, maybe its \$40,000 for a team to go out there and seine or whatever you're going to do to put a trap in, but is that a real necessity? What -- how much of this do you have to have?

DR. MONTAGUE: You've indicated a few areas that -- offered some questions -- you know, what the Russian River -- is one major aspect of the sport fishery on the Kenai, and it could be dropped, it could be dropped. But, concern during some of the previous Restoration Team meetings raised just that question -- you know, the rest of the Kenai is affected, but what about the Russian River and its system, and based on those responses we've put this aspect of the project in there. But, not as critical, I would say it is not as critical because the....

MR. McVEE: Mr. Chairman.

MR. SANDOR: Mr. McVee.

MR. McVEE: I was convinced that through the discussions that '02 -- that we still wee attempting to identify whether we had an overescapement problem, and assuming I got by the linkage to oil spill, that seemed legitimate that we need to find

out if we have a problem. It seems like that we have to establish that fact before we proceed with the aspects of '12 and '15. So, we go on into management data and the management process, but if we don't have a problem of overescapement, then those projects are unnecessary. I think we need to establish that first.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Sir -- are you saying that you've got to do '002 to decide if you had a problem. I thought '002 was to do -- a chronology to describe better in the system the type of management you should have in terms of escapement patters and that sort of thing. Isn't your problem going to be your adult return and the continued smolting and so forth. Is all that knowledge necessary to decide you have a problem. Maybe you better explain to us what the problem is.

MR. MONTAGUE: Mr. Chairman. What we might term to injury assessment aspect of project '2, isn't to try to decide whether there was an overescapement problem, but the fact that the great numbers of young fish resulting from '89 precipitated this downward slide, we're comfortable with. What we don't know is what is the limiting factor that is preventing recovery, and that's the key question that's being asked by our project. So, if you know it was an overescapement causing this, how can you restore it. You can't do that until you see what is the factor that's limiting that restoring. Why haven't they bounced back? I mean 1990 was very adequate escapement, by no means an overescapement, that resulted even poor survival than the previous year, so that's the limiting

factor we need to determine.

MR. McVEE: Maybe a follow up question. How does the factor of say, you know in terms of smolt survival, how is the factor of water temperature enter the picture? You know, seasonal water temperature on a given year where it might be colder or warmer than it normally is. Is that kind of one of the things that we -- one of the factors to identify or to find out if it influences survival?

DR. MONTAGUE: Mr. Chairman on that -- I'm sure you're referring to other parameters than just temperature, but indeed, temperature and cloud cover do affect smolt survival and production. Never before indicated elsewhere as being that variable from year to year to cause the kind of declines that we've seen. The resource to date, has more indicated -- a problem that zooplankton are being for the young fish to survive on, but they're not being able to get them for a couple of reasons. One, zooplankton appear to be, as I've mentioned in previous meetings, able to get their food supply at the surface during a very short period of time. Because the overescapement ate so many of the zooplankton that the phytoplankton are extremely abundant, so the remaining zooplankton don't spend much time at the surface where the sockeyes can feed upon them. And, proving that right now, that's just a hypothesis, and proving that would be key in restoring the species.

Another area that we would be looking at is that there's a time when the zooplankton are full of eggs, and the availability

during that very short time period, we believe, is the most important factor in determining fry survival. So, if it's not simply escaping the fish, then we thin it's escaping it during that critical period when the eggs are there, so those are the two areas where we expect to find our answers at this time.

MR. SANDOR: Yes, Mr. Cole.

MR. COLE: Sort of a point -- when did we start working on the '93 work plan?

MR. SANDOR: I can't answer that question -- can anyone on the Restoration Team? Dr. Gibbons?

DR. GIBBONS: I think we solicited public comments in the spring of '92.

DR. MONTAGUE: May 1st of 1992.

MR. COLE: Secondly -- what's sort of troubling me a little bit is when we're working with these numbers, we find out now for the first time this is not necessary -- not necessarily, and I chose those words carefully, what the project will cost, but a cap on what the projects are, and I'd much greater comfort level if we were dealing with what we thought was a reasonable accurate estimate of what these projects will cost. It could be a fifty percent factor or greater, thirty, fifty percent -- it's a little troubling. You know, at this point one just says, I give up.

MR. SANDOR: Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. Well, I understand Mr. Cole's frustrating there on that, I don't think that -- the projects that we've conducted to date that there's been a

fifty percent error in the estimates that were in fact put forth. I think that we build into our, if I'm not mistaken -- I think our financial operations or operating procedures for financing and so forth, I think we built in some room for slack, but on either side then how we would handle that, but -- you know, I think it is unfair to, in fact, characterize this as nothing more than a cap. It seems to me that there was a fair -- fairly substantial amount of time both within the department, as well as within the Restoration Team that took a look-see at the numbers -- I question whether it's just a figure that someone pulled out of the air here.

MR. COLE: Mr. Chairman. I think when these numbers come to us it should be sort of peer reviewed, and looked after so we're comfortable with what this is going to cost and what it is. I think that if we started this project in the spring, by January of nearly a year later that it is not unreasonable to ask that we should have that sort of information. I realize that there is the possible overlap, you might be doing some of this refined work on things we might not approve, but it seems to me that's worth it, given the assurance level that we would have in making these decisions.

MR. SANDOR: Dr. Spies.

DR. SPIES: Could I return briefly to some of the comments that Mr. Pennoyer made.

MR. SANDOR: Maybe you ought to get closer to the mike.

DR. SPIES: Mr. Pennoyer expressed some concern about whether all the different parts of this study were really needed,

whether in fact we're getting a Cadillac where maybe a Ford or Oldsmobile might do the job. And, the Restoration Team has asked me to organize a work shop of peer reviewers and principal investigators on the red salmon projects in total because there's been a concern expressed by some of the peer reviewers about the whole package of projects, and they would like to sit down and look at the whole package of sockeye salmon projects as a whole because last year, in preparation for the '93 work plan, because of the tight deadlines, there hasn't been this really intense review of all these. And, if it might help your level of comfort to know that that review would be taking place, hopefully in March -- a meeting in Vancouver that happens to be a salmon workshop for other -- sockeyes for other purposes that we can, I think we can pretty inexpensively get reviewers and other people from British Columbia and so forth, that have had experience of these overescapements in other systems together at that time and review the scope of the red salmon projects.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: Will you refer these escapement problems then, at that time, subject to the recommendations of the peer review, or could we approve them subject to peer reviewers. I think we are all a little troubled in this area, at least I am.

MR. PENNOYER: It seems we might be able to do that. The latter, but not the former. If you don't take some action now, I presume that we've stopped and people are going to go by the

wayside before you get this March review done. And, is your review -- Mr. Chairman, is your review going to consider priorities for funding or just the science of the relative pieces -- you've got six pieces here and they're all good science -- doesn't mean that we would judge -- that you would need to do all six of them.

DR. SPIES: I think you could make some judgments as to what parts you want more than others from the standpoint of recovery and restoration. Whether they could do -- I don't think -- I think it beyond the scope of the effort to evaluate budgets, for instance.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Yes.

DR. SPIES: I don't have a magic answer, but I am just offering this as additional information.

MR. SANDOR: Mr. McVee.

MR. McVEE: It alluded to, I guess, the trying to do or trying to plan the new comprehensive work by species or by service like we have for habitat, and I guess that this is very encouraging action, and I would hope that out of this, as well as by us, part of it could be taken and develop an overall component of the restoration plan that would be useful in setting priorities and evaluating where we do have the most serious problems and should take action.

MR. SANDOR: Yes, Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. I guess, I guess I'm afraid if we don't do something, we may find ourselves with a collapsed

stock and -- could not have the tools to restore it or manage it appropriately, which I think is form of restoration. However, I still remain concerned that we understand the priorities for work within this package -- restoration, or, that in fact, we understand that the amounts budgeted are appropriate given the normal budget for work in Cook Inlet. And, I suggest -- I would again move that we approve these three packages contingent on both the review that will be carried out by the PR's in terms of the science and priorities for restoration of these, and review at a future meeting of the detailed budget, comparing it to the normal management research budget functions in Cook Inlet, and it should give us that level of comfort, and doing both of those, I think I would be satisfied with going ahead with this, although it certainly wouldn't be for four or five year guaranty, it would be one year at a time.

MR. SANDOR: Moved, and seconded by Baton. Is there discussion on the motion....

MR. BARTON: Yes, Mr. Chairman, thank you -- always operating on the assumption that any of the projects we approve are subject to the peer review process, just as we have done for the last three years is that so -- I think that's a redundant part of the motion that I just seconded, but I don't object to the inclusion of it.

MR. PENNOYER: Mr. Chairman, I think it's specific, however, in that review requiring that it occur this spring and report back to us prior to the full implementation of the project

or buying major equipment or something like that.

MR. SANDOR: Any further discussion. Mr. McVee.

MR. McVEE: Do I understand that motion then is that if it were approved, we would move forward to draw funds from the court for these three projects, but prior to the time that these funds would be expended, the three projects would come back before the Trustee Council to -- we would review the detailed budget.

MR. PENNOYER: Mr. Chairman, that wasn't completely my motion because by the time they come back after this peer review, I assume we are going to be done with our fiscal year and we'll have people without salaries and other things (indiscernible - cough). My request would be that we not have major contractual or equipment expenditures before it comes back from that review. But, understanding that some float is going to have to continue. Otherwise, they are just going to grind to a halt and disrupt the whole process.

MR. SANDOR: Mr. Barton.

MR. BARTON: Mr. Chairman. I don't know that it's necessary for them to come to us unless there's major differences as a result of that review.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: I would like to see it affirmatively come back to us -- the work product of the peer reviewers, number one. Secondly, I would like the assurance from Commissioner Rosier that they will make only the minimum commitment required to preserve

these projects until we receive the peer review, and with that I would be prepared to vote in favor of this motion.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I don't have any....

MR. SANDOR: Mr. Rosier, agreed?

MR. ROSIER: Mr. Chairman. As I understood the motion, there's two parts to it. One is peer review, and I believe that Dr. Spies, if I am not mistaken, indicated that the budget issue was beyond the peer review group on this. But, that as I understood the motion from Mr. Pennoyer, you were talking about two things. One is peer review, the other was the budget review also. Is that correct?

MR. PENNOYER: That's correct.

MR. ROSIER: And then preceding that would be the assurances from myself that expenditures would be only those projects -- only those expenditures that were essential to maintenance of the project until after that review, and from my perspective you've got that assurance.

MR. SANDOR: So then, on the table then is the motion to approve projects 93002, '012 and '15, with the understanding that expenditures would go far on -- as necessary, but following the meeting in Vancouver and British Columbia, that this would come back to the Trustees for review. Is that the correct motion on the table?

MR. ROSIER: I believe that is, that is the way I understand it.

MR. SANDOR: Any further discussion?

MR. PENNOYER: Coupled with budget review as well as peer review?

MR. SANDOR: Yes. Any further discussions? Mr. Rosier.

MR. ROSIER: Mr. Chairman. On this, I think that certainly as far as the budget review is concerned, we would try to -- we're not talking about something simultaneous here, I hope. We would hope to have the budget review here probably at the next meeting of the Trustee Council on this. I'm not sure what the timing of various segments are here on this, and when I give you the assurance that -- it will be a maintenance thing. Are we talking about a maintenance thing until afterwards -- after the peer review on this, because I sense that the peer review is going to come substantially later? And, I don't know what effect that's going to have on what -- on the implementation of the project and how we spend the dollars. We'll try to hold it to a minimum as I've indicated and not -- we can have the -- as I say we can have the budget review ready to go, you know, when we meet February 16.

MR. SANDOR: Any further discussions on this motion? All those in favor signify by saying aye.

ALL TRUSTEES: Aye.

MR. SANDOR: Opposed? The motion is passed with these qualifications and conditions. It is now 4:10 which is passed the public comment period and....

MR. PENNOYER: We only have thirty-five projects to go

that we deferred. I've got to leave by Friday. (Laughter)

MR. SANDOR: I need a point of clarification. It was not the intent of this public comment period to be on the projects because those comments -- what is the exact scope of the public comment period -- what groups are on line -- do we need five minutes to get started, get this thing sequenced or what. What is the -- what was the advertised intent of the comment period, when it is to begin, when is it to conclude and what set up do we need to begin this process?

DR. GIBBONS: Excuse me, Mr. Chair, I believe I can speak to that. Normally, I would not schedule a public comment period on a continuation meeting that -- where public had comments to the previous meeting. But, I have received over 125 comments since you last meeting on various projects, I've got them all collated here, I've got another twenty-five in my in basket here just -- and so, I just thought there was so much public interest that we needed to have a public comment period. So I'm the one that scheduled it. It's scheduled from 4:00 to 5:30.

MR. SANDOR: Then, all of the communities listed are on line. Shall we adjourn for five minutes to get....

MR. PENNOYER: Mr. Chairman, when are you going to announce the ground rules....

MR. SANDOR: I guess that's what I am really interested in knowing because we need to let them know as well as the public that is here what it is that they're going to be commenting on. We've advertised a public comment period as we opened the session.

we need to have some ground rules.

DR. GIBBONS: It was just really advertised as a public comment period. It's really up to the Trustee Council if they want to open it up for everything or limit it to comments on the '93 package or....

MR. PENNOYER: Mr. Chairman. I guess -- I know you've received some more comments, but we've had lots of comments on the '93 package. I say we start this by talking about (indiscernible). I'm not sure what you're opening it up to, but I would certainly like you to restrict it in such a way we can get on with our business and not simply cover the same ground again.

MR. SANDOR: Is there an agreement on that? Okay, let's adjourn for seven minutes, until 4:20.

MR. BARTON: Mr. Chairman.

MR. SANDOR: Yes.

MR. BARTON: Before we adjourn, what -- a little reality check here, when are we going to deal with the rest of these deferred projects?

MR. SANDOR: My suggestion is that, and I hope the Trustees would agree, to return following dinner this evening and work for several hours, at least, and commence at 8:00 in the morning and work as long as its necessary to complete this activity. I will have a substitute coming in at 10:30, but -- who will function as effectively as I. (Indiscernible - cough) the better. Anyway, I do -- would like to come back tonight. Is that in agreement?

MR. BARTON: I don't see any alternative.

MR. SANDOR: Okay, let's adjourn until.

MR. COLE: Mr. Chairman, what time are we coming back tonight?

MR. BARTON: 7:00 o'clock?

MR. COLE: At seven?

MR. BARTON: Well, what's the time we're going to adjourn here, 5:30 is what it says....

MR. SANDOR: We'll come back at 7:00. And then begin the public comment period at 4:23.

(Off record: 4:15 p.m.)

(On record: 4:26 p.m.)

MR. SANDOR: We welcome those who are on line and can the operator identify what stations are on line?

OPERATOR: This is the bridge operator, and we do have Kodiak, Mr. Thoma in Juneau, we have Valdez, Mr. Williams in Whittier and Cordova on line.

MR. SANDOR: Thank you. This is a continuation of the Trustee Council meeting -- last month -- last meeting and as such, this public comment period is not intended to reopen the comments on our project proposals for 1993, but we did want to provide an opportunity for comments either on the process and focus strictly on the activity that the Trustee Council is conducting today. Dr. Gibbons, can you briefly summarize what we've done so far as today's meeting.

MR. GIBBONS: Yes, thank you, Mr. Chairman. The first

topic covered by the Trustee Council this morning was the habitat protection and they moved to approve, one, to accept the Restoration Team's recommendation which is set "B" with item "9C" of the threshold criteria on an interim basis until a restoration plan has been approved. They also moved to reword set "B", item no. 3 of the threshold criteria to read from "The Seller acknowledges that the government can only purchase the parcel or property rights at fair market value." They approved the rewording of that criteria to read, "The Seller acknowledges that the government can only purchase the parcel or property rights at fair market value." They approved the rewording of that criteria to read, "The Seller acknowledges that the government can only purchase the parcel or property rights, not in excess of fair market value."

They next moved to approve the adoption of the interim evaluation and ranking criteria recommended by the Restoration Team. And lastly, they approved the following -- approved the following concerning Kachemak Bay. I'll read this -- "We request that the Attorney General of the State of Alaska and the Assistant Attorney General of the Environmental and Natural Resource Division of the United States Department of Justice to petition the United States District Court, for the District of Alaska, for withdrawal of sum of \$7,500,000 from the Exxon Valdez oil spill settlement account established in the court registry investment system as the result of the government's settlement with the Exxon Companies. These funds shall be paid into the Alyeska settlement fund

established by the state of Alaska as required in the Alyeska settlement agreement, and together with the interest thereon, used to purchase fee simple title to the park in-holdings. Title to the land shall be granted to the state of Alaska for inclusion of the lands in the Kachemak Bay State Park. The use of these funds is conditioned as follows: One, the purchase must be completed by December 31, 1993. Two, the total purchase price may not exceed \$22,000,000, and three, the park in-holdings must be purchased in fee simple title, including all timber and all subsurface rights. If any of these conditions is not met, the funds shall be returned together with the accrued interest to the Exxon settlement account."

The next agenda item covered by the Trustee Council was the 1993 work plan. The Trustee Council has approved the following projects of the 1993 work plan. They approved 93002 and 93012 and 93015, all sockeye projects on the Kenai River, with the following stipulations. The approval is contingent upon a sockeye synthesis meeting with peer reviewers in March and that the Alaska Department of Fish & Game bring back to the Trustee Council a review of the detailed budgets associated with these projects at the next Trustee Council meeting. Until that time, only minimum, essential commitments shall be expended on the projects.

They adopted project 93003, which is the pink salmon egg to pre-emergent fry survival in Prince William Sound. They adopted 93035, potential impacts of oiled mussel beds on higher organisms. They approved project 93036, recovery monitoring and restoration

of

intertidal oiled mussel beds in Prince William Sound and the Gulf of Alaska. They adopted project 93038, the shoreline assessment project. They adopted project 93039, the Herring Bay experimental and monitoring studies. They adopted project 93041, the comprehensive restoration monitoring program, phase 1, monitoring plan development. They approved project 93042, recovery monitoring of Prince William Sound killer whales. They approved project 93045, surveys to monitor marine bird and sea otter populations. They approved project 93046, habitat use, behavior and monitoring of harbor seals in Prince William Sound. They approved project 93047, subtidal monitoring. They approved project 94053, hydrocarbon data analysis, interpretation and data base maintenance. They approved project 93057, damage assessment, GIS. Project 93059 was previously approved. Project 93060 was previously approved also by the Trustee Council. They approved project 93062, restoration GIS. They approved project 93063, survey and evaluation of in-stream habitat and stock restoration techniques. And finally they approved project 93064, habitat protection fund.

MR. SANDOR: Dr. Gibbons, is that 93064 habitat protection fund approved twenty million dollars minus seven and a half already approved for Kachemak Bay in-holdings. Yes, Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. It should also be stated that we have not acted on any other projects yet, those are deferred for action. It's not that they have not been approved

yet, they were deferred for further discussions.

DR. GIBBONS: Yes, the other projects have been deferred. The Trustee Council is going to take public comments now until 5:30. They're going to adjourn for dinner and re-adjourn -- re-meet- reconvene at 7:00 p.m. tonight, and they're scheduling to reconvene at 8:00 a.m. tomorrow morning...

MR. SANDOR: So this is a continuation of a public comment period that we -- had at the last meeting. Because we have limited time we would hope that those on line as well as those here would limit their comments to the issues at hand. We will go through Cordova, Juneau, Kodiak, Valdez, Whittier, and then at Anchorage. Beginning with Cordova, identify yourself please, indicate how many people there are to testify at each of these locations. Also indicate your name and affiliation. Beginning with Cordova, is there anyone to testify, how many, and would the first person state their name and affiliation.

MARY MCBURNEY (Teleconference): This is Mary McBurney representing Cordova District Fishermen United. I am the only person present at the moment. I, the reception on this end is not very good, and I wasn't real clear on whether you were taking testimony on some of those projects that might have been deferred for consideration.

MR. SANDOR: No, I'm sorry. The -- no projects are still ahead. The ones that were acted upon were approved and we're now considering all of the remaining projects. We will begin that again at 7:00 and continue that at 8:00 in the morning. We have

more than ample public comment on the projects, and none so far have been acted on. And, would those who testify spell their names so that our transcriber can get the names correctly. Cordova?

MARY McBURNEY: Alright, for the record my name is Mary McBurney, that's M-C-B-U-R-N-E-Y, and I have testified in the past on these projects which will be up for consideration a little bit later on, and I do encourage you to very carefully consider the herring injury project which is before you, as well as the coded wire tagging project for both pink salmon and for other affected species at Prince William Sound. Thank you.

MR. SANDOR: Thank you, Ms. McBurney, and if there is no one else in Cordova, we will move to Juneau. Anyone to testify in Juneau?

MR. THOMA: This is Chip Thoma, T-H-O-M-A, in Juneau. I put my address and everything down on the sheet here and you, of course, have that from before. I would like to comment that I have never heard the sound so bad. There's a big echo going on. You're very, very hard to hear Mr. Sandor, and I, like the person from Cordova, did not really hear the parameters of what you want to do today, but I got that you don't want to discuss projects you just want to discuss process. One recommendation that I have and the request that I have is that we immediately begin audit on some of the administrative costs from the agencies that have been incurred, and I particularly direct you -- the -- Department of Commerce, NOAA, and United States Forest Service. I think that audits on both the administrative procedures and the monies that

have accrued to these agencies and how it's been handles, should be performed. I'd like to see the finance committee start acting on that. I would also like to see some kind of figures on what has been incurred by the Department of Law in negotiating some of these settlements, such as the Preston Thorgrimson contract, and I just think that a whole lot of money has been spent in these areas, some of it has not made it to Alaska, a lot of it has been left in D.C. or left in Seattle, in the case of NOAA. My information tells me that there are some irregularities there. So, as I said, I can't really hear you in Anchorage. I did hear and got the numbers of the projects that you approved today, but that is my recommendation for the process.

MR. SANDOR: Thank you Mr. Thoma, is there anyone else in Juneau wishing to testify? Moving on to Kodiak. How many at Kodiak, if any, and would begin their testimony now.

CONFERENCE OPERATOR: Mr. Chairman, we have Mayor Selby and we also have Rick Knecht, but they are just observing at this time.

MR. SANDOR: Thank you very much. Moving on to Valdez. Would you identify how many people are there and if there is any to testify and, if any, begin that testimony please.

CONFERENCE OPERATOR: We just have one at this time and they just like to observe.

MR. SANDOR: Thank you very much. Is there anyone else that has joined us on line, besides Chenega, Juneau, Kodiak, Valdez or Whittier. We will then take any testimony from Anchorage --

excuse me, Whittier -- I apologize. Is there anyone to testify at Whittier, if so, how many and would you begin please?

CONFERENCE OPERATOR: We've got one of us in attendance here, simply for the purpose of learning more about what's going on.

MR. SANDOR: Thank you very much. That completes then the circuit on line and beginning in Anchorage. And, can we ask that those are here abbreviate their testimony and limit it to the process that we are following and not the restoration plan projects which you have already had ample time to comment on. Would you please identify yourself and begin your testimony.

MR. McKEE: My name is Charles McKee and how you spell the last name is M-C-K-E-E. My ancestors changed it from "V" to "K". (Laughter)

MR. COLE: Are you saying you're related to....

MR. McKEE: Yes, a distant cousin. Very distant cousin. (Laughter)

MR. SANDOR: He is retiring tomorrow, we hope that you'll help him celebrate. Yes, please Mr. McKee, give whatever testimony is relevant to our process underway.

MR. McKEE: I've heard reference made of scientific study of the zooplankton and if that's relevant, I would like to speak to that.

MR. SANDOR: That really is not relevant because it relates to the specific project which we have already received ample public comment and the intent here was just to cover the

process.

MR. McKEE: The process of the evaluation.

MR. SANDOR: The operation of our Trustee Council in reviewing these projects.

MR. McKEE: Well then, I'd have to refer to this "Powers Granted to Congress" and you sense that Congress has -- has been involved in implementation of this Trustee Commission. The powers granted to Congress is patents and copyrights, to promote the process of science....

MR. SANDOR: Mr. McVee -- Mr. McKee, may I -- sorry.

MR. McKEE: I understand. I understand that you people are under the jurisdiction of Congress....

MR. SANDOR: No we are not.

MR. COLE: Mr. Chairman, can I ask Mr. McKee what he is reading from. I think we should get that on the record.

MR. McKEE: The Constitution of the State of California, United States and other documents.

MR. COLE: Published by whom, please?

MR. McKEE: The current is valid -- the information if valid, its 1915, from the State of California legislature.

MR. COLE: 1915 -- okay.

MR. McKEE: Relationship to patents and copyrights and scientific information. We're evaluating the scientific information that's what you people are doing and have done.

MR. SANDOR: Please bear with the Chair. As I said perhaps -- as we said before you joined the meeting today, this

public information -- public comment period really was not intended to be held to provide additional comment on the projects themselves, but rather was simply open for comments on the process is underway now and we would appreciate whatever comments you would want to make in writing on Trustee Council formation itself, but it was formed as a part of the court order. And, actually we are not really operating under the jurisdiction of Congress, nor do I believe is the Constitution of California relevant in the discussion here.

MR. McKEE: I'm reading from the Constitution of the United States of America, which is included in this book.

MR. SANDOR: Okay, please limit your comments to three minutes if you would.

MR. COLE: Let me just say this, we were delegated those powers by Congress and the Clean Water Act. So, if that helps your reading.

MR. McKEE: As well as the district that -- district court that help formulate this committee is also a power delegated from Congress. I just want to add that -- during the recess I overheard one of your board members - Trustee board members indicate that the scientific members of this advisory -- portion -- that's advising this commission can be replaced pursuant to the information brought forth currently, if it's not in the favor of the board. So, I have to indicate that -- that -- the sheer magnitude of the information I have gathered and I submit it to an advisory commission, is -- and I'm going to submit to you people as

well -- is tantamount to piracy. I submitted to President-Elect in a letter, indicating the Federal Reserve is in coalition with all municipal governments and the State of Alaska Constitution. And the doubling plan indicated by some Japanese scholars, indicated that the doubling, while doubling and re-doubling the income, which is what we're existing under in the Federal Reserve Corporation process, produces serious pollution problems. I'd like the environmental community to take note of comment and you can find that in the World Journal of Affairs, spring of 1974, Vol.1 -- or No. 1, Vol. 18, Orbis (ph), from the Foreign Policy Research Institute, Fletcher School of Law and Diplomacy, Tufts University.

MR. SANDOR: Could we please -- accept for the record whatever documents you have, Mr. McKee.

MR. McKEE: Also, in conclusion was the state constitution, the governor of the state, Walter J. Hickel, indicated that during the state-of-the-state speech, that indeed the Constitution of the State of Alaska has some major shortcomings. You might read that Anchorage Daily News, Thursday, January 14, '93.

MR. SANDOR: To Dr. Gibbons, thank you very much Mr. McKee.

STAFF: Mr. Chairman. We're getting reports from the teleconference operators that our sound quality is so bad. If you bear with us for just a second, I would like to hang up and redial with the hopes that it will improve if we got a different line. Can you standby for one minute while we do that.

MR.SANDOR: We'll be please to standby, but you can inform the operator that we may actually be able to conclude a little earlier. How many are there to testify here? Two, three?

(Standby)

MR. SANDOR: We regret this connection is poor. We have three individuals within Anchorage that wish to testify and we'll begin that process and then go back to anyone else who may have joined the teleconference. Pam, did you want to testify, Pam Bergmann? Excuse me, Pam Brodie.

MS. BRODIE: Thank you Mr. Chairman. As you know, I am Pam Brodie representing the Sierra Club and a member of the Public Advisory Group. First of all, I would like to thank you very deeply from the bottom of my heart and for many other people, for passing the -- project number '64 to providing money available for habitat acquisition and for the progress you've made for Kachemak Bay. You know how important that is to us. And I'm looking forward to working with the Hickel administration towards completing that project. I also want to say I feel a lot of sympathy for the difficulties that you're all struggling with in this process. Serving on the Public Advisory Group, I learned first hand how hard it is to do this, and I want to say that I was very unhappy with my own performance in the Public Advisory Group, and a lot of other people on the group expressed that feeling also. That, we went through each project and each project had some validity and -- few if any of them are really a bad idea, so we ended up voting to support almost everything, but a lot of people

were expressing concern about what they were doing, that they didn't know enough to oppose a project and so they voted for it. And, I was in this situation too. Because there wasn't any kind of budget cap, there wasn't -- we knew we shouldn't spend too much money, but we didn't know where we should stop. We didn't how to set priorities. So, I want to say that I don't think that -- at least I don't feel this way and I don't think other Public Advisory Group members are going to be very disturbed when you don't go along with approving something that we've voted for because of that problem. People didn't necessarily know how to set priorities. I hope we can do a better job. I think most people are very sincere about it, but we were a bit over our heads.

Regarding what things should be cut, I appreciate Mr. McVee's efforts and Mr. Cole's efforts too, as well as other peoples, but those two in particular, have been trying to cut budget, but I don't agree with Mr. McVee that we should wait and not do restoration until we have a restoration plan. Because, it doesn't appear we will have a restoration plan until 1994 -- until after the 1994 work plan is adopted, so it would be the 1995 work plan and -- when we know that some restoration project is valuable, I think it makes sense to go ahead with it. Although I agree the process isn't perfect.

Regarding how to go about cutting, it seems like there ought to be some kind of budget specialists who are outside the agencies who can look at these budgets so that it doesn't go back to just to the agency and so that you folks don't have to micro-manage. Maybe

the legislature -- maybe there's some people working for the legislature that can do this. Maybe there's some people outside government, I don't know, but somebody ought to be able to look and say, "Well, they don't need this big of a boat for this project," or "they do, otherwise some people are going to get killed trying to do the project." But, it shouldn't have to be you gentlemen who make those decisions. And, I don't know how -- you know, who can do that -- but it seems to me there ought to be someone who can give you that advice and that they would be able to in the next few months.

The last point I want to make is about the schedule for the restoration plan and that is something that I touched on -- that I discussed in a letter I distributed to you folks today, and that is I think it's great that you're trying to make that schedule move faster. I appreciate that you don't want that plan to take such a long time. But, in fact, the difference between the revised schedule and the original schedule is the revised schedule ends things about one month sooner. That the end of December instead of the beginning of February. So, maybe five-six weeks difference, and, yet, it means that the public comment period happens during the summer instead of during the spring and the fall. And so, the fishermen in particular are not going to be able to participate in the public comment periods. It's going to be more difficult for everybody in the spill-affected communities, fishermen in particular. So, I don't think that saving the one month justifies that problem with public comments. Especially because it still

doesn't mean that the process is finished before the 1994 work plan. That's not going to happen either way. Thank you.

MR. SANDOR: Thank you Ms. Brodie. Any questions, comments.

MR. McVEE: Do you feel like that we proceed with the development of the annual program for restoration without a plan, without an overall restoration plan. Are we wasting our money **(indiscernible)** developing restoration plan is it adequate to go ahead and proceed on a project by project basis.

MS. BRODIE: You mean -- is the plan necessary at all?

MR. McVEE: Yes.

MS. BRODIE: I was under the impression it was necessary for legal reasons. Is that true or not true?

MR. BARTON: I don't know, but I would like to hear your answer, assuming it wasn't true.

MS. BRODIE: I don't know. I don't know. Our -- a big problem I have with the way things have been going so far is the Restoration Team set criteria which is appropriate for them to do that, but their criteria work -- criteria of urgency rather than importance. That if something had to be done now, or it wasn't worth doing at all, they would say yes. If it was something that could be put off, then they would say no. That -- that is devised for a process that will lead to a restoration plan. If we don't have a restoration plan, certainly those criteria have to be changed. I don't think that they were really -- I think that the importance of a project needs to be in those criteria, in any case,

and I do think that you folks consider that when -- I mean it's clear from the questions you ask that you are also trying to get at what's important and what's going to make a difference. But, it doesn't seem to me that was at least listed in the Restoration Team's criteria. So, I am more concerned about that, about looking at -- the importance of looking at when you can really make a difference rather than urgency, and I think that's been the problem. Do you need a restoration plan to do that? I don't think so, but I am not really very experienced with these plans.

MR. McVEE: Another question, just to pursue this a little bit more. Another alternative to a restoration plan, for example, would it be to proceed like we have with the habitat protection, the land acquisition program, and basically develop a program or plan for each element, and the next one might be recreation and the next one might be commercial fish, sport fish interests or something like that. And, approach it on that basis and set criteria for each one of those components.

MS. BRODIE: I think that that's a good idea and I think that ultimately you need to make the decision of how to portion out the money and the sooner that those decisions are made the better. What is an appropriate amount of money for habitat acquisition and what's an appropriate amount for monitoring for scientific study and how often does monitoring need to be done, and those sorts of questions. Whether the plan is leading to that, I'm not sure. Looking at the matrix, whether the plan is even going to answer those questions.

MR. COLE: I have a question.

MR. SANDOR: Mr. Cole.

MR. COLE: Is the Sierra Club recommending to the President and/or the Secretary of Interior or George Miller that eighty percent of these monies be spent for habitat acquisitions?

MS. BRODIE: We have recommended that in the past at the -- we haven't recommended it to the Clinton Administration, and we have recommended it in testimony in the past. At this point, there is -- how much money is left is getting down to about \$600,000, I think. So, we're looking at a smaller and smaller pot. We would still like to see eighty percent of the restoration fund going to the remaining restoration fund.

MR. COLE: The question therefore is why did you select the eighty percent number rather than, say sixty. Was there any hard evaluation made which lead you to select eighty percent.

MS. BRODIE: It is an arbitrary number. I think that it's -- that the way those decisions are made is going to be arbitrary. The decisions of how much monitoring and how the money is divided up is going to be -- there's going to be an element of arbitrary....

MR. COLE: Sit here and listen to the discussion and I hope you don't think we are proceeding in an arbitrary fashion.

MS. BRODIE: Well, I think at this -- so far, the decisions haven't been made and so the money is going to urgent projects. And, I think, in fact, that is an arbitrary decision to go with the most urgent projects.

MR. COLE: Depends on how you define arbitrary, but I would like to think its a rational decision rather than an arbitrary decision.

MS. BRODIE: I think -- the point I am trying to make is that what is urgent and what is important are two different things. Of course, what is important is different for one person from another person. Different, obviously, from one agency to another agency. But, it doesn't seem to me that that question of importance has been a big enough part of the what the Restoration Team has been doing.

MR. SANDOR: Any other questions or comments? Thank you Ms. Brodie, and Jeff Parker did you want to make a brief statement?

MR. PARKER: Can I bring an easel up for a second. It would be helpful.

MR. SANDOR: Please do with caution. As you heard in the discussion, it really wasn't intended that we get into a lengthy public comment period, but I am sure this will be instructive and relevant. It is on line that you have an easel. You have an easel and Jeff Parker would you like to begin your statement.

JEFF PARKER: I made seven copies, one for each of the Trustees. This is an analysis of -- you've asked for public comment on process, and first of all, I'm speaking -- my name is Jeff Parker and I am speaking for the Alaska Sport Fishing Association and Trout Unlimited. As a preliminary matter, I would

like to say that I appreciate that the Trustees seem to be very careful with their money at this point, in terms of how they spend it and with respect to process, I have two suggestions that I think that will rise out of and will use some of the data that Attorney General Cole's office has recently released regarding the contingent evaluation study.

First suggestion is, that I think you would do well to hire a chief of natural resource economist to be a peer, in a sense of Dr. Spies as a chief scientist. The reason I say that I say that is basically, according to Attorney General Cole, what drove the settlement was the power of the CV study for lost passive use. And, what I have done then, is to show you how you could utilize some of the data in the CV study. You have three documents in front of you. The first is a data set. My purpose in drawing this data out is that it helps for basically point out what people were willing to pay in the CV study. What -- or for what people were willing to pay in the CV study. And, to utilize their responses for why they were willing to pay a certain amount to help guide you as to how you should spend the amount that you ended up getting. It make sense that if they perceived a wellness, in terms of wildlife, then you should spend it all on wildlife. If they perceive it as the environment, then that's with a more global statement. I think they perceive it in terms of land and that's another aspect of the environment.

Well, there are three documents here. The first is the data set released by Attorney General Cole for response to questions A20

and A20a. A20 was the question: "What is it about the program that you are willing to pay for, that makes you willing to pay something for it." And, you have there all of the respondent numbers or case numbers identifying each respondent. A20a was the probe which basically asked that if they answered generally, in terms of, for example the environment as opposed to specifically in terms of wildlife or land or prevention or something like that, and I probed and got additional data. You can take that data set and perform what is called content analysis. Content analysis analyzes the words in the verbatim data here for what people -- it analyzes why people are willing to pay the amount that they are willing to pay. Some people answer, obviously, the environment, some people answer land, some people answer wildlife or within any of those -- or some people answer prevention. Other people talk about human uses.

That's what the second document is about, which is the data coding. The data coding -- you can see right on the front sheet I showed how I coded the data. This is a very elementary form of content analysis. Environment includes environment, nature, beauty, earth, ecology, area, PWS. Wildlife includes animals, birds, fish, mammals, wildlife sea mammals, sea life, etc. You can see how the words that people use in their verbatim answers can be coded to tell you why they gave you the money they gave you. My thesis is, the reasons they gave you the money should be the reasons for which you spend the money.

The last document is the one that I produced on the chart and

you also have in front of you and I think it helps to lead you to some -- I hope it leads you to the conclusion that I've reached and that is you would do well to hire a natural resource economist to help prioritize how certain monies might be used and to help prioritize how acquisitions relate to the purposes for which the public gave you this money. For example, if you look at the responses -- the combined responses of A20 and A20a, you'll see that wildlife, as opposed to land, is on the order of greater than three times as frequent a mention. That's the first indication that if you're buying land with Project 93064, for example, that has low wildlife value, you're doing something that is highly inappropriate. You can get -- obviously wildlife and land are subsets of environment -- or conceptually they are. A lot of people answer right away with greater specificity and they go right to wildlife. That's why you have that higher frequency of the mention of wildlife right away. When you come -- when you look then to see what environment means in the respondent's mind, and bear again its these respondents that gave you the nine hundred million dollars. Look at how wildlife compares with other factors that people, or other elements that people are identifying as the injury that they are seeking to prevent in the model that was used in the CV study. Environment with land, 185 mentions. Environment -- excuse me, environment with wildlife - 185 mentions; environment with lands - 63 mentions; environment with wildlife and lands - 52 mentions; environment with land, but without wildlife - only 11. What that says is nineteen to one, the public who gave you this

money in the CV studies, thinks you should spend your money to acquire lands that have high habitat value as opposed to lands that have simply have, for example, low habitat value, but maybe forested or may be otherwise. That's the chief point that I want to try to bring out.

I think again, just to summarize, you'd do well to get a natural resource economist to be a peer of Bob Spies in terms of the process by which you handle the expenditure of the six hundred million and plan for it. I think that fundamentally, what the CV study tells you to do, I believe, in terms of services, you have -- the CV study calculated conservatively \$2.8 billion in lost passive use. That drove -- what became the nine hundred million dollar civil settlement of which you know have six hundred million to spend.

What an economist could do is basically, and I'm oversimplifying, but a natural resource economist, and Hannaman and Carson could do this, is tell you how many brown bears, for example, equals -- or how many murrets equal a brown bear, in terms of passive use value. Now, that's almost a metaphysical question, but as Attorney General Cole knows full well, much of what's in CV is somewhat metaphysical. And, but I think fundamentally that is the problem you face. You face the issue. Since there is a limited amount that can be spent on direct -- either direct restoration or on acquisition of habitat that are linked to injured species such as murrets or such as marbled murrelets or harlequin ducks. Those are the only two you've got. If you're going to

spend the remainder of the six hundred million wisely, and appropriately to do it is to spend it restoring the service of passive use. And, the service of passive use is clearly a wildlife related service, not a scenery service. And, the question -- the only place you can spend that is uplands, you can't spend on some submerged lands because you already own it. The question an economist would have would be how much of this upland further value or habitat value and the critters that are on it equate to those three hundred thousand dead birds and the five thousand otters, etc. That was \$2.8 billion in value and you've got to convert that to another critter that has comparable equivalent passive use values. And, I think that is the only meaning of equivalent in this case is an equivalent passive use value. That is the equivalent resource. You can't get the same resource.

Last, just to wind it up quickly. I was pleased to see that the Fort Richardson pipeline has not been approved. We hope that it is not. We would call to your attention that your department has no place to put those fish, the additional rainbow trout production. We think that the rainbow trout is stock - six inch to eight inch rainbow trout in replacement of sockeye in the Kenai is very much a fishery different in time, different in fisheries, different in the whole context. We regret seeing the cutthroat, dolly varden trout study not approved yet. With respect to the eighty percent, I'll mention or try to recall to Attorney General Cole's memory that I think the environmental spokespersons in the Egan Center about a year ago had spoken for a slightly lower figure

and the interest that I represent had spoken for eighty percent, and I think we bumped it up from there. Or, I think things rose to eighty percent. We do support a -- something like an eighty percent figure. A large use of these monies for acquisitions of lands by wildlife, high passive use value. Thank you.

MR. SANDOR: Thank you Mr. Parker. Any comments or questions? Yes, Carl.

MR. ROSIER: Mr. Chairman. I would like to ask Mr. Parker what the source of his information was in regard to the release of those hatchery fish. If I'm not mistaken, I believe that they were stocking plans that were developed along with the potential production from those -- the increase of would in fact be there.

MR. PARKER: My source was people in the department. If they erred when they spoke to me then I have erred in conveying incorrect information. I am aware that we have five year annual stocking plans, as you probably know -- participated in several controversies that have been in those plans. I am not aware that any of those plans contain identified places to stock -- a doubling of rainbow trout as a result of Fort Rich expansion. We have no problem with good justification for Fort Rich expansion, we think that is not a sufficiently linked or adequate substitution for the injuries that may occur in the out-years on sockeye in the Kenai.

MR. SANDOR: Thank you Mr. Parker. We're starting to go on line and just check to see if anyone has joined us or remains to testify. Cordova, anyone remaining who wishes to testify?

CONFERENCE OPERATOR: No, sir, not at this time, we're just listening in.

MR. SANDOR: Thank you. And in Juneau is there anyone remaining to testify -- and in Kodiak, is there anyone remaining to testify?

CONFERENCE OPERATOR: Still observing.

MR. SANDOR: Thank you. And at Valdez is there anyone remaining to testify or observe.

CONFERENCE OPERATOR: Just observing, thank you.

MR. SANDOR: Thank you. And at Whittier, anyone remaining to testify or observe. Anyone else join us that is not mentioned. We'll conclude then with the testimony here in Anchorage. Yes, please step forward and identify yourself.

MR. MOSS: Yes, Mr. Chairman, I'm Chris Moss, M-O-S-S. I'm representing Cook Inlet Seiners Association. You probably remember from the last meeting we had a representative here and he talked you and after that meeting we got together and discussed some of the issues that we'd brought up. I'm going to be very brief here because we all want to get to dinner. You guys probably really want a break too.

I think essentially what has happened is our group is very concerned with the lack of studies that have been done in the outer coast, lower Cook Inlet. Our representative last time showed you a picture of the area. This is another one right here. We've sent you a letter, perhaps you've read it, perhaps you haven't. But essentially what we are looking for at this point is a

clarification by the Trustees that will associate damages done or potentially done in the outer coast of lower Cook Inlet with those studies that are presently being done in Prince William Sound. The pink and chum salmon in the outer coast there are also intertidal spawners. There are approximately sixty-five streams in that area that have been affected and we also have had a precipitous decline in our returns. Our concern is that if studies and research are not applicable in this area from the Sound, then when restoration projects are done or tried to have been completed in the outer coast that we'll be in a situation where, because studies haven't been done, then these projects can't be done. And, we want some guidance from you as to how best to approach it and if these restoration -- so we have restoration projects and if this research needs to be done, then we have lost a lot of time, we need to get on with it, and we need some guidance as to what projects -- what research needs to be done in that area.

MR. SANDOR: Thank you, Mr. Moss. Any comment? Mr. Cole.

MR. COLE: Could we ask for someone to give us an explanation now as to why we have not had any projects done up there...?

MR. MOSS: There is one project that was done in Fort Dick, it was a spawning channel stream. I think that -- you approved funding to close that project out, but there essentially has been no research done in anadromous fish in that area.

MR. SANDOR: Dr. Montague, you want to comment.

DR. MONTAGUE: Yes, Mr. Chairman. I can give a short answer, Dr. Sullivan can add details if the council should wish, but as you know during the injury assessment days, which is where most of the injury work has come from, was directed at where we could prove our case more or less, so the more freshly oiled areas, the areas that for other reasons seemed to have a high probability of having a provable injury was where the money was directed and naturally Prince William Sound, we felt, we were more likely to show injury there than areas that were less oiled. I don't believe there was ever a determination that the other areas aren't important, just for the injury assessment phase, we went to the areas that were most likely to show us an injury. And, the outer Kenai coast -- well, if you could only do one project, you would do it where the oil was freshest and heaviest and that's why it wasn't studied as much.

MR. SANDOR: Mr. Cole.

MR. COLE: Why then wouldn't, you know, we do that study for '93, in the '93 work plan?

DR. MONTAGUE: So why aren't we?

MR. COLE: Yes.

DR. MONTAGUE: Well, we could.

MR. COLE: Here's what I'm getting at. We can -- settle the case in '92 -- in October -- and these gentlemen say well we being short changed a little out there, so we've had this year more than '93 (indiscernible - cough). '93 that we did study out there. Do you have any plans to do any studies out there in say '94?

Isn't that what you're looking at?

MR. MOSS: Essentially we need -- you know -- I think it's best that we save as much money as possible. If the studies that are done in the sound are applicable now to the outer coast, then we can go on with the restoration project. If not, then we do need to do those studies right away and that's what we need to know for '94, is should we be presenting projects and research that needs to be done in that area and, I think, that's essentially what we are asking.

MR. SANDOR: Jerome, any other comments.

MR. MONTAGUE: Yes, Mr. Chairman. I think one of the points he is trying make, and probably said it better than I can already, but may it be best to simply extrapolate these findings and get -- as we've said, get on with the restoration rather than having to have an injury assessment project for every site you wish to do restoration on. I guess that's a very broad policy question that maybe this is the time to bring it up. But, if we are not going to do restoration unless we have a site-specific injury assessment project, then indeed we have to do a lot of site-specific injury assessment projects that haven't been done.

MR. SANDOR: If there is no further comment we'll move on with Dr. Gibbons.

MR. GIBBONS: Mr. Chair. I believe and maybe Jerome can correct me, but in 1989 I think there was some pink salmon work done in Kenai Peninsula, and it might behoove us to go back and look at that data, but I believe there was some initial work done

in '89.

MR. SANDOR: Any final comments to be made.

DR. MONTAGUE: I think Dr. Sullivan could answer what happen in '89 if anybody's interested.

MR. SANDOR: Thank you, Jerome. Thank you, Mr. Moss. Dr. Sullivan, do you have any relevant comments?

DR. SULLIVAN: I would hope so. I think as Jerome was saying, it was -- we did do some work in 1989 in lower Cook Inlet and on the outer coast and faced with the decision of the peer reviewers and management team, I suppose at that point, to concentrate the efforts in Prince William Sound, that there was more to be gained, relative to litigation from that, which is not to say there wasn't injury, but that we would have to get more out of the deal if we based it -- stayed with Prince William Sound. However, we did start a restoration project that did include lower Cook Inlet and the outer coast, that was our '105, this past year, which -- we really didn't feel like we had -- were comfortable with the completion of and kind of got blindsided by the Restoration Team this past summer and which is what we were asking -- kind of evolved into 93-63 where we were simply asking you to let us take the equipment out of the field and get the last of the data out of it. But, that really wasn't done. We're looking at ways to restore the environment in lower Cook -- essentially that project, Prince William Sound, north Cook Inlet, including the outer coast -- I mean lower Kenai Peninsula, including the outer coast, and Kodiak area. Several of our projects that were proposed, the Cook

the Creek, Cold and Pink Creek, pink salmon projects evolved out of that project and I think other projects would have eventually evolved out of that project. That project was designed to find out how do we fix things. When do we want to do. But, it died before it turned out.

MR. COLE: -- restoration --

DR. SULLIVAN: Yes.

MR. SANDOR: Thank you very much for you comments. Are there any other individuals who wish to testify here, would you please state your name and present your statement.

MR. MATTHEWS: Thank you Mr. Chairman, my name is Theo Matthews, I am an administrative assistant to the United Cook Inlet Drift Association. I just very briefly wanted to address you, I know I want to go to dinner too. As one of the major users of the Kenai River sockeye resource, and we really do appreciate your decision to continue with funding these projects to try to help us both maintain some orderly fisheries, but most of all recover that resource. The issue I would like to address is the fact that you, the more continuous -- continuing the policy, it doesn't have to be exclusively proven one hundred percent to this council that a resource was one hundred percent damaged by the Exxon Valdez oil spill. You have a legitimate project. And, that's the realm of the court's -- we'll find out that in court. But, the resource and the users who are affected, now they need help today and I would just ask you to continue with that same thought when you go to the other areas to be projects in the lower Cook Inlet, Kodiak and

Prince William Sound. Because they're all in the same situation we are in Kenai. Thank you again for....

MR. SANDOR: Thank you for your comments. Is there a question Mr. Cole?

MR. COLE: Were you satisfied with our actions on projects '2, '12 and '15.

MR. MATTHEWS: Mr. Chairman, Mr. Cole. In the sense that the budgets were continued, absolutely. I mean, I think the concern for funding, the level of funding is appropriate for any project in the Cook, and I was getting a little concerned that these projects might die over that general concern. That's a legitimate issue for every project in your book -- and I think as Pam said, all the users appreciate the difficulty you're in in trying to ascertain that this is a legitimate and not a padded budget. Since the projects are going forward there's going to be legitimate peer review, legitimate funding review....

MR. SANDOR: Thank you very much. I believe that concludes the individuals who want to testify here. We will -- go on line, they close at 5:30, just to make sure that there's no one out there. I think we're signing off the teleconference at 5:30, I presume there's no one remaining to testify in Cordova, Juneau, Kodiak, Valdez, Whittier or elsewhere. If that be the case, we will terminate that teleconference net and continue with the testimony here. Will you step forward and identify yourself.

MS. MILLER: Thank you, I'm Pam Miller with the Wilderness Society and I want to thank you for your move on

Kachemak Bay today. Its been long awaited and welcome. I did have one question about the mechanism for releasing the funds to the Alyeska settlement pot of money and that seemed unusual and I just wondered what the basis for that was. And, before I give you a chance to answer that, I guess my other comment would be we are still seeking more than the twenty million in habitat acquisition funds and I understand that that's not a cap but that that's the working amount of money so far and we were pleased that you approved that project. So, if you are able to answer the question about the Alyeska fund, why that is the mechanism.

MR. SANDOR: Mr. Cole.

MR. COLE: We wanted the way it was drawn from the registry of the court, number one. Number two. we wanted to put it into place for good safe keeping, where it wouldn't get -- perhaps in -- federal system. We're satisfied that it will be secure in the state system and available for expenditure, put it that way. Let's put it -- the governor has little -- you know -- favors Kachemak Bay, so long as that money is in the state system. He, along with others will be able to assure that it will be available for the purchase of the Kachemak Bay properties.

MS. MILLER: Okay, but isn't it true that all the federal side of the money has to go through -- be at least documented in the congressional committee. Not that they would have a problem with this....

MR. COLE: This could be documented there and -- its where the monies are so they can be withdrawn. And, we have 7.5 million

in the Alyeska settlement to be able to extend for the purchase of Kachemak Bay, so we're keeping these two sources of money in the same pot.

MS. MILLER: Okay, I guess my only other concern was I - we are supportive of completing this whole project and encourage you to do it.

MR. SANDOR: Thank you very much. Is there any other comments or testimony to be given. This terminates and concludes the public comment period. Trustee Council meeting is recessed until 7:00 p.m. Thank you very much -- 7:15.

(Off Record 5:30 p.m.)

(On Record 7:25 p.m.)

Mr. SANDOR: Let's begin with -- Charlie may well be up to speed on, in fact I'm sure he is, more than he would let on on many of these subjects. It might be worthwhile to -- we'll formally convene when he comes in. Jerome, can you give us a picture, sort of, of the pink salmon situation generally, as background information.

DR. MONTAGUE: Yes, Mr. Chairman. The most significant injury is to pink salmon eggs and pre-emergent fry, and the survival in the spill year, from '89 to '90, of egg and pre-emergent fry was approximately sixty-seven percent worse in the oil area than in the unoiled area. And, from 1990 to 1991 indicated that there had been some recovery and the difference between the oiled and unoiled streams was more like fifty percent rather than sixty-seven. This last year the difference was actually worse in

the oiled streams than it was during the spill year, which raised a lot of concerns. The primary hypothesis developed as to what was happening is that fish that were spawned in '89, a number survived to adulthood, but may well be sterile. So, that would explain why the apparent survivability of eggs and pre-emergent fry in the oiled streams was so much worse. And, to deal with proving that hypothesis is what project number '3 that you heard earlier today, is addressing. So, that's kind of the status of the injury.

MR. SANDOR: Steve.

MR. PENNOYER: You say the survival is that much less in oiled and unoiled, are those strictly in our tidal areas or upstream areas or what is the....

DR. MONTAGUE: I'm pretty sure it's both, the oiled intertidal and upstream areas were both.... Bob, wasn't it actually worse in the upstream areas this last year than in the intertidal?

DR. SPIES: About the same -- '90, if I recall the data correctly, the main injury was highest in the intertidal area and the differences at the upstream areas were not significant. I believe that the following year of '91 -- we had injuries across upstream areas -- across all tidal areas. The -- if you plot the egg mortality in both oiled and nonoiled areas its gone up almost every year in every (indiscernible), even in unoiled areas. Appears to be a trend overall happening in the Sound, as well as oil versus non-oil....

MR. SANDOR: Okay, the Trustee Council meeting will

reconvene and we will begin -- well, I should say the intent is to continue unless there's objection with these projects beginning with 93004 and then go down, but when we get to the archeological sites I hope we can cluster those four together, perhaps, and discuss those in general terms. But to 93004, documentation, enumeration and preservation of genetically discrete wild population of pink salmon impacted by the Exxon Valdez oil spill in Prince William Sound. This is an ADF&G project lead with \$899.1 thousand. Recommendation of Restoration Team is five to one, Chief Scientist Enhancement Project. The Public Advisory Group split, yes - eight, no - three, abstained - two. Can anyone who was at the Public Advisory Group maybe summarize the dissenting opinions there. Dr. Gibbons were you at there at that particular time, or not.

DR. GIBBONS: I was there, but I don't recall why the three voted against it. I have to -- I'll go back and look at the notes here.

MR. SANDOR: Why don't we -- I guess -- just have the lead ADF&G sort of summarize the need for that project. Dr. Montague.

DR. MONTAGUE: Yes. In short the real injuries obviously are to the wild streams. The hatcheries and the hatchery production in some ways has been unaffected except how it might interact with the wild streams. And, what this project is trying to do is it -- when you have these oiled streams that are already or showing this very low survivalship of the eggs and pre-emergent

fry, it's very critical that management actions ensure that the escapement levels are met in these wild streams. And, simply put that's what this project is designed to do. Some other aspect of it, genetics component this year would -- is in an addition to the past and what it would try to show would be are there genetic differences between these one stream or another, more collectively between perhaps the oiled streams and the unoiled streams or even the streams and the hatcheries. And, the outcome of that aspect of the project could change the hatchery production strategy to protect these wild streams.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Dr. Montague -- can you put this project in some type of perspective for us relative to what we already approved in the previous project and what we've done in the past couple, three years. Seems to me we've spent a significant amount of money doing damage assessment and damage assessment close-out on coded wire tagging on pinks and recovery of weirs and streams and a lot of that type of project, of which this seems to be sort of an offshoot or a continuation. Why is this appropriate now, given the work that we have done and the money we have already spent, which I haven't a total, but I think that there were two or three very significant projects that will last two or three years, dealing with this type of situation.

DR. MONTAGUE: Okay, the -- hope that I can address the exact angle of your question. But, the findings from those earlier years have elucidated a lot of things that are happening in this

oiled streams that are deleterious for recovery that we didn't know before and some of the examples. And, a lot of this came -- you know, came from coded wire tagging projects, but these projects also played into it and the stream walks and the weirs here were how the coded wire tags were collected. In previous years, but -- they've shown that some wild streams have a fair amount of strain from hatchery fish into the wild streams. And, just the other day we learned that, again through the coded wire tag reading and that carcass collection through this project that a fair number of fish were being -- of wild fish were appearing in the cost of recovery catches where heretofore was thought that it was only hatchery fish and those cost recovery catches. So now, those findings are entering the management process to change, for instance, how we conduct the cost of recovery fisheries. And, I guess the pay off has been that there have been steps taken and promise of more to be taken that would continue to allow the hatchery fishery and production to go on while still protecting these wild streams. And, this project did come under a lot of scrutiny under the Restoration Team. And, it has eight weir sites and originally had one hundred -- a hundred streams that were walked. We pretty much -- the Restoration Team, and me included, felt that we really needed to pare back here -- and to go back to the managers and principal investigators to say, you know, what indeed is the minimum. And, you know, acceptance of the project at all will depend upon that you can show significant cuts. And, they did eliminate fifty of the streams, so now it was reduced from a

hundred streams to fifty streams. But, the investigators of -- I -- clearly stood by their guns that they need the eight weir sites and the fifty streams, otherwise don't do it. So, they feel that this is the minimal field effort that's necessary for that. And the genetics component is a whole new venture.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Didn't -- and I haven't read the report on it -- but here's what I heard -- didn't the coded wire tag work show rather massive straying from hatcheries into natural stock streams? It wasn't just an occasional thing, it was really practically overpowering.

DR. MONTAGUE: Well, in some streams -- I mean, it's incorrect to say that it was widespread and overpowering, but in some streams it was definitely alarming and may well be overpowering.

MR. PENNOYER: The streams only in the vicinity of hatcheries or sort of around the Sound?

DR. MONTAGUE: I'm thinking that pattern didn't come out -- but, Joe -- Dr. Sullivan, can you.

DR. SULLIVAN: There's was some pretty weird distributions. One of the streams that did get an overpowering number of hatchery returns to it, really was kind of like a flight path to hatchery, but really not very close. But, then they were not all like that, just this one particular stream, for whatever reason attracted a bunch of hatchery fish. So, we don't really know how -- why that was the case.

DR. MONTAGUE: So, it isn't a real clear geographic -- in terms of...

DR. SPIES: I heard numbers like fifteen percent, it seems to me.

MR. SULLIVAN: Yea, I would say that -- yea that was -- it was probably more than that perhaps in that one particular stream.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Does that give you any feeling for what the problem is in Prince William Sound particularly in terms of the ability of genetics to solve the separation, if one even exists.

DR. MONTAGUE: Does -- do these crossings, but not crossing, but not very strong site fidelity with their home streams. I can address that, but Dr. Seeb, principal geneticist for the department, I think could probably answer it more clearly and shorter.

DR. SEEB: A couple of things come into play here. One is what is the population structure of pink salmon and that is the basic reason that's this proposal was first -- that my portion of the proposal was submitted two years ago. Is it -- drainage by drainage, we don't think so. Is it inlet by inlet or is it a cluster of inlets. We want to take a look at the overall population structure of the Sound and see if we can't determine management zones within which fish could be transferred and between which fish shouldn't be transferred for example. One question that has been brought up is that is a lot of the straying due to the

fact that some of these streams -- or that many of these streams now smell the same. Were many streams that were oiled -- set up in such a way that the adults homing to those streams couldn't tell one from another. That there were incidents of wild stocks straying as well as hatchery stock straying and the patterns aren't really very clear cut. Does that get to the question.

DR. MONTAGUE: I think Mr. Pennoyer was indicated to these findings -- give you some clue already that there is no difference genetically between the whole area.

DR. SEEB: On the contrary. I think that the field biologist can tell us very clearly that there is population differentiation within the Sound. We don't know if it -- we don't believe that stream by stream -- we don't believe that there are three hundred populations, but are there four or are there six. We know that geographic distance and genetic distance are linearly related, so we that we know that -- that spawning aggregates within a zone are more closely related to one another than they are between zones, but what is the size of a zone. So, that's really the design of the experiment.

MR. PENNOYER: And my question, Mr. Chairman, was less related to the wild stocks in many districts in Alaska and Southeastern, and other places you can manage by district and find some commonalities that you can't find from stream to stream. My question was relative to the hatchery fish and the degree of straying you're seeing from them and whether their overpowering of hatchery fish in the sound. And, whether in fact, its -- you

expect to be able to get this background genetic signature when you've got this hatchery straying going on.

DR. SEEB: Well, there are only, I believe, three or maybe four hatcheries releasing fish in the Sound, and with one exception, they are all releasing local stocks. The Cannery Creek hatchery is releasing local stocks, the VFDA hatchery is releasing local stocks. There is some question in my mind as to the stock legends of the two hatcheries on the west side. Again, the straying pattern -- there was no real pattern. So, I'm not sure how to get at -- how to answer that question. We believe it is a valid study, its very important to us to have this underlying genetic information before other restoration measures take place. There are a number of proposals that have been put forth by the Forest Service and by the department that involve various types of restoration and we're reluctant to get involved in those until we know the underlying genetic structure of the stocks that are proposed for restoration.

MR. SANDOR: Any further questions. Yes, Mr. Pennoyer.

MR. PENNOYER: It might be fair to say you're unwilling to get into anymore enhancement attempts in Prince William Sound, do you figure out some way to manage them.

DR. SEEB: I think if you looked at what the department has proposed in many, many, many of these proposals, its non-hatchery restoration. The sockeye project we've talked about today -- I think one of the reviewers in the PAG was maybe suggesting that we do hatchery work, but the department has tried to temper

that approach and view a of broad base of different approaches, including active management. I work in the hatchery division by the way, and a lot of the work that I'm doing right now is designing non-hatchery style restoration projects. And, in terms of the budget size, I might add -- I might inject that this originally was three separate proposals by two or three agencies. You're looking at a Forest Service proposal that has merged with a FRED division genetics proposal that has been merged with a commercial fisheries division and field proposal. And, each one of those proposals is probably -- what the aggregate of those is probably closer to a million and a half.

MR. SANDOR: Any further questions. Is there any objection to the approval of this project.

MR. COLE: I have a comment.

MR. SANDOR: Yes.

MR. COLE: Several comments. One is, you asked what happens in Public Advisory Groups. On page 75 of the transcript, according to Mr. McCorkle, the chief scientist indicates that this is a non -- unrelated to recovery of injured resources and further there is no measurable effect coming from data to relate the spill to pink salmon. Dr. Spies says, "Its my view, after having reviewed the data that the study results do not support, very strongly at all -- very strongly at all -- an impact on the adult pink salmon population, although there is certainly an impact on the eggs and larva at the current time." And then, Dr. French says, on page 77, "I'm going to vote against this project for two

reasons. One, although its probably a decently put together project, the other is that frankly I think that one of the things that's keeping the fishery together in Prince William Sound is the fact that we don't know the discrete runs. And, frankly from the commercial fishing -- respective view with very dangerous notes -- specifically what the genetic component of each and every single given stream is because then we can start invoking laws to shut down the fishery -- hatchery fishery or limit it to terminal fishery when it would be better to fish it as less than a terminal fishery if we had to protect a few pink salmon coming from the stream. And I, etc. -- I view the project as dangerous to that. Then Senator Eliason says that he is going to support the project but he doesn't think the department should handle this -- this project and some of these should be put out to different areas. So, that's what happens there. With respect to the public comments on this project, one is that's it's not cost effective to enhance, another comment, not justified under the guidelines. Cordova District Fishermen's Union supports the project, to monitor damage and recovery of baseline data and management data. Another comment is do not fund because of lack of observed damage to the spill. Another comment combined with '3 and cut the funding. Another comment is carry over of number '2 and should not fund. End of comments.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I guess I don't understand the comment about genetics might be dangerous because you might find out how to

manage the stock separately. That sounds like a Kodiak -- excuse me -- approach to salmon management perhaps, but it's not -- I'm not sure why it would be dangerous to find out that in fact we could manage hatchery stocks separately from wild stocks in some aggregation. Maybe not stream by stream because pinks would probably never get there except by major rivers. But -- I don't know -- I guess this still comes down to the basic idea of the fact, are we going to fund this project as potentially a restoration project. It seems to me that its to the stage of some type of restoration or enhancement, if you will, research, and to whether we can get techniques to restore natural stock runs which may or may not have been damaged -- but still -- and then I suppose you run into the question of do we need to do it this year. And, I haven't really heard much of an answer to that. Perhaps Dr. Montague could address the need to do this project at this point, instead of waiting until we get the restoration plan and put all this enhancement in perspective.

DR. MONTAGUE: Yes, Mr. Chairman. The -- the genetics part of it would seem to indicate that when your restoration plan is done, you would want to have this information in order to implement restoration. So that, our restoration plan would be dealing with restoration as opposed to more projects to determine what restoration you might take. So, knowing the discreteness -- genetic discreteness of the various oiled streams would be key to any non-management power of implementation measure. And, in terms of the stream walk portion of it which is used for in season

management to ensure adequate escapements of those wild streams, to do not do it -- a year would go by when escapements in these oil streams weren't monitored, and if they did not meet the escapements we would never be able to take any action to insure that they did.

So, I mean we do some escapements monitoring, but we certainly don't concentrate on just those oil streams like we will in this project.

MR. PENNOYER: Mr. Chairman, it's sort of then still a component of damage assessment is what you're saying. And we don't have results.

DR. MONTAGUE: I didn't mean to come across that way, but what I was saying is that, ensuring that an adequate number of adults return to these oiled wild streams is key to their restoration. And, if we are not monitoring the adult returns to those oiled wild streams, then they could very well not have enough fish return to them.

DR. SULLIVAN: There's a couple of key points here -- a couple of key points that -- and I think you need to remember too.

First of all, pink salmon are very strict to your fish. So, if you screw up and don't get -- let's say that you get no fish, okay, and there were some streams this year where the bears were getting most of the fish. If you do that, you will not have fish there two years from now and you'll never get fish there unless they start wandering in from some other place. Okay, while Dr. Seeb was talking about the potential interrelatedness of fish within segments of the Sound, even with the same stream, those fish are

virtually unrelated between each even and odd years. Okay. With other species of salmon, if you screw up, or if you do delay, eventually you'll fill in from the other years. Okay, that's not every going to happen with pink salmon, unless, of course, they just stray in from outside. And, you have fish there but it may not be the same -- same again. Another point, that I think one of the commentators mentioned that you may not have picked up on is the Endangered Species Act. If we assume that fish are returning to a stream are as separate stock -- what Dr. Seeb is saying may not be the case in which this project will demonstrate. If we have to go on the assumption that these fish are in fact a single stock, then the Endangered Species Act can kick in and we may have to protect something that really doesn't deserve to be protected. Again, I'm not saying that any do or don't. All I'm saying is that if your best techniques do not use the genetic tools that we have available, we're going to make decisions - we may be forced to make decisions that you really don't want to make and shouldn't have to make. That's what....

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Well, in the first place I would hate to invoke the Endangered Species Act on variable pink salmon returns in Alaska. You might not be fishing anywhere in the state before very long. But, the second thing is that the department, therefore, has a management strategy, that when we do this good work and find that we're not getting enough fish in these streams, you have a strategy that actually closed the Sound down until you

get that type of escapement? Or, what are we -- because you are directly relating having those weirs to saving the runs and I'm not clear how you're going to do that.

DR. SULLIVAN: A lot of what we have done in the past two years is go to terminal harvest fisheries and you don't wind up with the best quality fish by doing that. And, commercial fishermen complain a lot because they don't have as good a product to sell. That's what you have to do if you want to save those fish. I mean, if that's -- if you're not getting your escapement, that's what it comes down to. And, our primary responsibility is first to the wild stock.

MR. SANDOR: Any further comments or questions? Is there a motion to approve this project? The Chair would entertain a motion to approve this project.

MR. PENNOYER: I vote we approve the project.

MR. SANDOR: The move that this project be approved.

MR. ROSIER: Seconded.

MR. SANDOR: Seconded by Rosier. Is there any objection to this motion?

MR. McVEE: Yes, there's objection.

MR. SANDOR: Objection noted. This project is not approved.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Yes.

MR. PENNOYER: Can I take another try at that, maybe.

MR. SANDOR: Sure.

MR. PENNOYER: It seems to me this project is composed of pieces and the main piece seems to be the weir. I don't know what the breakdown in the budget is, is there any way of attacking this differently than has been proposed that might make it clearer that we're addressing priorities. Or, information that might -- pink salmon, as you say, are two year fish and opportunities are lost, certainly, if they you're not monitoring in a particular cycle. But, I don't know how this relates to past projects we've done over the last couple of years on these two cycles or further plans. And, other than just use the data base series if that's important. Maybe give us some idea if there's different breakdowns.

DR. SULLIVAN: We have --

MR. SANDOR: Step forward please Dr. Sullivan.

DR. SULLIVAN: In the past we have done stream enumeration as part of this, but because we would be able -- one of the reasons we combined these two is that when you're going around checking carcasses and so forth, you can also be getting samples to take back to the lab and run genetic analysis on it. That is -- that's one reason we are doing that and it's -- you know, the eventual purpose of the same too. It's to protect -- to determine what stocks you have out there and protect wild stocks, if they indeed, need to be protected.

DR. MONTAGUE: Joe, can you indicate how much that projects costs -- genetics components.

DR. SULLIVAN: I believe on the order of three hundred to three hundred and fifty thousand -- you have the specifics there.

Jim, help me out with this.

DR. SEEB: The lab portion is one thirty-five for the reduced budget. Jerome is correct with the original submission, but we cut back considerably a number of samples and such. The lab portion is one thirty-five, there is thirty thousand for transportation, charter, shipping, beavers, that type of thing. And, then we were relying on personnel from the other portions to do the collection. In the absence of those personnel, we would have some additional personnel costs, a few sonar techs.

DR. MONTAGUE: So about two hundred thousand.

DR. SEEB: Two hundred.

DR. MONTAGUE: So that component is approximately two hundred thousand and this project in '92, I believe was nine hundred thousand without the genetics works, so -- you know -- if the genetics portion is removed, that would make it seven hundred thousand, two hundred thousand less than last year.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: These weirs, eight string weirs, how long have they been run for?

DR. SULLIVAN: At least since the beginning of the spill. I think there were, were there ever more than eight? I thought we had sixteen at one time.

DR. MONTAGUE: Yea, I think that about....

DR. SULLIVAN: So these eight have been running since '89 and as I've mentioned, we reduced the stream walks from one hundred

to fifty streams.

MR. PENNOYER: Mr. Chairman. I guess the answer is really you can't reduce this and still accomplish the spread of sampling that you need to accomplish.

DR. MONTAGUE: I mean we could sever the genetics component, but -- the -- or the other one. Have genetics and not have the other one. I think that the genetics one has the potential big pay off -- potential big off. The other work has a guaranteed pay off in the in season management, and so on. The genetics portion is cheaper, but riskier.

MR. SANDOR: Last question.

MR. PENNOYER: In terms of just the management component, not necessarily quantifying comparisons of past counts, not necessary doing the genetics, I presume you could still fall back on something like stream walks and aerial surveys to at least get a good indication of whether you're getting fish in these steams, is what you've used for decades.

DR. SULLIVAN: We will be -- right -- we will be using aerial surveys in addition to this -- that's the proposal. Lot of similar things will be funding out of general funds. -- (indiscernible) -- I mean, this is -- yes there are other components that are similar that are funded out of general funds.

MR. PENNOYER: I guess, Mr. Chairman, my point was less that, although that is certainly a consideration on all of these projects has been the fact that in terms of us abrogating responsibility to stock, you're still going to be some level of

monitoring. It may not be as quantified as you like, but it's still the ability to tell if the streams are starting to get fish. I mean that's what we've done....

DR. SULLIVAN: Aerial monitoring has been a big key. I mean it's pretty tough to get your genetic samples that way. (Indiscernible - simultaneous talking).

MR. PENNOYER: Of course -- a little bit. I think it's surprising what you can get out of a cab of an airplane.

DR. MONTAGUE: Mr. Chairman, to help this process along, I guess, prioritize the three components of weir stream, walks and genetics, I believe that probably the stream walks would be the most important, then the weirs, then the genetics. Do you have any -- Joe, do you have any.... Between the weirs and the stream walks.

DR. SULLIVAN: Well, I guess that the -- to get down to the bottom line as far as do we have to protect these things or not, if they're all the same stock, then it sure makes a different ball game. And, unless we get the -- unless we get that information, we'll always take the conservative approach as far as (indiscernible).

DR. MONTAGUE: Okay, so then the highest priority in your mind would be the genetics followed by the other two.

DR. SULLIVAN: Yea, remember part of -- part of the problem -- one of the reasons we want these together was that we had people doing double duty. So if you -- for example....

DR. MONTAGUE: The genetics becomes more expensive to put

under the other.

DR. SULLIVAN: That's right. You do have to have people to out and get the samples, then you are jacking up the price of genetics, is the problem.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I guess what you're telling us if we write a -- get the restoration plan finalized, this will probably be the primary restoration techniques to deal with pinks in Prince William Sound. Some type of genetic stock separation.

DR. SULLIVAN: It would tell us -- it will tell us where we have to go. In other words -- for example, let's say that we've already screwed things up and that all the fish out there are hatchery stock anyway. Conceivable the plant hatchery stock ended.

I mean, that's a very radical approach to take, okay, I'm not advocating that. Let's say it's one end of the spectrum. The other possibility that if you do indeed have -- more discrete units, then you're going to have to more -- less -- more complex plan to deal with it.

DR. MONTAGUE: Mr. Chairman, I guess we need to focus this and several options and you can take them or leave them. The genetics portion alone would be three hundred thousand. To add the weirs would be approximately four and fifty, the stream walks would make up there -- or five hundred fifty and the stream walks would make the remainder. Since the weirs would have to be removed if -- the cost reduction is desired, the genetics portions of the weirs would probably be the best approach at about five fifty.

MR. SANDOR: Mr. Cole.

MR. COLE: Are we walking those streams again? I mean how many times do we have to walk these streams? How much is the cost to walk the streams for this purpose?

DR. MONTAGUE: Mr. Chairman. These streams are walked to count the dead fish, essentially, that are in them to see what the returns were. The cost, I believe, on the order of two hundred and fifty thousand dollars.

MR. COLE: I mean, you know, can't we walk the streams for dual purposes, I thought we went over walking the streams once before that determined which are anadromous fish and now we're walking them again to count dead fish.

DR. MONTAGUE: Not the same streams. The others are on private land, Afognak area, and these are western in Prince William Sound, I believe, primarily public lands.

DR. SULLIVAN: The other thing is -- they're really completely different purposes. When you're walking in streams to find out if you have anadromous fish in there, we're talking all anadromous fish, not just pink salmon. So, when you take a backpack up these streams, you're going to be getting much further upstream than pink salmon ever get, but there will be plenty of anadromous (indiscernible) up there besides just them. It'd be a little tough to do them both at the same time. And it's completely different things. You're not going to go up and try to shock pink salmon with a backpack.

MR. COLE: Mr. Chairman. With due difference -- you know,

a little -- I'm sorry, but I just have trouble when you say a little tough. I mean, \$250,000 is a lot of money -- and if it's a little tough -- I mean maybe one should just be a tougher. I mean, that's what troubles me. I mean -- you know, it's another quarter of a million and your explanation is it's a little tougher. I mean, we have public responsibilities as to how we spend this money. And, my view is, we should try to get -- conserve this money and if we can walk the streams -- you know, we should just walk them once. I -- it just seems to me that that's simple, but maybe it isn't that simple.

(Indiscernible - simultaneous talking)

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Yes, Mr. Rosier.

MR. ROSIER: Question here on this -- clarify something here. We certainly have gotten enough over a million dollars of the whole project here and I added together the various components here. I had five fifty for weirs, three hundred thousand for genetics and two fifty for steam walks. Did I miss something, here?

DR. MONTAGUE: Yes, the five fifty was the genetics and the weirs, that was cumulative. So, three hundred thousand for the genetics. It ups it to five hundred and fifty to do the weirs and the genetics and add the full amount to do the stream walks.

MR. SANDOR: If there's no further motions, we'll move onto projects '5, '6, '7 and '8 which are dealing with archeology. Not -- not suggested we act on them totally, but is there someone

who can brief us on this whole archeological issue and question and then take these projects one at a time, or collectively. Who can do the briefing? Yes, Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I thought that '5 was separate. I thought that '6, '7 and '8 were combined and '5 was something else again, or am I wrong.

MR. COLE: '5 is public education and I'm prepared to vote against it.

MR. SANDOR: '5 is cultural resources, I'm sorry. Okay, 93005 - cultural resources. Forest Service, DNR, DY, National Park Service - 399.4. Who can talk to that. The U.S. Forest Service.

MR. RICE: Mr. Chairman.

MR. SANDOR: Yes, Ken.

MR. RICE: 930005 was an education project directed at the cultural resources that were injured by the oil spill in an attempt to educate both the adults that might be going back to that area and collecting artifacts, as well as some of our younger citizens, about the values of the cultural resources, and try to minimize future occurrences of vandalism or inadvertent taking of artifacts from the oil spill area.

MR. SANDOR: Is there a motion to approve this project.

MR. BARTON: I move we approve it.

MR. SANDOR: It's been moved that the project be approved, is there a second?

MR. ROSIER: Second.

MR. PENNOYER: I'll second.

MR. SANDOR: Seconded by Rosier, Pennoyer. Any discussion.

MR. COLE: Yes, Mr. Chairman.

MR. SANDOR: Yes.

MR. COLE: Page 83 of the transcript, Mr. Knech (ph), K-N-E-C-H (sic), says I'm an archeologist and I've been working on Kodiak for the past ten field seasons. And, for the past six years have been doing education and cultural outreach programs in the Kodiak area. And, while I really think we that we need to see an increase in public education programs, it seems to me, there's a few problems with this in that its -- it doesn't really take advantage of existing programs for years. Both Kenai -- and I know in the Chugach regions, the Native organizations have provided these services in conjunction and in cooperation with the park services, etc., etc. But I can't see spending \$400,000 on it, etc., etc. And, I just think that for those reasons and the other reasons -- Mr. Sturgeon says he's going to vote against it, he says I don't think its a very cost effective program. I've worked with having brochures and videos made before and for what they say you're going to get -- the \$400,000 I have a hard time seeing it. And -- basically I agree with those comments, and -- I would vote against it for those reasons.

MR. SANDOR: Okay, that project is not approved....

MR. COLE: Let me say this also. I just want to get this -- Mr. King, and who I have a lot of respect -- I can't see the

compulsion of doing these projects this year. Dr. French says in terms of cost effectiveness for the number of dollars it has requested, I don't feel it represents a good use of public and private resources that are available. Senator Eliason says, its not going to help with respect to the problems which are being faced out there. You know, I just think its not a good use of funds for these purposes, so I will vote against it for those reasons.

MR. SANDOR: Therefore the project cannot be approved and we move to 93006, 93007 and 93008, archeological. We will vote on them separately -- can we just discuss the archeological issue and can and someone lead that discussion. Pam.

MS. BERGMANN: Mr. Chair, I can give you just a real brief overview of these three projects. 93006 is a restoration project where we would actually go in and look at the twenty-four injured sites that have been identified and conduct actual restoration of those sites. It will be -- the actual activities will be dependant on what happened at the particular site, but it might be putting back earth -- making the site not look disturbed so that there wouldn't be continued vandalism of those sites. We might actually be going in and looking at -- doing some archeological work to retrieve some scientific data at a site where vandalism had occurred, but you could still retrieve some information -- try to get whatever is left.

93007 is archeological site stewardship program. This is a continuation of the program that was funded in 1992 to begin

developing training materials that would be used in conjunction with local residents in the spill area. Where we would -- in 1993 actually be going out and recruiting and training local residents to protect archeological resources in their area. That again, are at risk because of vandalism.

And 93008, is viewed as a compliment to 93007. 93008 is an archeological site patrol and monitoring. And, this project basically adds additional money to existing funds being used by agencies to have a law enforcement and an agency presents out in the oil spill area, again as a deterrent for vandalism of archeological sites that were impacted or other site in the oil spill area. (Indiscernible - simultaneous talking) I'm sorry, Marty. That's just an overview of those three projects.

MR. SANDOR: Is there any prioritization of those three projects? Which of -- which of the three is most important -- or is there any priority?

MS. BERGMANN: I think the three projects together represent a good compliment of an overall approach to try to protect the sites that were injured. These would be the kinds of things that you would do if a restoration plan were in place. There's not that much that you -- can do to actually restore an injured archeological site.

MR. SANDOR: Thank you very much. Project 93006, site-specific archeological restoration, National Park Service, Department of Natural Resources, Fish and Wildlife Service and U.S. Forest Service. Two hundred fifty nine thousand dollars. Is there

a motion to approve that project?

MR. McVEE: Motion to approve.

MR. SANDOR: Moved is there a second?

MR. BARTON: Second.

MR. SANDOR: Second Barton. Is there any further discussion on the project?

DR. GIBBONS: Mr. Chair.

MR. SANDOR: Yes.

DR. GIBBONS: I think I can explain the PAG's recommendation on this one here. I've got recommended with qualifications. The Public Advisory Group took projects 93005, 93006, '07, '08 and '09 and said combine these, restructure to reduce the costs and emphasize use of local people and Alaskan people and it was unanimous consent with that qualification.

MR. SANDOR: So, their recommendation is to combine '5, '6, '7 and '8?

DR. GIBBONS: And '9.

MR. SANDOR: And '9 and did they suggest a budget figure for that combination.

DR. GIBBONS: No, they said reduce costs and emphasize use of local people from Alaska.

MR. SANDOR: I see. Interesting. Yes, Mr. Cole.

MR. COLE: George Hunt, Jr., Professor at the University of California, Irvine, has the following comment, with respect to this project -- gives it a three. Says that if archeological sites were hit by oil, they must have been in super-tidal or intertidal

zone in which wave action was eroding the site. Sites exposed to erosion occurs throughout the coastal United States and money spent cleaning these sites would not reverse these natural losses. Is there anything to what he says there?

DR. GIBBONS: Mr. Chair.

MR. SANDOR: Yes.

DR. GIBBONS: Part of the injury that the two documents -- types of injury -- one is vandalism by the crews that were out there, realizing the sites, where they are and then going back. The other is transport of the oil from the clean up crew when they walked up into the site. So, they were transporting oil that way up into the sites. I understand the oil wasn't thrown up -- up in the upper -- in the terrestrial zone but it was transported and then there was vandalism.

MS. RUTHERFORD: Mr. Chair.

MR. SANDOR: Yes, Marty.

MS. RUTHERFORD: I -- I would just like to add that these -- there was peer review when -- peer review group met with the Restoration Team. The peer reviewer was supportive of 93006, '7 and '8.

DR. SPIES: But he did make the same comment -- that Dr. Montague made. That a lot of those sites are intertidal because of the '64 earthquake in which it -- be careful -- judicious in how we spend money. We're not trying to restore sites that -- damaged by some scientist.

MR. SANDOR: Any further comments or discussions? Mr.

Barton.

MR. BARTON: Yea, I thought part of the purpose of this was not say restoration so much as it was to gain what information we could from those sites before they were lost. Is that correct?

MS. BERGMANN: Mr. Chair.

MR. SANDOR: Yes.

MS. BERGMANN: I think its a combination of all the different things that we mentioned before and the -- the restoration that would occur at a particular site -- will be coming out of a report that was developed in conjunction with Dr. Martin McAllister, who is probably the leading expert in the United States on restoration. And, so they will be looking at each individual site and saying what needs to be done, given the condition of the site that we have here. And, it would seem to me that if there's sites in an area where it doesn't make sense to -- you know, if there's erosion going on or just wave action, obviously that's going to have to be taken into account.

MR. SANDOR: Any further comments on this motion. Yes.

MR. COLE: What specifically do we seek to accomplish by this \$260,000 expenditure. I mean specifically. I mean, how do you restore one of these sites, for example.

MR. RICE: Mr. Chairman, maybe I'll take a shot at that.

MR. SANDOR: Mr. Rice.

MR. RICE: Basically, the intent would be to recover what knowledge is still available from the site and from that you can sometimes make an estimate, or quite often make an estimate, of

what additional information should have been there and what the true value of the site was. And, certainly they do that in sites that not related to the oil spill in terms of determining injury to a cultural resource site. But, it would be basically collecting the information before its lost by further vandalism.

Back to the question about intertidal sites. When we had the discussions with the peer reviewers, we did discuss ongoing erosion and I can't remember if it was the Restoration Team or the peer reviewer's comment that basically the -- any direct restoration to these sites restoration to these sites -- any data recovered would be directed only at those sites that were not intertidal so it would be those that are above the high tide line.

MR. SANDOR: Any further comments?

MR. COLE: Mr. Chairman. How then do we arrive at the \$260,000 figure?

MS. BERGMANN: Mr. Chair.

MR. SANDOR: Yes.

MS. BERGMANN: The figure came out of the damage assessment report that was traded by a panel of agency archaeologists and with Dr. Martin McAllister's participation. They -- I don't have the documentation with me, but they ended up figuring out how much it would cost to go out and conduct all of these different activities, taking into account the logistical requirements, personnel requirements. They did a very, very detailed analysis of what those costs would be and they applied them to these sites and come up with that.

MR. COLE: Mr. Chairman. You know, what troubles me is every archeologist in the country would like to study archeological sites, I mean, that should be essentially a given. The question is, don't you think archeologist wants to study archeological sites. I would think that they weren't much -- not much of an archeologist if they didn't. So, you know, what the archeologist wants to study with respect to these projects, doesn't carry a lot of weight with me. What carries more weight with me is, you know, how valuable is this information from the standpoint -- our mission to restore -- and enhance the damages caused by the spill. And, I'm a little hung up on that.

MR. SANDOR: Mr. Barton.

MR. BARTON: Yes, Mr. Chairman. I'm sure all archeologist would like to study archeological sites. Some of the sites they would like to study are threatened. Some are not. Some there's more time to get to. On the other hand, many of these sites are threatened because of the spill and the associated activities.

MR. COLE: With to which I have politely demure.

MR. BARTON: Defer or demure?

MR. COLE: Demure. Which is -- the polite way of saying so what, you know. But, listen, I mean it's really a considerable sum of money, \$260,000. Do we need it?

MR. SANDOR: Any further comments or questions on 93006 -- site specific to archeological restoration, two hundred and fifty million.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Yes.

MR. PENNOYER: One comment. On all three of these then is the intended time period is multiple years. In this case it's ten years. One that this particular project will spend -- so it's ten -- over the life of the thing it's two and a half million bucks then.

MS. BERGMANN: For 93006, in order to go out and do the restoration for all of the twenty-four sites, they would need to go out for the next two field seasons. Then you enter into phase of trying to identify injured sites that we don't know the specific locations of and people have different levels of comfort about trying to do that. But, in terms of just doing restoration activities for the twenty-four known injured sites, we would be looking at funding for this year and next year. And, the Trustee Council could certainly chose not to fund it next year, they could chose not to fund to in previous years -- or in subsequent years beyond that. The same thing -- I guess I would defer to Marty on the site stewardship and the site patrol and monitoring at some point in time. There's not need to continue those activities or they can become self-sustaining like in the site stewardship program.

MS. RUTHERFORD: Yes, I think the intent on the site stewardship 93007 is part to become self-sustaining after the local people are trained and have established a process.

MS. BERGMANN: Mr. Chair. One other point and that's

that these projects -- in generally are -- do receive a lot of support from -- from, you know, local people in the Kodiak area and Prince William Sound. Archeological injuries and studies of those injuries haven't received a lot of attention and they haven't received a lot of funding in previous years. It seems like you can keep postponing work that will stop continued vandalism, but the longer we postpone that the more injuries we are going to suffer as a result.

MR. COLE: Mr. Chairman.

MR. SANDOR: Yes.

MR. COLE: All of which leads me to believe. Ms. Bergmann. that the federal government and the state has not seen fit to study these archeological sites. So, therefore, why should the Exxon Valdez funds be used to -- for this purpose. Is this not a project that is either should be funded privately, by Native corporations, or by the State of Alaska from the general fund, or from the federal government general fund. What is it about these archeological studies that are so keyed to the oil spill that should prompt us to spend these funds here.

MS. BERGMANN: Mr. Chair. The simple explanation for that is that the damage or the injury was caused by the spill. We have about a -- what half of the total coastline of the United States is in Alaska. The resource agencies don't have the money at all to be going out and surveying all those coastlines and trying to identify all of the archeological sites that are there. I mean, there are -- you know, thousands and it is a management problem for

agencies to try to -- to get funding to go out and identify sites in general, so that when there is a spill or there is some sort of a threat to those sites, they'll know where they are. The reality is that it is very costly to do that and the agencies don't have that kind of funding. So, these studies or projects focus solely on the sites and area that was injured by the Exxon Valdez oil spill.

MR. COLE: Mr. Chairman. What will -- are these sites injured by the oil itself.

MS. BERGMANN: Some of them yes, because of the direct oiling. And, the problem with the direct oiling is that it inhibits your ability to do radiocarbon dating. And, if you don't have the ability to date a site, that oftentimes prohibits you from gaining a lot of the scientific information about the sites.

MR. SANDOR: Any further comments or questions? Is there any objection to 93006 which is moved and seconded for approval.

MR. COLE: Yes.

MR. SANDOR: Then it's not approved.

MR. COLE: But, I'm prepare to reexamine it after we finish review of number 8.

MR. SANDOR: Okay. 93007, is there a motion to approve project 93007 which is archeological site stewardship program, DNR, Forest Service, Fish and Wildlife Service, National Park Service, \$194.2? This project has already been described.

MR. BARTON: I move.

MR. SANDOR: Moved by Barton....

UNIDENTIFIED VOICE: Second.

MR. SANDOR: Seconded. Is there any discussion -- is there any opposition to the approval of project 93007.

MR. COLE: Yes.

MR. SANDOR: Project is not approved.

DR. MORRIS: Mr. Chairman, may I say something.

MR. SANDOR: Yes.

DR. MORRIS: Being a non-archeologist -- I kept my mouth shut -- I think there is a little bit of misinformation from the PAG at least on this that I sat through. They struggled with these five projects they tried to combine. And, first thing they said was even reduce the combined budget of them. But, there was a motion towards the end that they said, and I have it in my notes, to give priority to the restoration and protection of the archeological sites. And, those are projects '6 and '7. And, that's the motion that they unanimously have passed. That's basically all they accomplished on the SWEDA studies was to give priority to projects both '6 and '7. I think you'll find that in the transcript.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer:

MR. PENNOYER: Did they give any reason why they didn't like the archeological police force?

DR. MORRIS: They just couldn't see it. They couldn't see it working.

MR. PENNOYER: Nobody designed a logo.

DR. MORRIS: They got bogged down into a discussion about are you deputizing local people's enforcement on this or that. How do you do that.

MR. SANDOR: Ms. Brodie, do you recall the discussion?

MS. BRODIE: Thank you Mr. Chair. My recollection is that the Public Advisory Group was more supportive of the restoration project, that is number 6, and less supportive of the stewardship and patrol and monitoring. And, there was some particularly interesting testimony from Mr. Knecht, I think his name is, he's the archeology person from Kodiak, because he said that projects like this have been done outside and that there is a problem that often the people who volunteer to do the monitors are themselves people who raid archeological sites and they do it so they can find out where they are. And so, its got those sorts of problems. And, we also thought there would be more problems in Alaska than there are in the Lower 48 because it is -- its just impossible to police these areas. You can't have people in the Lower 48 who will drive to a trail head and watch the vehicles that are there, but you can't really in a practical sense to do -- so that was the reservations we had.

MR. SANDOR: Thank you. Would you -- while you're there, would you offer any opinion, personal or professional opinion on these projects?

MS. BRODIE: Its certainly outside of my professional area. I would opposed to '07 and '08. I didn't have strong

feelings about '06, I was more supportive of that.

MR. SANDOR: Thank you very much.

MS. BRODIE: Thank you.

MS. RUTHERFORD: Mr. Chair.

MR. SANDOR: Marty.

MS. RUTHERFORD: Could I just add one thing. The peer reviewer, Don Dumond, I think that was his name, met with the Restoration Team. We talked to -- some long degree about these very same issues, and he indicated that there -- it was very necessary to pick very carefully your site stewards and to -- and that in Alaska it would be particularly difficult because of the remoteness of the site. But, he did say that site stewardship programs are working in the Lower 48 and that when even one arrest is made -- a combination of sites -- the local people serving as stewards, along with an enforcement agency, that it sets an example that has far reaching impact. And, he felt comfortable with that attempt. Additionally, I just want to point out that the site stewardship program is working with the villagers. People who live in the areas who have cultural connection to these sites and, I think, are very concerned about the increased awareness is the result of the clean up. And, that the continuing vandalism, primarily by outsiders, at least that's what we are being told, that is occurring still. So, while I think -- you know, it -- it won't necessarily be one hundred percent successful, I think it could stem the tide a bit.

MR. SANDOR: Thank you. On project 93008,

archeological site patrol and monitoring, is there a motion to approve this project.

(Indiscernible - out of microphone range)

MR. SANDOR: Moved and seconded. Any discussion.

MR. COLE: May I ask in plain language, what do they intend to do under this project. I mean, this archeological site - - archeological site patrol is that what I understand it to be?

MS. BERGMANN: Its basically, Mr. Chair, as we're saying before, its to actually get people out into the areas and to -- law enforcement folks from the different agencies -- we have cooperating agencies with Fish and Wildlife Service, Forest Service and DNR. And, this was above and beyond the normal management. And, folks that they would have out doing those kinds of patrols normally.

MR. COLE: Who are we going to pay to do these patrols under this project? Who gets the checks.

MS. BERGMANN: For 93008, it would be the agency personnel. They would -- and if law enforcement is required -- law enforcement actions are required, then they have the ability to perform those functions.

MR. COLE: What -- what agency patrol -- paid personnel?

MS. BERGMANN: Fish and Wildlife Service, U.S. Forest Service and DNR.

MR. COLE: So, how are they going to do this. Drive out to these twenty-four sites daily, is that the project proposal?

MS. BERGMANN: No -- no....

MR. COLE: I'm just trying to understand really what you intend to do.

MS. BERGMANN: That would be extremely costly. They will just -- they will be going out by vessel, by aircraft, depending on where the sites are located and the kind of access that's required to get there. They will be trying to target some of the areas -- where they know vandalism has occurred in the past to see if additional vandalism is occurring. If through the site stewardship program, there are reports of vandalism, then that will be turned over to the law enforcement personnel, as part of 93008, and they will take appropriate action.

MR. COLE: Okay, let me see if I get this straight. Sometimes they're going to -- go to some of these sights by vessel and see what's going on there and decide at the time they arrive....

MS. BERGMANN: Right.

MR. COLE: On other occasions they're going to get into an airplane and fly over it to look and see if any vandalism is occurring on these sites.

MS. BERGMANN: Yes.

MR. COLE: And the sites you can drive to, they'll drive to and how often are they going to go out there in these vessels?

MS. BERGMANN: I can't tell you that exactly. The folks that we had here today ended up not being able to stay this evening, that could answer that specifically. And, I don't -- I'm not aware of any sites that would be accessible by road. I think

they would all be accessible by -- either by boat or by aircraft.

MS RUTHERFORD: A question, Mr. Chair.

MS. BERGMANN: Again, it is -- a great deal of 93008 supports the site stewardship activities from the villages. So, they are tied together, the two projects.

MR. COLE: But, let's say really what they're going to do. They're going to take vessels out there and they are going to look to see if anybody is there when they happen to come by. I mean, is that really it?

MS. BERGMANN: Well they'll be -- they'll be going through an area and if there happen to be people in an area, then they will probably stop and visit with those folks and they'll also be targeting to show a presence, like you would if you were a law enforcement person for Fish & Game. And, in particular -- and in addition to that, if -- they will be checking particular sites of concern in that area.

MR. COLE: And whose vessels are we going to use to make this reconnaissance....

MS. BERGMANN: I think those will be contract vessels. Let's see if I can tell by budgeting.

MR. COLE: You really think is a justifiable expenditures of these funds to make these reconnaissance?

MR. BERGMANN: The peer reviewer felt very strongly. I think Dr. Dumond felt more strongly about this one than the other suite of archeological projects. That this was a very important and effective project.

MR. COLE: Does he have any evidence of how likely it is that he would every see one out there at one of these sites when he went by.

MS. BERGMANN: He has done work up here in Alaska, so he is familiar with the kinds of logistics we are talking about and the kinds of areas that we are talking about. And, looking at the budget, it looks like that -- the aircraft and vessels are all chartered, would be contracted.

MR. SANDOR: Mr. Pennoyer:

MR. PENNOYER: Mr. Chairman. Mr. Cole said he is willing to go back and look at '6 after we finish with '8. Why don't we see what we want to do with '8 and then go back and discuss '6 for a minute because after wondering all the way through this, I think I want to go back and discuss '6 again too.

MR SANDOR: Well you're -- whatever you wish to do is fine. Any further discussion on 93008? Any objection to 93008?

MR. COLE: Yes.

MR. SANDOR: Not approved. It's been suggested we go back to project 93006. Mr. Pennoyer.

MR. PENNOYER: I ask a question about this. I guess -- the confusion of this, is the list it talks about is site specific archeological restoration. And, you have visions of somebody going back and throwing rocks back on piles or brushing the moths out or something like that. And, really what this is -- is this is a cataloging what's there, what has been disturbed, trying to recover information from it, more than it is going out and washing oil off

rocks or something. This is basically categorizing what has happened to these stocks. That's full damage examination, an analysis of injured sites. (Indiscernible) Recovery analysis and curation of any remaining archeological resources that were suppose to be disturbed by the oil spill, data recovery to compensate for the loss. So, the main things here you're dealing with -- I guess its a form of restoration, but I its not so much -- not necessarily physical restoration at the site by itself.

MS. BERGMANN: Mr. Chair.

MR. SANDOR: Yes.

MS. BERGMANN: It also -- if you looked down under the "why" it also talks about actual physical repair, such as action such as restoring trampled protective vegetation at the site or filling in a looter's hole. So, again that will be determined on a case-by-case basis. And, if the folks were here who wrote this proposal they could probably give you some specifics as to what would be done at each of those twenty four sites because they have been examined by Dr. McAllister and the group, in order to come up with a damage assessment. So, its both -- it just depends on what's needed at a particular site.

MR. SANDOR: Unless there's a motion to act on '6, '7 or '8, we'll move to project '9. Is there any motion to bring before this group?

MR. COLE: Well, can I ask the other Trustees -- look, here's the thing. I'm in favor of preserving archeological sites that have been damaged by the oil spill to the extent preservation,

some cataloging may be done. But, from the standpoint of expending funds for people to get in airplanes and fly over these twenty-four sites, to see if somebody might be there sometime. You know, I just don't think the public would support that. And, to chartering vessels to go out and cruise along the shoreline to check these things to see if anybody's around, or something's going on, I just can't support that. And, I don't think the public would support it. Training of volunteers and sending people around -- I can't support that. To the extent that there's a project here where archeological damage has been, we need to preserve it, we need to protect it, stretches it a little bit in my view, but I would support that. Now, you know....

MR. SANDOR: Is there a motion.....

MR. BARTON: Mr. Chairman, I move that we approve 93006.

MR. PENNOYER: Second.

MR. SANDOR: It's been moved that we approve project 93006. How does this differ from.... (laughing) project that we discussed (indiscernible)

MR. BARTON: It doesn't differ. Its very similar.

(Laughter)

MR. PENNOYER: Mr. Chairman, I think we said that after we went through all of them and looked at them, we might come back and reconsider whether some part of this made sense. And, I guess this is the curation that puts people out on the sites, we're starting to document better what had happened, we'll have people

looking, it might help prevent vandalism, or maybe when they get done they can better suggest to us what we can do in the future, but for one year, anyhow, you don't ignore the fact that we've got sites that were injured and we at least need to get on with the concept of trying to protect the resources that are there, no further disturbance, and finding out what was done with them.

MR. SANDOR: I guess the Chair is wondering if there was some combination of activities of the Public Advisory Group that suggested that -- very specifically then, the motion is -- the approval of two fifty-nine is for the project as described in 93006. Jim Wolf, do you have a comment?

MR. WOLF: Well, I think as a key point of the information that hasn't been brought up here, is that we did a damage assessment study. That study wasn't completed until last -- late last summer or early fall. So, the information to do part of the archeological projects was not available until just recently. Charlie, if that answers part of the question you said about why -- we doing something. The other portion is, if we have some sites that were damaged, and federal agencies on federal land have to take some action to protect and preserve those sites, when we discover damage to a site -- to an archeological site. So, we have to do something with those sites. So, there is part of the justification or reason why we're proposing -- the Park Services -- is proposing the project.

MR. SANDOR: Okay, the Chair says that 93006 is on the table for reconsideration essentially and is there any objection to

the approval of project 93006, 259.1. Yes, Carl Rosier.

MR. ROSIER: Question on this. Looking at the budget. I see we've got four agencies that are involved in the work. And, I don't know what kind of geographic area we're looking at here on this, but is there really a need to have four agencies on all projects -- see through to success?

MR. SANDOR: Any question on -- any comment on that. Pam.

MS. BERGMANN: Mr. Chairman. Assuming that here are sites -- at least twenty-four sites that there on different agency's lands and I'm assuming that some of them are also on private land which -- no Ken -- they're all on public lands. And that, if for example, it was on Park Service land or Fish and Wildlife Service land, then they would be conducting the restoration.

MR. ROSIER: Are there different mandates, Mr. Chairman, for individual landowners associated with archeological sites here on this. I mean, you fly from one side of the Prince William Sound to the other in forty-five minutes, from one end of it to other in about the same amount of time. And, it just -- I don't know, it almost seems like we've got a crowd headed for each one of these archeological sites here on this with four agencies involved in this.

MR. BARTON: Are all twenty-four of these sites in the Sound, or is this the entire oil spill area.

MS. BERGMANN: In the oil spill area. There's certainly

sites that are outside of the Sound.

MR. SANDOR: Any further questions.

MR. COLE: Mr. Chairman, I want to make a few comments. The Wilderness Society strongly opposes the Department of Natural Resources is the lead, number one, on '7. And, secondly, I'm tempted to say that the federal government has to take action with respect to the site, we should just as well let them do it. But, I'm not going to say that.

(Laughing)

MR. SANDOR: Any further discursion on this project, 93006. Any objection to this project 93006. Project is approved.

MR. COLE: Is it understood, Mr. Chairman, that this is the proposal to cataloging, even the restoration of these sites -- pretty much to that, as we've discussed here. Today, I would like to see that -- outside of that I favor the project.

MR. SANDOR: Fellow Trustees and members of the Restoration Team and others. It raises a real good question about, not only what's happened here, but what's happened during the Public Advisory Group discussion. They obviously didn't like the project in a way and suggested that they be redescribed and funded at a lower level. And yet, you know, they came to us just by necessity, without any revision whatsoever. The Chair and the Trustees will presume that the Public Advisory Group comments will be taken into consideration and read the transcript of this Trustee Council meeting, and in effect, modify the plans for expenditure of this \$259,000 in a more logical manner, that would reflect both the

advice of the Advisory Group, plus the Trustee Council. Can we go on to project 93009, and I can I say just as a reminder, anyone who wants to withdraw a project for consideration certainly should feel free to do so.

(Indiscernible - laugh).

MR. SANDOR: Seriously, 93009, public information, education and interpretation, U.S. Forest Service, 316.7 thousand dollars. Recommend 5-1, no opinion. Recommended with qualifications. Is there a motion to approve this project?

MR. COLE: I will move.

UNIDENTIFIED VOICE: Second.

MR. SANDOR: Its been moved and seconded that this project be approved. Is there any discussion?

MR. COLE: This project takes big hits from the public. For example, 2,100 to for projects. 24021, not justified under guidelines; 25-38, this should be done by private firms; 25040, less essential projects; 25 - Alaska Wilderness Resource TA, do not fund; Sierra Club - do not fund, goals do not justify expense; Carol Jensen, duplicates much of number '5; and I would omit the rest; Wilderness Society opposes; Sue Post, Alaska Center for the Environment, completely silly -- duplicates other work of Pratt Museum. That's a rough summary of the public's comments on this project.

MR. SANDOR: Any other comments?

MR. BARTON: I wouldn't want to accuse the Attorney General of selective reading, but....

MR. COLE: You should not because I went right down the line.

MR. BARTON: My information indicates that there were a number of positive comments, as well as a number of negative comments. The intent is to contract this work out, if you look on page 62 of the blue book, you'll see that \$200,000 is set aside for contractual arrangements.

MR. SANDOR: Any further discussion or comments, or questions. Any objection to this proposal.

MR. PENNOYER: Yes.

MR. SANDOR: There's an objection to the proposal -- this project is not approved.

MR. COLE: Mr. Chairman.

MR. SANDOR: Yes.

MR. COLE: With the indulgence of the Trustees, suggest or ask that we bring up another project out of order. A gentleman here from Kodiak is here -- wants to make a presentation -- in connection with one of the ecological projects or something that's closely related to that. He will not be able to be here tomorrow, and I think it would be a nice gesture if we hear him now.

MR. SANDOR: Indeed, we will do that. Step forward, anyone else that may not be here tomorrow that has a project that you'd want to cover. Could you identify your name and the project and make your presentation.

MR. LIVINGSTON: Yes. My name is Tom Livingston, I'm from Anchorage, actually, not Kodiak. I'm representing the Kodiak

Area Native Association and the Cultural Heritage Foundation Agency within that group. I wanted to speak to the Alutic (ph) Museum and Cultural Center.

MR. SANDOR: What project is this?

MR. LIVINGSTON: Its an additional project - its an additional project that was recommended by the Public Advisory Group. Its project '2 on that list. It was a public idea, number 298-17. First phase construction of Kodiak Archeological Museum.

MR. SANDOR: Everyone know -- everyone know where that is, the additional project list. Second one, 298-17. Proceed Mr. Livingston.

MR. LIVINGSTON: The goal of the project is to provide a regional facility that's dedicated to the preservation of cultural resources, traditional Native culture and public education. It ties in very closely with some of the archeological projects you've just been considering. However, it provides a permanent repository for artifacts and materials that have been excavated. Of the twenty sites that were impacted by vandalism in 1989, seventeen were in the Kodiak region. Site vandalism has greatly increased in the area of Kodiak, at least partly because the locations became widely known during -- in the wake of the spill. This project will provide a building of 3,000 square feet, which is the first phase of a project that has been in the planning stages for some five years. KANA has been providing site, site removal and preservation for nearly ten years. That's sort of a modest rate. When the oil spill occurred and the damage that then

occurred to some of those sites -- occurred -- the rate at which these materials had to be recovered and preserved increased dramatically. This facility will be mostly a storage facility to preserve those materials. There will be small exhibit space and some lab space, but its mostly provided to store and stabilize this materials in an environmentally controlled area and a secured area.

MR. SANDOR: Yes.

MR. PENNOYER: Thank you very much for your input. Can you tell me what first phase means?

MR. LIVINGSTON: Yes. I've been involved in the planning of this as an architect, not an archeologist. But, we've planned a facility that eventually would have large exhibit areas, it would have meeting areas, it would have more cultural areas within it, but the first phase of this is to provide safe repository for all the materials that have been removed, and that's why it's called phase one. And, it's just the first phase. It's being accelerated, in the sense, to try to provide for these materials that have been removed just recently.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I'm trying to recall the earlier testimony we had. But, currently KANA has an arrangement with the University of Alaska and the materials are kept a the University of Alaska right now. Would there be some provision for hiring somebody professional to do this, or do you already have somebody on site that would do....

MR. LIVINGSTON: Rick Knecht who is the director down there at the cultural heritage program, is an archeologist and he's the one that's been supervising the preservation of these materials and -- on a contract basis, the University and others around the state have provided assistance in the summer when most of the activity occurs. Much of these materials are stored right now in Kodiak in some leased space that they have in town.

MR. SANDOR: Any further questions.

MR. PENNOYER: One last questions. Then this money to construct the facility, nobody is indicating they want us to fund the maintenance and continuation and staffing at this point.

MR. LIVINGSTON: No, as a matter fact, the project has a -- been going on and it was initiated long before the oil spill. However, it was going on at a very modest rate. Last year a fifty year lease was signed with the city for two and a half acres of land for a dollar a year, so the city has made a contribution of land. KANA is providing -- they have already raised over \$250,000 in cash to cover expenses as personnel and administration is needed. KANA will provide the ongoing maintenance and staffing, pay the light bill, the heating bill and whatnot. They're currently -- with the small facility they have now -- the small leased facility they have now, they've been taking in between five and seven thousand dollars a month in revenues, just from -- essentially from tourism.

MR. SANDOR: Any further questions. Mr. Cole.

MR. COLE: Is it the plan to take these artifacts from the

sites and move them to this building?

MR. LIVINGSTON: I can't speak to that very well because I am not an archeologist, but -- as far as I understand that -- that many of those materials -- yes, will be removed, the ones that are in jeopardy and that need to be secure and need to be in an environmentally controlled area.

MR. COLE: So that would be a reason for not having these aerals and sea reconnaissance sites, they could just take these artifacts and move them into where they are. Remove the necessity for the volunteers and police officers and aerial -- it would be a better expenditure of money.

MR. LIVINGSTON: This project, of course, won't address the entire area, the spill area, just the Kodiak....

MR. COLE: Seventeen of the twenty-four.

MR. SANDOR: What's the total cost of this project? What's the total cost of all phases? (Laughing)

MR. LIVINGSTON: I think their request is very modest. They could easily have asked....

MR. SANDOR:Subsequent phases that I'm trying to....

MR. LIVINGSTON: Well, the ultimate phase would be about eight million dollars.

MR. COLE: Eight million dollars....

MR. LIVINGSTON: Yes.

MR. SANDOR: Eight million and

MR. LIVINGSTON: This is basically to provide storage

space for those items that have been -- unearthed and brought into Kodiak right now -- and over in the next year.

MR. SANDOR: How is the balance of the project to be funded?

MR. LIVINGSTON: I'm not sure what -- what all the plans are for that. I know there's potential BIA funding, there's quite a bit of private funding that's available through foundations, and Mr. Knecht has a schedule of different fundings sources that he's approached and will be approaching.

MR. SANDOR: I guess the reason the chair asks that question -- I favor that -- this first phase construction, but I'd be worried if the intent was to have subsequent phases funded from this same project -- from the oil spill funds. That's why I raise that question. I don't know whether you want to make any observations or have some understanding, but -- I guess, I ask this of the Trustees, if the approval of this would not essentially condition us to be obligated to complete the project. What would be the feeling of the Trustees? Or, maybe you would.

MR. PENNOYER: Well, that could be a motion, I guess.

MR. SANDOR: Well, any needed further questions. Yes, Mr. Rosier.

MR. ROSIER: I'll go after him.

MR. SANDOR: Okay, thank you.

MR. McVEE: Is there any -- and -- is there any immediate problem with the rental storage. Are the -- are the materials protected adequately in the existing storage. And, the

reason I'm getting at is, well maybe this is something that waits for the restoration....

MR. LIVINGSTON: The storage they have now is just commercial space, just a small amount of commercial space, less than a thousand square feet. It's -- they have purchased vaults, essentially, to place the materials in. Those vaults have a limited ability to provide environmentally controlled atmosphere. Its really -- you need an active system to do that and those vaults don't do that very well. They're very secure in terms of vandalism and damage, physical damage, but the environmental damage is a concern. Humidity primarily, and temperature. So, that's what this space would provide is a very environmentally secure space for those materials.

MR. SANDOR: Mr. Rosier, you had a follow up question?

MR. ROSIER: Thank you, Mr. Chairman, yes. Is there currently on ongoing recovery effort within the sites today?

MR. LIVINGSTON: Again, I can't speak to that very accurately since I'm an architect and not an archeologist, but it's my understanding that KANA began some ten years ago removing and preserving materials at different sites. That accelerated with the spill because of the damage that occurred at some sites that they had not anticipated doing any work at. It really threw things out of sequence and accelerated many things into an emergency status essentially.

MR. ROSIER: So there's an immediate need for an expansion of the capability for storing of materials.

MR. LIVINGSTON: An expansion of what they have now, yes, definitely.

MR. SANDOR: Any further comments or questions? Pam.

MS. BERGMANN: Just a point of information. The cultural resources group has talked about curation artifacts to a limited degree. And, its my understanding that all of the artifacts that were recovered through the response portion of the spill, and that would be primarily by Exxon contract archeologist, are all being curated with the University of Alaska Museum. In order for curation to occur -- right now the University of Alaska Museum is the only museum space in the state that meets all the curation requirements. So, in order for another facility to -- it would have to come on line and meet very specific requirements before we could -- excuse me -- put any of the artifacts that would be coming out of like project 93006. So, I guess, the artifacts that you're talking about here that are in storage, would be artifacts that would have been recovered just through KANA's own -- own programs. And, those would be artifacts that they own.

MR. SANDOR: Mr. Pennoyer:

MR. PENNOYER: Chair -- Chairman. Is there more detailed write up, I notice you reading from something, but I apparently don't have a copy of it, shows the square footage and the type of climate control facilities that are envisioned and that sort of thing. Do we have something like that?

MR. SANDOR: Have copies made. Would you have something in there.

MR. LIVINGSTON: The back of the -- Mr. Chair -- the back of the Brad Phillips' memo is a discussion of this project.

MR. PENNOYER: The back of it.

MR. GIBBONS: Yea, the last page is about -- or eight or ten pages in. The project looks like....

MR. PENNOYER: Somewhere after all the voting pages, you mean.

MR. GIBBONS: Yea, its called -- the upper right hand corner you'll see a long number, but it ends with 279. So, Mr. Chair, just a word -- why this project didn't make it through the Restoration Team. We felt that it was not time critical. We received at least three proposals from museums that -- three different ones -- that the criteria were applied to that we're not time critical.

MR. SANDOR: They all were reviewed by the Public Advisory Group, Dr. Gibbons?

DR. GIBBONS: No. They were submitted by private individuals.

MR. SANDOR: Did they -- were they processed through the Public Advisory Group. I know the Public Advisory Group here unanimously recommended this. Did they not recommend or consider the other.

MR. GIBBONS: The others were not considered. This was brought up by Richard Knecht, a Public Advisory Group member.

MR. SANDOR: I see, okay. Thank you. Is there a motion to approve this first phase of construction of this project.

MR. PENNOYER: So moved.

MR. SANDOR: It's moved by Pennoyer and seconded by --
by who --

MR. PENNOYER: I think I made the motion, I didn't second
it.

MR. SANDOR: Was moved and who seconded it? Is there a
second of this motion?

MR. ROSIER: Unless you want to take another count
tomorrow when we talk about it.

MR. SANDOR: Let's try to take it up now while Mr.
Livingston is here.

MR. COLE: Mr. Chairman.

MR. SANDOR: Yes.

MR. COLE: I would move that we defer action on this
proposal until the February meeting and then we can have Mr. Knecht
come in and give us any further information in support at that
time. I'm a little uncomfortable approving a million dollar,
essentially a million dollar project at this time, based on the
(indiscernible) information we've had here this evening. And, I
suspect other members may feel the same .

MR. McVEE: Mr. Chairman.

MR. SANDOR: Yes.

MR. McVEE: As I understand it, if this feel out -- if
the RT level -- that it did not go out for public comment. It did
not go out for general comment. I think that's a step in the
process we have to think about.

MR. SANDOR: It's been moved that project -- well, there was no second to the motion, to approve this -- it's been moved we defer this to February 16. Is there a second to that?

MR. BARTON: Second.

MR. SANDOR: Seconded. Any objection to that? We'll do that, and perhaps Mr. Knecht can provide the information. Yes.

MR. PENNOYER: Mr. Chairman. I don't object to that, having Mr. Knecht come and provide us the information, but it does call into question how we're going to -- I think I would like to hear a little bit of why this is time critical, and maybe the '006 visiting these sites and having some place to put materials, makes it more time critical. But, I am not arguing against the validity of this, and there are many others that we're going to get, administration type projects that have the validity, but we did sort of adopt the time critical question. And, I think that ought to be addressed and any resurfacing of this proposal. I'm not against doing it in February.

MR. SANDOR: Well, perhaps Dr. Gibbons and the Restoration Team can note that and see if we can get that information and have it scheduled. Thank you Mr. Livingston for that presentation. Are there other individuals here, this evening, who have been so patient that would want to make a similar presentation on any projects that are before. Yes, Mr. Totemoff, please step forward.

MR. BRODERSEN: Mr. Chairman. Before we move off to this project, perhaps a little guidance to staff would be useful on this

last proposal we were just dealing with -- we did have several competing proposals for different museums brought forward when we collected public ideas last summer. I'm not sure we could get information together on them, but it seems like if one is considering one museum, one should be also considering the others and then the other options for storing these objects. I'm not quite sure what we do to bring you the information to help you make a decision on this. I was wondering if perhaps Trustee Council could give us some guidance on that.

MR. SANDOR: Sounds like you've outlined what might be a good course of action. Is there any objection to that by the Trustees?

MR. Brodersen: Well, we can't do that in the time period we're talking about, by February.

MR. SANDOR: '94?

MR. Brodersen: '94 we can help out a lot.

MR. SANDOR: Seriously, whenever this information -- but you're point's well taken. You know, you do need to look at these four projects and whether it's April, May or whatever, and I don't know what the next time for something to go out to the public, but probably should -- course the Public Advisory Group will have an opportunity to look at the other project. Any guidance to the Restoration Team on the question that Mark Brodersen raised? Beg your pardon.

DR. MORRIS: Said it's different comments.

MR. SANDOR: Okay, well be guided by that silence and

may your own wisdom....

DR. MORRIS: Mr. Chairman.

MR. SANDOR: Yes.

DR. MORRIS: Another comment on -- another comment on that project and I guess it applies to all these other ones that are being considered new and that would be -- you consider when you're discussing them and keeping with the decision we made at the last meeting of the Council, is what about the NEPA compliance requested. If you choose to -- future act on a project, you might want to consider whether you want to at least approve it for -- looking towards NEPA compliance at this stage.

MR. PENNOYER: Mr. Chairman. I think I was premature at this time when....

MR. SANDOR: We are talking '94. That's for sure. Can we take a ten minute break and your audience will be more greatly relieved.

(Off record 9:10 p.m.)

(On record 9:17 p.m.)

MR. SANDOR: Let's please reconvene, okay. With the agreement of the Trustees, we will adjourn no later than 10:00 o'clock so that we can get here bright and early at 8:00, because we know those who hoot with the owls at night cannot soar with the eagles in the morning.

(Indiscernible - simultaneous talking)

MR. SANDOR: Okay. While we appreciate Mr. Totemoff and Tyler Jones -- your patience -- you've been here most of the

day and -- your project proposal, as I understand it is one listed, Chugach Resource Management Agency, which was considered by the Public Advisory Group. And, Mr. Totemoff is a member of the Public Advisory Group, but I think you're going to lead off with a statement.

MR. TOTEMOFF: Yes, I am Mr. Chairman and thank you members of the Trustee Council.

MR. SANDOR: Could you turn the -- get the mike closer.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Yes, beg your pardon.

MR. PENNOYER: I'm sorry, did you say -- I'm trying to orient myself.

MR. SANDOR: Yes, it's not on that list, but -- because -- yea, it's not on this, but it's on the list that Curt McVee passed out, the last page of that list. Excuse me, go ahead.

MR. TOTEMOFF: Okay, is this thing on. Okay, thank you again Mr. Chairman. Just for the record, my name is Chuck Totemoff, I'm president of Chenega Corporation and speaking on behalf of the villages and village corporations within the Chugach region today. Originally I had two subjects I wanted to bring up -- Trustee Council -- members of my presentation, but there's been an additional one added. That one, P&D, site monitoring projects -- archeological work -- I'll lead to that at the end of my presentation.

To continue. We continue to support direct contract of restoration projects. I do note that on the agenda that you will

be again considering Resolution number 2 of the Public Advisory Group. You will also be considering comments of the Public Advisory Group concerning importance of local involvement. We are concerned about the impact many restoration projects will have on the human environment in Prince William Sound. Based upon our experience, we remain convinced that adverse impacts can be reduced by the utilization of local human resources. Proposals such as the CRMA which address methodology to deliver logistical support and other services would substantially reduce the adverse impact. In fact, the CRMA proposal is designed in order to assist the restoration projects to be beneficial to the human environment. The Department of the Interior, as lead agency, certainly has the authority under the laws, to do direct contracting with CRMA, through the Indian Self-Determination Act, Public Law 93, 638. Alaska Statute 37.14.420 authorizes such expenditures and accords with Public Law 93, 638, which applicable to the Department of the Interior. I'll keep this short. I've asked Tyler Jones to further explain the reasons why we believe the program we propose is beneficial and necessary to the restoration to the environment. I just feel that it is more appropriate that Mr. Jones to discuss the project because of my position with the PAG. However, I will be glad to answer questions, particularly about PAG Resolution No. 2.

MR. SANDOR: Mr. Jones.

MR. JONES: Thank you Mr. Chairman and members of the Trustee Council. I appreciate the opportunity to be here today and discuss the Chugach Resource Management Agency and the other item

that Chuck Totemoff mentioned PAG Resolution 2.

The idea that we're here to -- we hope reinforce with the CRMA is the idea presented in the Public Advisory Group resolution which proposes that the counsel direct Restoration Team organizations to work with Native landowners and other residents of oil spill impacted areas, for contract opportunities and direct labor. We've been through the mill with the PAG on the CRMA, we've also found that the proposal that we have put together with Chugach Resource Management Agency is an instrument to carry out what we think ultimately will be endorsed in some form by the Council in its attempt to get the restoration work into the backyard of the residents of the area.

The Chugach Resource Management Agency has a -- sort of a spotted or checkered past. The villages lead by Chuck and the regional corporation of which I at that time was representing exclusively, took different approaches to this issue of how to get the people within the region working on the oil spill restoration.

The villages were looking for direct contracts with agencies engaged in restoration activity. The regional corporation, on the other hand, was trying to establish a vehicle to actually inventory the human equipment, vessel and other resources that were appropriate to the restoration activity with the region so that those could be applied back to the work required in this instance, in the 1993 work plan. Late last year, the efforts of the village group and the regional corporation were combined into a joint venture that's been formally adopted by Chuck's village

corporation, three other village corporations and the regional corporation, Chugach Alaska.

The -- both the village corporation proposal and the CRMA were proposed in November 20 comments on the 1993 draft work plan. We were responding to course of concerns that we picked up, both within agencies with staff members that we'd spoken to about work within the region and also from shareholders from the village corporations and the regional corporation, who felt that all efforts had been made to contract directly with or to engage the residents of the area in the restoration activity. There is a significant room for expansion of that effort through some instrument like the Chugach Resource Management Agency. Therefore, we saw the Public Advisory Group Resolution No. 2 was sort of the authorization that was proposed for this activity, and the Chugach Resource Management Agency the actual instrument to realize it.

As everybody probably knows by now, we've made a visit to Juneau last week, we had Curt McVee on the phone for the better part of a couple of days, it seemed like it, at different times, and I think we presented to each of you or to representatives the ideas that we felt were appropriate considerations within the CRMA. We found a lot of enthusiasm for the benefits that we assert, the CRMA offers. We also encountered concern over the mechanism that we had identified and also concern over many aspects of the '93 work plan itself and the restoration plan. How the actual involvement of locals could be brought to bear.

We presented the CRMA to the Public Advisory Group, and as you

can see from the variety of documents before you, were not persuasive in getting that groups endorsement. However, what we did get from the PAG was a strong assertion that they endorsed the thing that we were promoting which was the idea of resident hire within the spill area. They were uncomfortable promoting a particular corporate entity, i.e., this regional corporation, village corporation, joint venture. They did not want to be in a position of saying, here write these guys a check. And, that was understandable reticence on their part. Therefore, we have modified our proposal as we presented it in Juneau last week, we have found a great deal of enthusiasm for the plan as it exists now. In part, because we have withdrawn ourselves as the potential contractor and, instead, are simply proposing that the Trust -- the agencies designate Interior as the lead agency on this. At this time I would like to....

MR. PENNOYER: I'm sorry I missed that last -- some paper was being shuffled. Designate your group as....

MR. JONES: No, designate the Interior Department as the lead agency on this proposal. At this time I would like to pass out a new fact sheet with the proposal attached.

(Simultaneous talking aside)

MR. JONES: Our co-conspirator, Tom Fink, is passing out copies to those in the audience who would like to have a copy of this proposal. Working from the proposal sheet, the purpose as we see it, and one that's endorsed generally wherever we go, is to make use of the resources available within the region to effect oil

spill restoration.

The organization proposal, I believed spelled out here, does not say contract this to the CRMA organization set up by the villages and the regional corporation. Before I walk through these steps, however, as you know, we do feel that's a feasible and reasonable thing to do, but we're just saying ignore that, we're not asking endorsement of that.

The steps of the organization as we see it is, approval of the proposal and its funding the Council; the designation of the Department of the Interior as the lead agency by the Trustee Council; development of the CRMA project scope of work in creating resource identification and an inventory by the Department of the Interior; the fourth is, establishment of community contacts to locate relevant services, skills, facilities, vessels equipment and other resources within the Prince William Sound region by the Department of the Interior; fifth is, coordination of individual 1993 Work Plan project scopes and resource requirements by Restoration Team and the Department of the Interior, this would be a coordinated effort; sixth is, a provision of a detailed inventory and resource contacts to principal investigators involved with each restoration project within the Chugach region; and, ultimately, the maintenance and expansion of resource inventory by the Department of the Interior.

The benefits which we perceive in connection with this particular proposal is that it reduces the impact on the human environment caused by the restoration effort by using locally

available resources; the second benefit is that it lowers the restoration cost due to reduced mobilization and position expenses; and, finally, it employs proven resident field, a group of proven resident field personnel within the Prince William Sound region.

The enthusiasm that we've found for the plan is pretty much been focused on the benefits. People have asked us who would argue with reducing the impact and lowering the cost and employing the locals. And, we certainly appreciate that endorsement. As far as the mechanism is concerned, as I've said earlier, we're only asking the Trustees to approve this concept. We're not asking you to endorse our joint venture as the vehicle to do it. However, we want to be candid -- candid and acknowledge that we feel there are vehicles for the agencies to cooperate with the Native entity and Chuck described some of those, like Public 93-638 or 8A agreement or cooperative agreement.

There are other concerns which have been raised that I would like to touch on very lightly and quickly because, otherwise you'd have to. The first is the budget and the size of the budget. This budget was focused on a gearing up for approval of the entire 1993 work plan. Now that the 1993 work plan appears to be shrinking in size, that number would be self-regulating. As was discussed earlier, we would suggest that the number be defined as a cap and that the Interior Department, assuming it's identified as the lead agency, be encouraged to be judicious and the expenditure of those funds with a definite cap. As I've said, the necessity for that funding would rise or fall depending on the '93 work plans which

were approved.

It would also be significantly variable due to a coordination the Restoration Teams ongoing efforts to coordinate logistics and planning. It is certainly our intention to be complimentary to those activities and not in any way be redundant.

One element we would see this project bringing to the effort that would be entirely new would be to aid the resident businesses and individuals with services, skills or other resources, to bring to them some development of skills of bidding, proposing and contracting with the involved agencies, so that services can be provided by them.

Ultimately, we see this as an opportunity to reduce the environmental impact of the restoration effort that is already had some significance as described in connection with the cultural restoration proposals. We noted in the communication from the Department of Interior that, it did not meet the NEPA compliance requirements and we would assert, at this point, that the project that we propose conforms to NEPA, inasmuch as it would only be implementing individual projects which would, or shortly would, have conformed to NEPA. And, therefore, we feel that it -- our proposal is essentially an administrative undertaking. That concludes my presentation, Mr. Chairman.

MR. SANDOR: Are there any questions and Trustees would raise. Yes, Mr. Pennoyer.

MR. PENNOYER: In looking at this, as you mentioned this amount of paper on the project, I have a resolution here from the

Public Advisory Group that says, they urge us to fund the resource inventory and project works and support elements. Then voted one - nine to one against funding for the program. What do they mean by their resolution.

MR. JONES: We -- Mr. Chairman, Mr. Pennoyer. We had a difficult time with that resolution. We thought we had responded to the desires of the PAG in preparing that resolution for their consideration and it was the specific mentioning of this organization that derailed the resolution. Again, they supported the idea of the resident hire and resident contracting within the region. They reasserted their support for PAG Resolution No. 2, but they were not comfortable in approval of that resolution which was comparatively, at least in their minds, specific to this entity that we represent. And, turned it down on that basis.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: But the resolution specifically says unless the active participation of CRMA in development of work scopes for approved projects in order to insure the creation of a relevant inventory. I don't know exactly what that means, but -- in other words, they're saying, they'd like you guys involved in the planning, but without funding.

MR. JONES: Mr. Chairman, Mr. Pennoyer. They attempted in various ways to send forth the resolution without supporting the organization and they did not find a clear way to do that. Unfortunately, we present a proposal for an agency and we

have created a joint venture of the same name and the confusion is regrettable and understandable. They supported those ideas without supporting this entity implementing them.

MR. PENNOYER: Or funding, specifically for any entity.

MR. JONES: That's correct.

MR. SANDOR: Any further questions. Mr. Barton.

MR. BARTON: Yes, it's not clear to me just exactly what an organization of this type is going to do. Is it going to implement the program of work, is that the intent? If the Council would contract with this -- some organization like to, to implement the program work. Is....

MR. JONES: Our intention is for the creation of -- or for the Trustee Council to approve a proposal to conduct an inventory of resources within the region, match that up with the individual project requirements, and to coordinate the provision of services to agencies conducting work under the 1993 work plan.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: What is the Department of Interior think about this proposal?

MR. SANDOR: Mr. McVee.

MR. McVEE: (fumbles with microphone) I've got one of those somewhere. We haven't had really a chance to look at it in detail and I'd ask the solicitor's office to give me some guidance on it and, at that point in time, I didn't have this proposal in hand. And, I think that would be tremendously useful now that I

have that detail in hand. So we really haven't taken a position on it. I think it's an interesting approach and if it will save us time and money, and with the other objective of getting local people employed, I think it's worthwhile to investigate it. But that's kind of where we're at this point.

MR. SANDOR: Mr. Barton.

MR. BARTON: Yes, I'm curious as to why you focus on the Department of Interior as the lead agency as opposed to another fed or state agency.

MR. JONES: Primarily -- Mr. Chairman, Mr. Barton -- we focused on the Department of the Interior because of their relationship with Native organizations, historically.

MR. SANDOR: Any further questions or comments. Mr. Cole. Mr. McVee.

MR. McVEE: Mr. Chairman. Whether it would fit under a 638 contract, that type of arrangement, I don't know. It could be -- it could fit under a minority contract - 618, 88 type contract -- would be the other possibility -- way of doing it.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. Doesn't Interior have funds for that type of contracting you're talking about that wouldn't require oil spill funds for restoration. To do it, don't you have funds that sponsor the creation of such businesses and so forth, the minority business activities.

MR. McVEE: Not that I'm aware of unless they're in BIA. Otherwise, none that I'm aware of.

MR. SANDOR: Well, the concept is most interesting -- the Public Advisory Group, I suspect -- the Trustees -- can't hardly find fault with the activities. How does this differ from what was actually presented to the Public Advisory Group itself. When this was before the Public Advisory Group -- when the Public Advisory Group meets February 10 -- is that they're next meeting -- should this be reconsidered by them or will the Solicitor have some comment on it by then?

MR. McVEE: I'll get this to them.

MR. COLE: You mean Tom Sancinetti (ph). Tomorrow is his last day --or today.

MR. SANDOR: Anyway, any guidance from Dr. Gibbons on this -- on how we should process or deal with this.

DR. GIBBONS: I guess the question was asked is how does this differ from the one that was presented to the Public Advisory Group on the 6th and 7th of January. If it is different, maybe they should bring it up again. I don't know.

MR. JONES: It is different and I'm not -- I could speak to that Mr. Chairman. In fact it is no different, but our presentation, I think, is considerably different because we've gone to great lengths to distance ourselves from the role as perspective contractor and, instead, place ourselves before you as the initiator proposing an effort for the Department of the Interior. I recognize that that may seem an insignificant distinction, particularly as we acknowledge that we assumed the former role previously, but for the PAG it was very complicating that we were

sitting here proposing for the Department of the Interior to do something that we would then contract. And, so we're saying forget all that, you know, we may be back, we may come seek Curt or his successor or whomever, but we think this is a very important thing to do, we think it's important enough that we believe that if Interior got the approval of the council, got the funds and put it in motion and contracted with someone else that it would still have tremendous benefit for the regional corporation and for the village corporations. I might add that, although it may be -- well, I think it's evident, but others have told me it's not, there is no profit built into this budget for either the villages or the regional corporations. This is intended to be a break even proposition to get the work into the region. And, that's how it started and we're learning.

MR. SANDOR: Why wouldn't it be possible -- no preferable to simply have the Trustee Council and the Restoration Team and it's -- all the agencies that function under it, be guided by this concept and solicit or utilize your group or some other group that would be able to provide those same services?

MR. JONES: Mr. Chairman. We really are dealing with a -- an inventory of resources that do exist out there that in some respects don't know they exist, people don't realize they have skills that have value to restoration-oriented agencies. We have people with equipment or cabins or facilities that they don't realize that they could be contracting. They are not keeping current on those opportunities so the business development aspect

within the remote areas is critical to it's effectiveness.

MR. SANDOR: Mr. Cole.

MR. COLE: Mr. Chairman. I -- I strongly support utilization of local personnel and facilities whenever possible to carry out these projects. I think it would provide employment in these areas which need employment, I think it would generate some funds in part to offset the effects of the spill, which resulted in the economic stress in these areas. And, that would include boat, cabins and things of that nature. What I wonder, and I've told these gentlemen when they were in Juneau, that I would like to see if we couldn't utilize these resources to carry out these projects in part, whenever possible. I realize you can't do that in every project, but it seems as though a number of them could utilize these resources. I would like to see the lead agencies utilize those resources whenever possible. And, can we work from that -- approach. Maybe that doesn't exactly fulfill their lands proposal, but it may get us a ways -- a considerable ways down the road. In seeing and fulfilling our objectives. That was my idea and it remains so.

MR. SANDOR: Mr. McVee.

MR. McVEE: Yes. It seems like -- you know -- it would be possible to set up, or if it were possible to set up the CRMA, under lead of one of the agencies, Interior or whatever. But then, to make -- the maximum use to get our monies worth, so to speak, out of the half million dollars or whatever that final amount would be, that it would be -- I would say mandatory, but the

more projects that could flow through, the more services that could be provided, the more hires it could be provided by CRMA from all of the lead agencies that are doing projects, the more benefits we would get from this, if you accept this, the concept for this idea.

So that it not only affects Interior in setting it up, it affects all the lead agencies. We say okay we're going to utilize to the maximum extent this entity and these services to -- to get the maximum dollar -- maximum worth for the dollars we're investing.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. Is this proposal for half a million dollars a year? And, what do you get in terms of personnel and how many people are involved? It says \$94,000 worth of equipment. The project is presumably refunded for overhead and administration on each of these projects and equipment and travel.

And, I'm -- and vessel charter. So, you know -- boats available, you don't have to buy it. It's basically chartered by the project.

So, what do you get for half a million dollars a year in terms of overhead for these projects. I agree completely with Attorney General Cole that the object should be to use local resource as much as possible and feasible in every project. But, I'm not sure what the life history of five million dollars worth of -- in essence, overhead does for you.

MR. JONES: Let me reiterate if I may, that this is a flexible number, shrinking moment by moment as fewer projects are approved by the Council. This was a very rough estimate based on an assumption for approval of the entire draft 1993 work plan. The

personnel involved, we see, two in Anchorage and part time up to six in the outlining areas to work in the communities to circulate with people with boats and to establish what resources exist out there to feed those into an overall inventory data base. The travel, we assume, will be necessary to connect with all personnel in the field who have resources that we're trying to make eligible for hire and travel, either by them or agencies or for us to agencies to make the connection between the inventory and the scope of work on the individual work plan projects. That won't just be an automatic process of needs being known and met, but rather it will be an ongoing process. Contractually, we did imagine that there would be some requirements for hiring specialist, every where from airplanes to lawyers, to make this thing work. To get into the field and particularly in the business development side, bring people up to speed quickly in the process where they may have just felt excluded or ineligible or whatever in the past. Likewise with equipment we saw the potential to set up a communications network, both into the field and with the agencies, that would allow us to be quickly responsive to changing needs.

MR. SANDOR: Any other questions or comments? Any specific recommendations for action or motions for action by this Trustee Council, either to approve this in concept or whatever. Yes, Mr. Pennoyer:

MR. PENNOYER: Mr. Chairman. I have one additional question. Are there entities out there now that the agencies can contact regarding employment. Is this focus required or would you

-- regional corporation, for example, have a subsidiary or group that deals with employment opportunity, training, and so forth. Are we -- do we need to create something new. Is there a focus the agencies can write to -- get hold of and work with or whatever?

MR. JONES: Mr. Chairman, Mr. Pennoyer. The agencies are focused and they have been making an effort in that direction. And, the individual corporations, likewise -- you know -- encourage the businesses that their shareholders and others within their area have to be productive and to be active. But, there is a very large mesh to this net and theirs a lot of folks just falling right through. I would also assert to you in terms of the self-regulating aspect of the CRMA to the extent that we get out there, this all goes forward and we contract with Curt and he's miraculously still at the Department of the Interior, and we're just going along huckledebuck, and if we find out that we're not being productive, I suspect that Interior's going to discourage the CRMA from expending further funds in a nonproductive effort. If we really find out that everybody's just scooting to the agencies and signing contracts, the job's done. So, I -- I mean, I personally don't think that's going to be the case. I think it will be a ten year project. I think it'll have a big start and a declining budget in the out years, but I think that that very much is controllable, depending on the results.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Does your proposal envision Kodiak, the outer Peninsula, outer Cook Inlet, other oil stories too, or is it

only in Prince William Sound.

MR. JONES: The Chugach region.

MR. PENNOYER: Okay, so....

MR. JONES: To the lower Cook Inlet.

MR. PENNOYER: So we would have a necessity to do something similar in these other areas if they desired that type of coordination.

MR. JONES: And if you're so inclined.

MR. SANDOR: Any other questions? Mr. McVee.

MR. McVEE: Why -- why didn't you use Chugach -- non-profit as the entity existing.

MR. JONES: We were -- Mr. Chairman, Mr. McVee -- we were going in parallel courses on different projects. They had their hands absolutely full on fisheries and maricultural issues. They realized that we were doing something, that the village corporations that they work with often, coordinated with, and in fact encouraged the merger. They were busy and we were focused.

MR. SANDOR: The chair has a question if there's no other questions. I guess this is an accounting kind of questions, but is this -- is this activity regarded, I guess I'm looking to the staff, as an additional overhead category, Dr. Gibbons. This four hundred, or whatever it is.

DR. GIBBONS: Mr. Chair. At the present time it would be reflected as additional overhead. It -- the Trustee Council chose to move forward with this, I would hope that they would also direct the agencies to go back and look and see where, if possible,

any overhead can be reduced out of the existing project.

MR. SANDOR: I guess that was precisely the point I was leading towards. We ought to be doing -- everybody ought to be doing this anyway. And, if you were in business to do this, why couldn't just that fact be known and then be -- contracting agencies or the implementing agencies simply engage your entity to do that activity. And, not get the Department of Interior or other public agency involved in. Invariably, we who do this do things less efficiently than if you do it yourself.

DR. GIBBONS: Mr. Chairman. That's a question that we have pondered, under what other circumstances would be involved in promoting this activity. And, what you describe is within our realm of options. However, as our participation here today has -- has recognized coordination at the highest level, is a priority to the Trustee Council. The very directive messages you sent agencies about working together on perhaps somewhat different projects, is a consideration that we've taken to heart previously. And, we've seen that, for example, in the coordinations of remove resources for projects involved in the same area, perhaps involving different agencies, we might be able to do a great deal more than is being done already. Particularly, if we're dealing with resident remote resources. So, we think that makes a lot of sense and that's why we're here today saying why don't you agree with us, fund it and we'll go talk to whomever -- whomever is the repository for those funds.

MR. SANDOR: What you do not -- wouldn't cover other

geographic areas impacted by the spill.

MR. JONES: Mr. Chairman. I have been involved with this joint venture for a couple of months and I know that we've gotten our act together to the degree that we have without concerning ourselves with the other Native region -- regions involved. So, that's really why we're involved in the Chugach region.

MR. SANDOR: Any other questions at this time. Any suggestions for actions or do you want to delay actions on this until another date? Mr. Totemoff and Mr. Jones, we've appreciated the presentation. As you see, we are as receptive as you were -- you found us individually, but somewhat caught in a dilemma of trying to reconcile this plus other entities in other parts of the oil spill -- could actually do this and do this without adding to the overhead as opposed to utilizing the overhead that's already been allocated to the different project costs. Every project and every agency has -- what is it fifteen percent overhead, isn't it about --

DR. GIBBONS: Fifteen percent on personnel and seven percent on contracting, up to twenty-five -- \$250,000 and then two percent over that.

MR. SANDOR: So you see that's -- that's in there and, of course, that's what this money should be used for. So, I don't know, unless the Trustees are prepared to take some action now, I would propose that we defer action on that this evening and consider it at a later time.

MR. McVEE: Mr. Chair.

MR. SANDOR: Yes.

MR. McVEE: It seems to me like we need to get through all of our project to know what kind of package we've got. It seems like we need to do some internal staffing. I shouldn't say we, I guess, but -- on this proposal and maybe some of that will have to be done in conjunction. I guess, one of the questions would be is Tyler available to -- you know, meet with staff and discuss and work out -- this maybe -- you know, just staffing it out might be part of the negotiation process.

MR. JONES: Mr. Chairman. We -- we're eager to work with Interior and with other agencies that are interested. We would like to help on the subject of the NEPA compliance and also in terms of the importance of timing on this. So, you bet. We're available.

MR. SANDOR: So, let's plan to do that unless there's some other course of action suggested by the Trustees. And, thank you for your presentation. And, this would conclude the session this evening, with the exception that -- can the Chair have some counsel or guidance from the Trustees on how these other projects recommended by the Public Advisory Group, be dealt with. I think Dr. Gibbons pointed out to me at recess that none of these have had public comments. And, how do we want to deal with these tomorrow? These projects that have not had public comments, but yet grew out of the public comments or Public Advisory Group process. Do we want to consider them as regular projects tomorrow. Mr. Pennoyer.

MR. PENNOYER: These have not had public comments. Most of them were proposed by the public at some point, were they not.

DR. GIBBONS: Yes, what transpired was they're -- we solicited comments in the spring of last year and these were submitted as ideas. They were screened by the Restoration Team and were not included in the draft 1993 work plan.

MR. SANDOR: But they grew out though of the public -- or process. We'll ponder that during the evening and especially appreciate -- I'm sure the Trustee Council patients of the -- This meeting is recessed until 8:00 a.m.

(Off record 10:00 p.m., January 19, 1993)

**EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL**

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

VOLUME II

January 20, 1993

(On Record: 8:03 a.m., January 20, 1993)

(Mr. Paul Gates is the alternate for Mr. Curt McVee until 10:15 a.m.)

MR. SANDOR: This meeting of the Exxon Valdez oil spill settlement Trustee Council will reconvene with all the members of the Trustee Council here or present. Mr. Gates, where is -- Curt McVee will be coming back.

MR. GATES: (indiscernible -- not wearing microphone).

MR. SANDOR: I was going to say -- he promised me he'd be here until tonight. I would propose to the Trustees that we continue with the projects that we have been reviewing.

MR. COLE: Mr. Chairman.

MR. SANDOR: Yes.

MR. COLE: If we could do that, I would like to make a motion.

MR. SANDOR: Please do.

MR. COLE: Well -- I -- I have a proposal, I don't know if I want to put it in the form of a motion that the executive director work with the lead agencies on these various projects -- and -- the -- people in the areas where these projects are going to be performed for the purpose of utilizing as near -- as much as practicable, local labor and equipment.

MR. PENNOYER: Second.

MR. COLE: Thank you.

MR. SANDOR: Moved and seconded that executive director of the Trustee Council will -- the staff and the agencies involved

in implementing actions or programs from the Exxon Valdez oil spill programs utilize local communities and experience, facilities insofar as possible. Any objection to that? That motion is unanimously carried.

We concluded -- well, we actually went through 93009 yesterday evening. I guess, in summary for those who might not have been here, just from the -- starting at the top, 93002 had been approved; 93003 was approved; 93004 was disapproved; 93005 was not approved; 93006 was approved; 93007, 93008, 93009 was not approved.

MR. COLE: That's correct.

MR. SANDOR: Okay. The -- the project on the -- next on the list is 93010. That had previously been discussed, not recommended by the Restoration Team in a tie vote -- Yea - 3 and Nay - 3. Recommended by the chief scientist. Unanimously not recommended by the Public Advisory Group. And -- I understand that Dr. Gibbons must take a formal action on this -- and, I guess the Chair would entertain any motion for approval of this project, 93010. Is there any motion to that effect? There being none and without object, the project will be not approved.

The next project is 93011, develop harvest guidelines to aid the restoration of the river otters and harlequin ducks. This project lead by ADF&G at 11.2. Eliason and -- it's recommended by the Restoration Team five yeas, one nay. Recommended by the chief scientist. The Public Advisory Group was yes-nine, no-three, A-one. Can someone summarize the negative comment from the Public Advisory Group on that? Anyone recall? Anyone there at that

session?

MR. COLE: I think I can do that in a moment.

MR. SANDOR: Because Dr. Spies -- river otters with the harlequin ducks and the black oystercatchers and the marbled murrelets were -- the population had not recovered and that indicates -- fully recovered, I guess, and lingering problems. And river otters, what's the circumstance there of that species.

DR. SPIES: With river otters, we don't have a population level estimates of mortality from the spill. We -- I think we have a total of about six carcasses in the freezers, so we know that they were somewhat affected by the spill. The problem is they are so secretive, it's very difficult to get counts of them. So, we don't really know if there was a population level effect. We have a collection of effects that may indicate, a little -- in my mind still considerable doubt -- whether there is a serious injury to this species or not.

MR. SANDOR: I see. Thank you.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: This is one of our most modest proposals on the list, and for \$11,000 it purports to develop harvest guidelines to aid restoration of river otters and harlequin ducks.

Reading the proposal, and, I guess, all we're doing is researching records -- seems like -- why is it a separate project? What makes it a separate entity from your normal business activities or what you'd do anyhow?

DR. MONTAGUE: Okay, I can answer that. The department currently has no -- harlequin duck management plans there or anywhere else and river otter management is pretty much done on a statewide basis for that -- I mean -- statewide isn't correct, but Gulf-wide, Unit-Six basis. And, for one, we really don't even know what the harvests are in the oil spill area of harlequins and to river otters. And currently, for the last two years, we've had emergency closures on the harlequin season -- for the first month of the season when the population is primarily resident birds. Later on in the season, migrants come through and -- you know, the probability of only the local birds being harvested is lower. But, emergency closures and emergency orders are really inappropriate and can't be used year after year as a means of protecting the harlequins. So, we really feel it's important, one, to get a handle on how many, if any, or a lot of harlequins are being harvested in areas where they need to be recovered. And, with that information in hand, it's easy for us to go -- easier for us to go to the Game Board and institute -- you know, more permanent seasonal changes until they recover.

And, on the river otters -- you know, as Dr. Spies mentioned that secretive nature and the likelihood of dying animals going into the vegetation and being -- not being found is high, but -- some of the more interesting findings on that is that the home range is -- apparently the home ranges in the oiled areas are about twice as big as they are in the unoiled areas. And, diversity in the diet was reduced approximately fifty percent in the oiled areas

than in the unoiled areas. And, as it is, the only terrestrial animal with very much evidence of significant injury, we feel it's an important one to continue to keep in the restoration program.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chair. I understand those needs. My question had more to do with why this was a unit -- why this is a project as a unit -- \$6,000 in personnel. You're not going to go out and invent a new wheel or hire somebody new to do this. Usually when somebody comes in and wants to do plan, then you're talking about a staff and you get up into the multiples of tens of thousands. You've got \$11,000 here and I'm not clear -- why we need to buy something for \$11,000.

DR. MONTAGUE: Okay.

MR. PENNOYER: Maybe we shouldn't talk about it.

DR. MONTAGUE: First of the cost of actually having the area management plan deals specifically -- you know, that has a component dealing with these species will be covered under normal agency management. What we wouldn't be able to cover and never have covered under normal agency management is determine the harvest levels of those two species in the oil spill area. So, that's basically what's it's asking for is staff time to find out what the harvests are in those areas and that harvest information will enter the regular management processes for the area.

MR. PENNOYER: (Indiscernible) spending more time than \$11,000, but my point, Mr. Chairman, was what do you buy for \$6,000. You can't go out and hire somebody. You can't just pay

him -- for part of somebody's time that's already on the payroll. I mean, for six thousand bucks you're not going to -- unless you contract it, and which this doesn't indicate, you're not going to get any new expertise involved.

DR. MONTAGUE: Well, the time would be for -- people that -- within the agency there's individuals that would have, maybe a dozen different funding sources from different divisions or whatever, so we -- you know, fill in some part-time with one of those people.

MR. COLE: Part-time, sorry I missed that. Mr. Chairman.

MR. SANDOR: Yes, Mr. Cole.

MR. COLE: What do you mean part-time -- part-time?

DR. MONTAGUE: Well, there would be people that are currently working for the department, but would not have their entire year's funding covered. So, I mean, they're utilizing people that are there with people that wouldn't be -- would only be working six months or something if they weren't working on that.

MR. COLE: So, you would normally lay them off.

MR. ROSIER: I think we're talking about -- are we not talking about the seasonals or temporary people there. This looks like largely an effort at running through existing data and....

MR. COLE: Probably a technician type would be involved.

DR. MONTAGUE: That's correct.

MR. SANDOR: The Chair would entertain a motion for approval of this project.

MR. PENNOYER: Moved to approve.

MR. SANDOR: Is there is a second?

MR. ROSIER: Second.

MR. SANDOR: Any discussion?

MR. COLE: I can't resist saying this sort of thing in public because -- great concerns over.

MR. PENNOYER: Mr. Chairman.

MR. COLE: Do we really need this money to get this job done? (Indiscernible)

MR. SANDOR: Mr. Pennoyer do you have a comment?

MR. PENNOYER: Well Chairman, I guess, I don't know the answer to Mr. Cole's questions. Maybe somebody would do it any how if -- in fact this wasn't funded. But, the goal seems to be legitimate. And, the amount seems to be a lot more modest than most proposals to do management plans for these species that we see. So --

MR. COLE: I'm tempted to say -- if there's not much money involved -- we should automatically approve....

MR. PENNOYER: Mr. Chairman, that is not my thrust. My thrust was it looked like what was stated was a reasonable bargain for the amount that is being proposed. We have some other projects we have recognized their worth, but had people come back and spend some time with us talking about budgets. In this case, it seems to be -- what is stated there, the amount of money seems to be reasonable, even though I have no way of determining whether it might happen anyway.

MR. SANDOR: Literally -- Jerome -- this will provide the basis on which to modify the management program and authorization for taking of the ducks and the otters. Is that it?

DR. MONTAGUE: That's correct.

MR. SANDOR: Then, the harlequins have not yet fully recovered?

DR. MONTAGUE: Mr. Chairman. Not only have they not fully recovered, they've shown no signs of recovery.

MR. COLE: I would like to defer this, Mr. Chairman to reflect upon it.

MR. SANDOR: Okay, this thing will be deferred for action later. Project 93012, it's been approved already. 93014.

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Yes.

MR. ROSIER: I would like to withdraw 93014.

MR. SANDOR: 93014 is withdrawn. 93015 was approved. 93016, Chenega chinook and coho salmon release program, Alaska Department of Fish & Game, 25.9 thousand. Recommended by the Restoration Team in a five to one vote, no opinion of the chief scientist, Public Advisory Group unanimously recommended increased in the budget to \$50.9 thousand to cover hatchery costs. Dr. Montague, can you just sort of summarize this.

DR. MONTAGUE: Yes, this is a project -- it's intended to be a replace for lost subsistence uses and resources and it would create a artificial run of coho and chinook salmon. I think about fifteen hundred coho -- or chinook and twenty-five hundred coho,

and would require this funding for every year that you wanted a return of those fish. And, additional money was added in by the Public Advisory Group because there was -- this was a public idea that the agency worked with the proposer to develop, and, about two weeks ago, we did realize that the cost for the -- only the cost for transport was in the budget and the hatchery rearing time was not in the budget. And, that's why the Public Advisory Group added that in.

MR. SANDOR: Is there a motion to approve this project?
Mr. Pennoyer.

MR. PENNOYER: There's no motion. I want to discuss it -
- I have further questions.

MR. SANDOR: Putting it on the table for discussion purposes, that's why I'm asking for a motion.

MR. ROSIER: I would so move.

MR. SANDOR: It moved....

MR. PENNOYER: Seconded.

MR. SANDOR: Seconded by Pennoyer for discussion purposes. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. I notice the Interior has its comments here on the proposed new acquisition of no on this -- that does not meet restoration criteria -- not time critical. And, I wonder if Mr. Gates would care to comment on that.

MR. GATES: That's what it says, and also has NEPA been completed on this?

MR. SANDOR: Joe.

(Indiscernible - simultaneous talking, laughing).

MR. COLE: Mr. Chairman, what's the -- where are we right now. Is it '16 and is it up for discussion?

MR. SANDOR: Yes.

MR. PENNOYER: The question was....

MR. SANDOR: The question was -- Mr. Gates was -- has the NEPA evaluation been completed.

MR. GATES: Mr. Chairman. The situation on that was we originally had NOAA as the lead -- the Forest Service as the lead NEPA agency on this project. And, upon later evaluation we realized that the Fish and Wildlife Service had given a categorical exclusion for the state's five year statewide stocking program, and, had hoped that -- this categorical exclusion could be applied to this project because logically if the whole statewide stocking program was categorically excluded and this tiny little component - - should be, but we were unable to transfer it to that agency. So, we're currently pursuing it with the Forest Service.

MR. SANDOR: But, it's not time critical -- can yet -- can this review be deferred until a later date? Until this evaluation -- NEPA evaluation?

MR. GATES: You mean, later on, yes, it could be deferred for a few months and be okay.

MR. SANDOR: The Chair would entertain a motion to defer this until the NEPA evaluation process is complete.

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Yes.

MR. ROSIER: Yes, comment before that action is taken on this -- point out that this the type of project that we -- we were discussing last night. Chugach -- this is -- basically this entire project is something that would be carried out through the private sector.

MR. SANDOR: Unless there's an objection, we'll defer. Mike.

MR. GATES: Is there any reason it couldn't be deferred until after the restoration plan is completed?

MR. SANDOR: Restoration plan is not expected to be completed until December of 1993.

MR. ROSIER: The project, Mr. Chairman, assuming that there's space available in the -- in the hatchery facilities that would be involved here, the project can start at any time.

MR. SANDOR: Mr. Barton.

MR. BARTON: Yes, I have a couple of questions. As I understand the project, this would be an obligation for in perpetuity if we're willing to maintain this now. Is that right?

DR. MONTAGUE: Mr. Chairman. I think an obligation would probably be the wrong word. I think you'd have the option every year -- you know, did it really make people happy. Did it provide for a suitable replacement for their subsistence uses? You know, with reports coming back that this was an appreciated effort. If none of those came back, I guess you'd probably decide you didn't want to do it anymore.

MR. SANDOR: Mr. Barton.

MR. BARTON: But, it would have to be financed by the Trustee Council every year.

DR. MONTAGUE: Yes.

MR. BARTON: Are there other communities in similar situations?

DR. MONTAGUE: Well, there's definitely a number of communities that were affected, and these probably more than most. Dave, is there any chance that you remember if there were other one page ideas to do something like this in other villages. I can't remember anything.

MR. BARTON: My question wasn't whether there were other ideas, but my question was whether there were other communities.

DR. MONTAGUE: Yes, there are other communities.

MR. SANDOR: Without objection, this -- action on this will be deferred until this NEPA evaluation is complete. Yes.

DR. MONTAGUE: Mr. Chairman. I guess guidance is what is meant by deferred so it would be brought up at the next appropriate Trustee Council meeting?

MR. SANDOR: That's right.

DR. MONTAGUE: And, additional requests of the court would have to be made, is that....

MR. SANDOR: That would be the case. Is that a problem?

DR. MONTAGUE: Well, Mr. Chairman, I understood that it wasn't desirable to go back to the court multiple times over a

year, if possible.

MR. COLE: Thank you Mr. Chairman. I think we've acted on this proposal.

MR. SANDOR: I beg your pardon.

MR. COLE: I said, I think we've acted on this proposal.

MR. SANDOR: We haven't acted on this. I'm sorry.

MR. PENNOYER: I believe Mr. Cole means that we have said what we want to do with it.

MR. SANDOR: Oh, okay, right. I get the picture slowly. 93017 - subsistence restoration project. ADF&G and NOAA, 360.6 thousand. Unanimously recommended by the Restoration Team, no opinion by the chief scientist, unanimously recommended by the Public Advisory Group with more local community involvement. And, no objection by Interior or any other agency. Now -- is there a motion that this be approved?

MR. PENNOYER: Move to approve.

MR. SANDOR: Moved to approve by Pennoyer and seconded by....

MR. GATES: Seconded.

MR. SANDOR: Gates. Discussion of this.

MR. COLE: Mr. Chairman.

MR. SANDOR: Yes.

MR. COLE: What specifically do they intend to do on this project.

MR. SANDOR: Can either ADF&G or NOAA -- summarize -- Byron or Dr. Montague.

MR. COLE: I would emphasize the words specifically. And, I can read this material here -- as what do you really intend to do? The material says we propose to undertake subsistence restoration projects involving the following communities (indiscernible). And then, you say the goal of the project is to restore the subsistence use of fish and wildlife damaged. Community meetings will be held....

DR. MONTAGUE: Mr. Chairman. Two main thrusts of the project -- certainly -- all but about fifty thousand is used for comprehensive reassessment -- current levels of contamination and geographic extent of it around the subsistence communities. And, simplistically put -- it was -- it's hoped to, more or less, answer once and for all and have the local people fully involved in the development of the project, the conduct of the project and the final analysis of the project, so that all the local people -- the affected people would be comfortable with the results. So that, it showed that such and such areas, indeed, fine for subsistence uses and there would not longer be the -- perception, proven or not, that you couldn't go there. So simplistically, it's to answer once and for all, for those subsistence users, are there resources contaminated or not. And then, the \$50,000 remaining aspect of the project was to provide funding for subsistence groups in heavily affected areas, to travel to unaffected areas for their subsistence, hunting and fishing.

MR. COLE: Were you going to give them money to pay for gas?

DR. MONTAGUE: That's correct.

MR. COLE: You're going to give them money to pay the gas to fill their boats so they can go do whatever they do some place else.

DR. MONTAGUE: Well that and -- an additional part of that \$50,000 was traveling from one village to another this year.

MR. COLE: Now, let's talk about the first part of this. Here's how things go. We have studies of contamination in the waters -- I'm no scientist obviously, but I try to follow what happened. We have studies -- look at the mussel beds, we have studies to look at the oil on the beaches, we have studies to look at contamination in the water columns. I mean, is this overlapping on any of those studies? That's question number one. So what are you going to do, when I say you're going to check the subsistence. I mean -- you know, for contamination. What -- what are you going to do, what are you going to study? What are the people going to do when they go out there?

DR. MONTAGUE: Mr. Chairman, in answer to your first question, is it overlap -- you know, we discussed that at the RT and the Public Advisory Group brought it up again, and obviously, we can see that oiled mussel beds that are being dealt in the oiled mussel bed project do not need to be attended by this group as well, not that mussels are a prime subsistence food source, but, the evidence of these other projects certainly do not dispel -- or don't disprove the concept that these resources are contaminated. They are in some way still affected by oil. So, the other studies

will -- probably more support -- there may be a problem.

MR. COLE: What resources are you wanting to study in this project, put it another way?

DR. MONTAGUE: The resources will be shellfish, predominantly, and species other than mussels, a variety of fish with the addition of more benthic (ph), deep water fish than was ever looked at in the -- you know, back in '89 and '90 there was a somewhat similar project and they did not look at deep water fish because the oil was thought not to be there. And now, it is currently thought that -- known -- the oil sank to deeper areas and would likely be affected the deep water fish now more now than earlier on. And, we'll be looking at a variety of sea ducks as well, and, would pair in with the harlequin project, in terms of collecting harlequin samples.

MR. COLE: Another harlequin project?

DR. MONTAGUE: No not another harlequin project, but that -- project '33 requires some bird samples, and it's hoped that that can be achieved by the subsistence -- from the subsistence users.

MR. PENNOYER: Mr. Chair.

MR. SANDOR: Mr. Pennoyer. Excuse me, Marty.

MS. RUTHERFORD: I just wanted to add that in the public hearings we've had in the villages -- this is a -- this study is of great interest to them. They are very concerned about this still and they want to participate strongly to -- so that they've satisfied their own concerns. We heard this repeatedly in all the villages.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. I guess, going further on Mr. Cole's inquiry because in reading this description, it's very hard to determine exactly what we're going to do for this money. I guess what we're saying is that we're going to target subsistence harvested resources in the vicinity of villages for a more in-depth look at whether there is any -- is still hydrocarbon contamination in the resources that they would be taking. So, you're going to go to the villages, you're going to get them to tell you where those sites are and specifically whether be harvested. Where you handle harlequin studies, in general, or in mussel studies, in general, you haven't targeted a particular beach that the village identifies to you as being important for subsistence. Then you're going to collect samples from it, run it through a laboratory to check it, and then have a system whereby you go back to the village and tell them yes, it's okay to eat it. I mean, it's sort of like a health launch for PSP in clams, or something like that. And, that's what you're organizing here. Because if it's not -- reading it -- it looks sort of a public information project, some of which we've already voted against, and, it's not clearly state here that you're targeting any specific resource or how your doing this. Could you elaborate on that.

DR. MONTAGUE: Well, Mr. Chairman. You did it better than I apparently did. So, that is exactly what it is going to be doing. The additional point was -- there have been complaints all along that people weren't comfortable with the findings, so to get

around that -- that's why both the Public Advisory Group and input from the public was that they should be involved -- personally involved in the site selection and in the laboratory analysis. You know, the Public Advisory Group even suggested that a representative from one of the villages go to the laboratory to see how the samples are being analyzed so there wouldn't be perception that -- just being told something that's not true.

MR. SANDOR: The timeline listing on page 93 -- seems to do a better job than the narrative of actually explaining what's to be done. It -- from January 1 to May 31 community meetings to map areas and species of concern, coordinate with DEC shoreline assessment to verify oiling information, collect subsistence food samples for testing, two months for analysis, and then additional collecting subsistence samples through the year. Is that - is that what the testing is -- the food samples -- that's what's done under contract, or why are those....

DR. MONTAGUE: That's the NOAA portion.

MR. SANDOR: But the contractual is mostly food testing of what is it -- or what is the contractual component of \$130,000....

DR. MONTAGUE: Mr. Chairman. \$50,000 of that is the travel to other hunting areas -- the remaining \$85,000 is....

MR. SANDOR: Who does the food testing, I guess that's what I was....

DR. MONTAGUE: No one.

MR. SANDOR: No one -- no one does it. I see. Okay.

Any further comments or questions. Mr. Cole.

MR. COLE: I think it will necessary -- two questions. First, do you have the assurance of these communities that when this is done that they will sign off of the findings and that'll be the end of this here, or are we going to come back the next year and say, well we're not satisfied with this, you have to make another study. That's number one. Have you got those people sort of committed on what I would say locked in?

DR. MONTAGUE: Well, that was brought up and expressed essentially the way you did by the Public Advisory Group and the representative for Native landowners -- I don't know that person can necessary make the commitment all on their own, but we're all comfortable that they would.

MR. COLE: Let me say this. First, how much money has the Department of Interior spent on, which is essentially in my view a similar study of the project. \$400,000?

DR. MONTAGUE: Mr. Gates, are you aware?

MR. GATES: I'm not aware exactly (indiscernible).

MS. BERGMANN: Mr. Chair. You're talking about the subsistence studies -- of the Forest Service is a half a million. And, I think....

MR. GATES: I think that's the total.

MR. COLE: Is that the total?

MR. GATES: Yes (indiscernible - simultaneous talking)

MR. COLE: How does that half a million relate to this \$300,000 or whatever? Or are we duplicating the studies?

MR. SANDOR: Is there local participation -- community participation in those other studies, Interior and....

MS. BERGMANN: Mr. Chair. I don't believe that there is any field work being conducted as part of the other study and they would not be doing actually -- actually any sampling of the shell fish or the other subsistence foods as part of that study.

MR. COLE: What are they doing for that half million?

MR. WOLF: Mr. Chairman.

MR. SANDOR: Jim can you answer that question. Jim Wolf, can you come forward please.

MR. WOLF: Most of the funding was for a contract to assess the damage or the injury data, at this point in time, relate that to the subsistence uses that were occurring and develop a clear estimate of the damage or the -- damage to the subsistence uses in the oil spilled impacted areas. So, as Pam was saying, there's very little field data involved in this project. None that I'm aware of.

MR. BARTON: Who's the contract with?

MR. WOLF: The contract is with a -- it's a consortium of -- it's Chenega in a group -- it was in the third party litigation against the United States and the State of Alaska as I recall.

MR. COLE: But if it's damage assessment, as I understand this project, this project is also damage assessment
....

MR. WOLF: Charlie, I can't speak to this other

project, because I'm not sure.

MR. COLE: But, your project -- you said it was damage assessment.

MR. WOLF: It is, that's correct.

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Mr. Barton -- or Mr. Rosier.

MR. ROSIER: Yes, thank you. Yea, I think -- what this does is go one, as I understand it anyway, it goes one step beyond the work that's currently being done is the damage assessment project that's based on an interview program. That is, in fact, gone into the villages and looked at what the impacts were on the resources. That's my understanding of this. They've detected that there have been significant effects on subsistence use in the communities. There has, in fact, been a falling off of species use and total utilization in a number of the communities. I think that now -- following up a little bit on a statement that was made earlier here on this, I think that this has been a consistent theme that we've heard in the public testimony in Chenega and Tatitlek and these other communities were in fact on line that they remain to be concerned about the quality of the subsistence species in their various areas. I think in the public letters that we received, you noticed that especially for the clam resource, there was -- there was nearly half of the letters that we'd received from various communities in that west side of the Inlet, that spoke to this very thing. This tries to get at their concerns.

MR. SANDOR: Well, I guess, I would ask a question.

This project, 93017 has one, two, three, four components of actually gathering subsistence food and testing it. Is that being done in either the Department of Agricultural as a project, or the Interior project.

MR. WOLF: The Interior AG project is one and the same deal. It was....

MR. SANDOR: And there is no testing of....

MR. WOLF: There is something that -- the study was suppose to have been completed last September and I think they're still working on the report, so I have not seen the final report that came out of that study. I -- the only thing I would say is, you may want to look at the information coming out of that and see how it affects this particular study before you proceed, or at least determine the scope of this particular study.

MR. SANDOR: Mr. Barton.

MR. BARTON: I have a number of questions, if we're done on Mr. Wolf.

MR. SANDOR: Thank you Mr. Wolf.

MR. BARTON: How does this -- or are there private lawsuits over this same subject -- does anybody know?

MR. COLE: Yes.

MR. BARTON: Then how does this study -- I guess what's bothering me some, or not bothering me but confusing me, is whether this is a public loss or private loss. And, this body is charged, I think, is dealing with public losses. Can anybody help straighten me out on this subject?

MR. SANDOR: I don't understand the question, but Dr. Montague may.

DR. MONTAGUE: Mr. Chairman. I -- that -- and we heard a question on that yesterday relative to commercial services. And, probably an attorney would be the best one to answer, but it seems the settlement specifies services and doesn't provide any limitations in (indiscernible) the way many of us have interpreted it is we can't compensate any commercial or subsistence or other loss, but we can restore the service.

MR. SANDOR: Mr. Pennoyer. Mr. Barton, was your questioned answered.

MR. BARTON: No -- if it was, I didn't recognize it. This settlement was constructed though -- based on CERCLA, and CERCLA, as I understand it, deals only with public losses. Is that correct?

MR. SANDOR: Anyone -- Tillery can you address that question?

MR. CRAIG TILLERY: Yea. Our view is that the public -- it doesn't have to be a public loss to deal with the resource. Commercial fishing -- those -- there's -- we have studies and projects to deal with commercial fishing. Those are being sued for private damages. There's not a single thing you're doing, I don't think that somebody's not suing for private damages, even if it's habitat acquisition -- we've got environmental groups, and so forth, that are suing and trying to impose trust funds, and so forth. I don't see any basis in the laws or the agreements that

you can't do it for this reason. In fact, if my recollection is correct, this subsistence agreement, at least the sort of intent of it was that -- you know -- not the subsistence agreement, but the agreement with the Native corporations, was we weren't going to go out and do subsistence projects under it. On the other hand, we weren't going to sort of not do them either. We were just going to approach it if there was a resource that had been damaged, we were going to deal with it. That's my understanding.

MR. BARTON: Thank you, I think that answered that question. Another question in a different area -- we make the statement that we're going to -- make funds available for the community to support travel to harvest areas, away from oiled sites, and also be made available to support the food sharing programs between communities. How would that actually work?

DR. MONTAGUE: Mr. Chairman. I believe this component is modeled after a similar program right after the oil spill that DCRA funded. Is that correct Marty? By any chance do you remember the exact mechanism of how ...?

MS. RUTHERFORD: I don't remember a lot of the dates -- details, Mr. Chair, except that there were some Southeastern communities who -- when they became aware that some of the Prince William Sound villages were uneasy about subsistence foods, they offered them the opportunity to come down to their areas to hunt. And, the state picked up the transportation costs to do that, although, other than transportation to villages -- participated fully with their northern villages. So, I think it's -- it's

something along the same lines.

MR. SANDOR: Mr. Cole.

MR. COLE: Are we trying to give fishermen money to run their boats to fish in different areas and, if so -- if not, what's the distinction?

DR. MONTAGUE: Mr. Chairman. We do not have any similar proposals for commercial fisherman.

MR. COLE: Why would you not take the same position and say, well, commercial fishermen are impacted in Kenai River and so we'll give them gas to go fish in the lower Cook Inlet. What's the difference?

DR. MONTAGUE: Mr. Chairman. I -- you can see as well as I, I guess, there isn't any significant difference -- purely in terms of that kind of comparison. The only difference I can really add to it is that those groups have not pushed this concept as a method of restoring their services. And, there hasn't been a precedent for it as there may have been in the DCRA funding after the spill.

MS. RUTHERFORD: Mr. Chair. Could I add one thing.

MR. SANDOR: Marty Rutherford.

MS. RUTHERFORD: I think that one of the distinctions made earlier was that one is a cash economy and one is not -- the availability of cash to the villages is much more limited.

MR. COLE: Fishermen say they have no cash too, as a result.

MR. SANDOR: Any further question? I remain uncertain

-- on collecting subsistence, food samples for testing which occurs actually through June -- through March -- beginning in March of 1994 -- I presume that the gathering and testing of these food samples is essential. It's actually -- to determine -- to prove that there is no contamination and that the foods are suitable for human consumption. If there is no other project that this is to take place -- if it isn't being done in the other projects, if this project is not approved, or this component of that project is not approved, who is to do that project? Does anyone -- is the premise correct that we really must know that this food is suitable for human consumption.

DR. MONTAGUE: Mr. Chairman. As far as I know, it will not be done by anyone else, but this party (indiscernible).

MR. SANDOR: Well what -- then out of this three hundred thousand, sixty thousand -- this collecting -- this collecting and sampling the subsistence food, was it half of this or

DR. MONTAGUE: Collecting and analyzing is all but 53.5 thousand of it.

MR. SANDOR: Oh, all but 53.5 thousand. Okay. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. That's not quite true, is there an educational component in here and some other factors that take place and 53.5 is gas purchase. And, then you have collection, you know, samples, but there's some other -- public education and maybe taking some down to the lab with you and all

that type of thing. So, it's not just a collection.

DR. MONTAGUE: No, Mr. Chairman. The feeling was that if you didn't do that -- the reason for that was to make sure everyone was convinced and happy with the results. So, if you just did the science part of it without that part of it (indiscernible - simultaneous talking).

MR. PENNOYER: Mr. Chairman, I don't think that's the question. I think I understand (indiscernible - simultaneous talking)....

DR. MONTAGUE: Oh, what's the difference in the cost.

MR. PENNOYER:fifty percent to the educational part?

DR. MONTAGUE: Mr. Chairman -- could you answer that question.

RITA MIRAGLIA: I don't have a copy of the budget with me. I'm Rita Miraglia, Division of Subsistence. The newsletter itself is only about \$4,000 out of the whole budget, so most of it is for the collection and testing of the subsistence food samples.

MR. PENNOYER: I redrafted the proposal at some -- might reflect that, but....

MR. SANDOR: Mr. Barton.

MR. BARTON: Yes, the agency that's going to actually test the food samples is NOAA as I understand it, is that correct.

MR. MORRIS: Yes.

MR. BARTON: And, is NOAA the federally recognized agency for testing of shellfish, or is this the foods that are involved.

MR. MORRIS: We were under the previous program that was sponsored with Exxon dollars, and, within the Trustee Council we are the only approved lab for analysis.

MR. BARTON: Well, I understand that. What I'm getting at is I think what we need here is to have -- the agency that is responsible for food safety, whatever agency that is, either in the federal side or the state side, and I think on the state side it's DEC, do the testing, in order for it to be, or at least oversee the testing, in order for the results to be as credible as possible.

MR. MORRIS: Well, that -- that -- NOAA is not the agency responsible for the food safety. I presume that FDA was involved in the previous one. I doubt -- I don't think their responsible either for subsistence, wild foods.

MR. BARTON: Well I don't -- I don't -- it's food safety that I'm concerned about. Is that a legitimate concern? Well, I'd like to see DEC involved in this, I guess, if DEC is the state agency responsible for food safety for the state of Alaska.

MR. SANDOR: Well, with respect to -- state responsibility for food safety, it's actually shared between Health and Social Services and Department of Environmental Conservation, but it has been moved to the Department of Environmental Conservation, mostly it's because there's some work going on and in some aspects the Department of Natural Resources - veterinarian -- does some work, but -- so you're correct insofar as the state side that DEC goes to the primary coordination. But, I guess the

concern where I raise the question about this collection and testing the food samples being the requirement -- that activity is not being done anywhere else in any study? And, was it done last year? Was there any food testing done last year? Subsistence food testing. Yes.

MS. MIRAGLIA: No, there was none done last year. We didn't have a proposal into the Trustee Council last year.

MR. SANDOR: Mr. Cole.

MR. COLE: Go ahead.

MR. SANDOR: Well, it seems to me that -- that it's essential that -- you know, a formal determination be made through sampling that the subsistence foods are suitable for human consumption. That the oiling that remains, whether it's in mussels or whatever else, is it not -- is it not of no harm. And, well, I was just trying to find -- previous question, how much of that three sixty is to do that job, and I guess it's most of it. But, it's not clear -- NOAA gets -- the funding is split two sixty-six to ninety-four. It can be done by contract, I guess, this testing.

That's why I assumed currently erroneously that the contractual activities were the contracts for testing of the food. Is that right?

MS. MIRAGLIA: I can clear that up, Mr. Chair. The contractual that we have here, the eighty-five thousand that Jerome wasn't sure about -- that's for the actual collection of the samples.

MR. PENNOYER: One hundred and thirty-five thousand?

MS. MIRAGLIA: Eighty-five thousand of that is for collection of the samples.

MR. SANDOR: I see, it's that whole process -- it's the collecting and sampling that's in that -- okay. Mr. Cole.

MR. COLE: Here's my concern about the whole thing. I agree with Commissioner Sandor that we really ought to test these food sources and find out whether they're contaminated. I think that's a solid, good, sound, public project -- number one. It troubles me that a half a million dollars is being spent by Interior by virtue -- as a result of a settlement that we had in Washington, D.C., and, that none of that money apparently is being used for that simple fundamental direct purpose. I don't know what this five hundred thousand is being used for, but presumably it's something in connection with this. But, we ought to -- first before we approve this project, we ought to have a definite specification of what foods or sources -- resources we're going to look at. I'm unwilling to approve this project if it's -- all we're going to do is look at something, you know. I think we ought to have a definite classification of what we're going to look at and what we're going to do before we approve this project. And -- rather than just say well, this sounds pretty good because it's related to subsistence. And, the next thing, I think we ought to do, I -- strongly feel that we ought to put an end to this subject once and for all, because it's going on for four years and we hear repeatedly about every three months about the situation is out there. So, let's get it done fully, carefully, once and for all.

And, we've got to get the Native subsistence groups in that loop so that when this project is done, we don't have here the same -- referring again next year that this isn't there. You know, so it's done once and for all. I would vote -- but I'm not in favor of giving gas to these people to go somewhere. Because, who knows, there may be no necessity for that -- I'm going to wipe that out. And, I don't think that's within the guidelines even. And, that's my feelings on this one.

MR. SANDOR: Any other comments or responses to that?

MS. MIRAGLIA: Mr. Chairman.

MR. SANDOR: Yes.

MS. MIRAGLIA: Okay. One thing I would like to say is that in the detailed study plan, we have laid out which species we intend to look at. The first is mussels, and the reason for that is they can serve as a central species -- they pick up the contamination most readily and retain it the longest. We can test them and not have to test the other shellfish on the beach. They could give us some sort of sense of what's going on with those other shellfish. The second species we intend to look at is rock fish. The reason for that is we did test some bottom fish back in the early -- earlier part of the study -- back in '89 and early '90, and we did not find -- we found some evidence of exposure, but we did not find contamination in the edible flesh. However, since that time, DEC let it be known that the oil -- what was left of the oil, reached the bottom, after the time we discontinued the testing of the bottom fish. So, that raised a new concern in the

communities, that when we tested it, that at that time, this contamination wasn't at the bottom -- what's going on now.

The other thing that we're planning on testing is blubber and some other edible portions of seal. The reason for that is, early in the spill some seals were sampled where elevated levels of hydrocarbons were found in the blubber -- up to -- actually more than five hundred parts per billion. And then people were then concerned about that. What's going on with the seals now. And, we're reasonably certain that the seals -- that that contamination is gone. We'd like to be able to reassure people.

And, the last thing we're planning on looking at is ducks. We did test some ducks earlier on in our project. However, we did not test skin samples, and we did not test fat samples, and it looks like those are the most likely places for the hydrocarbons to go, the edible portions of the animals. So, we do have -- we do know which species we're intending to go after.

I also wanted to speak to -- the idea that this has been going on for four years and this concern lingers. The concern lingers for a number of reasons. One of those is that in some places, the elders persist. There's been a misconception that at some point the Oil Spill Health Task Force told people that everything was safe to eat. That's never been the advice -- the advice of the oil spill task force continues to be at this date that people -- that subsistence users should avoid the use of shellfish from contaminated beaches -- from beaches where they can see or smell oil on the surface or subsurface.

And, another reason for the continued concern is that, the oil spill health task force was -- it was a group similar to this, composed of representatives from different agencies and operated on a consensus basis. And, one of the member groups in the oil spill health task force was Exxon, and that was a cause for concern in the communities. Because of Exxon's membership in the group, because they were aware that Exxon participated in making decisions, including decisions about what information was released, people had had a tendency to disbelieve what the oil spill health task force first came out with. The -- we also were -- as part of that, we were not able to talk about damage assessment results as they came out. It was determined that -- that was something we weren't allowed to discuss. So people were seeing those results coming out, seeing them not put in context with the subsistence information they were getting. What we'd like to do now is bring that information in with the informational newsletter that we refer to in the proposal -- is intended to be from the Division of Subsistence. And, the membership on the oil spill health task force will likely be the same, but the Division of Subsistence will determine what goes into that newsletter. And, we're hoping that'll improve the credibility.

MR. SANDOR: Mr. Cole.

MR. COLE: Does the Native organizations think you should test anything else as part of this subsistence study. And, the reason I ask that, we should get them to say and to commit that we're satisfied with the scope of this testing, so that when we're

done, it's not the assertion made, well, you should have tested something else. I mean, whatever it takes to lay this to rest, get the result, I will vote for -- in favor, I think it should be done.

But, you know, you've got to nail it down once and for all. Thank you.

MR. SANDOR: Mr. Barton.

MR. BARTON: Thank you, Mr. Chairman. I echo Mr. Cole's comments. I support the project with the exception of the transportation module. But I would like some assurance that we are going to get the appropriate food safety organization involved in this study, so that when it's all over with, we have that agency's assurance as to whether the foods are safe or not.

MR. PENNOYER: Mr. Chair.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I echo that. I mean, finding hydrocarbons in flesh in some concentration doesn't mean the food is unsafe to eat, and, the fact there's a presence, and you need to detect background levels, and it's hard to say. So certainly, the FDA and/or DEC results of the testing should coordinate with them in providing an answer back to the villages on the safety of these various foods to eat. And, I also like Mr. Barton and Mr. Cole, am concerned about the fifty-three five. I guess, I prefer we go ahead with the project, minus the fifty-three five at this time.

MR. COLE: I would so move.

MR. BARTON: Seconded.

MR. SANDOR: It's been moved and seconded that the

project move forward, minus the fifty-three five and with the understanding that the Food and Drug Administration and state agencies involved in food testing be incorporated in and be integral part of this project. Is there any discussion on this motion?

MR. COLE: Chairman, I have one quick question.

MR. SANDOR: Yes.

MR. COLE: Are the Native organization representatives going to be in locked step in the execution of this project, so that they're fully on board at all stages?

MS. MIRAGLIA: Yes, it's our intention to involve them at every step of this project.

DR. SULLIVAN: I was going to say that this project evolved out of the proposes that they had given us. We coupled this together from about four or five various settlement proposals from them. And, that's where this came from.

MR. SANDOR: Any further discussion on this motion? Any objection to this project?

MR. COLE: Is it now understood that we will just -- this project will be testing those food sources that you have mentioned here this morning?

MS. MIRAGLIA: Yes.

MR. SANDOR: Any other -- response to that?

DR. SULLIVAN: I'd like to say that -- you know, giving Rita guidance, we'll make sure that the Native concerns are at rest. If that doesn't take care of.....

MR. SANDOR: If something has been overlooked, for gosh sakes it, include it.

MR. COLE: But, also I -- just have the lingering concern over overlapping -- you know, the study of mussel beds or oil beaches or water column studies. To get this information, let's put it all in here and consolidate it so that we can utilize all the information we are collecting.

MR. SANDOR: Okay, is there any objection to this project -- motion on the floor? The project is approved with modifications noted.

Moving to 93018, enhanced management for wild stocks in Prince William Sound, special emphasis on cutthroat trout and dolly varden, ADF and U.S. Forest Service, two hundred eighty-five three thousand. Five to one vote on the Restoration Team, chief scientist - not recommended, Public Advisory Group - unanimously recommended. Well, let's begin with a description of this project.

Dr. Montague, do you want to begin and then, I guess, Ken Rice can add to that.

DR. MONTAGUE: Thank you Mr. Chairman. Just to quickly summarize some of the injuries to dolly varden and cutthroat. The survival of dolly varden and cutthroat about range from twenty-nine to thirty-eight percent lower in the oiled areas from '89 to '90. For both species, there was a growth -- was approximately forty-three percent less than normal. In 1990 to 1991 there was an improvement in growth, but the difference in survival remains similar. What -- as the result of some of the injuries noted in

some of the more heavily oiled areas, seasons were closed for sport fishing in those areas in 1992. And, the worry, and I believe legitimate, these are specially in the case of the cutthroat trout are at the northern extreme of their range, can only handle only very light amount of sport fishing pressure, and, by closing some of these more popular areas, the concern is that, not only will be have had the closures and the loss of the sport fishing opportunity from these closed areas, but those people who would have used them will go to areas that can't withstand the increased pressure and soon those areas will be reduced, and perhaps cause a closure there. So, what this project would do would be to kind of determine what sport fishing pressure various water systems could have and then redirect the sport fishing pressure to those areas so there isn't over fishing problems there. And that -- it -- that component of it deals specifically with those two species, and then, Ken, would you like to describe the Forest Service component.

MR. RICE: Mr. Chairman, the Forest Service component of this project basically compliments the additional management that would be needed -- need to go on with a redirected effort. It would contract with -- through competitive bidding process for someone to computerize, basically, the information that is available through the multiple agencies that manage these resources, Forest Service, Fish & Game and anyone else that has information on the lakes and streams throughout this spill area and make it available for instantaneous use in helping with the management.

MR. SANDOR: Thank you. Any questions of these folks?
Mr. Pennoyer.

MR. PENNOYER: Jerome, that's okay, but what are you actually going to do? Are you putting in weirs or counting out migrants, you making total population estimates in two lakes? What are you actually going to do? The idea of knowing what recreational resources are available in Prince William Sound is okay and -- you know, managing the slack up in one area and more in another depending maybe not on the oil spill -- just oil spill -- but fishing pressure. What are you actually going to do to do this?

DR. MONTAGUE: Well, specifically -- you know, as you indicated -- counts of the fish would be used to -- I mean the simple outcome is from each of these systems we'd like to say that this is -- you know, that -- twenty percent of this population of 30,000 fish, or whatever, can be harvested. So that would be the final outcome. So, you want to know what are the methods that are going to be used to....

MR. PENNOYER: Mr. Chairman. What are you spending \$226,000 on? I mean, are you collecting field data, is this the take of weirs, is this to take a field cruise? Are you actually....

DR. MONTAGUE: It's almost entirely field work. I mean, there is the analysis of it, but the four -- four river lake systems will be addressed in terms of the fish-counting weirs as well as -- I believe there's going to be surveys to determine the

age, length, composition in those two species over two hundred millimeters in length, as well as the counts of the anadromous runs.

MR. PENNOYER: So, it's basically paying for four weirs and the crews to manage....

DR. MONTAGUE: Well, not just the weirs....

MR. PENNOYER:Most of the \$226,000 for?

DR. MONTAGUE: Well, except the weirs are only dealing with the fish as they're leaving the salt water. It doesn't deal with -- size estimates within the lake.

MR. PENNOYER: This has a component, Mr. Chairman. This has a component of toe netting in the lakes then or test netting? I'm trying to find out exactly what you're doing for the two twenty-six related to the overall problem you're trying to solve.

DR. MONTAGUE: I see, Mr. Chairman. Dr. Sullivan, could you help me out with some of the specifics on this.

DR. SULLIVAN: Right, basically you're getting all your information at the weir. At least -- what we can do is virtually identify every fish as it comes in and out, and that's what we did in the damage assessment studies in the past. They -- the dolly varden spawn in the fall, the cutthroats spawn in the spring, except they enter and exit these lakes in the fall and spring. The cutthroats and dollys, for example, would come into a lake -- dollys would come into a lake in the fall if they were going to spawn in that particular stream, they would spawn and then they'd leave and go into whatever lake they were going to over winter in.

Cutthroat trout would simply come in and out the same lakes -- or system that they were going to spawn and over winter in. They would come in during the fall, over winter there, spawn in the spring. But, in any event -- in any event, every fish will go in and out past this weir, we'll have weir crews in there when they do that and we'll get all the information we need at that time.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Again, out of the two twenty-six, goes mostly for these four weirs and the weir crews.

DR. SULLIVAN: It would be largely for that. Obviously -- you know, we'd need analysis at other times of the year and things like that. But, how they come to the money....

MR. PENNOYER: How do the results from these four weirs relate to the oil spill or your overall objective of moving up and around. I'm not -- I don't see the tie yet.

DR. SULLIVAN: Okay, what the point is, is that we -- due to the oil spill, we had to close certain portions of Prince William Sound to sport fishing. What that does then, is it concentrates that type of sport fishing in other parts of the Sound. What we need to know is whether or not those other areas can, in fact, sustain that kind of sport fishing. Okay. Because you've simply concentrated the effort, you don't have that information -- if we have that information, we could say, okay, the limit is this. You know, you must be able to take fish of this size or this number and so on and so forth. Or, we can say -- you

know, it can't sustain that kind of pressure. And, we've redirected it to some place else. The problem is we've compacted the fishing effort into a small -- smaller area.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: What size areas were actually closed due to the oil spill, what part of the -- the major sport fishing systems are in those areas? Do you have that? Can you answer that.

BOB (Last Name Unknown) (from audience): Virtually, all of western Prince William Sound.

MR. PENNOYER: And, therefore, the assumption is they all migrated to Cordova?

BOB: Not at all, it was just that -- all the effort was shifting over towards Cordova, some in Valdez, Robe Lake, McKinley, Eyak. And, the idea of this whole program is to estimate sustainable yields on those systems to determine whether in fact the pressure that exists can be sustained and actually take this information and modify as recovery occurs from the other stocks to modify -- to develop a management plan for cutthroat and dolly vardens in Prince William Sound. That's the ultimate goal of the information that's being collected.

MR. SANDOR: Dr. Spies. One of these sheets shows you did not recommend -- I guess what the other sheet shows that the project has a low probability of contributing to recovery. Probably a better characterization. Care to comment on that?

DR. SPIES: Well this is -- an area perhaps where I should not have expressed an opinion on it. I think it -- it's somewhat of a policy call on the part of the Trustees. I didn't see any data there that -- although I have not had a lot of time to spend on this, that would convince me that there is a serious problem in terms of managing it -- the other resources in the area.

MR. SANDOR: Any further comments or questions by the members of the Trustee or the Restoration Team?

DR. MONTAGUE: Mr. Chairman. I do have one comment, you'd raised earlier about -- in the case of subsistence -- in the case of commercial uses, that there was compensation pending for them, perhaps in third party cases, but sport fishing interests are not in third party litigation, and, the only way for them to recover their services is through actions like this.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: You say the sport fishing groups are not involved in the third party litigation, is that true?

MR. ALEX SWIDERSKI (from audience): No, they are. They've certainly have filed suits.

MR. COLE: Sued us -- sued -- were involved here....

MR. SWIDERSKI: that' right, Exxon.

MR. COLE: having motions here, we just got a order from the court last week in connection with their assertion that the settlement was based on fraud, etc., etc. And I'm fully cognizant of sport fishermen's litigation claims.

MR. SWIDERSKI: They're represented by Mr. Parker -- Jeff

Parker, one of our regular contributors.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I'm not commenting on that. The comment here by the Department of the Interior is no population level injured. And, Mr. Montague was talking about twenty-eight to seventy percent reduction, and something to do with dolly varden and cutthroat -- I'm still looking for the linkage. I understand the need to count the fish in and out. I mean, all of this, whether we have oil spills or not, want to count fish in and out. You may not know what to do with that exactly, but you'd don't know what exploitation rates to provide for if everyone set in that concrete data as a point of reference whereby you can start to build management strategy.

MR. BARTON: Just like an archeologist.

MR. PENNOYER: Like archeologist count in and out -- well, anyway. So, I understand that need, but I don't underhand the tie yet to the oil spill or how that's going to help oil spill recovery. In terms of enhancement, of ability to provide the service over time, I understand that. I mean, that's an enhancement to be able to better manage the sport fish populations, to provide the higher yields, if that's warranted for protection -- it's warranted. But, that's an enhancement. I've yet to see exactly the tie at this stage with -- directly with the spill or it spill-affected species or spill-affected areas. If you do Eyak Lake, McKinley and Robe Lake, those -- aren't necessary the same as closing the more remote areas in the Sound that might have been

affected by the spill. I'm not sure the people are the same that go to those areas. People will go to Robe Lake, drive down the road to Valdez or into Cordova they come in on a plane, those aren't necessarily the same people who might take a boat or a kayak or something to tour the southwestern district. I've yet to see the real tie. I don't understand -- I don't tie the value of doing this site management -- strictly management purpose, but I've yet to see the tie to the spill at this stage.

DR. MONTAGUE: Mr. Chairman, I mean the tie to the spill is -- again, the department always has the option, as in the Cook Inlet, simply closing the Cook Inlet fishery to protect the Kenai-bound fish and -- you know, we can close areas for dolly varden, cutthroat trout and -- it's those closures that's really the restorative action. What this would do is try to maintain the service while restoring. And, you know, there are a number of projects in here that kind of have that philosophy in them, but -- you know, the best approach is to restore as well as provide the service as opposed to simply eliminate the service.

MR. SANDOR: Any further comments or questions? Mr. Rosier.

MR. ROSIER: Yes, Mr. Chairman. I am a little concerned about this redistribution of effort and who the participants are. And, I think that since the oil spill we've had very substantial efforts by private sector folks to organize tours, fishing trips, this type of thing, into the -- you know, into the Cordova, Prince William Sound area. I'm not entirely sure that

isn't where it's coming from. While agree that it's kind of a -- it's a very substantial -- a good idea to be carrying out a project that leads us to a management plan here on this. It seems to me that -- you know, that we've closed the western part of the Gulf -- the western part of the Sound, I should say, we're experiencing additional growth in recreational fisheries, and I think we should be responding to that as the normal, routine part of the department's activities on this. I think that -- that -- I tend to agree with Mr. Pennoyer that -- that -- that I think there's been some good work done here, but -- I'm a little concerned that there's a lot of other factors that are affecting that recreational fishery at the present time that have nothing to do with the oil spill.

MR.SANDOR: Is there an agreement with the Trustees with this project should be deferred? Not approved for this year. Then let's see, '19 and '20 were already -- are we to take any action on '19 or '20, Dr. Gibbons?

DR. GIBBONS: Pardon.

MR. SANDOR: Are we to take action on '19 and '20?

DR. GIBBONS: Yes.

MR. SANDOR: Okay, project 930019, Chugach region village mariculture project. Unanimously not recommended by the Restoration Team, the -- the chief scientist -- I don't know whether that's not recommended is right -- the Public Advisory Group recommendations were eight to four for, contingent upon legal approval. Can someone elaborate on this legal approval. Dr.

Gibbons?

DR. GIBBONS: Yes, Mr. Chair. The voting by the Restoration Team, I think resulted in partial from the federal attorney's opinion on the legality of this -- this project. In a letter from -- from them -- that same letter was written to the Public -- read to the Public Advisory Group and so their recommendation was that they liked this project, but if -- only if it's legal to do. That's -- that was their comment. If it's legal to do, they'd support it. If it's not legal to do then they -- they don't want to recommend it.

MR. SANDOR: It seemed to have a -- more than adequate counsel from a variety of legal sources. Where do we stand? Where does the federal government stand on this? Mr. Barton do you have

MR. BARTON: I'm not sure I know -- well, I should say I'm not sure there's consensus amongst the federal agencies. Unfortunately, USDA attorney had to leave last night. I believe that the NOAA counsel and the Agriculture counsel thinks that there is question about the legality of this project. I'm not sure about the Solicitor's Office in Interior.

MR. SANDOR: Yes.

MS. BERGMANN: Mr. Chair.

MR. SANDOR: Mr. Gates -- no, Pam Bergmann.

MR. GATES: Go ahead.

MS. BERGMANN: Yes, our solicitor also has questions about this particular project and its legality.

MR. SANDOR: Do we have Interior and NOAA.

MR. PENNOYER: I want to speak for NOAA.

MR. SANDOR: NOAA (laughter).

MR. PENNOYER: The comment of questions about their legality is different than saying we can or can't do it under various circumstances. My understanding, again from a NOAA attorney, I assume that they've talked to each other, is that if there was damage to the resource and what we're dealing with is there a replacement of a lost service -- that in fact, maybe we don't. Maybe -- depending on how it's constructed. I don't know how much feedback got into it than that. My understanding is that it's not an absolute no. And in fact, if there is -- was damage to the resource and the project in some way replaces that damage, then the fact remaining -- it may be weakened. So, it's -- I'd say it's one of those calls. I didn't hear a firm -- under any circumstances we can't do anything -- do under a firm -- under any circumstances we can do it.

MR. SANDOR: Well, this project has a total value of \$589,000, which legally on the federal side we had some uncertainty -- questions. Any other comments. Mr. Barton do you have any comments or questions?

MR. BARTON: No, I think Mr. Pennoyer summarized that situation.

MR. SANDOR: On the state's side, what can staff, Restoration Team -- does the Restoration Team remains unanimously -
- yes, Mr. Brodersen.

MR. BRODERSEN: Mr. Chairman. I believe it's -- I haven't polled all the state members, but I think we primarily voted against this because of the federal position -- we've since been checking with the State Department of Law asking for them some clarification on their side, and we're hearing basically the same thing from law, that properly constructed the project could be made legal, at which point I -- I know I would change my vote on it.

MR. COLE: I think we'd go a little farther than that. We're of the view that project -- project as proposed meets guidelines established in the order from Judge Holland.

MR. SANDOR: So we have the state's position -- it meets the guidelines, the uncertainty as of 11:59 that the feds had questions -- Washington, D.C. time. (Laughter).

MR. COLE: Something to parade on Pennsylvania Avenue.
(Indiscernible - laughter)

MR. SANDOR: I don't know to what decree attorneys are influenced by new a commander-in-chief. (Laughter) Excuse me, I should have learned this yesterday not to speculate.

MS. BERGMANN: Mr. Chair.

MR. SANDOR: Yes, Pam.

MS. BERGMANN: I believe that the Department of Interior Solicitor would have a problem with this project just proposed because it talks about the goal of the project to strengthen the village's economic well-being and self-sufficiency. And, one of the major concerns was -- with this was that, it would be providing an economic opportunity rather than assisting them with concerns

about subsistence foods.

MR. SANDOR: Yes, Mr. Pennoyer.

MR. PENNOYER: Well, subsistence is a form of economy. I guess if you're replacing an economy -- I'm not really sure that -- the fact you did it with something other than the direct individual animal or -- you're replacing a service. The service has been to provide food. You're providing through some of the mechanism even if it's sale of something. I'm not sure you can totally -- I agree with you, but I'm not sure how far down that track you want to go.

I think our solicitor basically said look, if you're -- to providing an economy that's a totally different aspect, magnitude and so forth, then as provided by the subsistence resources, it would be a problem. And, I'm not sure what the state judgment is based on but I would be interested in hearing the rationale.

MR. COLE: We have a written opinion here -- amongst this mess --

MR. PENNOYER: Is it distributed? What kind of copy do you have.

MR. COLE: We have a -- copy here some place, but Mr. Swiderski has it -- copy. Maybe, I could just read it. Previously read (indiscernible).

Let me just read essentially the conclusions of the mariculture project. Project - the maricultural project is intended to help the Native villages in the oil spill area establish shellfish maricultural project, thereby providing a

reliable, uncontaminated source of shellfish for subsistence users.

Chenega Bay, Eyak and Tatitlek have already begun development of such projects. This project would facilitate the making of these projects operational. Feasibility studies would be undertaken at Port Graham, English Bay. Although the project will focus initially on the production of oysters, a species which is not indigenous to the oil spill-affected area, potential results were cited for clam and scallop production, etc., etc. Here there appears to be sufficient factual basis for the Trustee Council to reach a conclusion that there is a sufficient nexus to the injured resource or affected services, such that it would substantially restore or replace those services. Damage assessment studies have recently determined that there was injury to subsistence shellfish species, particularly clams and mussels. Following the oil spill subsistence users were advised by the Oil Spill Health Task Force that they should not consume shellfish from beaches which may have been contaminated by oil. By 1991, the warning from the task force had been revised to advise subsistence users not to consume shellfish from beaches where they could see or smell oil on or below the surface. The 1991 warning continues in effect today. Because of this warning Chenega Bay residents, in particular, continue to be unable to harvest shellfish from a substantial portion of their traditional beaches. As proposed, the two projects together provide an alternative source of shellfish resources for village consumption. The projects are not a "perfect fit" because they do not replace subsistence resources in such a

way that the traditional resources can be gathered from their natural setting through traditional subsistence means. Nevertheless, by providing a similar, and in some cases identical, food source for that loss as a result of the spill, providing it fresh from virtually the same location and providing it through the very people for whom subsistence services have been diminished, the projects have a sufficient nexus to the lost or diminished services to pass legal scrutiny. Whether the nexus is sufficient to pass a policy review is a matter for the Trustee Council's discretion.

Then, you know, we go on, but I've got to the substance of what we say we can get these copied and give each member of the Council a copy of it. It's several pages long, five pages long.

MR. SANDOR: Mr. Barton:

MR. BARTON: Do you know if our -- the Agricultural counsel had an opportunity to see that?

MR. SANDOR: Mr. Swiderski.

MR. SWIDERSKI: Yes, he drafted it -- yes, very recently.

MR. SANDOR: The Chair would entertain a motion to....

MR. COLE: Could I ask one question?

MR. SANDOR: Yes.

MR. COLE: Let me ask this to follow up, Mr. Tillery, Mr. Swiderski. Have you had any -- expression of views from the various federal counsel as to whether they agree with this conclusion of the -- what -- State Department of Law.

MR. TILLERY: The federal counsel has indicated that they couldn't join in the opinion as a joint opinion, but that they

had re-evaluated -- as I understood it -- their previous opinion and -- you know -- they can speak better themselves -- but, my understanding was that they felt that the projects were actually closer to a legal project than they had thought because it was more of a replacement of a lost resource as opposed to this economic -- an attempt to create an economy.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I think that's true, but like I said, when you come down to the bottom line here, it says -- (indiscernible) operations is 650,000 marketable oysters per year level and increase marketing effort to improve transport -- are the basic hand line of your time line. And, I think their opinion would be still, that as written, it's more than just a replacement. And, I think that's -- the last time I talked to anybody, I didn't realize they'd actually seen -- I didn't get a comment back specifically on your proposal because I hadn't seen it and I didn't realize they had.

MR. SANDOR: Mr. Barton.

MR. BARTON: I wonder if Dr. Spies would elaborate on that, the new studies or the studies that show damage assessment.

DR. SPIES: Right. There's still some question over the -- the Trustee's sponsored study of injury to -- to five out -- resources -- still not being completed. And, there is still doubt from that study whether there was injury to night owls in the Sound, but the results have been ongoing NOAA study that Pentac (ph) Corporation has been carrying out. And, at my request, Dr.

Peterson has reviewed those proposals in a great deal of detail and is now of the opinion, based on the studies that were done outside the Trustee's different studies that the data indicate in his opinion there has been a substantial injury to shellfish, little neck and butter clams particularly. That's where the injury assessments says. There was an injury study of oysters early on -- I think the Trustees sponsored -- or there was at least proposals in those areas. I can't remember the details, it's been so long ago now.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. I believe we started that study and decided since it wasn't an indigenous species and was being raised for commercial purposes, we dropped it.

DR. SPIES: Right, that was it.

MR. SANDOR: The Chair would entertain a motion regarding this project conditioned upon additional legal opinions or whatever else. Mr. Barton, would you motion it.

MR. BARTON: Well, I had a further question.

MR. SANDOR: Well, go ahead.

MR. BARTON: The way it -- in reading this time line in the proposal, it appears to be a commercial venture. Is that correct?

MR. SANDOR: Who may respond to that question?

MR. BARTON: The lead agency.

MR. SANDOR: ADF&G involved?

MR. PENNOYER: Just Fish & Game.

MR. SANDOR: Dr. Montague.

DR. MONTAGUE: No, it is not entirely a commercial venture, but it does have commercial aspects to it. But the community....

MR. PENNOYER: Purpose is not to start an oyster subsistence culture?

DR. MONTAGUE: Well you -- I mean they -- they would consume these locally as well as a replacement for lost subsistence resources, but -- during the discussions -- you know, the intent was that that the commercial aspects be always apparent -- you know, it's not just the replacement for the subsistence uses, but also -- I mean, not a direct food source replacement, but would also have commercial replacement.

MR. SANDOR: Any other comments? Mr. Barton.

MR. BARTON: Well would the -- I don't know how you culture whatever it is we are trying to culture here, but would these be generally available to any member of the public who came along and wanted to harvest some?

DR. MONTAGUE: No. It's kind of like a raft of approximately three hundred feet long and ten feet wide with wires or frames off it to which the shellfish would be attached and it would be -- I would view it as being owned by not the general public.

MR. COLE: Well, who will have title to these rafts? Legal title to the rafts?

DR. MONTAGUE: Well, we've actually answered that

question. Do you know Joe?

DR. SULLIVAN: I think the villages would have legal title -- I don't think they would, they would.

DR. MONTAGUE: That's the proposal, I don't know that there's a -- that the Council or somebody couldn't retain title if they wanted to.

MR. PENNOYER: But the average kayaker couldn't pull up and harvest oysters off the rafts?

DR. SULLIVAN: I think that -- they would create a problem if they did that. (Laughter).

MR. PENNOYER: I suspected that.

MR. SANDOR: Well, Trustees, unless there's a motion to act on this project, I will presume that it should be deferred and not acted upon. Mark Brodersen, do you have some comments?

MR. BRODERSEN: Yes, I did. One of the thoughts that we've had on this project in trying to put it together was that if you look at it strictly from a subsistence replacement standpoint, and don't allow any commercial venture into it, then it would probably have to be subsidized for years to come. If you allow just enough commercial aspects into it to make it becoming self-sustaining, the Trustee Council could then walk away from it and leave it to the villages to take care of their own costs, and we wouldn't have to be subsidizing it into the future. In my mind, that was the desirability part of trying to make this a semi-commercial venture so that we wouldn't have to be constantly pumping money into it in the future.

MR. COLE: Do you have any financial predictions then?

MR. BRODERSEN: I do not. This is something that I think needs to be done as part of this, a very early part, is the feasibility of this, as to how do you make this work. It is, to me, one of the first steps you have to do.

MR. SANDOR: Is there a motion to approve this project from any member of the Trustees?

MR. PENNOYER: Mr. Chairman, I move to approve just to continue discussion. I'd like to see where we're going to go with this. If you want to cut it off -- I -- if there's a way to satisfy the federal concern and the magnitude in a way that -- doing what Mr. Brodersen was saying about magnitude, maybe there's some hard way -- approach to this. The group here even says that they can reduce the amount by fifty percent and still, still have long-term benefit. Maybe there's a way to get into a sort of feasibility project then. I don't know we can do it here, but it might be for a future meeting that some demonstration project or feasibility study or something of that nature, rather than just sort of leave it hanging, because I -- I like the idea. I'm not sure how it fits between the placement, enhancement and restoration plans yet, but I like the idea, and I would not like it just to go quickly away.

MR. SANDOR: Is there a second to the motion

MR. ROSIER: Second.

MR. SANDOR: ... to approve with the condition -- that

noted by Mr. Pennoyer. Seconded by Rosier. Is there any further discussion?

MR. COLE: I don't understand the motion. Could you tell me what the specific motion was.

MR. PENNOYER: The specific motion was to approve, simply to allow discussion to continue. The reason was -- I was simply stating the reasons I wanted to continue discussion rather than just have it go away.

MR. COLE: So the result of the motion will be continued discussion?

MR. PENNOYER: Yes, the motion -- and the motion could be amended to require -- if you want to do it that way or whatever, but why don't we continue the discussion of where we're going to go with this.

MR. SANDOR: Could the Chair invite approval with some conditions that -- that -- opposed to just up and down?

MR. PENNOYER: Sure. AF&G is the lead agency. Now you heard the discussion, is there any way that we could table this until somebody comes back and gives us some relationship here between the feasibility aspects? Could you start with something less that would more fit maybe Mr. Brodersen's concerns. Something that will allow commercialization and support for subsistence efforts. Is there any way to sort of get a different molded project to look at with this.

DR. MONTAGUE: So, if I understand the guidance correctly, you'd like to see how much the scope of the project

would have to be raised above simply replacing subsistence to make enough to be self-supporting, and no more than that. Is that kind of the specific ...

MR. PENNOYER: I'm not saying that's what we'd end up voting for but it would give us an option to look at.

DR. MONTAGUE: Because I believe the feasibility is pretty well-established. I ...

MR. COLE: Without economic projections?

DR. MONTAGUE: I -- Dr. Sullivan? Maybe the -- there has been mariculture activity down there, and I believe it would not be difficult to, perhaps today even, to get back with what projections are from a similar-sized project.

MR. SANDOR: Dr. Sullivan, do you have some comment to make?

DR. SULLIVAN: Yes, the shellfish culture in Alaska is something that's still a cottage industry, but has been growing quite a bit lately. The reason we've (inaudible -- coughing) -- the situation with oysters is that they don't spawn here. The water system is too cold for them to spawn, but it's not too cold for them to grow. So -- thanks, Bob -- Their -- perhaps Commissioner Rosier would know more broadly how, how much shellfish has expanded in the last couple of years, but as far as can we do it, we can, okay. We've had oyster farms here for a long time. A lot of them have not made very much money, but as far as the feasibility's concerned, it's feasible. The biggest difficulty that we have is that we don't have the extensive road systems that

the Lower 48 has.

MR. SANDOR: Mr. Barton?

MR. BARTON: You're talking about the technical feasibility?

DR. SULLIVAN: Right.

MR. BARTON: Not the economic?

DR. SULLIVAN: No. Economically, I'd say it's, it's closer to a draw. The -- the economic feasibility part of it is sort of conditioned on transport, getting these things out of the field and into a PSP testing laboratory. That's -- that is where the Lower 48 has an advantage over, over us.

MR. BARTON: What's the relation of project '19 to project '20.

DR. SULLIVAN: Project has -- project '19 -- the point of project '19 is, the only thing that we can grow up here right now because we don't have a state mariculture facility or shellfish hatchery is oysters. Because oysters don't spawn in the state and because we have had a traditional oyster industry -- culture industry here in the past, we passed laws and regulations in the early '80s which allowed us to import only oysters into this state.

Okay. That's why, for subsistence, the only thing that we really can do at this point with the -- the technology that we have and the laws that have, those are the only things that we can legally and practically grow here. If '20 is -- and so, we can import oysters from the Lower 48, we cannot import clams or mussels or anything else where they do have shellfish hatcheries there. Okay.

So, that's -- that's where we're getting started with oysters here.

I might add that all the oysters that we've produced, we can sell thus far. Okay. The local restaurants buy into that. But the hatchery part of '20 would allow us to actually grow the clams and mussels -- mussels, I'm sorry -- mussels we can -- have the ability to grow here by using spat collectors, but clams and things like that, we're going to need a shellfish hatchery in order to produce the spat for that. We cannot, we cannot legally import those from outside. The only way to do that is to grow them here, and that's what '20 is about.

DR. MONTAGUE: Mr. Chairman, project `20 would also be a more local and reliable source for oysters as well.

MR. SANDOR: Mr. Pennoyer?

MR. PENNOYER: Yeah, as I understood where we were on single item, as to mariculture, one of the problems has been has been availability of spat -- (indiscernible -- simultaneous talking), and it's been a barrier, and I think the shellfish growers association in Southeastern has talked for years about getting a shellfish hatchery, primarily for oysters. Now, the assumption was this does mention all the clam species, but it'd start with oysters and at some point an actual commercial industry could pick up the running of that

DR. SULLIVAN: That's right.

MR. PENNOYER: ... facility. So, you're sort of kicking off something to get it started, and at the time of the spill is all species of shellfish that might want to be replaced, but the

ultimate good is far broader than that.

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Mr. Rosier.

MR. ROSIER: Yes. Going a little -- a little further on this in terms of the hatchery itself. The source of spat, of course, is becoming a very sensitive thing. It's -- I think we're down to one supplier and -- on the Pacific Coast at the present time -- but in conjunction with this, they'll be a fair amount of discussion, I'm sure, about this shellfish hatchery funds that are in the legislature. A scenario that I've been extremely interested in, the Governor's extremely interested, and I think that from the standpoint of the hatchery, we're probably looking at -- at going for state money for a facility, for the facility itself, but I think that as we've seen problems with pollution outside of Alaska, basically we're seeing a movement of the industry into the -- into Alaska, and I can't quote the exact figures, but I know that there's been a substantial number of permits that have been gathered or submitted in the last, the last two years, both for Prince William Sound and Lower Cook Inlet areas. It's an industry that's on the ground in a growth mode, and I think that it offers a real opportunity here, both for subsistence as well as commercial, you know, in the communities out there, the smaller communities.

MR. SANDOR: Mr. Cole.

MR. COLE: As usual, I don't understand the project, particularly number '19. I agree with all the things that have

been said there, but if you look at the last page and the penultimate page -- the next to the last page -- both of the costs for this project, i.e., \$590,000, would go to training village residents in mariculture and establishing a management structure for each village. In order to have some effective program, it will be necessary to maintain these aspects of the project. Some cost savings could be realized by reducing the amount of (indiscernible) equipments. So what are we really going to do with this \$590,000? I mean, train people? I mean, once you get them trained, what happens then -- \$600,000 worth? I don't know. Try to buy equipment, or buy these rafts, build them, and all those things.

DR. MONTAGUE: Mr. Chairman, I do believe that the rafts would be purchased as well as the training in that

DR. SULLIVAN: Yes, actually -- yes? I think that actually they plan to use bindertaps (ph) on these rather than rafts. There's a whole bunch of different ways to grow shellfish. But the answer is yes. The equipment and the spat will also be purchased out of this. Excuse me just a minute. Okay. We have someone here, Tasha, whose last name escapes me, who works for the Chugach Region and she has a little bit more information on this. It's essentially their project.

MS. TASHA CHMIELEWSKI: Maybe I can explain some the budget considerations.

MR. SANDOR: Please identify your name for the

MS. CHMIELEWSKI: Sure. My name is Tasha Chmielewski, and I'm director of the Chugach Regional Resources Commission, and

we're involved right now with the pilot projects that are going on in Chenega Bay, Tatitlek, and Eyak with some of the oyster projects. We've been doing this for a couple years. We have oysters out there now. They are in hanging cultures, as Mr. Sullivan -- Dr. Sullivan -- indicated. The bulk of the funding for these projects goes mostly equipment purchase. We have to buy the spat, which is, you know, which is two and a half cents per spat, you know, so a million spat would cost you \$25,000. There is a lot -- a lot of technical things that have to be taught to the people in the villages on how to actually grow the oysters. Once they've got that down, that's no problem, but a concern of ours is that these programs or these projects go on and on in perpetuity, and in order to do that they have to figure out basically how to run a business, and make sure that that business keeps going. Equipment purchases can total, say for a farm with a million spat, equipment purchases could easily cost about \$200,000. It depends on how many years in the future you want to purchase the equipment for. But out of that \$500,000, you'd have a couple hundred thousand for equipment, \$50,000 at least for spat, maybe \$100,000, depending on how many sites, site permits, and then compensating people for boat charters and things like that to get out to the nets.

MR. SANDOR: Mr. Cole.

MR. COLE: Well, who would own this equipment once it's purchased?

MS. CHMIELEWSKI: The way it's set up right now with the pilot projects is that the equipment, the projects belong to

the communities as a cooperative. They are, they are right now operated by the village councils and they belong to the communities.

MR. COLE: And the spat would belong to the communities?

MS. CHMIELEWSKI: The spat belongs to the communities. They've set it up -- the way it's set up right now is it's kind of an arm of the council, a non-profit arm of the council.

MR. COLE: And do you have economic projections that you would show to a banker that this -- how this business will be profitable?

MS. CHMIELEWSKI: Right. We have about ten year -- ten year economic projects right now.

MR. COLE: And who would receive the profits, assuming there were profits?

MS. CHMIELEWSKI: Well, our projections show that there is not really profit until after about ten years. These are really capital-intensive projects, and most of the funding has to go back into the projects just to keep them going. Right now, on paper, it showing that whatever profit is made would go back to the projects, to go back into the projects, and they would have to decide if there was ever any profit, and I -- I really -- I doubt there's ever going to be any profit to actually distribute to members who are working on the project. There's just going to be probably just enough to keep these projects going.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Including salaries?

MS. CHMIELEWSKI: Including salaries, of course.

MR. PENNOYER: ... management systems?

MS. CHMIELEWSKI: Of course.

MR. SANDOR: Any further questions? It's most interesting. To further illustrate, just as an aside, the Trustee Council really should have opportunities, either a working session or some way to get involved in these projects more deeply than we do because we cannot react intelligently on these without this kind of information. There's a motion on the floor which that project 93019 be approved. Is there qualifications to that motion? Is there any further discussion on the motion? Is there any objection to the motion on the floor to approve project 93019, Chugach region village mariculture project.

MR. GATES: Yes. We object.

MR. SANDOR: Paul Gates objects.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I think I concur with Mr. Gates' comment that it is so hard to separate replacement from enhancement in the production. But is Interior's objection against bringing back something, to show a feasibility project of some kind, than to see how it might get -- when we get to '20, I'm going to propose we pass '20 and start on the experimental concept of a way to raise spat for reseeding, in essence, areas that have been damaged by the spill?

MR. GATES: The basic problems we have right now are the ones -- the legal situation has been clarified, or at least repackaged or the project repackaged, and second is the time -- the time-critical element of this thing. We need to see what the restoration plan sets forth before we start approving these kinds of projects. That's our view.

MR. SANDOR: Well, the Chair -- can I question Mr. Gates? If the objection is a legal question, which we discussed for some moments, and if it's not time critical, would the Department of the Interior object to this being (indiscernible) to February or March Trustee Council meeting?

MR. GATES: I guess, against it being reintroduced, repackaged, but we think it ought to have legal review before we reconsider it.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: I think we need to -- another legal review as to whether the Trustee Council is permitted to give funds to a private company to initiate a business and say here is \$500,000, go start your business, and if you make any money, I mean, go ahead and keep it. I mean, you know, we -- we have to keep in mind the principle. I mean, you can get to that point and then the fishermen say, look, I mean, how about buying my boat, I'm having trouble out here in the Upper Cook Inlet, and I'm going to need a bigger boat to go out and ply the deeper waters of the Gulf to fish. I mean, you know, we have to keep a consistent principle.

I am not sure, legally, that we can, in effect, make a gift of funds to somebody in this situation. I would like to have the lawyers look at that, both the state and federal lawyers. And let me say this, has the restoration council looked hard at these projects? I -- maybe I'm missing what the Restoration Team does, but I just don't think that we should have to have projects here before the Trustee Council that we have no financial projections to look at. We get one set of statements here that says the bulk of the cost of this project will go to training village residents in mariculture, and then we hear from the project sponsor that the bulk of the monies will go to purchase equipment. I mean, I just think we deserve a little more detail.

MR. SANDOR: Mr. Barton.

MR. BARTON: I believe the Restoration Team unanimously not recommended this project. The chief scientist didn't like the

MR. SANDOR: Well -- thank you. 93019 is not approved.

I think the point is that the regulation of the information that came up today as opposed to what might have been reviewed at the early levels, and perhaps it can be accommodated in a working session or some other change in the process which are going to get into, but this process, from the Chair's observation, should be improved. Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman, if nothing else, even if we didn't do it here because its time-critical nature is certainly a question, I expect to see a similar proposal for the '94 work plan,

so I think we're going to need a legal review of Mr. Cole's question and the general feasibility of this relative to a replacement or enhancement and how it fits into the whole process we're engaged in here, because it's not going to drop out. It is something that's, I think, technically feasible. We know from just generally (indiscernible -- coughing) around the state that people want to get into it, but when one of the barriers of having a spat hatchery is overcome, I think you'd see a lot more people in it.

MR. SANDOR: Mr. Pennoyer, you indicated you were going to make a motion on 93020.

MR. PENNOYER: I haven't gotten there yet, yeah.

MR. BARTON: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer -- Mr. Barton.

(Mr. McVee rejoined the meeting at 10:15 a.m. and relieved his alternate, Mr. Paul Gates)

MR. BARTON: Since this is going to come up again, I just want to state my concern with it, and it relates to the commercial aspects and the private business aspects as well as the inability of the resource to be available to the general public. I think everything we do, the public should have an opportunity to utilize, either directly or indirectly.

MR. SANDOR: Moving on quickly to 93020, is there a -- a motion to approve 93020 for discussion purposes.

MR. PENNOYER: So moved.

MR. BARTON: Second.

MR. SANDOR: It's been moved and seconded on this

related 93020 project, is there any discussion? We have enough information to act on this -- this proposal? Can we have a summary by ADF&G?

DR. MONTAGUE: Yes. This -- originally this project was proposed was actually constructing the facility. It was reduced simply to a feasibility study to look at several things. One, to do the environmental compliance. Two, to make the site selections, and three, in terms of a more specific feasibility plan, to show what species most recommended to be used in the facility and what the production goals for those different species would best be for the facility, and what localities in the state would most likely use them.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I know in the past, nearly as much as six years, seven years ago, there was considerable discussion by the state, and I think the Department of Fish & Game even proposed to the legislature a project to build such a facility, and -- I can't remember who initiated it, but I think we did, but it seems to me there were plans and a budget and a lot of other things drawn, and I wonder, are we reinventing the wheel or is there something that can be taken off the shelf where we'd have a lot of that background available. Am I misstating or -- I don't recall the details in which it was originally proposed, but I know there were several proposals by the oyster and shellfish growers group and, I think, by the department to create such a facility.

MR. SANDOR: Good question. Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. I am not aware of any on-the-shelf plans here at the present time that get quite as specific as Mr. Pennoyer is talking about. There was a substantial amount of support for financing such a system or such a facility in last year's budget by the shellfish growers. The legislature finally clarified the state mariculture statutes to the point that the shellfish people have become very active here in the last couple of years, but again, we're looking at a proposal this year for funding a facility that will be part of a budget process here with the legislature this year.

MR. SANDOR: Mr. Cole.

MR. COLE: No, I had no further comment.

MR. SANDOR: Oh, Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, so what is the relationship of us doing this relative to what you're talking about is going to happen?

MR. ROSIER: Well, I'm not -- I'm not sure exactly what the relationship is here at this time. You know, it seems like this action has been going, and in the meantime we were doing budget planning here on this, and -- and I'm not sure that we -- what the relationship is myself.

MR. SANDOR: Shall we defer this project? Or are we ready for the question?

MR. PENNOYER: I -- my motion originally. I would suggest we defer the project pending some of the other investigations, realizing that it could be coming up as a request

probably for the '94 work plan, somebody, and ought to blend this legislative initiative in with the legal question and other concerns that have been raised here and get a report back to us when we next consider the '94 work plan.

MR. SANDOR: Any objection? This project is not approved for '93 work plan -- been deferred to consider in the '94. We'll take a break until 10:30, at which time can I ask Mr. Pennoyer to chair this while Mark Brodersen sits in for -- for two and a half hours.

MR. PENNOYER: Certainly.

MR. SANDOR: And I would hope that you could perhaps attempt to do the -- I really find these projects most interesting. If it would not be a problem, to do those -- item two on the agenda, and then three, and then get back to those topics.

MR. PENNOYER: I guess, yes.

MR. SANDOR: But, continue.

MR. PENNOYER: I assume the idea is that we're going to finish by tonight.

MR. SANDOR: Oh, we're finishing

MR. PENNOYER: In time to catch a plane, alright.

MR. SANDOR: Yes.

(Off Record: 10:15 a.m.)

(On Record: 10:30 a.m.)

(Mr. Pennoyer is the chairman after the break in the absence of Mr. Sandor.)

MR. PENNOYER: Yeah, I'd like to get started if we can.

Commissioner Sandor had to leave for a couple of hours and asked that I take over the chair for him, and in that interim period of time Mark Brodersen will be sitting in as his alternate. The Commissioner was particularly interested, as we all are, in the work plan and specific projects, and so he asked us if we could go ahead with some other items on our agenda and see if we can finish those up before we start the project list again, and the items he particularly recommended we do were the restoration plan, detailed outlines, alternative themes, and the preparation schedule, which if you recall at the last meeting John Strand started to do and we ended up doing other things, and the other is the Public Advisory Group resolutions one and two. If there's no objection, I suggest we go ahead and start with Dr. Strand, let him make his presentation and whatever questions we've got, and then proceed on to the Public Advisory Group resolutions. Is that acceptable to the group? Try it again, John.

DR. JOHN STRAND: Okay, thank you. Bob Loeffler is with me, representing the state, co-chair of the Restoration Planning Working Group. Appreciate the time that you can afford us, and I know that you're busy with the work plan development, and I'll try to be as brief as I can this morning, but I don't want to cut off any discussion, much needed discussion, on both the alternative themes and the detailed outline, which we provided you on December 4th. This is a bit of a carryover, as Mr. Pennoyer said, from the last meeting. What I would like to do is to go into the specific comments that the Trustee Council provided us and deal

each of the sets of comments. There were only really two sets of comments -- two individuals on the Trustee Council provided their remarks and comments. I'd like to go into those and discuss them and try to reach some closure on them regarding the direction those comments suggest we take in the development of the plan.

MR. PENNOYER: John, I have

DR. STRAND: Yes, excuse me.

MR. PENNOYER: Perhaps, we might organize this a little bit. I'm not sure if we all have our paperwork in front of us and the outlines you're going to be referring to or other items. If you just (indiscernible -- coughing) discussion of modifications to something that we don't have in front of us, it maybe difficult to reach some conclusion. Can we

DR. STRAND: David, do you ...?

DR. GIBBONS: Yes. Excuse me, Mr. Chair, that was sent to you again in the package that I delivered last week.

DR. STRAND: Okay. While you're digging that out -- I would like to deal with the questions and to reach some sort of closure on that so that we can proceed with the hard task of developing the draft restoration plan and the alternatives information package. If you remember, the alternatives information package is the first deliverable. It's an interim deliverable in March, as we had discussed last time. This isn't to say that we haven't been progressing in the development of our products. I might just take a moment out to give you a quick update. The group, as of last Thursday, using the existing alternative themes

to organize our restoration options, we have moved ahead and developed a printout of -- of each of the alternatives with their requisite package of restoration options. We have information on costs for most, if not all, of those restoration options. That information is available too to our working group, and finally, we have some sense of the geography where we would recommend implementing restoration following the guidance of each of the respective restoration options. That will compose -- comprise most of the alternatives restoration package. There will also be text that deals with a summary of the injury and how one begins to implement the options once the plan is adopted. That text is being prepared as well, and hopefully all of this will be available for you to review the next time we meet. I think your meeting is scheduled February 16th. This calls on the Restoration Team to bear a hand and work very hard with us to review it to the point where we can give you this interim package, and, as I said, we discussed last time regarding the schedule would be our view that this hopefully will go out to the public in March. But that will give you just a brief update on where the group is and the task at hand. And you have now in front of you the comment package that I received, and maybe we can move onto -- to that. I received comments both from Mr. Pennoyer and from Mr. McVee. The comments dealt with specifically the alternative themes and also the detailed outline. And if I may, I might tackle first the comments on alternative themes, and -- this is sort of a little bit reverse order but that it might, it's probably the most important piece of

work we need to -- to address this morning. If I might start with Mr. Pennoyer's comments, and maybe to set the stage I could give a brief summary, and I'm sure Mr. Pennoyer will tell me if I interpreted his comments incorrectly, but I believe that in essence the comments suggested that while we assumed that we might have six different alternatives to provide choice and texture for the restoration program, that Mr. Pennoyer's comments suggested that that might be a bit much, and there was the suggestion that we reduce the alternatives that we have there from six to four, and I believe, with the view of trying to preserve at least alternatives three through six, try to preserve one alternative that dealt with the scope of restoration more narrowly than comprehensive, if you will, something akin to our limited restoration approach that we had suggested in alternative number three. That might be narrowly to -- narrow in scope -- whereby we would only address restoration for injured resources and services -- severely injured resources injured at a population level -- and we might conservatively do only what we felt was with a very high degree of success that was possible. In other words, restrict what was -- what we could do to just what we were sure of in terms of effecting an accelerated rate of recovery. The other side of that continuum -- I think Mr. Pennoyer was suggesting we preserve an alternative which is -- in which the scope is more comprehensive or expanded. Treating all injuries to resources and services and try to undertake restoration even where there is -- we're not totally sure it will work, but there's some reasonable understanding that it might work. And that

was one comment. I think the second comment dealt with not trying to use settlement characteristics as a means of varying among the different alternatives. That expanded spreadsheet that we sent to you on the 4th used different settlement characteristics, such as direct restoration, replacement acquisition of equivalent, and enhancement as a means to vary the different alternatives. I think Mr. Pennoyer's suggestion was that really each of these options should be open to us and each of the restoration alternatives. And, finally, I think a third comment dealt with the geographic extent of restoration. I think we used as a variable inside and outside the spill area as a means of -- of varying what you do and where, as a ways of providing choice. And, I think, again, Mr. Pennoyer's suggestion was that we shouldn't perhaps do that, that might be a bit artificial and that consider restoration wherever, both in and outside the spill zone. And, I think that in substance was the comments that Mr. Pennoyer provided, and I -- I feel, I think, that the Restoration Planning Work Group, we certainly can reduce the number of alternatives or the alternative themes from six to four. It would be more manageable. But is that -- is that view shared by the rest of the Trustee Council members? Is that a -- a reasonable direction in which to take this?

MR. PENNOYER: Questions, Trustee Council members? I have one, John. I guess the question of inside or outside, I think, is a policy call you might early on or on a case-by-case basis. I just didn't think an alternative theme should be characterized as in or out, because it may be an overall policy

call or project by project. So, it didn't seem to me that -- differentiated between alternatives, as essentially made on a case-by-case basis. I guess my other feeling -- I'm not sure how, exactly, you're going to end up using these alternatives. It seems to me for any resource, you may choose one of these alternatives. So we want them all available to us. Public comment may come in that we just want you to buy land, but we know in all probability we'll do some other things. So, I felt that simplifying the alternatives made a little more sense. When it came right down to it, we'll want to go with something like alternative five as an overall arching -- have available to us all the tools in the kit.

DR. STRAND: Bob, did you want to comment on something?

MR. BOB LOEFFLER: What I expect will happen -- we'll pick and choose from among the different ones, but we were using these as ways to present the choices to the public, so that I expect that what you will come up with, what the public will recommend, are parts of each of them. So, that's -- that'll be what you end up with in the final plan. That's what I -- that's my expectation.

MR. COLE: I -- I must say, I think it's much too complicated. I have very great difficulty following this -- these possibilities. I think you have to simplify it.

MR. LOEFFLER: Okay.

MR. COLE: I really do. I just had a comment -- I think generally people (inaudible -- Mr. Cole's microphone was not operational) -- I'm falling apart in more ways than one -- I think

we had seen public comment on different approaches to habitat acquisition (inaudible) -- take about a half hour or an hour to figure out, you know, sort of which route do you take. You need an IBM 360 computer -- I would really like to see some (inaudible)

DR. STRAND: Do you have any specific suggestions for how we might make that simpler.

MR. COLE: Nope. (Simultaneous laughter) That's up to you. I mean, I just tell you -- when the average, you know, Joe Six-Pack out in Muldoon looks at this (laughter), he says, you know, what is this, man?

MR. LOEFFLER: It's our desire to make it something the average person sees and understands very easily. It ought to be readable, approachable, and --

MR. PENNOYER: Mr. Barton.

MR. BARTON: Yes. I -- I think we need to -- an alternative to represent the full range and the extremes of the ranges, and then one or two in the middle, in my estimation -- probably two in the middle, and then in the final decision process, that would provide the Council with opportunity to cut and fit as it saw fit in response to public comment. I agree with Mr. Pennoyer on the geographic constraint. I think that's a thing that needs to be resolved on a case-by-case basis. But, the simpler the better. If it's something the Council can understand, there might be a chance.

MR. McVEE: Steve?

MR. PENNOYER: Mr. McVee.

MR. McVEE: We would echo Mr. Barton's comments that the range is important. The number of alternatives is certainly not as important as the range. At this stage, at least, that provides something to the public to -- to reflect upon, to relate to. Our comments on the themes which related back to -- to the planning outline, I think, itself more than the themes, but I think that range aspect is very important.

MR. PENNOYER: Yeah. Anybody else want to comment on that? I think the sense you're getting is that the alternative themes are probably a starting point, but they are not going to -- they'll quickly fall out, you're quickly going to see for any resource you're going to use some aspect of this, so you're not going to pick any one overall to start. And, actually, what you're going to end up with is a kind of a blend even for any single resource. So, it's going to get real mushy when you dig into the -- dig into the specifics and try to do it, and I think it confuses the public to sort of see, do that route or that route or that route, because it probably isn't going to work that way. So, I think the way our options -- the spread of things we can do are important for people to understand. I doubt you're going to find it as simple as a choice for even any one project -- aspects of harlequin ducks and aspects of natural recovery protection, and -- I don't know, so you see, you're probably going to get a mix anyhow, spending too much time on fusing issues probably is not warranted. Sort of a kiss principle.

DR. STRAND: The other, I think Mr. McVee's comments

- let me turn this around again -- I think the essence of Mr. -- Mr. McVee's comments, and I think the one very important one, and I think that we probably need to discuss this today, but as I understand it, Mr. McVee is suggesting that we still have yet to define an initial proposed action, and that the initial proposed action as identified and described in the framework document which was published in April of '92, probably didn't do this -- do this justice. I think that is the essence of your comment, and I think that this has been discussed at a number of RT meetings, as well as at our own planning group meeting, and, you know, clearly it was our intent, the planning group's intent, that the time that we published the restoration framework that it serve two purposes. It was, one, to provide some guidance, a road map if you will, for developing the draft restoration plan, but also it was to serve as a scoping document dealing with a proposal to restore the injuries, the damages, associated with the oil spill in Prince William Sound and the Gulf of Alaska. And issues were put forth, and public comment was requested. There also was a list and a description, although perhaps a one-page description of the -- of what restoration options you could undertake on behalf of the injured resources and services in this case. And it was generally felt, in our group anyway, that the -- the restoration framework document did fulfil the requirements as provided for in NEPA in this regard, and, but you know, clearly that -- that comment has come back again in -- in your letter to me -- to Bob and I -- and probably that needs to have some airing as well. If we were to enter into a --

if you will, an extension of the scoping process, this could, I think, further prolong the process, but I think that, you know, that -- is that the substance of your comment, Mr. McVee?

MR. McVEE: Yes, Mr. Chairman. Basically that's it. If you like, that the scoping process is really a continuing process, and that there are various checkpoints that we had six months ago or eight months ago, whenever it's out to the public, you know, the first step in that. But it's a continuing process, and as there are refinements, there are various checkpoints developed where we we've got more detail. We feel like reaching that point -- should be reaching that point where we have more detail as to what -- what we would see, the Trustee Council, as -- as the action as recommended or proposed action to be taken, and it gives -- it seems to us like the public is entitled to -- to see more detail as we go along and have the opportunity to comment back, the feedback to us, their thoughts relative to that detail. And, you know, several time has gone by since -- since the original document went out -- went out. We've got quite a bit of refinement, you know, that we should be in a position fairly soon to put out some more -- more detail to continue -- continue this scoping process.

MR. PENNOYER: Mr. Barton.

MR. BARTON: Yes, Mr. Chairman. I'm not sure I follow your concern. Are we -- are you clearing the proposed action with a preferred alternative?

MR. McVEE: I guess, I guess in reality they'd be one

and the same, or be close. Pam, you --

MS. BERGMANN: Mr. Chair, there's been considerable confusion over the terminology of preferred alternative and proposed action because different agencies have different definitions of those terms, so we started using the term "initial proposed action" which would simply be -- well, the proposed action that was in the restoration framework was basically saying that we're going to develop a plan to restore injured resources and services in Prince William Sound and the Gulf of Alaska. And our feeling about that is that that's a goal statement. That's not really an initial proposed action. The initial proposed action would be to do x, y, and z kinds of activities for each of the different injured resources and services. Then once that's established, you develop a whole range of alternatives that you were talking about, Mr. Barton, kind of promotes the broadest approach and the most narrow approach, and making sure that you've got a reasonable range in between as well. We feel it's very important to send -- that the detailed alternatives in that -- which would include the initial proposed action -- out to the public for review so that they can say we don't like your overall approach on how you've come up with the alternatives, we think you should -- you should approach it this way, or they might say you need -- you forgot about this alternative or you don't need five alternatives, you need two alternatives, and we think that we really need the public comment on that level of specificity so we don't end up having to do a supplemental DEIS if we've kind of gone

astray. Then, once the Trustee Council has all of the input based on the draft environmental impact statement and all of the public comment associated with that, then the Trustee Council would -- would basically select a preferred alternative, which we're calling -- now, I forget the term we're using -- but it's basically the preferred alternative for the final proposed action.

MR. BARTON: Mr. Chairman. I guess I'm still confused on what the proposed action might be. You say the -- as I understood it -- the proposed action could be x, y, z activities.

MS. BERGMANN: Mr. Chair, yeah, our feeling is that what we're talking about here are themes. These are kind of broad general approaches to how you might develop alternatives. But once you actually develop alternatives, we need to see the different kinds of restoration options that are available for each injured resource and service for a particular alternative, and then --

MR. PENNOYER: Could you stop -- could you stop for a minute. You're way over my head. I'm totally lost. I don't know what we're doing. I don't know why we're doing it. We have EIS
....

MR. COLE: Your friend here's confused too.

MR. PENNOYER: ... We have an EIS we're putting out of it, okay, for this process. We also have the restoration plan. I'm not sure which we're talking about now, and what sequence. We haven't had a presentation of what's in the restoration plan, which I presume is also in the environmental impact statement, at least to some degree, and I think you go down to detailed alternatives by

species and actions that might occur in your draft outline. So, I'm not clear what we're talking about. What are we putting out that doesn't have a proposed action on it and doesn't have proposed alternatives. How does that relate to this outline that's in front of me that seems to get down to a lot of detailed level, you know, that doesn't propose a specific actual project, but actually goes, I think, into how you might treat different resources with different alternatives, it presents a background of what we know about injury to those resources and so on. It would be helpful, instead of getting hung up on this alternative theme thing, which I think is sort of an introduction, I don't think this is what we're asking the public to comment on -- it's just an introduction to a package. If you reviewed what this whole package is, I'd have a better idea what we're arguing about in terms of whether we're giving people alternatives or not. Because I don't know where we are right now. Step one -- in your timeline -- is this for the EIS or the restoration plan, or both? I mean, what are we --

DR. STRAND: Restoration plan.

MR. PENNOYER: Okay. And then -- but the comments I'm hearing here are the EIS ones, is that correct?

MR. LOEFFLER: I think that when we put out alternatives to the public it will be fully fleshed out to tell people what projects, what kinds of things we're doing, how much they cost and the general areas where they would be accomplished.

MR. PENNOYER: This will be in the restoration plan?

MR. LOEFFLER: Yes. And it's what we expect to go out

with in March -- different alternatives, different ways to restore the Sound -- I'm sorry the oil spill area. And so that's what we come up with in March. To the extent that our alternatives have to be the same as those in the EIS, that is, we don't want to have -- be doing different things. We have -- in terms of what's a proposed action -- I'm not up on the EIS lexicon, so I'm afraid I actually can't tell you that, but what we're planning to do in the restoration plan is say here's the different ways we can do it, in as much detail as we can muster, with costs, where it is, and get public comment before you choose which one from parts of the -- final. You know, that's what the restoration plan is intending

MR. PENNOYER: It maybe -- maybe it would be appropriate if we took one of these aspects and traced it down to where it's going to go and then see how the others are going to tie in. Maybe it's appropriate for you to go clear through the restoration plan outline and schedule, and then come back and talk about how we blend the EIS process in with that -- because I think we've got a cart -- a cart and a horse thing here. I'm not clear -- coupled with some scheduling problems, I'm not sure how we get around it, but I'm not hearing them tied together. So maybe you could tell us what the restoration plan is, then we get back in the arguments about what the proposed action is and other NEPA-type concerns, and if you can let us know how long it's going to take to get this detail done, when it's going to be done, what's going to be in it, how many times we've got to send it out, then we can come back and

talk about the NEPA requirements relative to that. Because NEPA's -- the describe the action, and I think this is action. So maybe we ought to talk about that first.

DR. GIBBONS: Mr. Chair?

MR. PENNOYER: Yes.

DR. GIBBONS: If I may interject here. We plan to present at the February 16th Trustee Council meeting a complete description of the alternatives, run you -- albeit ad nauseam -- run you through this. Perhaps it might be a better time to deal with that kind of a discussion then -- just the proposal -- because we haven't -- there's, there's two major items, three major items on the agenda for that February 16th, and one of them is the restoration plan alternatives.

MR. PENNOYER: What are we here to do then? What are we supposed to be doing here if we're all going to do it in February. We've got a busy schedule, and I'd just as soon not spend --

DR. GIBBONS: That's what I'm trying to -- what I -- what I hoped to do here today was just to talk about the comments received at the request of the last meeting, and say that we're looking at reducing the number of alternatives, and we're taking your comments into heart and we're going to develop a package for you at the February 16th meeting.

MR. PENNOYER: It's hard to comment on the comments if I don't know what the package looks like, but that's -- I commented on the themes, but I don't know how that fits in with the rest of -- I thought Dr. Strand was going to present this outline at the

last session -- the purpose to that. Now you're saying we can wait til February 16th to do that.

DR. STRAND: The comments on the outline, I think were -- were relatively minor adjustments. I think yourself

MR. PENNOYER: Let me ask a question. Does the Trustee Council understand what's going to be in the restoration plan? The depth, the detail, all the aspects? Are you comfortable enough with the outline that you understand that?

DR. GIBBONS: Mr. Chairman, that's the purpose of the February 16th meeting.

MR. PENNOYER: Okay.

DR. GIBBONS: We'll get all that information to you and see if we're on the right track or not.

MR. PENNOYER: Okay. So this -- this purpose is just to comment on the alternative themes

DR. STRAND: And also to provide feedback on the comments made with respect to the draft detailed outline. There were some comments. You had some, I think, relatively minor, and Mr. McVee had some. Clearly one of those comments dealt again with this topic of initial proposed action. The others I felt were appropriate and -- it didn't come down to an issue of whether something should be presented or not presented in the -- the plan, it was generally where it should be presented. Am I right, Mr. McVee? There were some suggestions for some title changes, there were some suggestions for moving things to an appendix, and I'm quite willing to try that on for size, to see where we're at, and

then to get some review on it. It makes better sense to put something back in -- the basic text of a chapter, that's fine. If it's better put into an appendix, that's fine. I don't think any of those comments were meant to delete information or that we needed something in addition, for the most part.

MR. McVEE: Mr. Chairman, our comments were organization. I guess we -- we did think there maybe should be one section that could be deleted, but, I guess my feeling in dealing with this today is that -- we're going to see some of the detail in the plan and how things are put together in the February session. It's a little -- it seems like a little redundant to try to modify the outline today -- if you're going to do that within less than a month's time.

MR. PENNOYER: Mr. Barton.

MR. BARTON: I thought we were concerned with the process form than this question of the proposed action and whether the framework had adequately provided an initial scoping document. Is that right?

MR. LOEFFLER: That's still an issue, yes.

MR. BARTON: Completely different question.

UNIDENTIFIED VOICE: Do you want to talk about that?

MR. BARTON: Wait til February.

MR. PENNOYER: I'm going to wait for February because I don't have an understanding of where we are -- (simultaneous talking)

MR. McVEE: A question in my mind is

MR. PENNOYER: Lead us through this.

MR. McVEE: Would it be easier to deal with in February where you have all the information, more information before you at that time. It's a -- it's a policy call, I guess. Interior's position is the policy should be to give the public as much information in as much detail as what we have.

MR. LOEFFLER: I think that's consistent with -- we've heard consistent comment from the Department of Interior that we should maximize the amount of detail, and in the last three months we've really tried to gather a lot more information, in part in response to those comments. We looking for the most detail as we can.

MR. PENNOYER: Mr. Barton.

MR. BARTON: I don't think any of the Trustee agencies would argue that we should give the public as much information as we can give them, but there is a practical problem, however, I would think that the drafters would encounter at some point, and would say, you know, here's where we start, otherwise you never finish.

MS. BERGMANN: Mr. Chair.

MR. PENNOYER: Ms. Bergmann.

MS. BERGMANN: We are concerned that the detail that's developed for the alternatives -- what you were talking about now, I guess, presenting to the Council in February -- that that level of detail get out to the public as soon as possible so that a lot of time and energy isn't spent analyzing those alternatives and the

DEIS if the public doesn't agree with what we've done, and that's where we're afraid that if -- if we don't let the public know about the detail until we issue the DEIS, and they don't like the number of alternatives or how they're arranged, that then we may be in a position of having to do a supplemental DEIS, and that's going to cost us more time. So, we just think that the public hasn't had an opportunity to see the level detail, obviously, because it hasn't been developed. We believe that when the public starts seeing that under this alternative you will do these kinds of things for sea otters, these kinds of things for red salmon, for pink salmon, that they are, in fact, going to care. This is very complicated. When you look at the themes, that's one way of slicing the pie, but that's lots of other ways of slicing the pie, and the public may want the pie sliced differently, and we'd rather know that sooner, you know, sooner rather than later.

MR. BARTON: Ms. Bergmann, are you -- is Interior then suggesting a public involvement effort for the plan and then a public involvement effort related to the EIS, is that what I hear?

MS. BERGMANN: Mr. Chair, I think we would propose that once -- as soon as the alternatives are presented to the Trustee Council in detail, then those could simply sent out in a mailing to our mailing list and ask them -- ask them for some comments on that. I don't -- if we feel like meetings are necessary, we could do that, but I think that a minimum, we could just go ahead and have a mailing and ask for comments.

MR. LOEFFLER: May I jump in -- I've been here since

August, and since August we have been shooting for putting what is called the draft plan out and then now what's called the alternatives information packet in March, at public meetings. We're on schedule to go to public meetings in April. That's what we plan to do.

MR. BARTON: But is that part of the plan or part of the EIS, or is this a comprehensive thing?

MR. LOEFFLER: It's part of the -- it's the plan because the EIS won't be ready then. So, I think that should meet Pam's
....

MS. BERGMANN: Okay.

MR. GATES: Could still be scoping for EIS (inaudible -- out of range of microphone)

MR. BARTON: It could but we need to get this string around this thing. Instead of having this over here and this over here, they need to be on the same track and the same train.

MR. RICE: Mr. Chairman.

MR. PENNOYER: Ken Rice.

MR. RICE: The schedule that reviewed at the last Trustee Council meeting had a level of public involvement in March that would be the alternatives, and we had anticipated sending that out to the public, but not having the time to fully incorporate any suggestions by the public into the draft restoration plan and draft EIS that would be going out in June, and at least what I heard the Trustee Council say was that the release of the draft is not the critical date. The final decision point is the critical period.

In order to accomplish that we need to get the alternatives, which RPWG has developed and is pretty near completion, to the contractor for the EIS, allow them roughly six weeks in which to do an analysis of the impacts of those alternatives and get that back to us for a review, and if we delay until after additional public comment on this alternatives framework packages -- or alternatives package that is going to go out in March, that means we don't even start any analysis until after public comment has been received, and we don't get the EIS completed for, I don't know, an additional three to six months.

MR. PENNOYER: Mr. Barton.

MR. BARTON: What is it again that we're going to have in March?

DR. STRAND: It is called the alternatives information package. It includes what we've previously referred to as the key elements. That outline you have, chapters three, four, five, and six principally -- the injury assessment, what you can do about it, the fleshed out alternatives package inclusive of restoration options, costs associated with the options, their implementation, geography.

MR. BARTON: When would we see a draft restoration plan?

DR. STRAND: That, I think, according to the schedule was June the 7th for publication. It would be at some point in time earlier to you for review.

MR. PENNOYER: May 16th.

MR. LOEFFLER: May 16th -- alternatives.

DR. GIBBONS: Excuse me, here. Really, what's coming out in March is the restoration plan. In essence it is. And the Trustee Council will see it May 16th together with a draft environmental impact statement. So what we're doing in March is going out -- they don't want to call it a plan, they want to call it an alternatives information package, but it's essentially a complete restoration plan.

DR. STRAND: Certainly the guts of it. There will be some text, chapter inclusions not there, but clearly the basis of the restoration plan will be there.

MR. BARTON: One of the attorneys told us on this -- possible procedural problem with regards to adequate public involvement and scoping.

DR. GIBBONS: Mr. Chair, the only word I've heard on that was when we put out the restoration framework document in April, and it was a scoping document for the restoration plan and DEIS. So that -- that went through the attorneys and was called a scoping document, so I've heard any other word on it from the attorneys.

MR. COLE: Mr. Chairman.

MR. PENNOYER: Mr. Cole.

MR. COLE: I -- I have some concerns. First, I would like to see -- it may not be possible -- but this restoration plan completed well before December. We have these letters from people who say that our revised schedule, i.e., from January to December,

really in some ways is a worse schedule than it was before because a lot of the people who would be commenting on the plan would be out fishing and would be unavailable to comment on the plan. But, I -- I think December is -- January is too late, I think December is too late. I think I would like to see it set up in a matter of months, number one. And number two is, I would like to have the Trustee Council kept abreast of the developments on this restoration plan as it's being formulated, and here's why. Suppose we get down to March and whatever and we get this document, proposed plan -- when is it March we're supposed to get it?

DR. STRAND: That's when it's supposed to go out to the public.

DR. GIBBONS: Right. You'll see it at the February 16th meeting.

MR. COLE: Alright. Because I -- I am concerned that, you know, if we don't like and we have fundamental objections to it, which is not impossible given the complexity and the scope of this plan, we could get pretty badly hung up. So I think we need to look at this perhaps in February and maybe every two weeks thereafter so that at least we get copies of the work so we can be following along and maybe even meet telephonically as we monitor the development of this plan. I'm very concerned about substantial delay for what -- any one reason that might develop.

MR. PENNOYER: Further comment? Mr. McVee.

MR. McVEE: Our concern, I guess, fits with the problem associated with the summer review of -- of the documents,

and I guess our advocating, you know, you might say a continuation of the process to allow for maximum involvement, more involvement maybe of the public softens that -- that concern for that summer involvement if this whole process can be accelerated. Of course, that's highly desirable, as Attorney General Cole mentioned. But if, I guess, the better we keep the public informed or the opportunity they have to make comment, that it reduces the critical -- the critical summer comment period. Even if that were -- were scheduled in May and June instead of June and August, it's probably still going to be an equal problem in terms of people out fishing and people that are busy doing their summer activities.

MR. COLE: Mr. Chairman.

MR. PENNOYER: Mr. Cole.

MR. COLE: How much of a problem really is the summer fishing, and how much does it impact on comments on our plans? I'm not sure that it affects it as much as some say that it does.

MS. RUTHERFORD: My experience over at Community and Regional Affairs is that it's extensive. I mean, it is really a problem. To the degree that there is -- Community and Regional Affairs and some of the statutes on some of the programs, they specifically disallow us to go out to the public between May and August because the public time is so limited. So, I mean, it is a real problem, and after the end of April it is

MR. COLE: Well, let me say why, if you don't mind. I -- I look at this document which we have here of the public comment, and I don't get the sense that these people who are

commenting that many of them are out fishing in the summer. If you look at the addresses of where they are and what they do, and I just don't have that sense. I -- I could be wrong and I have a general open mind, but it seems to me that to lose three or four months in the summer to delay in this restoration plan is a heavy shot to what we're doing here, and I was trying to see if we can't move this whole process forward, get the public comment earlier in some way that we don't delay this til January or December. Every year we wind up in the same position -- we're doing this stuff in January, then we can't pull our '94 work plan into the restoration plan, and then we have, you know figuratively speaking, Interior again saying, look, I mean, we can't approve these twenty-three plans because they don't fit into the restoration -- or projects because they don't fit into the restoration. We're right back where we are now. We seem to learn nothing. I mean, I don't mean that literally, but, you know, I mean

MR. PENNOYER: Ms. Rutherford.

MR. COLE: ... we should profit by our experience.

MS. RUTHERFORD: Mr. Chair, just two comments, Attorney General Cole was out of the room, I think, when we made the comment that the draft restoration plan -- that the major portions of it will be ready in March, and that the intention is to go out to public meetings in -- in April, I believe. That's the current scenario. The DEIS will not be available then. The other comment is it's not just in the summertime, the problem is not just commercial fishing, it's also subsistence hunting and gathering,

but it's also just the fact that people are recreating so heavily and just don't take the time to pay attention to documents that come in for their review.

MR. LOEFFLER: I would just like to add a little second to Ms. Rutherford's comments. I've held about forty public meetings between Angoon and Nuiqsuit, and I've never been -- I've never held one in the summer. I've held special meetings, where we don't get that kind of turnout. And public meetings in the summer typically, when we approach the summer, get heavily resented by the communities, and I've had -- as we sort of encroach on the border of what people consider their summer time, we've had not particularly good experiences. My experiences were (indiscernible).

MR. PENNOYER: Further comment? How do we get around this then? I think we all agree we want to do something earlier than December, we're going to have some early decisions to make relative to the '94 work plan, whether we're going to wait for the final restoration plan, anyhow, and -- so we think we all agree we want it earlier. I think we generally feel that meaningful public comment -- only meaningful public comments shouldn't come in the summer. Is there a way to structure this so we get around that problem? Sending out the restoration plan draft in March and April without the EIS -- an adequate substitute for -- and then have the normal process in the summer?

DR. GIBBONS: Mr. Chair, the earlier -- the earlier timeframe -- time schedule that we presented to you at the December

11th has that, had the draft restoration plan going out. After March getting comments and then a final -- then a draft environmental impact statement after that, and it didn't -- it pushed the timeframe into 1994, and so that -- that was the problem with doing it separately. I heard a direction at the last Trustee Council meeting is -- is to put those out simultaneously, and so that's what the schedule here is to go out simultaneously with a draft restoration plan and a draft environmental impact statement, and for you to see it on May 16th and for it to go out to the public June 7th.

MR. PENNOYER: But the preliminary draft will go out in March or April, the restoration plan.

DR. GIBBONS: That's correct. There will be public involvement on the restoration alternatives package in April.

MR. PENNOYER: I guess what I'm asking is -- I understand that what you presented here requires that we do the formal combined process during the summer. Having done the restoration plan draft early and gotten public comment on it, is that going satisfy this not wanting to do things in the summer adequately.

MS. RUTHERFORD: I think it certainly helps. I think though that there is going to be some confusion resulting from separating them, and I think that that's almost inevitable now.

MS. BERGMANN: Mr. Chair, another point that gets back to the message that Interior had earlier is that while, yes, this package is going out in March, as you heard Mr. Rice state that we're not going to be able to take any of the comments into account

when we do the DEIS, and I think that's a real concern that we have. I think that there needs to be a trigger or mechanism that if we get a very strong public comment that we -- we need to address another alternative or we need to collapse some alternatives or they don't like how we've approached the alternatives, that we need to stop the process and make appropriate adjustments before we go forward and not just -- it's one thing to just send it out and have public meetings and opportunity for comment, but we've got to take that comment into account.

MR. BARTON: Mr. Chairman.

MR. PENNOYER: Then are you suggesting that we delay this until February or March of '94.

MS. BERGMANN: What I'm suggesting is that if -- we need to recognize that it's a possibility that public comment may come back that suggests that we need to make some major changes and that we're going to have to make those changes before we go forward, and we need to recognize that that's a possibility, and maybe that argues for keeping it in December, so that if we need to slip the schedule to make some adjustments, that we could then slip it to February.

MR. COLE: Mr. Chairman.

MR. PENNOYER: Mr. Barton, then Mr. Cole.

MR. BARTON: Yes. I'm puzzled why that isn't accommodated between the draft and the final EIS. I mean, that's one of the purposes of that is to make these changes in response to public comment.

MS. BERGMANN: Mr. Chair, our point was that before we completed the draft environmental impact statement and -- and did the analysis of these alternatives, that we needed public comment on the alternatives themselves, which is I understood the basis for why we're sending out the package in March.

MS. RUTHERFORD: That's not the only reason though. The other reason is to capture this period of time when people are available to react. So that's not the only reason.

MR. PENNOYER: Mr. Cole.

MR. COLE: Let me -- I'm not going to be part of putting this back to February or January or likely even December. I mean, we have to make some decisions and get this done, and we're behind the proverbial power curve every year. There's also, you know, some reason perceived as good that we can't get it done, but we just have to. You know, we just have to. Something has to give. We don't have the luxury of, you know, saying, well, let's put this off another six months or somebody is going to have to spend a weekend, maybe come back from their fishing trip out in the Sound a couple or a half day early or something. We just have to do it. I mean, we pay these prices. I mean, we work on weekends to prepare for these meetings, and we work at nights to do these things, and if the public wants to comment, then, you know, it would not be asking too much, in my view, if -- if they have to forego something that they would rather be doing. Now, I realize the problem with people out earning a living. I mean, that's a different situation. But we just have to -- we just have to get

these things done, and in my mind, frankly, as Mike Stepovich would say, it's (indiscernible)

MS. RUTHERFORD: Mr. Chair, could I add one thing?

MR. PENNOYER: Ms. Rutherford.

MS. RUTHERFORD: I think that the Restoration Plan Working Group is taking very seriously just exactly those concerns, and they are working nights and evenings, and I would like Ken to comment -- I mean, part of the problem is that the guts of the -- most of the draft restoration plan will be ready in April, March and April, but it's the EIS that is -- that is not, and I don't know how to get to that.

MR. COLE: You're missing -- I'm not talking about the work being done by the Restoration Team and the planning team, I'm talking about how we will effect these schedules so that we can make these decisions and adopt these plans, and the restoration plan and the work plan.

MS. RUTHERFORD: I still think it would be helpful if Ken could comment about is there any way we can get the EIS to speed up.

MR. RICE: Well, the analogy that I'll throw out here, and it'll probably cause more confusion than clarification. We don't have a horse race, we have a harness race. And the restoration plan is the horse, and the harness is the EIS, and unless the two are attached when they cross the finish line, then we haven't completed the race. So, yes, the restoration plan has to be moving as quickly as possible, but until we make sure that EIS

is attached to it, we've got a disconnect and we're not going to be able to meet the deadlines that we have. As soon as we get the alternatives to and the accompanying issues that need to be addressed to the EIS team, they can begin analyzing it. They need six weeks to get that back to us for our initial review, and then it's a matter of how quickly we can review that proc -- go through that review, get comments and get the final draft, internal review done to meet that initial DEIS date. If we can get our internal reviews done in a timely manner, then we may be able to cut some time off of that, but we can't get it all done by March, we don't even have the alternatives to them yet. They haven't even seen what they need to analyze, and until the team, the RPWG, gets that information to them, they don't have anything to analyze. They can't be developing other alternatives that have no basis with -- with what's going into the restoration plan.

MR. BARTON: Mr. Chairman.

MR. PENNOYER: Mr. Barton.

MR. BARTON: Yeah, I think too, we need to give a little thought to the public. If we go out with an alternative information package -- is that the jargon -- and ask them to comment on that, or something similar to that, three months later come along with a draft environmental impact statement that may contain mostly the same stuff and ask them to comment on that, I think at least some of the public is going to have trouble with this. It may. I've been through this before, and I had one fellow from Angoon tell me that you guys can read and write, but you can't

remember.

(Simultaneous laughter)

MR. PENNOYER: Ms. Rutherford.

MR. PENNOYER: Mr. Chair, I think that is something that is worrying us a great deal is the fact that the draft -- the guts of the draft restoration plan would go, and then the draft EIS would go out, and it doesn't reflect what the comments have already told us, and they're going to think the same thing. Maybe this is heresy, but I'll just throw it out one more time, is it absolutely necessary to do an EIS?

MR. BARTON: I think there's a corollary question -- is it absolutely necessary to do a plan? We saw a little bit of that yesterday. I don't know what the answer. I assume the attorneys have said yes, we need to do an EIS -- if we do a plan.

MR. COLE: Mr. Chairman.

MR. PENNOYER: Mr. Cole.

MR. COLE: Is there not a question in issue as to how detailed and complex and refined the plan is. I mean, are we overloading ourselves with papers and studies and all and etc.

MR. BARTON: I think that's what February 16th is designed to help us work out.

MR. PENNOYER: Any further comments? Is there anything we need to decide now to get us to the February 16th meeting? For example, is the Trustee Council willing to make the decision that for the '94 work plan, we can proceed with a draft restoration plan in place, so some of the heat is off to finalize this thing before

we do the '94 work plan, or is that out of the question? Part of this problem was we didn't want to wait until '95 to start doing any restoration, but it seems to me, even with this -- what I've seen is a most ambitious schedule -- Mr. Cole's -- a most ambitious schedule I've seen, doesn't get you this stuff in time to make your initial decisions on the '94 work plan. So -- Mr. Barton.

MR. BARTON: You summarized it very well. I think we're stuck with using a draft of the '94 work plan, and that is somewhat troublesome but not disastrous, in my opinion.

MR. PENNOYER: I think we ought to start with using the draft for the '94 work plan if we have to get this thing done by December, to have it final in time for the '95 work plan, or could we actually delay it by two or three months -- I don't like the idea of delay, and I don't think the workload justifies it, but to bring these two separate things same track and avoid this confusion of going out with a initial -- whatever we call it now -- an alternatives information package -- getting comments back on that, and at the same time we're sending out a draft EIS that doesn't take those comments into account. I haven't heard a solution to that.

MR. BARTON: There's a simple solution, and that's don't send out the alternative information package. Send it all out as part of the EIS package and the draft EIS.

MR. PENNOYER: Yes.

MR. LOEFFLER: That solution gives you a summer comment. It will be hard pressed -- the stuff will be ready. The

information will be ready, and it would be a shame to lose the spring, especially if what we're trying to do is get things done quickly, have it ready, and then sit and wait for three months. It seems counterproductive.

MR. BRODERSEN: Mr. Chairman.

MR. PENNOYER: Mr. Brodersen.

MR. BRODERSEN: There's a possibility here, trying to buy a lot of what I've heard here -- perhaps what we want to do is sound out and have the public sessions in April, see how close we are to where we think we are after the public comment, and that if we're fairly close, we go ahead and send out EIS which have been proposed, and if we're not, then we stop -- not stop, but delay slightly, to get the EIS revised just enough to incorporate the new public comment, and then we just face up to the fact that we're going to use draft plans for development of '94. I think is actually the very simple solution to it -- that we just go ahead and do the '94 plan with the draft restoration plan. We shoot for December. If we find that we have missed the mark, when we have our April meetings, then we let slide a little bit. We really haven't lost very much. We're still able to do the '94 plan if we need to do it. We have these public comments -- or comment that doesn't offend the public, and we let it go at that. So we wait and see.

MR. PENNOYER: If there is much business then we hold both, redraft the draft EIS to fit and send them both out somewhere in fall as appropriate.

MR. BRODERSEN: Let's not borrow trouble until we know we have it. Let's shoot for December.

MR. PENNOYER: Mr. Barton.

MR. BARTON: Well, again, I'm puzzled by what then goes on between the draft and the final EIS, and what's the purpose of that under this scenario?

MR. BRODERSEN: Well, my impression would be that there wouldn't be very much change between the draft and the final at that point, and that with any luck at all we actually shorten up the time period between the draft and the final EIS coming out because we will have made most of the changes that need to be made in the draft, and that with any luck at all that means we don't lose a whole lot of time on our December date that we were shooting for in the first place. I wouldn't want to promise that. I'd have to go back and look at the calendar to see if that's really the case or not, but I think the crux of the issue here is a willingness to use the draft restoration plan to do the '94 work plan, and if we can get ourselves comfortable with that, when the restoration plan -- which week the restoration plan comes out, you'd lose a lot of the significance.

MR. PENNOYER: Well, let me ask a question. When do we have to have the '94 work plan finalized.

MR. BRODERSEN: We need to have -- roughly the end of August.

MR. PENNOYER: And we have to make a decision on it when?

MR. BRODERSEN: Well, you have to make your decision on it

at the end of August.

MR. PENNOYER: I mean the detail. The detailed '94 work plan decision has to be done by the end of August.

MR. BRODERSEN: End of August to meet federal constraints with

MR. PENNOYER: I don't see how we going to use anything but the draft.

MR. BRODERSEN: Neither do I, but I didn't want to be quite that

MR. PENNOYER: If -- if, in fact, we're going to do any restoration in '94? I think rushing this thing on is not going to get us restoration in '94 but reaching the end point, because the end point's going to be reached, no matter how well we do it, after we have to make that August decision. So --

MR. BRODERSEN: You'll have public comment in April to let us know whether the draft restoration plan we have is on track or it, and that should be sufficient to allow us to deal with the '94 work plan. I meant the timing should be sufficient. As to the decision as to whether to do it or not is a policy decision the Trustee Council to decide. But it will -- the opportunity will be there.

MR. PENNOYER: So, if in -- if in April we sent this -- March -- we send out this alternatives information package, what we get back is hugely different, the draft EIS will already be under preparation, and so at that point you say, whoops, wait a minute, send new instructions to the people doing the draft information --

environmental impact statement, that would be delayed to bring us into line with what we're planning to do for revised restoration package, and they both went together, and maybe do it in the fall.

It wasn't much different from you perceived then, the track, and what Mr. Barton said which was a final analysis, correct that -- what we needed to do on the final environmental impact statement. The problem is, I bet you can't correct almost the confusion of the public sending one thing out then coming out there and sending something else out that looks exactly like the first one, even though you've already had good comment. So -- does that make sense of the procedure, and does the Trustee Council at this stage accept the fact that if we want to do restoration in '94, we will have to do it somehow based on the draft restoration plan, or not do it, as the case may be.

MR. COLE: The restoration -- I mean, is totally unacceptable.

MR. PENNOYER: I think you're correct. I guess my point is you can't do anything about it. We either do it or we don't do it. It won't be based on having a final restoration plan in front of us, because we won't have it. In the best scenario we won't have a restoration plan by August. We've got to base it on the draft.

MR. COLE: Is Interior going to agree to that. (Simultaneous talking) ... hung up ... The '94 work plan, you know, we're not having a restoration plan. We may have a escaped that -- this meeting. I hope so. Pretty far along, but I'm not

sure that they will grant us the indulgence that they -- Mr. McVee on his last day kindly consented to do.

MR. PENNOYER: Mr. McVee.

MR. McVEE: Go ahead.

MR. PENNOYER: Ms. Bergmann.

MS. BERGMANN: Yes, Mr. Chair. I agree with the concept of schedules described by Mr. Brodersen. I think that takes care of what -- what we were concerned about in terms of taking public comment into account. The concern about using the draft work plan as a basis for -- I'm sorry, the draft restoration plan as a basis for the directing '94 work plan is that the draft restoration plan will include the entire suite of options. It will take -- it will have alternatives that take a very conservative approach to restoration. It will have alternatives that take a very liberal approach, and it will have alternatives in between. Since there will be no way for the public to know which one the Trustee Council is favoring -- in other words all the information is going to be in there, so that's not really -- we're not going to have any more guidance by having that draft restoration plan in place than we have at this point in time. So, I'm not sure how that gets us out of the problem of dealing with, you know, is (indiscernible -- coughing) lost opportunity, whatever, because ultimately the Trustee Council will be deciding on one of those alternatives, and we won't know until after the '94 work plan is in place, which one that's going to be.

MR. PENNOYER: Mr. Brodersen, will you tell us how we're

going to do all that.

MR. BRODERSEN: Well, I would hope that the primary thing that would come out of the workshops or whatever one wants to call it with the public in April is a discussion of where we're going with the alternatives and what emphasis we want to put on what projects, and that surely we can incorporate into our thinking as we look at the '94 work plan what the public has told us they'd like us to do from those April meetings. That we should be able to finesse the problem of not having a preferred alternative in the restoration plan by looking at what the public tells us and incorporate that into our actions in figuring out the '94 work plan.

MR. BARTON: I think we need to be very careful though that we don't jeopardize the NEPA process by predetermining the final alternative.

MR. BRODERSEN: I agree a hundred percent. I think we're -- I think we're capable of doing that.

MR. BARTON: Capable of which? (Inaudible -- simultaneous laughter and talking)

MR. PENNOYER: I guess what comes out here is I'm not sure we have any choice. I agree with Attorney General Cole, it's unacceptable not to do some restoration in '94. I don't know how much, but unacceptable not to do some. On the other hand, we can't change the -- change NEPA. So we either make a decision to proceed with restoration in '94 to some degree based on doing all the things we've talked about, taking into account the public comment,

using the draft restoration plan, and so forth -- or we don't because somebody says we shouldn't. But either way we can't change this. We can't get a restoration plan by August, unless I've completely missed the boat here, with NEPA and our own internal system -- our own internal system will not allow us to get a restoration plan by August.

MR. COLE: Mr. Chairman, I think we must do a lot of restoration in '94. I think we have no alternative. I mean, what is this -- how many years after the settlement and we're still drifting around as to almost whether we are doing restoration in '94. We have to do restoration in '94. We have no choice not to do restoration in '94, and we have to get on with it, and I don't know exactly what the solution is. I would like to have the Restoration Team, the executive director give this some heavy thought quickly and write us some letters and some proposals as to what they think the solution is. But, I have just -- you might say I'm utterly opposed to going through this same process every year, and there's always some reason why we can't get it done, and as they say, the time has come to just get it done, and find the solutions. Find the solutions whatever they are so we can get this done, and if we have to, you know, skimp a little here and there, then we ought to do it, but we have to get this done. I mean, you know, we're doing the same thing it looks like virtually in '94 that we've done the last two years. Now, you know, if we can't get it done then we have to make some -- address some fundamental changes someplace because it's unacceptable.

MR. PENNOYER: Mr. Barton.

MR. BARTON: Mr. Chairman, I hate to say this, but we don't need to make a decision today, as much as we'd like to, and we might make a better decision after the February 16th presentation, and I don't believe that fouls up the timeline in any way. Is that correct?

MR. LOEFFLER: That's correct.

MR. BARTON: So I'm suggesting that we move along unless we want to beat this around the bush one more time.

MR. PENNOYER: Shall we leave it however for the February 16th meeting with the admonition that Attorney General Cole did give us that in fact what we want to do is restoration in '94, and however we structure this, that should be our goal, to start restoration in '94. So all of the schedules, the plans, and how we do the preliminary work plans and how we fit that and make it fit the NEPA process, all those are things we should be thinking about and come back with the type of advice you gave us (indiscernible) but perhaps more of the details spelled out so we can sign off on it. Actually it would be sign if everybody'd sign off on it -- all of us agree we're going to -- the draft restoration plan and the (indiscernible) process.

MR. BARTON: I think we have to sign off on it on February.

MR. PENNOYER: Good. Anything further? Additional comment? Mr. Brodersen.

MR. BRODERSEN: One more -- little short thing. One way

that we could take quite a bit of time out of this that folks like myself have idly speculated on in the past, if we could do an environmental analysis rather than EIS for this project we could cut the time on it considerably. It still wouldn't get us out of the trap that we're talking about for the '94 work plan, but it would definitely shorten the time period. I would sure like folks to see if they couldn't be innovative and see if we can come up with a way to do that. I'm not hopeful, but I sure appreciate the federal side approaching their attorneys and seeing what might be done along that line.

MR. PENNOYER: Mr. Barton.

MR. BARTON: I'd be delighted to approach Agriculture's counsel if Interior will do the same thing. I -- I doubt that we're going to get a different answer. If there is a more fundamental question that is -- that was raised yesterday, and I raised it earlier -- do we need a restoration plan?

DR. MONTAGUE: Mr. Chairman.

MR. PENNOYER: Mr. Montague -- Dr. Montague.

DR. MONTAGUE: Relating to the Attorney General's and others' concerns, simplistically all it needs to have a full-scale restoration program in '94 is the Council to determine they can do that without a restoration plan. There are no documents that say the annual work plan doesn't constitute a plan.

MR. PENNOYER: Well, perhaps in February we could discuss that alternative as well. I think -- my personal view is that we need a restoration plan. I don't know if we need a restoration

plan in caps, with EISEs and everything trailing along or just a Council plan of how we're going to approach the next eight years of restoration, and those may be two completely different concepts.

MR. COLE: Mr. Chairman, could we ask the Restoration Planning Group to see if they could -- you might say -- streamline the restoration plan -- streamline the restoration plan.

MR. PENNOYER: I guess if you do an all caps plan though that requires NEPA, you're still in the same box even if it's relatively simplistic, aren't you?

MR. LOEFFLER: Mr. Attorney General?

MR. COLE: Yeah.

MR. LOEFFLER: Getting ready to go out in March is a streamline from here as we can be, and at that point -- from that point on, whether it's a plan in caps or small letters with NEPA is -- I don't know what the answer is, but from that point on it's the federal EIS requirements that guide. So, as far as -- as far as what we can do -- we can do, is get ready by March, and if we can find a way out of the NEPA requirements by making the plan in a smaller version of letters or something, so

MR. PENNOYER: Why don't we all agree to come back in February with those options discussed with our various attorneys on how to approach this. While we need a plan, I'm not sure, again, that these were capital letters on it, and each of these projects is going to have its own environmental statement done before we do it, so I -- I think if we can all go back and consult with our folks and come back in February with the best way to approach this,

with the goal of doing restoration in '94. Any further, John -- excuse me, Mr. Barton.

MR. BARTON: Your last comment bothered me. I mean, we're going to do restoration in '94 in any event, are we not?

MR. PENNOYER: Well, any one person holds their hand up and says no, means we're not going to do restoration in '94, so I think we do have to address the issue.

MR. BARTON: I said our goal is --

MR. PENNOYER: I said our goal was -- yes.

MR. BARTON: I thought it was conditioned upon -- and I was objecting to conditioning that goal.

MR. PENNOYER: Oh, no, the conditioning -- the goal was -- let's go to lunch. (Laughter) Well, no, we have -- Mr. Strand?

DR. STRAND: I was just about through. I was just going to indicate that I appreciated this discussion, and I did receive some valuable comments from the members of the Trustee Council, and they will be taken into consideration as we articulate the materials that we'll have ready for you in February.

MR. PENNOYER: Okay. We'll go to lunch -- what, be back at one o'clock? Let's do that.

(Off Record at 11:50 a.m.)

(On Record at 1:01 p.m.)

MR. PENNOYER: I'd like to go ahead and get started if we could. We've got a long ways to do. I just counted up the number of projects we've got left, and we've got twenty to look at and five hours maximum to do it. So if we want to be out of here by

six, we can't take more than an average of fifteen minutes per project, even if we don't do anything else.

MR. COLE: I have -- I have to be out of here but no later than twenty after four.

MR. PENNOYER: We now have ten minutes per project, and I would suggest that while Commissioner Sandor asked that we proceed on other items in the projects that we -- basically, I think that the '93 work plan is our highest priority must-do item, I would suggest we go ahead with that, and then take up any of the other items at the end if time remains.

MR. BARTON: Wonderful job of honoring Commissioner Sandor's wishes.

MR. PENNOYER: Great. Alright. Mr. Brodersen?

MR. BRODERSEN: There are three other projects that aren't on these lists -- that are the financial committee, the administrative records budget and the Restoration Team that we also need to get through before the '94 work plan.

MR. PENNOYER: We now have six minutes per project. The next one I have on my list that we need to do is -- we got through '20 -- is '22 -- evaluating the feasibility of enhancing the productivity of murre by using decoys, dummy eggs, and recording of murre calls to simulate normal densities at breeding colonies affected by the EVOS, and monitoring the recovery of murre in the Barren Islands -- Department of the Interior, \$281,000, unanimously recommended by the Restoration Team, recommended by the chief scientist, unanimously not recommended by the Public Advisory

Group. The table of Interior said, yes, we should do it, the murrens have been the most injured species, some colonies have not recovered it which -- Mr. Cole.

MR. COLE: Did Interior withdraw this project?

MR. PENNOYER: I don't believe they did.

MR. COLE: Did Interior withdraw this project?

MR. PENNOYER: Would Interior care to withdraw this project at this time? Interior would not care to withdraw the project.

MR. COLE: Well, in the interests of time, I move that we reject it.

MR. PENNOYER: It's 6,0 from the Restoration Team. Is there a second and any -- the motion is to reject it. Is there a second?

MR. BARTON: Well, if one objects to it ...?

MR. PENNOYER: I guess ...

MR. COLE: What are you going to propose to do?
(Laughter) Don't put the monkey only on my back. (Laughter)

MR. PENNOYER: Do wish Interior to scribe -- to describe the project at least or have we had a enough discussion?

MR. McVEE: I can give you our position on it. This is one of the most injured species.

MR. PENNOYER: I understand that, Mr. McVee. Does this have to be done -- using your own criteria -- is this time-critical?

MR. McVEE: Yes.

MR. PENNOYER: Since we've asked Mr. McVee to consider changing his vote -- votes in response to a good argument, perhaps we should give him a chance to say that -- give us a project description and say why this is time critical.

MR. McVEE: We'll make it as brief as possible. Pam?

MS. BERGMANN: Yes, Mr. Chair. The project has two components. The first is evaluating the feasibility of enhancing productivity of murres using decoys, dummy eggs, and recordings of murre calls. This portion of the project was included based on peer reviewer comments as part of the Restoration Team meetings. As you all know were -- are the most injured species. As a result of the spill, breeding, normal breeding has not come, and in a number of the colonies restoration certainly has not occurred. There aren't many restoration options for this particular species, and it was the feeling of the peer reviewers and the chief scientist and others folks, as you can see in the record, supported looking at this feasibility project as a method to try to enhance the breeding to try to bring productivity back faster. The second part of the project is monitoring of one of the most injured murre colonies, and that's the colony in the Barren Islands, to try to determine what's happening there -- are the birds coming back -- are they breeding in a more normal pattern or do we have a continuing problem there.

MR. BARTON: Mr. Chairman.

MR. PENNOYER: Mr. -- Mr. Barton.

MR. BARTON: How much of the study -- how much money is

devoted to the monitoring portion?

MS. BERGMANN: The monitoring portion, Mr. Chair, is \$177,000. The feasibility study is \$103,000.

MR. BARTON: On the feasibility study portion of this, what increment of backup do we expect?

MS. BERGMANN: The idea of the feasibility is just to see if this technique is actually going to work, and this is based on peer reviewer comments who have looked at these kinds of techniques in the murre colonies and similar colonies throughout the world, and the comment we had the other day from the peer reviewer, if you can't try to do a project like this on a population in Alaska that was so severely injured, when are you ever going to justify trying to do something like this. If it works, then we would come back next year and ask for some implementation of that, of that project.

MR. BARTON: But is there some reasonable expectation of finding a technique that will work or are we really shooting in the dark?

MS. BERGMANN: I would ask Bob to comment on that. I would hope that -- I'm assuming the peer reviewers think that there's a reasonable chance that this is going to work. I -- I don't think they're interested in just throwing money away.

DR. SPIES: There's not a high probability that a lot can be done at this stage. There's a lot of uncertainty as to whether these techniques will work, and even if they do work, how widespread their implementation to be once they are -- but to reiterate your argument, this is the most injured species, I think,

arguably of all those that were affected by the spill, and it wasn't -- you know, if we can't do something about this species, as I said, we ought to at least give it a try here and see if we can bring it back -- this is the largest spill we've had in North America -- we can make some progress on seabird restoration.

MR. PENNOYER: Mr. Barton.

MR. BARTON: What sort of natural recovery would we expect to see?

DR. SPIES: The question of natural recovery of -- excuse me -- the question of natural recovery of murre is that it's somewhat problematical until you get enough birds here to begin breeding -- from there -- a recent sort of threshold, and then we can be a bit more certain about how best that population will come back. Right now, we really don't know how fast it will come back. And the idea here is that -- that some of these techniques will get the population, perhaps, to some sort of threshold, at least in some part of the colony. There is a lot of uncertainty. There is no guaranty it's going to work.

MR. BARTON: Are you saying then that the population has been reduced to the point where there's not successful breeding?

DR. SPIES: Yeah -- Chiswell Islands especially. The Barren Islands pretty -- the Barren Islands, excuse me, are very hard hit -- and very little breeding is taking place there. So, we have -- we have -- in '92, we still have, you know, much reduced breeding activity in the hardest hit colonies.

MR. PENNOYER: Mr. Cole?

MR. COLE: First, let me say that comments of the peer reviewer are saying if you can't do anything about this one, what -- restoration here -- where can you. That doesn't seem to follow to me, if, at the end of the day, we can't do much restoration. That doesn't seem to follow, but maybe it does. The Sierra Club opposes this project -- "it's unlikely to be effective or efficient -- too extrusive." The Wilderness Society says they strongly oppose it, and they say this "the U.S. Fish & Wildlife biologists do not support this project." Is that true?

MS. BERGMANN: Mr. Chair? I would ask Carol of the U.S. Fish & Wildlife Service to comment on that.

MS. GORBICS: The Fish & Wildlife Service considered proposing this, and we did not in the initial proposals. But after talking with the peer reviewers, they asked for peer proposal on it and to research it, and we have done that -- proposal, put together as Bob suggested. We think it has a possibility of succeeding. We're not real clear that (inaudible -- coughing) cause damage that would keep them from (indiscernible) but there is an intrusive nature to it.

MR. COLE: Why didn't you propose it initially?

MS. GORBICS: For the same reasons the Sierra Club and Wilderness Society were raising. We were just concerned that -- that it was a lot of money, perhaps, and might not make a huge impact, and that's still something that's possible, but the peer reviewers and Bob Spies were -- were persuasive in saying, well,

look, at least do a feasibility study and see if you are right, Fish & Wildlife Service, and so we were will to consider it on that basis.

MR. COLE: She says that the peer reviewer Ruby (ph) does not support this. Is that true?

MS. GORBICS: Dan Robey (ph)? I don't recall all the specifics of all the peer reviewers, but there are definitely two sides to this question.

DR. SPIES: We had a -- in preparation of litigation, before the settlement, we had a very large meeting in Anchorage, here, brought seabird experts from the Lower Forty-eight, Canada, and so forth, people who really knew all about bird biology, and there was a variety of opinions expressed, and as a result of that meeting Dan Rodey (ph) wrote a lengthy letter to Stan Center (ph) at that time, expressing doubt whether these, any of these implistic (ph) nature would make a difference, but there is quite a bit of variety of opinion on this particular subject, and the reviewers who have (indiscernible) in the process feel fairly strongly that we should try some of this, and this reflects their opinions. I think it's a matter of the uncertainty. We don't really know, and people take different views of the

MR. PENNOYER: \$177,000. This is monitoring the Barren Islands? When was the last time we monitored the Barren Islands? It has a necessity to do that this year?

MS. BERGMANN: We did do some monitoring in 1992, and the results of that are still showing problems in the Barren Islands,

Carol?

MS. GORBICS: As far as I know. We haven't fully analyzed that situation, but

MR. PENNOYER: What is the need to keep recovery monitoring on an annual basis?

MS. GORBICS: For the -- we're recommending it for the Barrens only. We monitored a whole bunch of colonies in the past -- the Barrens, the Chiswells, Equali (ph) Bay. In some of those other colonies we are seeing some signs of recovery or -- the Chiswells, for instance, seemed to bounce right back. But the Barrens we're concerned enough about that we feel it's real important on an annual or perhaps later on an every other basis to understand if that population is changing so that we can better know if the risk -- if we don't take this risk on the feasibility study this year, we won't have any more information about whether we should jump in and do it next year or the year after. So we feel strongly that at least the Barrens -- do annual monitoring right now -- that would likely change -- because we just don't understand what's happening.

MR. PENNOYER: Mr. Barton, do you have a motion?

MR. BARTON: No, not yet. The problems that were identified in the '92 monitoring, were they just the numbers or were there other problems that were identified.

MS. GORBICS: Well, again, it's -- it's -- the birds are they, they're climbing onto the cliffs to nest very late in the season, they rely on each other -- they're a very social, need to

be shoulder to shoulder, if you will, wing to wing, to protect them from predators so they can successfully stay on their nests, protect their egg until it hatches. The hatchlings then jump from the cliffs before they are able to fly and go out to sea during the fledgling -- fledging stage -- so if they wait too long to climb onto these cliffs (sic) -- onto these cliffs to nest, the hatchlings jump into the sea way too late in the season and die. So the ones that are born even, don't even make it to be fledglings. So, we are seeing some reproduction; we're not seeing enough early reproduction, and we're hoping to follow some pockets of earlier reproduction and see if that's starting to spread into greater areas of the colony or see what happens.

MR. PENNOYER: Mr. Rosier.

MR. ROSIER: Is there a strong integrity -- excuse me -- to these colonies? In other words, you're not seeing any recruitment from outside populations? I mean, we've got a lot of murrelets scattered all over the Gulf.

MS. GORBICS: We don't understand the privies of the colony. We don't know whether it's coming from other places or not.

MR. PENNOYER: Further discussion? We have a motion on the floor to not authorize the project to go ahead. Is there either an amendment or -- wish to take action. Mr. Rosier?

MR. ROSIER: Mr. Chairman, I -- it seems to me that at this point I would certainly support continuing the monitoring of the program, anyway. It sounds like we don't know a great deal

about it. It seems to me that we certainly need to continue to do some monitoring on that population.

MR. COLE: Mr. Chairman.

MR. PENNOYER: Mr. Cole.

MR. COLE: I would think that we should, perhaps, or likely do the monitoring, but I'm not satisfied that we need to evaluate the feasibility of enhancing the productivity until we complete the monitoring.

MR. PENNOYER: Do I have a motion to continue the monitoring portion of this project?

MR. ROSIER: I would so move.

MR. PENNOYER: Is there a second?

UNIDENTIFIED: Second.

MR. COLE: How much is the monitoring?

MR. PENNOYER: \$177,000. Is there objection to that -- to the motion to continue the monitoring but disallowing the feasibility studies? Okay. Project partially approved then.

The next project on our list is 93024, restoration of Coghill Lake sockeye salmon stock, ADF&G and U.S. Fish & Wildlife -- U.S. Forest Service, \$191,900, recommended five-one by the Restoration Team. This is an enhancement by the chief scientist and unanimously recommended by the Public Advisory Group. Does ADF&G or Forest Service wish to give us a -- and also, no, was to the proposal by Interior -- does not meet restoration criteria and not time critical, reconsideration when restoration plan is final.

MR. RICE: Mr. Chairman?

MR. PENNOYER: Somebody -- yes, Ken, go ahead.

MR. RICE: Mr. Chairman, the NEPA compliance has not been completed on this at this time.

MR. PENNOYER: So we couldn't take action on this until February anyhow?

MR. RICE: That's correct.

MR. PENNOYER: Anybody care to take it up now at all or should we -- if somebody's going to say know, maybe we don't do a NEPA compliance. (Laughter)

MR. McVEE: We don't -- we think it should -- should be postponed until the restoration plan.

MR. PENNOYER: Are you then suggesting we that we not continue the NEPA compliance at this time?

MR. McVEE: That would be our suggestion.

MR. PENNOYER: I guess we'd better have an explanation of the project then, if the alternative is not to consider, in February, or not to consider at all.

DR. MONTAGUE: I would like to do a project description, but I think there is some biological information that's relevant to this discussion. The sockeye population, or the returns, averaged about 250,000 in the past. '91 declined to about 25,000, and in 1992 declined into the hundreds, and, you know, it's -- it's on the border of a total collapse in the Coghill system. So, if it's ever to be considered by this process, that it's, in biological terms, extremely time critical.

MR. PENNOYER: Further questions?

I'll delve into it a little bit. This project then is simply a study to see how we might ...?

DR. MONTAGUE: No. It's a hard restoration project that would be fertilizing the lake and, and monitoring the change in the limnology and the production of food for sockeye with the idea that it would eventually restore the run so that the carcasses from the usual 250,000 fish would provide the fertilizer for the lake and a healthy system, but until that time it would require this fertilization.

MR. PENNOYER: This amount of money, the \$191,900, is going to actually provide the first application of fertilizer.

DR. MONTAGUE: That's correct?

MR. PENNOYER: Further discussion? Mr. Brodersen.

MR. BRODERSEN: Considering the shortness of time we have to get through the rest of these, it would seem like an awfully good idea to defer this one until a later time. I would suggest that we go ahead and do NEPA compliance on it any way because if we do not do it in '93, I would imagine it'll be brought back up again in '94, NEPA compliance will need to be done for it then, we could just do it now, we wouldn't have lost the staff time, we probably better just get on with these.

MR. BARTON: Mr. Chairman?

MR. PENNOYER: Mr. Barton.

MR. BARTON: I understood Dr. Montague to say though that he thought it was time critical.

MR. BRODERSEN: Yeah, but in terms of NEPA compliance, if

it isn't done we can't address it today, from what I understood.

MR. BARTON: Well, well I wasn't operating under that assumption.

MS. BERGMANN: Mr. Chair?

MR. PENNOYER: Ms. Bergmann.

MS. BERGMANN: I think the guidance we received from the attorneys at our last meeting was that if NEPA compliance had not been completed that the Trustee Council could establish whether or not it met the criteria that had been established for the restoration plan. If the answer was yes, it meets the criteria, then NEPA compliance could go forward. If -- if Trustee Council members feel that it did not meet the criteria, then there was no need to proceed ahead with NEPA compliance.

MR. PENNOYER: Mr. Brodersen's suggestion is a pragmatic approach to getting through this. Ms. Bergmann, you are probably correct, and what we ought to do is to decide whether we should proceed with it all, but -- Mr. Barton.

MR. BARTON: Do we know when the NEPA work will be completed?

MR. RICE: Mr. Chairman, I don't have a -- a date on that. We have had some internal review drafts, but they're -- it's still going another editeration.

MR. PENNOYER: Will it be ready in time for the February meeting?

MR. RICE: I can't promise that, but I can certainly work towards that.

MR. PENNOYER: Mr. Cole.

MR. COLE: We haven't discussed this, but as I understand, this is a five year project. Is that the case? And are we looking \$200,000 a year for the next five years? Before we embark on this million dollar project, I'm wondering if we shouldn't give it a little more thought.

MR. RICE: Mr. Chairman, the funding for this year would not lock the Trustee Council in to funding for additional years. Certainly, in order for it to be successful, fertilization should go on for a couple years. The agencies have already put, I don't know how much, but a fair amount of normal agency funding into the development of this project, so the Trustee Council is being asked to basically assist with that project.

MR. PENNOYER: I guess if the agencies have put that much investment into it, my assumption is they were probably proposed for '94 even if they didn't have it for '93, therefore Mr. Brodersen's suggestion may actually be correct. Whether we use the environmental documents for a '93 plan or -- February, or whether we decide not to proceed with it, you still would have to do that anyhow for the '94, so perhaps we could take Mr. Brodersen's suggestion and deal with in February when we see the NEPA document.

MR. COLE: Well, let me say this. I'm a little cautious when people say, well, you know, this is a five year project, but, you know, you can cut it off at the end of the first year or the second, because we've heard that several times this morning already. But, what, we know what will be said at the end

of the second or the third years, gee, we got five hundred thousand dollars into this project, and it's really a waste of time or money not to go ahead, and so we really should go ahead and finish up this project in the next two years. So when we get into these five year proposals, I need a little higher comfort level than, you know, we'll just run this this year and then we can cut it off -- because I don't think it works that way. Our experience has not been that way, and that's not my lifetime experience, so

MR. BARTON: I wonder if all the project needs to be repeated each year for five years -- if you look on page 113. Perhaps just the fertilization is necessary. I -- I really don't know, but it's -- question that takes (inaudible -- coughing) for five years.

DR. MONTAGUE: Mr. Chairman?

MR. PENNOYER: Mr. Montague.

DR. MONTAGUE: The folks that put this project together and, you know, in their mind of doing it right, the way it was proposed, is certainly not an incorrect way. The fertilization is really what's gonna restore the lake. The assessment of the effectiveness of that would, in my mind, not need to be done every year. You know, if you were doing it, you'd probably want to do it in the first year, but then you might want to go two years of fertilization before you try to reassess the effectiveness of it, and the -- during the years when you're only basically looking at the adult returns part of it, the department already does. I believe the Fish & Game component to be perhaps non-existent in

those years when you aren't assessing the effectiveness.

(Mr. Sandor rejoined the proceedings at 1:25 p.m.)

MR. PENNOYER: Mr. Barton -- well, we can't take action on it here. Do we want to either say no to the '93 work plan entirely or do we want to delay a decision until we see the NEPA document at the February meeting?

MR. BARTON: Mr. Chairman.

MR. PENNOYER: This is -- I think just the first of several like this too. Mr. Barton?

MR. BARTON: Yes. I -- I move we defer this to the February meeting.

UNIDENTIFIED VOICE: Second.

MR. PENNOYER: It's been moved we defer this to the February meeting with the assumption that the environmental impact -- environmental assessment document will be in front of us at that time as well. Is there objection to do that? Thank you.

MR. SANDOR: Why don't you go to the break. (Laughter)

MR. PENNOYER: I can't make motions that way though. (Laughter) That was the idea, huh?

The next project is 930' -- I'll do one more project and I'll let you do the next one -- 93025, Montague Island chum salmon restoration, U.S. Forest Service, \$81,500, five-one vote on the Restoration Team, an enhancement proposal in the opinion of the chief scientist, unanimously recommended by the Public Advisory Group. Does -- and, again, Interior says no, not time critical, will reconsider when the restoration plan is final. Does the

Forest Service wish to give a brief sketch of what this is? Mr. Rice.

MR. RICE: Mr. Chairman, this project is one of a small suite of projects that directly enhance habitat for some of the injured resources. Chum salmon, while not specifically studied, did show some injury by the Exxon Valdez oil spill. This project would go into several streams on Montague Island and provide additional spawning habitat for chum salmon as a replacement for injured fish. These streams were not oiled by the oil spill. However, they do provide an opportunity to enhance habitat, and it would look at a couple of streams, do some minor work in several streams, and do the engineering work for any more extensive work that would -- the engineering studies, I should say, -- for any more extensive habitat enhancement that could occur in future years.

MR. PENNOYER: Questions? Is the NEPA compliance done?

MR. RICE: For this year, NEPA compliance has been completed because the projects are small enough they meet agency criteria for categorical exclusion. The engineering work studies that would be needed if future work was more in depth, then -- then additional NEPA work would be required for -- for out-years.

MR. McVEE: Mr. Chairman?

MR. PENNOYER: Mr. McVee.

MR. McVEE: What are the losses to damaged resources if this is not implemented until next year?

MR. RICE: Losses to damage -- I'm not sure I fully

understand the question. I guess if we did not implement this year, we would lose an opportunity to do some limited enhancement work. The habitat would not be enhanced, basically.

MR. McVEE: Wouldn't that opportunity still be there next year?

MR. RICE: Yeah. The -- the opportunity would be there in the future.

MR. McVEE: Thank you.

MR. PENNOYER: Do you have a motion? Mr. Barton.

MR. BARTON: Mr. Chairman, I move to adopt this project.

UNIDENTIFIED VOICE: Second.

MR. PENNOYER: Moved and seconded to adopt this project. Is there an objection?

MR. McVEE: Yes.

MR. PENNOYER: The next project is 93028 -- no, I'm sorry, 93026, Fort Richardson hatchery water pipeline, Alaska Department of Fish & Game, \$3,617,000, not recommended in a five vote by the RT, no opinion by the chief scientist, recommended nine-four by the Public Advisory Group. I've lost it but I think Interior said, no, but I haven't found that. Fort Richardson pipeline, Interior said no, does not meet restoration criteria, no direct link to EVOS injury. Would Fish & Game care -- we've heard quite a bit of discussion, would you care to make an encapsulated presentation?

DR. MONTAGUE: Okay. As we talked so much yesterday on

the very low smolt production in the Kenai River and the expected very poor returns in '94 and '95, would anticipate particularly in '95 a closure to sport fishing for sockeye salmon on the Kenai River that would affect somewhere between seventy-five to a hundred thousand people, and then an economy of ten or twelve million dollars. So what -- I mean, the best restoration action would be to ensure that there's enough fish in the Kenai in '94 and '95 to supply that sport fishery service, but there isn't any way to do that, so this project would provide the same, if not an excess number, of angler days in pretty much the same area to be a replacement, an alternative service, for sport fishermen to use in the years that -- that closure would be on the Kenai River. Simply, the project would utilize the Fort Richardson hatchery which, I guess, the seven or eight million dollar construction costs for building it, produce a hatchery that given a sufficient water supply could be, produce twice as many fish as it does now. So this project would provide a water line to that hatchery that would raise the production to approximately twice it's current level. Two items on it -- naturally, the -- when restoration is complete, they'll still be this pipeline and the state and the department will be benefitting from that, and as such the annual operating cost during the restoration years will be borne by the department. The last note on this, the Municipality of Anchorage contracts with a private firm to prepare an environmental assessment on this project, and that was delivered to Fish & Wildlife Service last Thursday.

MR. PENNOYER: Thank you. Further questions?
Discussion? Do I have a motion?

MR. ROSIER: Move to adopt.

MR. PENNOYER: Is there a second? (Pause -- no audible response) Motion fails for lack of second. The project is dropped from the '93 work plan. We will go on to 93028, and Mr. Chairman, if you would care to....

(Mr. Sandor resumes chairmanship of meeting.)

MR. SANDOR: Thank you very much, Mr. Pennoyer. I appreciate

MR. PENNOYER: By the way, Mr. Chairman, we calculated we had about five minutes per project.

MR. SANDOR: Oh. That's my orders then.

MR. PENNOYER: So far, we've tripled that on every project we've talked about.

MR. SANDOR: 93028 is restoration, mitigation of the wetlands habitat for injured Prince William Sound fish and wildlife species. U.S. Fish & Wildlife Service -- U.S. Forest is the lead agency at 82.1 thousand, recommended five to one in the Restoration Team, and the chief scientist of this project -- may enhance natural resources but is unrelated to recovery of injured resources. The Public Advisory Group vote on this was yes three, no eight. So it was not recommended by the Public Advisory Group.

Interior's sheet indicated this was not time critical -- question relating to injured resources and suggests it be reconsidered when the restoration plan is final. I guess -- let's have a brief

description of this. Ken Rice, I guess.

MR. RICE: Mr. Chairman, this project would do -- this year's work would be the engineering and biological design to take a, what's now a wet meadow area rapidly going into forested habitat, and design a series of pools or water regimes so that it would maintain a, a wetlands habitat and improve the anadromous fish habitat in the area as a replacement for some of the wetlands that were hit by the oil spill. This work would not do any direct work -- any direct habitat alteration, it would be the design work for that.

MR. SANDOR: Any questions regarding this project from the Trustees. Is there a motion to approve this project?

MR. PENNOYER: Move to approve.

MR. SANDOR: Move to approve, Pennoyer.

MR. BARTON: Second.

MR. SANDOR: Second by Barton.

MR. RICE: Mr. Chairman?

MR. SANDOR: Yes, Mr. Rice.

MR. RICE: There's currently activity going on in that part of the island with some road building, and while in terms of time criticalness we don't anticipate needing to use that equipment this year, of course, the opportunity to use that road-building equipment and save tremendous cost in doing the work out there would be greatly improved it was conducted during the time of the road building as opposed to when most of that equipment was removed. So from that standpoint there is some time-criticalness

to it.

MR. SANDOR: Any further questions?

MR. PENNOYER: Has NEPA compliance been completed on this?

MR. RICE: For this year, it's categorically excluded because it -- basically, this year's would be the engineering and biological design for it. Then we would do the NEPA compliance for it for any out-year work.

MR. COLE: Mr. Chairman, what is Interior's position on this project?

MR. SANDOR: Curt McVee?

MR. McVEE: Our position is to object to this project.

MR. SANDOR: Because of the reasons outlined in ...

MR. McVEE: Yes.

MR. SANDOR: ... the sheet? Not time critical, questionable link to injured resources -- is that correct?

MR. McVEE: Yes.

MR. PENNOYER: So, then Mr. Chairman, did you ask if anybody objected to ...

MR. SANDOR: I will now. Is there any objection to this? There is one objection, so the project is not approved. Prince William Sound second

MR. PENNOYER: Can I just ask a quick question -- not to delay this too much longer, but in -- this is less a feasibility study than an actual engineering design study. If it was a feasibility study, would it be doing something to advance the

restoration plan completion, testing restoration techniques into feasibility studies, might be a little bit different than just doing the pre-construction design, in your view? You tech -- you're doing a feasibility study to see if the technique is going to produce the result?

MR. McVEE: Our view would be that there's no reason, there's nothing to be lost, no resource would be further damaged if this was postponed here until after the restoration plan is completed.

MR. SANDOR: Mr. Barton.

MR. BARTON: Yes. It's true no resources would be lost. However, they -- if -- if later the council decided they wanted to go forward with this project, it would be considerably more expensive because of mobilization of the equipment that would be needed for the project.

MR. SANDOR: More expensive by how much?

MR. BARTON: I don't know, but considerable when you have to barge the equipment out to the island.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: What is the total cost of this project over the projected four year life of it?

MR. SANDOR: Any estimate, Mr. Rice?

MR. RICE: Just -- I need to look at the detailed budget. It's difficult to say. There were some projections made by the people that put this together, but until we've done some of

the engineering work, it's hard to say. Jim, do you have a comment on that?

MR. WOLF: The total cost is estimated to be \$1 million for the project.

MR. SANDOR: That's \$1 million for the four years.

MR. WOLF: That's to complete the project.

MR. BARTON: I do have -- Mr. Chair?

MR. SANDOR: Yes.

MR. BARTON: I do have a further comment, more philosophical than anything else. I'm a little puzzled. We seem very reluctant to do direct restoration work. We're deeming most of these projects not time critical. We seem quite willing to do studies.

MR. SANDOR: Well, that sort of sounds like a challenge. (Laughter)

MR. PENNOYER: Like a zero, zero, two?

MR. SANDOR: But, well, Mr. Barton, how do you respond to the -- to Interior's saying a questionable link to injured resources. If it's a questionable link to injured resources, what's the restoration?

MR. BARTON: It seems to me that this falls -- is similar to the -- the activities related to sockeye and the Kenai River. I see a parallel in that.

MR. SANDOR: Well, we will ask a reconsideration. Is there any remaining objection to this project?

DR. GIBBONS: Mr. Chair, I've got a correction. The

total cost of this is around \$400,000.

MR. SANDOR: Over --

DR. GIBBONS: Over the life of the project.

MR. SANDOR: Rather than \$1 million? That's a sixty percent savings right there. (Laughter)

DR. GIBBONS: You can pay for the project with the savings.

MR. SANDOR: That's what my wife would say. (Laughter)
Can we wait another five minutes, we can try it again.

UNIDENTIFIED VOICE: The price goes up.

MR. McVEE: In spite of the savings, we continue to object.

MR. SANDOR: The objection continues. We should move on to project 93029.

MR. BARTON: Mr. Chair?

MR. SANDOR: Yes.

MR. BARTON: I withdraw that project.

MR. SANDOR: 93029 is withdrawn. 93030, Red Lake restoration, ADF&G, \$77.2 thousand, is recommended five to one by the Restoration Team, recommended by chief scientist, unanimously recommended by the Public Advisory Group, and Interior's comments -- it does not meet restoration criteria, problems with red salmon not directly -- and problems with red salmon not directly linked to Exxon Valdez oil spill. Let's see, yeah, Fish & Game. Dr. Montague, can you summarize this at least.

DR. MONTAGUE: Yes. The Red Lake system is the other

system like the Kenai River that suffered an overescapement that resulted in extremely low smolt production, and in 1992 we funded this project to purchase, purchase and install the hatchery boxes at the Pillar Creek hatchery, so that this year we could take eggs from Red Lake, raise them, incubate them, hatch them and raise them to a lot higher production than would -- than would occur naturally, and then put the fish back in the lake. You know, it's direct restoration action that is assisting nature to recover at a faster rate.

MR. SANDOR: I see. Mr. Pennoyer.

MR. PENNOYER: Are you saying that we funded this in '92 -- the construction of the hatchery, funded it out of Exxon ...

DR. MONTAGUE: The Trustee Council's

MR. PENNOYER: ... funds for '92?

DR. MONTAGUE: Correct.

MR. PENNOYER: So if we don't approve this, we're basically funded you to build a hatchery, not -- and not funding you to put anything in it?

DR. MONTAGUE: Well, not a hatchery but a ...

MR. PENNOYER: I'm not saying it's wrong, I'm just trying to

DR. MONTAGUE: ... a number of incubation boxes that's ...

MR. PENNOYER: But the facility exists for other purposes?

DR. MONTAGUE: Right. I mean, the Pillar Creek hatchery

was already, but -- I can't remember the number of incubation boxes we've purchased last year, but that was about \$46,000.

MR. PENNOYER: That's why you need a restoration plan before you start.

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Mr. Rosier.

MR. ROSIER: I would say also on that that Pillar Creek is not a state hatchery, that's a private sector hatchery.

MR. BRODERSEN: Mr. Chairman?

MR. SANDOR: Yes.

MR. BRODERSEN: The Restoration Team requested Fish & Game put in this project to trigger so that depending upon whether this is needed or not, it will or will not go. Is -- is it based on the out-migration or the water migration?

DR. MONTAGUE: Mr. Chairman, the project is kinda gonna sit in waiting until the adult returns occur during the summer, and if those returns reach a level of 150,000, then no money would be expended and the restoration effort would stop.

MR. PENNOYER: Is this insurance?

DR. MONTAGUE: Sort of.

MR. BRODERSEN: There's a question over whether there will be an adequate return or not. If the return is adequate, then the project will be dropped. If the return is inadequate and the lake needs assistance, then the project would go ahead.

MR. SANDOR: It's an interesting point, yes?

MS. BERGMANN: Mr. Chairman, also 93030, correct -- it

also says it's contingent upon the finding of the sockeye salmon synthesis meeting, which we talked about is going to be held in March in Vancouver.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: If that's the case, and there's a trigger, what else needs to be done between now and when you collect the eggs in August or September. I mean, this is not a time-critical project I don't think.

DR. MONTAGUE: Mr. Chairman, it's time critical for this fiscal year. It's not -- I mean, the understanding we had was that '93 projects would be approved today or they wouldn't be considered until '94. So, you know, to be taken up later in the year is fine, 'cause it really will not need the money until August.

MR. SANDOR: The Chair asks this question. Whether or not we approve this, it may not be used because it won't be needed. Conversely, if we don't approve this and you find that you need it, is there some way through program monies to get the seventy-seven some thousand to do the work from other funds?

DR. MONTAGUE: Funds other than the Trustee Council?

MR. SANDOR: Yes.

DR. MONTAGUE: No.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: May I ask Mr. -- Dr. Spies what the synthesis meeting's likely to show us. Is it going to talk about the viability of raising red salmon fry in this fashion? Is it going to talk about the concept of transplanting fry in a lake?

Are you going to talk about Red Lake population dynamics? Or what is the synthesis meeting supposed to do?

DR. SPIES: I would imagine, although we haven't discussed this in great detail, except that it's been the recommendation of the peer reviewers for fisheries that -- that the entire scope of sockeye programs proposed under the restoration program be looked at, and I would imagine we'll look at the scope of the injury and the degree -- the kind of information we have on the recovery of the resource and what's appropriate in terms of what's workable and, and doesn't present a problem.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: On many of these stocking-type projects, the chief scientist recommended they were enhancement and took no position. Why did you recommend this one specifically?

DR. SPIES: The -- Ragon (ph), the reviewer, though it was a reasonable conclusion that the Red Lake problem could have been a result of overescapement from the spill, although the -- the information's not nearly as strong as it is for the Kenai River in this respect.

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: How does this project relate to '031?

DR. MONTAGUE: Mr. Chairman, '030 actually restores the injured fishery, '031 would create an artificial fishery to replace the years that Red Lake is down.

MR. SANDOR: Any further questions?

MR. COLE: Could I ask Mr. Pennoyer to explain what that answer means.

MR. PENNOYER: What's meant by that is in one case you are actually trying to restore an injured resource, and the other you're providing an alternative service in another place to take the place of what might have been lost by the resource. In other words, they're going to produce a red salmon run somewhere different than Red Lake for that figure, part or some aspect of that fleet what they can't harvest at Red Lake. It's an alternative.

MR. McVEE: Mr. Chairman, what are the timing implications? I guess -- when will -- if '030 is successful, then it's an estimate of when -- when it would be restored then or whether it would become into production, when those fish would be available?

DR. MONTAGUE: So -- if I understand your question, if '030 went ahead, would that prevent any low year that you would need to have the mitigation fishery for? It would certainly shorten them. I believe that, you know, if '30 went ahead, there would only be one year, one to two years that the -- well, it's the fact -- in the short answer, one to two years would be all you'd for mitigation.

MR. PENNOYER: One last question. What is your estimate of the adult return due to this project, this six million eggs that you're taking? -- Find it in here somewhere on this one. Okay, 146,000 adult -- that's red salmon -- I've found it. Do you have

reason to believe -- I'm sorry, Mr. Chairman -- that this type of work with Red Lake stocks is going to be successful, that you can culture to be successful, or is this still sort of an experimental ...?

DR. MONTAGUE: Mr. Chairman, no, it's not experimental. We're comfortable that it will work and that these percentages are in line with the other work that we're doing.

MR. PENNOYER: But this particular sockeye stock has shown itself adaptable to hatchery -- some are and some aren't. Some are better than others

DR. MONTAGUE: Mr. Chairman.

MR. PENNOYER: ... to my recollection.

DR. MONTAGUE: Dr. Sullivan, is ...?

DR. SULLIVAN: The period of time that these fish are actually going to spend in the hatchery is very small. What we intend to do with this resource is simply increase your incubation survival and increase the early larval stage survival. So, this is not a long-term hatchery project, it simply improves your percent survival over a couple of early stages. So I don't think there's a lot of hatchery adaptability at that point, and so far as I've seen, and I've been working with sockeye for a long time, this period of time is -- is

MR. PENNOYER: Not a problem?

DR. SULLIVAN: Well, it's a problem for other reasons in general for sockeye, IHN could get you at a time like that, but, but what I'm saying as far as separating one stock's adaptability

for hatchery versus another, this is not the period when it would start to happen.

MR. PENNOYER: Aren't some stocks more prone to IHN problems than others are?

DR. SULLIVAN: Actually, that hasn't really been shown to be the case, and when we take whatever stocks we've had in the past, they've all been shown susceptible to IHN. Almost every anadromous stock of sockeye that we have looked at in the past carries some percentage of IHN. The only things that -- have found that don't seem to be some of the kokanee that may have become kokanee during the last ice age, perhaps before IHN hit these stocks. Okay. All man-made stocks of kokanee that we knew of, at least to my knowledge, seem to have a portion of IHN. We did do some experiments in the early '80s using Bristol Bay IHN and Copper River IHN and Cook Inlet IHN and exposed the different stocks to -- in other words, we take a stock that was exposed to its own IHN seem to have more resistance to that, but wasn't a great deal of resistance. Okay? But, yes, if you expose a stock to a -- a strain of IHN with which it has not been exposed, it does suffer higher mortalities. Did I answer your question?

MR. PENNOYER: Yes, you did. Mr. Chairman, I propose we approve 93030.

MR. SANDOR: Is there a second to this motion?

MR. BARTON: Second.

MR. SANDOR: Seconded by Barton. Question from Mr. McVee?

MR. McVEE: I assume the motion includes those caveats or constraints listed in the write-up -- the fact that a determination will be made this summer concerning returns?

MR. PENNOYER: Yes. A companion motion I was going to make next is that we disapprove 93031, for a different reason, because I think that is just strictly mitigation enhancement.

MR. SANDOR: Any further discussion on 9303'? Any objection to 9303'? It is approved.

93031 then, which we've already discussed. I don't know -- ADF&G, \$153.7, recommended five to one by the Restoration Team; no opinion, chief scientist; recommended ten yes, no one, abstentions two; and Interior's position was that it indicated it does not meet the restoration criteria, problems with red salmon not directly linked to EVOS, but we've had some discussion already. Do you want to elaborate any more, Dr. Montague, on this project?

DR. MONTAGUE: Mr. Chairman, no. It's pretty simple. It's going to produce a fishable catch of -- catch, catchable fishery of about a hundred thousand sockeyes that partially replace the losses to Red Lake.

MR. SANDOR: Is there a motion to approve this project?

MR. ROSIER: So moved.

MR. SANDOR: Moved by Rosier, seconded by -- anyone?
(Pause -- no audible response) Fails by lack of second, so not approved.

Project 93032, Pink and Cold Creek pink salmon restoration, ADF&G, \$33.6 thousand; recommended five to one by the Restoration

Team; chief scientist of this project -- may enhance natural resource but is unrelated to recovery of injured resources; recommended twelve to one by the Public Advisory Group; and the Interior's position -- does not meet restoration criteria, no population level injury to pink salmon, not time critical. Just as a matter of curiosity, did -- the Public Advisory Group, no recommendation, just blow out by the thirteen voting.

MR. COLE: If one reads the analysis or the transcript of the Public Advisory Group, I must say their view is at best superficial. I've read the transcript of the last three, and there's about -- two pages of the transcript dealing with each of these projects. This project there was objection largely by Mr. Sturgeon who said that this affects perhaps the private landowners in the area.

MR. SANDOR: Dr. Montague, do you want to briefly describe this? Open it to questions?

DR. MONTAGUE: Mr. Chairman, we're on '32 then?

MR. SANDOR: Yes.

DR. MONTAGUE: Okay. His concern was that the Forest Practices Act with the sixty-six foot buffer only applies to anadromous streams. So if you've got a twenty mile long stream and the first ten miles have anadromous fish in it and there's a waterfall that prevents the fish from being in the upper area, then they can log to the water line in the upstream areas. If you make it an anadromous stream, then they have to provide the buffer, and the wording that the Public Advisory Group had us put in there, and

we'd certainly want to make it a part of this project, is that conducting either or implement -- building either these fish passes would be contingent upon the owner's agreeing to it. It was originally suggested by Sturgeon that the Trustee Council compensate them for the costs of not being able to harvest the extra areas, but in the end the discussion was left with it being contingent upon the owner's approval. So, if the owner thinks it's going to be a problem, they won't approve it.

DR. GIBBONS: Mr. Chair?

MR. SANDOR: Mr. Pennoyer -- oh, excuse me, yes -- Gibbons.

DR. GIBBONS: Just a -- just a point here. I -- I've looked at projects `030, `031, and `032, and NEPA compliance has not been done. I think we'll have to go back on project `030 and perhaps defer that until the February meeting, perhaps, for approval, when the NEPA compliance can be completed. Is that?

MR. SANDOR: On '030?

DR. GIBBONS: Yeah. It -- it -- the listing from Interior says that '030, '031, and `032 have -- the NEPA compliance has not been completed.

MR. SANDOR: But the last sentence of the description of '03' -- or, let's see, yeah, I thought they said they were going to do environmental assessment, but

DR. GIBBONS: Mr. Chair -- I think they're in the process of doing it, it's just not completed yet.

MR. SANDOR: Well, that -- that contingency then has to

apply to that as well.

MR. BRODERSEN: I think what we have to do is defer a decision on '030 until the February meeting.

MR. SANDOR: Yeah. Well, fine, we'll do that -- be nice to have those up front so that we're not dealing with this, you know, after the votes have been taken and the discussion. It's somewhat disconcerting. Any others like that, please call them to our attention before we vote on them. So, we're now saying 93030 has to be reconsidered February 16th?

DR. GIBBONS: Contingent upon the NEPA compliance, yes, Mr. Chairman. Probably the same with '032.

MR. PENNOYER: I think we do what we did before, we tentatively approve the project contingent upon the completion of NEPA, not that we'll put off decision on the project 'til February. We'll -- no, you're right, we've approved the project to continue through the NEPA stage. We'll have to take it up (indiscernible).

MR. SANDOR: Yes.

MR. JIM CARMICHAEL: Can I speak to '032? I think it would help your -- I think it would expedite your decision.

MR. SANDOR: Please do.

MR. CARMICHAEL: Thank you. I'm Jim Carmichael. I'm general manager for Afognak Native Corporation, and we're also managers for Afognak Joint Venture, and Cold Creek is on land that we own. There's three points that I would like to make that would help it -- firstly, philosophically, we agree with Sturgeon's position that, that as a landowner we would want to be consulted

before doing things that would change the value of our other resources. Having said that, in the Cold Creek situation, as the landowner we are supportive of improving that fish pass. But lastly, and perhaps more significantly to your decision, we already have an obligation to do it, and I've always been confused about '032 because of that. Pursuant to a -- a log transfer facility permit that we have with the Fish & Wildlife Service, we have a mitigation responsibility for us at the Native corporation to go in and spend the money to do that, and we've always felt it -- we're bound to do that. The Fish & Wildlife --and as I understand it somewhat second hand from my staff, Fish & Wildlife Service has agreed that we need to do that, and we're waiting on the state's approval as to when to go in and do it. I mean, as long as we'd like to go in and do it with a stick of dynamite, but recognizing we can't do that (simultaneous laughter), we'd glad to go take a backhoe or a jackhammer or just some sacks of concrete up there and fulfill our obligation. I'm not sure it's relevant to this organization.

MR. BARTON: Mr. Chairman.

MR. SANDOR: Mr. Barton.

MR. BARTON: I move we not approve this project in light of (simultaneous laughter) the

MR. PENNOYER: Second.

MR. BARTON: ... fact that somebody else is going to do it. (Simultaneous laughter)

DR. MONTAGUE: Mr. Chairman, there was a Pink Creek as

well.

MR. COLE: Have we -- have we voted on this project?

MR. BARTON: We've kind of voted on one and not the other.

MR. COLE: I thought the motion was, vote, that we reject the project

MR. BARTON: Motion.

MR. COLE: I mean after -- here's my point. After we take these votes, I mean, let's, you know, take the vote, and if you want to say anything before we take the vote, let's get that done, but after the vote's taken, I really would appreciate that we just -- that's the end of it, you know. We go back and argue these things after we take a vote, I mean, why take a vote. Let's not take votes until we, everybody finishes what they want to say, and I would recommend that, and then we should take a vote, and once the vote's taken we should go to the next vote. May we have that procedure so that we can, as I say, transact our business in a relatively orderly fashion?

MR. SANDOR: The Chair will endeavor to do so, and we are correcting only to 93030, which we had approved but were told we shouldn't have, and so that's going to be reconsidered on February 16. 93031 was not approved. 93032 was not -- was -- was -- actually we had somewhat of a spontaneous motion to not approve it by Barton, seconded by Pennoyer, and -- this is an interesting thing. Is there any objection to not approving (laughter), which would be a -- nearly an oxymoron because if you turn it around and

try to pass it, one objection would, of course, kill it. So, the Chair would rule that -- with the understanding of the Trustees that that project is not approved. Is there any objection to that?

MR. ROSIER: Yeah, I've still got a question.
(Simultaneous laughter) The point was made on half of the project. I mean, the additional information that was brought forth affected half of the project.

MR. PENNOYER: Well, then, you object to the motion?

MR. BARTON: Yes.

MR. SANDOR: Okay. We're back where we started then
....

MR. COLE: Well, let's move along. I object to the other half of the project. I'm philosophically opposed to going out and doing construction projects with these funds on natural streams.

MR. SANDOR: Well, for the record, the question is are there any objections to 93032? There are, so that's not approved. Okay. We --

MR. ROSIER: Mr. Chairman, before we move on, I'd like to hear a little bit more from Attorney General Cole on that last statement with regard to doing work on natural streams. I thought that was what we were in the business to do, to work with natural systems here.

MR. COLE: Well -- is this '32?

MR. SANDOR: Yes.

MR. COLE: I don't think that we should be out, you

know, as part of this process, of building dams or fish ladders on natural streams, and basically changing the natural environment. I think that we should, if nature of these streams, slowing in this fashion, well, let them be, and I'd go in there and build dams on them to ostensibly enhance fish to be able to get some place where nature didn't have in mind when it did what it did.

MR. SANDOR: That's with EVOS money?

MR. COLE: Yes. I mean, you know, if the legislature or Uncle Sam or the Corps of Engineers wants to say you have to do this, I mean, that's their call. That's another process. But to take these funds and to build dams on streams is, in my view, an expenditure that's inappropriate.

MR. SANDOR: Does that satisfy your inquiry?

MR. BARTON: Well, you know, I appreciate -- appreciate his clarification of this statement there on that, but it seems to me that we keep getting narrower and narrower and narrower in terms of what restoration is, and I really thought that the addition of habitat as a restoration tool would be something that the group might want to maintain in their toolbox over time here.

MR. COLE: Moving onto that, if you don't mind, you know, I had trouble with this project, you know, when we first were dealing with it several months ago, weeks or months ago, and I had the same philosophical objection to it then. I favor the acquisition of habitat. It's not that I don't favor the acquisition of habitat for the protection of the injured resources, because I do -- probably almost more strongly than any member of

the Council sitting here. The problem is this is not acquisition of habitat in itself, this is taking, you know, naturally flowing streams and building dams or ladders or -- bypass sections -- channels will also be cut leading into the upstream end of the steeppasses. Water diversion structures, such as gabions, reinforced with steel pipe and rebar would divert water into the channels and steep bypasses. Cable would be anchored into the rock substrate to secure the steeppasses. You know, that something that I think's not necessarily appropriate, and if we do it in this stream, are there other streams out there we should be doing the same thing to. I mean, it just gives me pause. That's the reason I have

MR. PENNOYER: Mr. Chairman, I -- I think the motion's whether we enhance or not, how much we enhance in response to the spill, and the permissive language amidst that in the settlement is certainly a matter of choice, but I -- I have more problem with hatchery stocking and with lake fertilization than I do with fish ladders. I mean, enhancing habitat and letting it take its own course is to me perhaps less fraught with danger than introducing new genetic problems, perhaps disease, changing the ecosystem of a lake through fertilization. Those seem to me to be potentially more disruptive to the natural system than, than a fish ladder, although I would admit that a fish ladder creating a stock somewhere that you can't harvest can cause you management problems, if you don't figure out how to handle it, but I'm not -- I don't find anything particularly unclean about it. I'm just

MR. COLE: Let me respond to that. If you're worried about, you know, introducing genetic problems and disease into these lake stockings, then, you know, you don't vote against it, you know. So, I mean, you're apparently not concerned enough to vote against it, which I accept, and I follow your lead in those areas, and I read these comments from the public on '30 and '31, and a lot of concern expressed, a number of concerns expressed by the public of introducing disease into these stocks, and -- and other problems, and I think, well, that's what the public says, but, you know, Mr. Pennoyer and other members of the Trustee Council, including Mr. Rosier, whom I asked about that last time, assured me that that was not a matter of enough concern to cause me to vote against it. That's fine, and I accept that. But when it comes to building fish ladders in these natural streams for eighty or ninety thousand dollars to get how many fish up there? I don't know. And what's the pay-off on this? I don't know. I mean, I'm just, I'm not convinced. So, therefore, my conscience says vote no.

MR. SANDOR: Mr. Barton.

MR. BARTON: Each of us needs to follow their conscience, but I would point out that there's been considerable investment in Alaska over many years by both the state and the federal governments in fish passages, opening up natural habitats, enhancing wild stocks, not necessarily hatchery stocks. But I don't have any idea what proportion of the fishery results the fish enhancement work over the years, but I think it's substantial.

MR. COLE: Let me respond to that, if you don't mind.

Then the federal government or the state should expend its funds to do this here, but not use Exxon Valdez money to do it. I don't object to doing it if that's the state treasury doing it or the federal treasury doing -- so on and so forth. I just don't see enough pay-off in this project, given the disruption in the natural ecological balance to warrant it.

MR. SANDOR: Mr. Barton?

MR. COLE: Sorry, guys.

MR. BARTON: I'm not defending this project. I was concerned about your general philosophical statement more than this project. I would say that most of the projects, if not all the projects that the Forest Service has done in Alaska, have a substantial cost-benefit ratio, or benefit-cost ratio, sometimes as much as twelve to one.

MR. SANDOR: Mr. Rosier or Mr. McVee.

MR. ROSIER: Yeah. Yes. I certainly wasn't questioning Attorney General Cole's right to object to the project on this, but I was also questioning his general philosophy, I guess, in terms of using anything of this type as a restoration-type tool. So, without dragging the subject on further, that's all I have to say on it.

MR. SANDOR: Mr. McVee.

MR. McVEE: I guess my comments are for focus back on the project, that -- that my concern is that, you know, this is -- this is basically, as I understand it, to enhance, and it seems

like that is a lower priority in terms of the expenditure of funds than, you know, recovery, recovery of damaged species. We were prepared to -- I'm prepared to vote against approval of the project, if that helps.

MR. SANDOR: Well, we've already rejected the project, so

MR. COLE: I would like for Mr. Pennoyer to speak on this a little bit.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Well, I think we agreed that to meet more reasons of, one, that fact that somebody else is doing one of these, and, second, that the other is more of an enhancement than a direct restoration, I believe we should at least wait until we have completed our restoration plan. I don't disagree with Mr. McVee on that. My discussions were, again, more philosophical. I wasn't saying that I -- I thought that the other methods were necessarily bad, I just said I have some less problems with this method than I do with direct stocking and lake fertilization as an enhancement process. I think they're just all tools that you need to look at on a case-by-case basis. There needs to be pay-off. I don't disagree with you at all. If the cost-benefit is bad, you don't do it. If it does directly -- in our case -- enhance in a way that deals with lost services, then you don't do it. In this case, I think we've already made our decision not to go for either one of these, and so I think we ought to move on.

MR. SANDOR: So, without objection we shall move to

project 93033, which discussed yesterday, but I understand, heard -
- the harlequin duck monitoring study in Prince William Sound,
Kenai and Afognak oil spill areas, ADF&G, \$717.9 thousand,
unanimously recommended by the Restoration Team, Public Advisory
Group, and the chief scientist, and also by --

DR. MONTAGUE: Mr. Chairman.

MR. SANDOR: ... approved by Interior. Yes, Dr. --
Montague.

DR. MONTAGUE: We had considerable discussion on this
project, and I won't go into any of that again, but the main
guidance we have from the Trustee Council was that even the minimal
project at the \$506,000 level was too much. I've got an
alternative proposal here that I'd like to briefly put forward to
the group.

MR. SANDOR: Please proceed.

DR. MONTAGUE: As far as the habitat component goes,
which was the primary cost of this project, is essentially deleted
entirely to the same degree that it was dealt with before, and we
have two \$100,000 options to deal with the habitat portion, and
this is a reduction of about four hundred thousand some odd dollars
just on the habitat portion. One thing we can do is do no field
work. Simply, take the nesting information we have on eastern
Prince William Sound, and to the best we can, simply look at maps
and say that we expect, based on eastern Prince William Sound,
Afognak, Kenai Coast and these areas, will be suitable. And -- and
to do that will be about a hundred thousand dollars. A second

alternative on the habitat portion would be to do a very limited characterization at Afognak. Instead of having, you know, the ocean-going vessels we were talking about before, would simply be dropped at a local camp with a Zodiac or something, and do a very limited assessment, the only purpose of which to say, generally is the eastern Prince William Sound comparable. But if you went that approach, next year you're gonna have to do the map work to say where around the Sound it applies, so -- probably recommend the remote imaging interpretation unless habitat protection working group has, would rather see the field work that would more accurately say that you can't compare from one area to another. The second aspect of the project which we think is the -- absolutely the most critical, is \$200,000 to try to pin down the mechanism for reproductive failure. So --

MR. COLE: I move we this.

MR. SANDOR: It's been moved that we approve the amendment project proposal which totals roughly, what?

DR. MONTAGUE: \$300,000.

MR. SANDOR: \$300,000. Is there a second to that motion?

MR. McVEE: Second.

MR. SANDOR: Seconded by McVee. Any discussion? Pennoyer.

MR. PENNOYER: I'm not sure what you said. Would you
.....

DR. MONTAGUE: Okay.

MR. PENNOYER: ... try that one more time? What's the -- well for three hundred -- it's sort of like the \$11,000 that was going because it was less -- but the

DR. MONTAGUE: It's not the

MR. PENNOYER: ... do we do? on which two habitat pieces did we do?

DR. MONTAGUE: Okay. First, we'll deal with -- there was only one choice on what's causing the reproductive failure. On habitat, there was two choices. One, they're both \$100,000. We'd only do one or the other, so the cost -- the only decision is which of the two you do. One, was doing limited field work on Afognak to answer yes or no whether you can compare eastern Prince William Sound to Afognak. The second option would assume that it applies, and simply look at the maps and say these are all the areas in the -- within the oil spill area that are likely to be harlequin habitat and have no ground to refute them. The latter one, the one that assumes that these characteristics apply everywhere and just look at the imagery and maps and so on, to say that it looks pretty similar in all these areas, let's assume that it's harlequin habitat.

MR. PENNOYER: What was the mechanism all about?

DR. MONTAGUE: The current hypothesis is that harlequins are not reproducing in western Prince William Sound because of hydrocarbon intake through mussels, but that hasn't been proven. So, some much is resting on these findings. For instance, you could be -- if it is hydrocarbon uptake that's preventing

reproductive failure, you could purchase habitat to the end of time, and they would still go extinct in those areas where they're not reproducing. So we feel it's extremely critical to know why they're not reproducing. So ...

MR. PENNOYER: So?

DR. MONTAGUE: ... and how are we going do that.

MR. PENNOYER: What, shoot some harlequins to get tissue samples, or ...?

DR. MONTAGUE: Well, hopefully, to get the samples from subsistence-harvested ducks, but if that's not possible -- first of all, there's existing samples that haven't been analyzed. They'll provide something. But we would need to collect more samples either through getting

MR. PENNOYER: \$200,000 to collect samples? Analyze them?

DR. MONTAGUE: Well -- it's, it's more than that in terms of -- along with it will be some -- misnets (ph) are put at the mouths of streams and stuff to see if the harlequins are going up to reproduce, and while they're in the field doing these other projects, they would have some limited continuation of whether there's no reproductive failure there or not.

MR. PENNOYER: Is that distributional study a separate one from this study? The misnets (ph) and so forth, or is that part of this study?

DR. MONTAGUE: The distributional -- the distribution of nesting habitat is the second component. It's not finding out what

the injured -- what's causing the injury.

MR. PENNOYER: It's part of the \$200,000 then, the misnets and reproduction?

DR. MONTAGUE: Correct.

MR. SANDOR: Mr. Cole.

MR. COLE: I think it's essential that we find out if can what causing the reproductive failure of the harlequin ducks, number one, and we should do that. It's one of the species that was hardest hit by the spill. And then, I think it's appropriate to take a look at the distribution of the nesting areas by these aerials surveys or whatever because I don't think that we need that much detail in order to move ahead on our decisions on habitat acquisition. And let me, if I may, ask Dr. Spies, is it reasonable to make some assumptions about distribution in the area, as Dr. Montague said, without detailed long ground work.

DR. SPIES: Well, with your statement about, you know, being willing to take a certain amount of risk with -- the related to the greatest certainty of your information, certainly, I would suggest that some portion like this might be more appropriate than the more expensive exact definition of the habitat by on-ground, multiple ground (inaudible -- coughing) in different areas of the spill zone.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Let me get this straight -- for the \$200,000 we're going to do misnetting (ph), subsistence collection, and general collection in looking for hydrocarbons? Or is this a

nesting distribution study too? You got rid of the radio-collaring, right?

DR. MONTAGUE: Pardon me?

MR. PENNOYER: The radio-collaring you had in there originally?

DR. MONTAGUE: Yes. But that -- that was more to find their nests and to find their habitat. So that part won't be in there. In short, I'd like to say that, you know, we can live within these figures, but, I mean, yesterday and today, we didn't redo a new detailed project plan, and there is a workshop that's, I believe Dr. Spies and some of the peer reviewers have scheduled, to exactly pinpoint what the method should be to test this hypothesis, whether it's oiled mussel beds or not.

MR. SANDOR: It's been moved and seconded that this project be approved.

MR. PENNOYER: One last question.

MR. SANDOR: Yes.

MR. PENNOYER: I hate to belabor it, but we've agreed when we take a vote, that's it. Under the first part, the hundred thousand, you present us two choices. Does the motion select one choice or the other or are we leaving that up to the investigators on habitat. There's either the mapping or the foot -- or the ground (indiscernible).

DR. MONTAGUE: Mr. Chairman, I interpret it as just the mapping.

MR. SANDOR: Okay. Any further questions? No further

questions or comments. All those in favor of the motion signify by saying aye.

ALL TRUSTEES (in unison): Aye.

MR. SANDOR: Opposed? (No audible response) The project's approved.

MR. PENNOYER: Not debating the motion again, but I assume we'll get a budget back at some point telling us what we just bought.

MR. SANDOR: Of course.

MR. PENNOYER: Thank you.

MR. SANDOR: \$300,000. (Laughter) Project 93034, pigeon guillemot colony survey, DOI, Fish & Wildlife Service, \$165.8 thousand, recommended five to one, recommended by the chief scientist, unanimously recommended by the Public Advisory Group. I guess, Byron, are you -- oh, who's to -- no, Pam Bergmann's to cover this, yes. Can you briefly summarize this?

MS. BERGMANN: Yes. There are about two to three thousand pigeon guillemots that were killed as a result of the oil spill, and the estimates were up to thirty-three percent of the 1991 population actually was probably killed, so it was a significant portion of the total population. The information that Fish & Wildlife Service has been able to glean from the boat surveys that have been conducted since the spill indicate that those populations are not recovering. We have not done any other studies to date specifically targeting pigeon guillemots. We're not proposing at this point in time to try to further characterize

the injury to this particular species, rather we think it's more important to focus on looking at important habitat areas, breeding areas and foraging areas of these species so that we would have that information to use for the potential protection of their habitats.

MR. PENNOYER: Move to adopt.

MR. SANDOR: Moved by Pennoyer that adopt.

MR. BARTON: Second.

MR. SANDOR: Seconded by Barton. Any further questions or discussion. No questions, discussion, all those in favor of the project signify by saying aye.

TRUSTEES (in unison): Aye.

MR. SANDOR: Opposed? (No audible response) Approved.

We approved the 93035 yesterday, according to my hard-to-read record, and also all subsequent projects down to 93043. So, 93043, sea otter population demographics and habitat use in areas affected the Exxon Valdez oil spill, Department of the Interior, Fish & Wildlife Service, \$291.9 thousand. Can you briefly summarize that, please?

MS. BERGMANN: Yes. As you are all aware, sea otters were also significantly affected by the oil spill. The indications we have to date are that those populations have not recovered. This project had been broken out into a number of smaller, but ended up getting combined, so they're basically four different pieces to it. The first two pieces are still looking at monitoring recovery of sea otters in the Sound, and secondly -- and that would

be done through aerial survey work, which was basically done as a result of peer reviewer comments on previous work. They felt that the existing method of estimating the population wasn't precise enough and suggested this approach as a better way to do that. In addition, they are proposing to construct a population model to help establish when we might expect to see sea otter populations to fully recover. The second part of the project again deals with habitats and trying to identify better where the important habitat areas are that the sea otters are using, and feeding that information into the habitat protection component of the other work that we're doing. And one other piece of this is actually to go out and recover beach cast carcasses. This has been done for the last several years, and the results of that work indicate -- or one of the indicators that there appears to be continued injury to sea otters because we're finding rather than old otters and young otters that have died throughout the winter, we're finding prime age otters in a higher proportion than you would expect.

MR. SANDOR: Ms. Bergmann, the chief scientist recommended a reduced budget. What consideration has been given on the budget as originally outlined in the \$291.9, and is there any opportunities for reducing that budget.

MS. BERGMANN: Mr. Chair

MR. SANDOR: And -- excuse me

MS. BERGMANN: I'm sorry.

MR. SANDOR: Go ahead. I note also that the Public Advisory Group recommended looking at contracting, and their vote

was eight to five. So on the reduced budget -- the budget proposal -- is it \$291.9 or is it reduced?

MS. BERGMANN: Carol, I would ask you to respond to the specifics on the budget. Let me just fix my budget sheet here. Yes, the current proposal for two hundred and ninety-one -- basically \$292,000 and, Bob, I would just make sure that that comment was on this budget rather than a former budget that had been prepared?

DR. SPIES: I wrote the comments on the 8th of October.

MS. BERGMANN: So, that would have been on this budget figures. Carol? I would

DR. SPIES: At what time did you reduce the number of NTs (ph). Did you reduce the number of NTs (ph) to reduce this budget as originally proposed?

MS. GORBICS: We have talked with Dr. Gunderson (ph) who was one of the peer reviewers, and, Bob, I'm sure of the order of things happening though, and several components have been taken out of the project, and several of the other budget requests that you and (indiscernible) had made at that point. I thought that was around that same time, but probably earlier. I don't quite know how to respond to that.

DR. SPIES: The original budget three hundred and something?

MS. GORBICS: The original budget had the reproductive surveys and several other components that we had proposed, and

based on our discussions with the peer reviewers, we've taken those components out and done some budget reduction there. I don't know if we've done anything subsequent to that, Bob. I'm not clear on the order of things here.

MR. SANDOR: And can you address the Public Advisory Group's concerns, I guess, partially involve the negative five vote -- but look at contracting -- how would you react to those suggestions.

MS. BERGMANN: Yes, Mr. Chair, there has been a suggestion that -- portions of this be subcontracted out. Fish & Wildlife Service currently is proposing to bring in some technical experts as a result of the peer review to help them work on the population model. Fish & Wildlife Service's position -- Interior's position is that they have staff on board that are fully qualified and have the expertise to conduct this work. The experience that the service has had to date on contracting out sea otter work has -- there have been a number of problems associated with that in terms of not getting reports or not getting reports in a timely manner, and there have been difficulties, and the service does not feel that their experience to date in, in contracting out sea otter work has been very successful.

MR. SANDOR: Any questions on this project from the Trustees? Is there a motion to approve this project?

MR. PENNOYER: Move to approve.

MR. SANDOR: Move to approve by Pennoyer. Seconded ...?

UNIDENTIFIED VOICE: Mr. Chairman.

MR. SANDOR: Excuse me, seconded by anyone?

MR. McVEE: Second.

MR. SANDOR: Seconded by McVee, and a question by Rosier?

MR. ROSIER: Yes, Pam, what's the -- the service -- what kind of a program does the service on -- on sea otters as a normal course of doing business.

MS. BERGMANN: Carol?

MS. GORBICS: We, we do have a base program for sea otters. The staff is approximately three to four people. I think right now we have employed about eight, full time, as a result of much of our work on the oil spill. Those are approximate numbers.

The state also includes sea otter populations along the Aleutians and Southeast, so we spread our time out amongst those three areas.

The base program has helped fund some sea otter work. We did some population assessment work through our base funds last year that will aid us this year. In addition, the Department of the Interior has independently funded a project that costs, I think, close to seven or eight hundred thousand dollars last year to do a sea otter weaning (ph) study just in Prince William Sound that was a study we felt real strongly about that the Trustees didn't choose to do last year. So we have provided some additional support into the sea otters and the oil spill question throughout the last several years.

MS. BERGMANN: Mr. Chair.

MR. SANDOR: Yes.

MS. BERGMANN: I also might add that the Trustee Council did not fund any sea otter work in 1992.

MR. McVEE: Mr. Chair. I think that the eight hundred thousand or whatever it was that was funded by the Department of the Interior -- that money's not available.

MS. GORBICS: Right.

MR. SANDOR: Any further comments or questions?

MR. COLE: Mr. Chair, are we satisfied that the funding level has been addressed?

MR. SANDOR: Somewhat uncertain about timing. There was some adjustment made, as I understood the discussion, but it apparently took place about the time of October. The chief scientist had this project reviewed in October, as I understand it, and budget figures on or about that time is what he commented on. Are you -- are you -- I gather some adjustments were made, but it was unclear

DR. SPIES: Yeah. It's still unclear to me right now. There's, there's a lot of information that's available under objectives three and four, for instance, as they're gathered by a number of different individuals, it would seem to me that that should be put together somehow and evaluated.

MS. GORBICS: That

DR. SPIES: What we already have.

MS. GORBICS: That is the intent. There is no field work under the habitat work identified at all. It's just pointing

out the information that the Trustees have either sponsored or the Fish & Wildlife Service has sponsored, and when that information is available we'll use it.

DR. SPIES: The peer reviewer

MS. BERGMANN: Mr. Chair, yes. For the -- I said that there were four major components, and the first, the first component does involve some aerial survey work.

MR. PENNOYER: Mr. Chairman?

MR. SANDOR: Yes, Mr. Pennoyer.

MR. PENNOYER: We agree that the recovery monitoring, we didn't need to do these things every year, but my understanding is we didn't do last year? Two years ago we did the boat and aerial survey.

MS. BERGMANN: No, no. Two years ago, we only did the boat survey. The aerial survey came about as comments by peer reviewers a couple of years ago, or maybe even three years ago.

MS. GORBICS: Two years ago we did a feasibility, a limited feasibility study on the aerial survey, trying to develop the technique. Last year, the Fish & Wildlife Service continued on a (inaudible -- coughing) low level some of that feasibility work, but did not -- wasn't overall population assessment. We didn't have the support to do that. And this year we'd build on the past two years and try to do something a little more comprehensive. But this will be the first year of using the aerial survey technique. In addition, we've previously done boat surveys for sea otters, and the peer reviewers didn't find the boat surveys -- as being not

sensitive enough to detect population changes, which is why this aerial survey was developed.

MR. PENNOYER: But you're satisfied now that you can go to this new technique and still have the data series that will be comparable with past years.

MS. GORBICS: We feel like we'll be able to detect changes in the populations as they occur in the future. We're not sure how it will fit together with the past data. That's -- we'll have to evaluate that as we get it.

MR. PENNOYER: But the peer reviewers -- Mr. Chairman -- the peer reviewer's feeling was just continuing the boat survey was also misleading.

MS. GORBICS: Right.

MR. PENNOYER: So even though we may have had a past index, you can't use it somehow? How, how do we tie this back to what happened -- recovery since the spill? Are we going to use '93 as sort of ground zero or it's whether it recovers from there?

MS. GORBICS: In '93 we'll have the boat surveys and the aerial surveys, and we'll do what we can to see if we can reconcile those.

MR. PENNOYER: Oh, they're both in here?

MS. GORBICS: Right.

MR. PENNOYER: Oh.

MS. GORBICS: Regarding through the boat surveys.

MR. PENNOYER: Oh.

MS. GORBICS: And the boat surveys would have been --

we'd have asked to do this

MR. PENNOYER: 93045, move to the last

MS. GORBICS: ... regardless of the sea otters because it's also a seabird (inaudible -- coughing), and we consider it a good technique for surveying seabirds, and we won't change the protocol even if you no longer approve us to do both surveys for sea otters, we'll still have to count sea otters when we're doing boat surveys for birds because of the protocols that we're counting.

MR. COLE: Mr. Chairman -- excuse me, go ahead.

MR. PENNOYER: So, then, basically -- previously we'd approved the boat surveys.

MS. GORBICS: Right.

MR. PENNOYER: What we're doing now is approving another technique the peer reviewers have stated is preferable, trying to find a comparison between the two so you can build it into a data service in the future.

MS. GORBICS: It's more future based than past based. We're more confident of our ability to project changes into the future and know what the population is doing.

MR. SANDOR: Mr. Cole.

MR. COLE: How much of '45 relates to surveys of sea otter populations out of the \$262,000.

MS. GORBICS: The technique would be unchanged even if we weren't to include sea otters as part of our project objectives because of the protocol, evaluating the -- conduct the surveys

identical to the ways we've conducted them in the past.

DR. SPIES: They count sea otters and birds at the same time.

MR. COLE: At the same time. Okay.

MR. SANDOR: Any further comments or questions?

MR. PENNOYER: Mr. Chairman (inaudible comments aside)

DR. SPIES: Well, I basically felt with the boat surveys we had a technique that we don't know how sensitive it is, and it may not be the best technique, but it's the only thing we have to look at the -- we have series of data going back to '89 that indicates an injury. We don't know how sensitive it is to measuring recovery, and so -- so since the beginning there been a lot of frustration -- the peer reviewers and the (inaudible) techniques. It was suggested continually that we look at other ways of doing this (inaudible).

MR. SANDOR: There still appears to be some question about maybe fully considering and adopting the recommendations of the chief scientist. Any approval of this project be made with the understanding that they work with the chief scientist in defining that project or -- so that, in fact, these savings can be achieved.

Okay. If there are no further questions, are there any objections to the approval of this project, which is already on the table. The project is approved. My record shows that '45, '46, '47 were approved, and the next one that was deferred is 93050, which is the update -- wait a minute --

MS. RUTHERFORD: Mr. Chair?

MR. SANDOR: Yes.

MS. RUTHERFORD: This did not receive Restoration Team approval, and I would like to withdraw that project at this time.

MR. SANDOR: Withdrawn, okay. And -- I beg pardon, yeah -- okay. 93051, habitat protection information for anadromous streams and marbled murrelets. We had a discussion of this -- well, it was U.S. Forest Service, ADF&G, Department of Interior, Fish & Wildlife Service originally on \$1,179.8 less, my notes say, \$363,000 for channel-typing. Can

DR. MONTAGUE: Mr. Chairman?

MR. SANDOR: Yes, .

DR. MONTAGUE: There was some specific questions that the Attorney General asked about this project. I believe there's a handout -- Dave?

MR. SANDOR: Oh.

DR. MONTAGUE: Could you pass that out.

MR. SANDOR: And would you summarize it, please?

DR. MONTAGUE: Yes. Yesterday, I'd indicated that approximately sixty percent of the streams surveyed were, were new, newly discovered anadromous fish streams. It's actually more like eighty percent. Of the 201 streams surveyed last year, 167 were previously undocumented anadromous streams, and also about eighty percent of the streams that were found were not visible on aerial photographs or USGS quad maps. And of these 167 new streams, they're primary, primarily tributaries, and it adds approximately 35 miles of previously unknown anadromous stream habitat. Were

there any more specific questions relative to stream habitat assessment.

MR. SANDOR: Let me ask first of all, can we have a motion for discussion purposes.

MR. PENNOYER: Move to approve.

MR. SANDOR: Moved to approve

MR. McVEE: Second.

MR. BARTON: Second.

MR. SANDOR: ... and seconded by McVee and Barton. Now are there any questions on this project?

MR. COLE: Mr. Chairman.

MR. SANDOR: Mr. Cole.

MR. COLE: It's not a question, but I can't resist commenting upon that last sentence of this page of the handout, which reads as follows "a high potential was found for expanding and enhancing anadromous fish habitat by circumventing and removing blockages on thirty-four streams. Barriers are predominantly less than five feet in height and include beaver dams, bedrock shoots, and waterfalls."

MR. SANDOR: Probably should have clipped that last

(Simultaneous laughter)

MR. COLE: See -- it's the magic wand sometimes.

(Laughter)

DR. SPIES: At least the beaver dam part. (Laughter)

MR. SANDOR: It's a last minute editing job -- well,

with that comment, any other comments then? Is there any objection to this project? This is funded at, proposed to be funded at one point one seven nine less three hundred sixty-three.

MR. COLE: Let me ask this?

MR. SANDOR: Yes.

MR. COLE: You know, the channel-typing, has that been eliminated for three hundred thousand?

MR. SANDOR: That's -- pardon me?

MS. BERGMANN: Three hundred and sixty-three.

MR. SANDOR: Three hundred and sixty-three.

DR. GIBBONS: Mr. Chair, I think the new number of eight hundred sixteen thousand eight hundred.

MR. SANDOR: Eight sixteen.

MR. COLE: See, I -- I have a sense that -- as I understood it, the channel-typing was done by remote sensing technique, is that true?

MR. RICE: Mr. Chairman, it's usually a combination. You start out with some remote sensing, and then you need to verify what you've done with some ground-truthing.

MR. COLE: See, what troubles is is the removal of the channel-typing. I -- I think that's an important part of this, this starting pointing, although I recognize that this handout shows that, that eighty percent of the streams could not located either by remote sensing or aerial photographs. I mean, if that's true, maybe the channel-typing should be eliminated, but I have the sense that channel typing is an integral part, and perhaps a basic

part of this entire project.

MR. RICE: Mr. Chairman, I think there's two different ways you can approach it. One is to take a very broad-based look at the spill area, in which case channel-typing may be, may be an appropriate mechanism to help with that, and then you focus in and refine your information as you need it. The other approach is to choose those areas that appear to be a very high interest and high value and get a fairly detailed level of information fairly quickly so that we can start making your decisions based on a fairly high level information, at least for some of the areas.

MR. SANDOR: Mr. Cole.

MR. COLE: Would it make sense to do channel-typing this year, see what we get, and then do ground-based work next year? I'm just asking if it makes sense, I don't know. I've no views.

MR. SANDOR: Any response, Mr. Rice?

MR. RICE: I can only give my own personal opinions on that, I think we've got some fisheries people that -- that might be able to provide some insight.

MR. SANDOR: Please identify yourself for the record.

MR. KIM SUNDBERG: Mr. Chairman, my name is Kim Sundberg. I'm with the Department of Fish & Game, and I've working on the Habitat Protection Working Group. As far as the Habitat Protection Working Group's interest in this project, we would prefer to have specific information for parcels that are being

evaluated for their habitat, and we've found that the best way, the best information to evaluate that is actual stream-walk information rather than the channel-typing information.

MR. COLE: Let me say, we've been through this yesterday, ad nauseam, and again today. We always know that ground based, you know, it's like the troops on the ground are better than the aerial photographs in the Middle East, but, I mean, given that recognition and how much this project costs, can we start with channel-typing or aerial photography, whatever, remote sensing technique?

MR. SANDOR: Dr. Sullivan, did you have some comment to also make.

DR. SULLIVAN: Yes. I think there's, there's one really empirical point about checking to see if there are fish there. No matter what kind of channel you have, if you have some sort of impassable barrier further downstream, there won't be any fish there. And the stream walks go -- you go up these streams with a backpack shocker and you try and find out if there are, in fact, anadromous fish there. And, granted, if there are, then the stream channels really become important because they -- to help you figure out what kind of productivity you're likely to have and what sort of habitat is available. If they can't make it, if they're not there, it doesn't matter what kind of channel you have. See what I'm saying. That's what you get from the stream survey.

MR. COLE: Let me ask this, what is the major loss if there is some impediment up there? Do we have to document this

information on every stream in Prince William Sound? I mean, you know, I'm not convinced that we need this study to have been formation -- as rather a beaver dam, you know, or whatever, on all these -- each one of these streams. I -- I'm not satisfied we need that level of information in order to do our work. Now, these people here want to say that they're convinced that we do in order to make a decision on habitat acquisition, well, I'm not going to strongly resist that.

DR. SULLIVAN: If the impediments are -- I think, personally, it's important to identify the impediments, but what I'm saying is the empirical thing you're looking at is whether fish actually are there or not. As you go up these streams, you shock those streams, you find young fish. Once you get passed an impediment that they can't scale, you'll know it because you won't be finding any, any younger fish. But I think those, those sorts of information, they are important.

MR. RICE: Mr. Chairman, the Habitat Protection Work Group put forward basically these three components: the marbled murrelet portion and the stream walks and the channel-typing, and some of it is a reflection of the, you know, the comfort level of how precise the information is that the Trustee Council is going to need, and some of it is having the ability to extrapolate from one area to another some relative values. The, the stream walks does gives us very precise information on a limited area. That information cannot be extrapolated to adjacent areas to see what the relative value of that land is, whereas some remote sensing

information gives you that, but it's much less precise information that you can extrapolate with, and sometimes it's very imprecise, and in other areas it's, it's a little bit better.

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I was going to switch over to murrelets, so if Mr. Brodersen wants to talk about salmon streams, then

MR. BRODERSEN: At my peril, I need to come back one more time on this subject, if I may. It doesn't really matter what level of comfort we have, it's -- it's the six of you all need to figure out what is your level of comfort, and you need to tell us what that is, and then we will get you the information to that level, and if we could actually get a reading that, that would help tremendously in putting together the '94 -- the '93 work, the '94 work, what work we're supposed to be doing on the Habitat Protection Work Group, etc. Just what level of information are you comfortable in having to be able to make these decisions?

MR. SANDOR: Any further questions or comments? Yes, Mr. Pennoyer.

MR. PENNOYER: Well, switching over to murrelets for half a second (simultaneous laughter), we've got half a million dollars, half a million dollars -- (Simultaneous laughter) -- not answering your question, right?

UNIDENTIFIED VOICE: Is that clear, Mark?

(Simultaneous laughter)

MR. BRODERSEN: I -- I heard it -- (simultaneous laughter)

-- we wanted to propose some new projects (laughter)

MR. PENNOYER: The murrelet project -- does dawn watches and test, testing radio telem -- telemetry. Can you give me a little better feeling of whether there's more sampling (inaudible - - coughing).

MS. BERGMANN: Yes, Mr. Chair, we did talk about this yesterday, or maybe it was in the PAG meeting. It all starts blurring, but I think we did go over it yesterday. The component for marbled murrelets and -- uses the dawn watches to try to identify or further characterize the habitats that are important to marbled murrelets. Again, that information would be used in the habitat acquisition process. The peer reviewers felt that it was important to try to do some radio telemetry work on the marbled murrelets, to do a feasibility study to see if it was reasonable to use that as a technique to try to further identify habitat in the future. So that's the second component of the marbled murrelet work,

MR. PENNOYER: (Inaudible interruption)

MS. BERGMANN: ... and that work would be -- oh, excuse me, that

MR. PENNOYER: Is that was the cost is, of these two components is?

MS. BERGMANN: The characterization of the nesting habitat \$222,000

MR. PENNOYER: About fifty-fifty.

MS. BERGMANN: It's escaping me here. Carol, can you

help me?

MR. PENNOYER: So the feasibility for telemetry has to be about \$250,000 then -- to do a feasibility study?

MS. BERGMANN: Carol, can you help me?

MS. GORBICS: I don't have that break-out.

MS. BERGMANN: It may be that we didn't break it out in this budget. I thought we did.

MR. PENNOYER: You can do it sort of by subtraction. You've got three hundred for salmon surveys, three sixty-three for colonization, and six sixty-three --

MS. BERGMANN: But

MR. PENNOYER: ... somewhere around a half million dollars for the murrelet project. You have two fifty in one part - - it has to be about two fifty, and then the other is too.

MS. BERGMANN: Yeah, the marbled murrelet piece in the budget has \$301,000 for Fish & Wildlife Service, and then there's \$222,000 for the Forest Service.

MR. PENNOYER: I was close.

MS. BERGMANN: Right.

MR. PENNOYER: Half million.

MS. BERGMANN: Then of the two hundred twenty -- three hundred and one thousand for Fish & Wildlife Service, some component of that is for the radio telemetry work.

MS. GORBICS: Right. It doesn't divide into the habitat work and the radio telemetry work by agency. I'm sorry, I don't have a breakdown on that with me.

MR. PENNOYER: I was not trying to -- I guess I was trying to avoid Mr. Brodersen's question but --

(Simultaneous laughter)

UNIDENTIFIED VOICE: It's a tough question.

MR. PENNOYER: ... I'm not sure what our comfort level is until we receive the type of information we have and see how it's going to apply. I don't know how much detail we need on salmon streams relative to habitat acquisition. I suppose the more the merrier, but I'm not sure where you draw the line.

MR. COLE: Mr. Chairman.

MR. PENNOYER: I'm trying to avoid it, I'm just saying I don't know where to draw the line.

MR. SANDOR: Mr. Cole.

MR. PENNOYER: When I see it I'll know it.

(Simultaneous laughter)

MR. COLE: I don't think we need a Lincoln Mark VIII, I don't think we need an Escort, but I think we need something on the level of a Crown Victoria, if that gives you any help.

(Simultaneous laughter)

MR. PENNOYER: (Inaudible)

MR. COLE: It's been so long since I bought a car, but I -- nevertheless -- but, I mean, you know, I mean it's nice to know every stream in Prince William Sound or on Afognak Island, and to walk up there and you see whether there's six fish or fifteen up there, whether there's a beaver dam. I just don't think that in the concept of what we're doing in this entire project, you know,

restoration and damage caused by the Exxon Valdez oil spill, that we're required, and the public and the courts, and our own conscience require us to Mark VIII level of almost definitive data to make decisions. We need what, you know, a reasonable person in their own business judgment or their own personal affairs would be comfortable with. Maybe slightly more, but just a little more. And I have the sense that when I see so many of these studies, we go over them, it's -- it's, you know, if we really don't quote "get it all," close quote, we're somehow not doing what we ought to be doing, and I think that's where a lot of this tension is on these projects. You know, it's the feeling maybe of the Restoration Team and the scientific support that you really want the MarkAir -- the Mark VIII version -- MarkAir, you know. (Simultaneous laughter) ... name that airplane after you yet (simultaneous laughter) -- but, you know, I just think we ought, you know, a little lower degree of comfort level. That's where I'm coming from.

MR. SANDOR: Mr. Barton.

MR. BARTON: I think that are comfort level is going to be determined on a case-by-case basis. Where we need a Jeep, we going to get a Jeep, and where we need a Mark VIII, we ought to get a Mark VIII, and where a Hugo (sic) will work, we ought to use a Hugo (sic). I don't know -- if I was planning the car mode all the way out, if I was going to select a model, I'd say a Chevrolet.

(Simultaneous laughter)

UNIDENTIFIED VOICE: Are you going to do the maintenance?

(Simultaneous laughter)

MR. BARTON: But, I, you know, part of the reason you're -- you know, there's some ambivalence, is that a sensitivity analysis would be helpful in forming our opinions. How do you -- what do we get for this much, what do we get for that much? With a car, it's easy. With this, it's pretty tough.

MR. SANDOR: Any further comments or questions on this?

MR. COLE: Mr. Chairman, I'd go for a Chevrolet Caprice.

MR. PENNOYER: How much is that for this project?

MR. COLE: But not a Cavalier.

MR. SANDOR: Are we going to try to have this project fly or ground, can we take a -- a vote on this project which is on the table, 93051, at \$816,000. It's been moved and seconded that this be approved. Is there any objection?

MR. COLE: Well, before we take that vote, I have a sense that I would like to see the channel-typing go with it, but -- so I'll make that motion that we have the channel-typing. At the same cost, eight sixteen?

MR. COLE: No, in addition.

MR. SANDOR: To the

MR. PENNOYER: Back up to the total of one million one hundred seventy-nine thousand?

MR. SANDOR: One point one seven nine?

MR. COLE: Yes.

MR. BARTON: Second.

MR. SANDOR: This is the continental -- excuse me --
(Simultaneous laughter)

MR. BARTON: You're speculating again. (Laughter)

MR. SANDOR: Okay. It's been moved, it's been moved to amend the motion to have that include the channel-typing at one point one seven nine total. Is there any objection to that amendment? That amendment is approved. Is there any objection to the basic motion.

UNIDENTIFIED VOICE: As amended.

MR. SANDOR: As amended. (Pause) The project is approved at one point one seven nine point eight. The last one I have deferred on, and then we can go to coffee, is -- is 93061, new data acquisition, U.S. Forest Service, Department of Natural Resources, \$535,000, unanimously recommended by the Restoration Team, recommended by the chief scientist, recommended seven to two by the Public Advisory Group, and

DR. GIBBONS: Mr. Chair?

MR. SANDOR: Yes.

DR. GIBBONS: What was the action of the Trustee Council on project 93052?

MR. SANDOR: '52 -- not approved is what my notes said.

UNIDENTIFIED VOICE: Deferred yesterday.

MR. SANDOR: Oh, just deferred?

MR. PENNOYER: Mr. Chairman, I would assume the Department of Interior would withdraw those since they voted against them.

MR. SANDOR: Well, it was unanimously not recommended by the Restoration Team, not recommended by the chief scientist, not recommended by the Public Advisory Group, and that's my notes from yesterday -- not approved -- but I could be wrong.

UNIDENTIFIED VOICE: How the hell would it get in there?

(Simultaneous laughter)

MR. COLE: The Restoration Team withdraw that?

MR. McVEE: Mr. Chairman.

MR. SANDOR: Yes.

MR. McVEE: We withdraw that.

MR. SANDOR: It's withdrawn. I'm sorry, it was not disapproved, it was just withdrawn. And now, 93061, which is the last one on this record, new data acquisition, \$535,000, and -- let's see, is there

MS. RUTHERFORD: Mr. Chairman.

MR. SANDOR: I beg your pardon>=?

MS. RUTHERFORD: I think that -- the Forest Service intends for me to present this one, is that correct, Ken?

MR. SANDOR: Please do.

MS. RUTHERFORD: The Trustee Council previously approved project 93060, which allowed the Habitat Protection Work Group to work with the Nature Conservancy to acquire existing data for purposes of analyzing the habitat parcels. That project was titled -- accelerated data acquisition -- and it was at a cost of \$44,000. This project requests your approval for a \$500,000 fund. This would allow us to quickly access additional monies if we

found

that we needed some available that was not currently -- I mean, some information that was not currently available. We might use it for things like digitizing information that wasn't in a format that we could use -- we might want to do some remote sensing on a parcel. However, while we're requesting that you approval the \$500,000 amount, we would come back to you with a detailed request on any, on any type -- before we expended any funds. However, we, we know that we will at some time need some additional information, and we are concerned about a time lapse of, say, a hundred and twenty days.

MR. COLE: I move to postpone it to the February meeting.

MR. SANDOR: It's been moved we postpone this project until the February meeting. Is there any objection?

MR. PENNOYER: Mr. Chairman, I'd like some discussion on that. Why, since this is going to go in -- apparently this is a quote "slush fund" like a contingency fund for money that's needed, and since our previous action had been that we're going to go to the court based on the results of this meeting, I'm not sure what the purpose would be to delay until the February meeting. Is that an intent to put it in another cycle or a supplemental -- why would we not take action now?

MR. COLE: Well, first because I'm sort of philosophical opposed to slush funds, number one. (Laughter) And secondly, I have no, well, contingency fund -- no sense that \$535,000 is a reasonable amount. You could put in a million or two

million or five hundred thousand or two hundred and fifty thousand for all we know, and secondly, we will be looking at habitat acquisition and that type information in February, that will be one of the principal purposes of that meeting. So I thought we could take a careful look at this at that time. We might have a little more information, and further justification for this sum could be given us then. That's my thoughts. I was trying to move it along.

MR. SANDOR: Mr. McVee.

MR. McVEE: Yes. I guess my question is, doesn't the twenty million that we approved -- that we have obligated -- the seven and a half million -- does it not provide for also these kinds of costs, the front end costs for the habitat acquisition program?

MR. BRODERSEN: For individual parcels. Once you decided to acquire a parcel, then out of the twenty million would come funding to do so. But this is to figure out which parcels you want to purchase or protect.

MR. SANDOR: Any further questions or comments?

MR. COLE: I'd like to say one other thing.

MR. SANDOR: Sure.

MR. COLE: If you read these public comments, they -- oh, it's very inspiring to see what people say when they urge us to spend this money carefully and wisely and the trust they impose in us to do that, and I take those comments to heart, and when we get five hundred thousand, that's a lot of money, and I think that we have to be careful with it, where we approve that, know where it is

going and why, rather than just come up with a very large number. I think we should discharge our responsibility, and -- and discharging our responsibility requires us to know a little more about these things than we know about this project.

MR. PENNOYER: I think I completely concur with Mr. Cole about not giving anybody a blank check, and I think that is specifically what we don't want to do. My impression was that this would be a fund that would sit there, could not be spent until you came back to the Council and asked for permission to spend it piece by piece. It would not make you wait for whatever number of months were required to crank this into a budget request to the court to get the money back. Apparently, the recommendation is that we will have these types of requests and will have these types of needs, but they will be cleared individually with the Trustee Council, either telephonically or meetings of this nature, rather than wait for some further request. Maybe it should be -- let's pick a number. I guess we could start any way we wanted to.

MR. COLE: Mr. Chairman, let's take another cut at this. I mean, what more data are we acquiring. We're getting data on murrelets, we're getting data on pigeons, we're getting data on the ducks, we're getting data on the fish, we're getting data on the water column, we're getting data on the beaches, we're getting all this data, you know, from a wide variety of sources. Is this sort of a blank check for another data acquisition study? We're getting data on these streams, anadromous streams, we've got this data, you know, for remote sensing. We just keep getting all this

data, and here's \$500,000 for more data that we really don't know what data they want to use this money for, but could say, well, we'll give you more data later so you can act on this. I think we just -- we should be a little more careful.

MR. SANDOR: Mr. Barton.

MR. BARTON: Mr. Chairman, I note in the write-up that by January 1, the Habitat Protection Work Group that evaluated the existing data base and determined the additional data elements that were necessary, did that happen?

MS. RUTHERFORD: We were not -- we are not prepared, we are not prepared to do it. We had hoped, but we did not get as far along with the phase two of Nature Conservancy effort as we'd hoped at this point in time, so that's not available,.

MR. BARTON: Would that be done by the February meeting. I mean, there may be a little more information available in February, but there -- it won't be extensive. You know, one of the things that I, I guess, might be useful for you is in February when we come to you with particular parcel analysis, we're going to be asking for permission to begin some discussions with landowners to do things like identify whether or not they are a willing seller, see if they have information they'd like to share with us.

Oftentimes we think that won't be in a forum that we can use it to do any analysis with. That's the kind of thing, digitizing that information, that we'd probably find useful, but

MR. SANDOR: Anything else, Mr. Barton?

MR. BARTON: Without the Council's approval of some

amount of money, I guess the logical conclusion is this won't happen until we go back to the courts and get more money, is that correct?

MS. RUTHERFORD: That's how we -- we see it, yes.

MR. BARTON: And the need to do this is unpredictable?

MS. RUTHERFORD: It is unpredictable until we get our hands completely around two things: exactly what information is out there and what form it's in, and your level of comfort.

MR. SANDOR: Mr. McVee, did you have some comments?

MR. McVEE: A similar kind of question, but, I guess I've got a different one now, and that is, should this be built, or some part of it be built into the habitat work group budget? Would that be a more appropriate place versus a project budget?

MS. RUTHERFORD: I think the difference is is whether or not you have approval over the monies or the administrative director has approval over the monies, and we assumed that since we didn't have definitive information about particular data components we might need, that you would want to be involved, and so that's why we made it, we built it into a project.

MR. SANDOR: Any further comments or questions? It's been moved that this project be deferred until the February 16 meeting, and seconded by the Chair -- nobody else seconded. Is there any objection to that motion? That project is deferred until the February 16 -- we're going to break, but I'd just like to acknowledge that this is the last day of Curt McVee's work in the federal service, and he's retiring at the conclusion of this

meeting. He may not even stay 'til midnight, I don't know. (Simultaneous laughter) But, anyway, we're going to try to get out of here at four thirty or five, but in any case, after thirty-eight years of distinguished service, and he has received from the Secretary of the Interior a distinguished service award, as I remember, right? And certainly deserves a purple heart or two for work on this Trustee Council. Your fellow Trustees and members of the Restoration Team present you with this Spirit of Alaska book and our best wishes.

(Simultaneous applause)

MR. McVEE: Thank you very much. I guess I wish you well in, you know, the challenge ahead on this, on this effort, and I think it's gotten off to a good start. It's certainly had its rough spots, but I guess -- the highlight in terms of the Trustee Council have been the individuals that, that I've worked with and the way that we worked together, and I guess I'm very appreciative of that. So, I wish well, I -- I expect the process to be successful. I'm going to be following it closely. I'm not sure that's a threat really, but (laughter) I -- I'll have, certainly have an interest in the process and the effort. It's very unusual, it's -- I've never been associated with any kind of effort like this in thirty years, so there's always something new, I guess, in probably anything you do, but in working for government, this is the most, I guess you might say, unconventional type of government operation that I've ever been associated with, and it's -- that's created its rough spots -- but it's been very interesting. I'm

going to stay in Alaska so I can watch you, and really know the plans and that. Thank you very much for the gift. I'll enjoy this very much.

MR. SANDOR: Thank you.

(Simultaneous applause)

MR. COLE: Mr. Chairman, before we adjourn, I would like to -- or recess -- I would like to make a comment at this time. I consider it an immense pleasure to have been able to associate with Mr. McVee in this unusual enterprise. He's as fine a gentleman as I've ever known, and I want him to know that I personally will miss him. It's been a real pleasure.

UNIDENTIFIED VOICE: Hear! Hear!

MR. McVEE: Thank you.

MR. SANDOR: And we'll reconvene in twenty-five minutes to.

(Off Record at 3:30 p.m.)

(On Record at 3:35 p.m.)

MR. SANDOR: Reconvene please. We have several -- the Trustee Council reconvenes -- we have several items to take up. All of the projects listed on this 1993 Draft Work Plan have been dealt with. The

MR. COLE: Mr. Chairman.

MR. SANDOR: ... just a point of clari -- Yes.

MR. COLE: Can I bring up one thing before we get too far afield?

MR. SANDOR: Sure.

MR. COLE: You know, there's a possibility -- according to Ms. Rutherford, that some monies might be needed for some big acquisition. Would it be feasible to use some of the money out of the twenty million dollar appropriation if the Trustee Council is given notice and approves the expenditure from that fund.

MR. SANDOR: It would be if there was a second to that motion.

MR. PENNOYER: Second.

MR. SANDOR: And there's no objection. I see no objection. That is duly recorded, and certainly amounts proposed will have to come for approval. Just a point of clarification, on this listing that we have, 1993 Additional Projects Recommended by the Public Advisory Group, is there any further action that's necessary on this today? Dr. Gibbons, first, then Carl Rosier.

DR. GIBBONS: I believe there are some projects on here that have not been discussed by the Trustee Council.

MR. SANDOR: Do you want to -- are we to discuss them, is that the intent?

DR. GIBBONS: Well, the Public Advisory Group passed four additional projects.

MR. SANDOR: I guess we got into the discussion when we went over this last night with that -- that they haven't somehow received public comment or weren't in the process, and it's questionable whether we can legally deal with them. What are we to do with them?

MR. COLE: I move we reject because they've not been reviewed by the Restoration Team, and until they're reviewed by the Restoration Team, I don't think we should take them up.

MR. SANDOR: So this could be taken up at the February 16 meeting. Any objection to that?

MR. ROSIER: Mr. Chairman?

MR. SANDOR: Yes.

MR. ROSIER: Point of clarification, there. What would be the action between now and the 16th that ...?

MR. SANDOR: What action is the Restoration Team to take on this between now and the 16th? Are they going to meet and -- but will they be able to give us recommendations on this for February 16 meeting?

DR. GIBBONS: We could meet -- we've reviewed some of these last spring. We could take a reevaluation of the projects that were submitted by the Public Advisory Group and come in with a recommendation to the Trustee Council in February.

MR. SANDOR: Please do so then --

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Yes.

MR. PENNOYER: Well, that's all well and good, but it doesn't answer the question about public review. If we're hung up on the public review question, there's no point in telling people that RT should look at it and we'll look at it in February. So, I need to find out, one, is the NEPA question, is the public review questions, and I think we ought to answer those before we're just

saying that we're going to do it -- look at them in February and get the RT all worked up to run through these things.

MR. SANDOR: Can the staff and the Restoration Team check these questions that were outlined by Mr. Pennoyer, and if, in fact, we can go ahead legally, in compliance with NEPA, and with the public review requirements, develop recommendations. If, after doing that, you find that we can't take any action, you can report on them, but I guess I'm -- we're told that we really are not prepared to act on any of these today. Is that correct?

DR. GIBBONS: Yes. The first step would be NEPA, but I think it's the Trustee Council decision if they would want to go public with these -- so there's some options you can do. You can act on them now, you could request that the -- that they get written up as projects and go to a supplement to the 1993 work plan, or they can be deferred to the 1994 work plan. There's options here that -- the Council can take.

MR. SANDOR: But we've already voted that we wanted comments and recommendations from the Restoration Team before we acted on the February 16th, and you're saying there's nothing you can do. How can we approve something -- you know -- we're told on the one hand that there's questions of NEPA compliance, there's question of the public comment, we certainly do not have any recommendation from the Restoration Team following these recommendations of the Public Advisory Group January 7, '93, so we can take action on them. Are you saying that we could actually approve these projects, and these would be incorporated in the 1993

work plan?

DR. GIBBONS: No. The 1993 work plan, as you reviewed, went out to the public in October and got public comments back, as you know. These -- these projects were did -- were not included in their, and also the documentation on these projects are not all equal. We have some documentation -- three page write-ups, descriptions like we have in the three -- in the 1993 work plan, but some other ones, we just have a one page with notes written on them that says -- we want to reduce it from nine million to eight hundred thousand and so many square feet down to, you know -- so the first thing we have to do -- the Restoration Team is going to analyze this -- is to get uniform data from them, from the projects, and I'm not sure we can do that before the February 16th meeting, to get that uniform data from the -- for the expansion of the Kodiak Industrial Technology Center, the Kodiak archaeological museum. That's two that stand out.

MR. SANDOR: Okay. Well, in any case we voted not to until we get some additional information on February 16. If there isn't any information on February 16 (indiscernible), then we won't be able to act on them by then, including the legal information with respect to NEPA compliance and public information comments.

MR. PENNOYER: Mr. Chairman, are we implying to the RT then that the appropriate agencies should proceed with the NEPA compliance on all of these between now and February, if possible, or do we even know

MR. SANDOR: No. No.

MR. PENNOYER: Okay, so we'll just -- we'll just get report back in February and decide to include it or not include it

MR. SANDOR: Okay. That completes any actions on those listed projects. Dr. Gibbons asked if I would put on the agenda the

MR. McVEE: Mr. Chairman?

MR. SANDOR: Yes.

MR. McVEE: I would like to do something that relates to the projects, if I may?

MR. SANDOR: Please make your proposal.

MR. McVEE: Yes. I'll have this out and that will speed it up. I think we need to be concerned about, you know, quality, and I think that from time to time that we've looked towards the chief scientist to be our conscience in that respect. On January 4th, he sent a memorandum to the Restoration Team which he expressed some concerns about the quality of final draft reports that are submitted for peer review. And he spoke to the Restoration Team about these concerns on the 11th, and the memorandum is being prepared by Dr. Gibbons to the Restoration Team regarding this issue, and the Restoration Team will be notifying all principal investigators to remind of these four enumerated items here. I guess we have found in funding -- the Trustee Council funding projects based on preliminary findings that have not been peer reviewed, where we do not have, as I say, a high quality reports. It may not be final reports, it may be interim

reports, but that they have not been through some type of review of -- when we're utilizing this information as a basis for projects in the future for '93 projects, in this point in time, that this costs substantial funds. I would like to make a motion then that the projects in the final 1993 work plan that continue work conducted in the subject areas in previous areas, that no field work shall be conducted until two criteria have been met. I'm not saying they won't be funded, but that before the field work is initiated these criteria -- previous work has been reported on either an interim or a final report that has been accepted by the chief scientist and the results of the previous work justifies spending additional funds according to the chief scientist. That's the motion. This motion -- I might just point out an example here -- creates a problem with -- the monitoring of the bird and otter -- the boat monitoring project which was approved in December and that -- that moved ahead and would not have met this standard, and I would propose there that the chief scientist would make a determination that satisfactory progress be made toward completion of a credible interim or final report, and I should think that could apply to other projects, I don't know, but I think this is, you know, helps set, set a standard and assure that we do have some control over the quality of these documents and the quality of the work that's following on.

MR. SANDOR: Is there a second to this motion?

MR. ROSIER: I'll second the motion.

MR. SANDOR: It's been moved and seconded, is there

discussion? Mr. Cole.

MR. COLE: Could we have Dr. Spies' comments on this -- on the motion.

DR. SPIES: I think that since the spill of '89, which was, of course, an unexpected event, things have -- materials and people are mobilized, and after the first year, many of the results were in, completely analyzed, and particularly hydrocarbon data analysis, quite a few of the projects hadn't been completed, and a lot of the projects fell into a cycle of reporting the results somewhat incompletely, and faced with the situation of having to move forward with incomplete information and with projects that didn't have all the data incorporated into their analysis, and I think we've indicated through the Restoration Team to the principal investigators that we expected -- since there was about five million dollars allocated last year -- that we get quality reports, for close-out of damage assessment in particular, before moving on to do further work in areas, and we haven't got that many final reports in yet, but I've had enough of them come in that I -- that were -- that really needed substantial work, that were very incomplete that I felt it was important to raise the issue with the Restoration Team, as I did in that memo, to remind the agencies and the principal investigators that we really would like to have another level of effort put into finalizing this data and making sure that we've got something that's peer reviewed and acceptable for -- that we can put out and be proud of as a product from this process.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I agree very, very much in principle that this is the type of thing that should occur. I'm not so sure what we set ourselves up with mechanically or process or strategy-wise. Has the RT had time to respond to Dr. Spies' memo, and is this the product of that ...?

DR. GIBBONS: Mr. Chair, the Restoration Team fully agrees that we want credible final reports. We discussed this, as stated here, with Dr. Spies last week. I have drafted a memo that I have circulated. It will be finalized this week and will be going to you, stating that we do support this, and the real key here is that we want credible final reports and that there's got to be satisfactory progress towards completion of a credible final report. We -- we had a lot of discussion saying, well, we won't fund the project until we have a final report. Well, some of these are scheduled for finalization now or in March, and the time line didn't lend itself to saying, okay, until we get the final report, we won't give you any money. So the real key is credible, you know, satisfactory progress in the mind of Dr. Spies towards completion of a final report. But the Restoration Team fully agrees with the quality, and we're going to ensure that we do get quality.

MR. PENNOYER: So, what you just said differs from this proposal that we got in front of us -- this motion -- how?

DR. GIBBONS: I --

MR. PENNOYER: How would you redraft this motion, or does

this motion capture what you said or -- I'm not sure what you said?

DR. GIBBONS: I don't have the memo in front of me, but basically this memo does capture what we're saying that -- is that funding for 1993 work is really contingent upon satisfactory completion of -- of prior work. That's what's -- and in quality work, and so that's

MR. PENNOYER: Could we get a copy of the motion, so we can see specifically what's recommended?

DR. GIBBONS: I've got a copy of the motion, but I don't -- the copy of the letter is upstairs in my briefcase. I didn't know

MR. PENNOYER: But the motion's what we're voting on.

DR. GIBBONS: Yeah.

MR. PENNOYER: React to the motion and whether it captures what you just said, or doesn't. If so, what we need to do to change it or discuss it.

MR. COLE: Well, well, yes -- well, it's substantially different from what Dr. Gibbons just said. The motion makes con -- continued work on the same subject area conditioned on the express certification by Dr. Spies. That's what the motion does. Not only to project '45, but according to what Mr. McVee said, perhaps other projects. Dr. Gibbons said, well, we've just told these people that we want quality work. I think there's a lot of difference.

DR. GIBBONS: That's not what I said, Mr. Cole. In the letter that we're -- is going to the Restoration Team, funding is

contingent upon satisfactory progress towards the final report. So, we're basically saying the same thing.

MR. COLE: Well, let me say this, because we want to be very careful in this area, you know, who makes that determination that quality work is proceeding satisfactory. That's what I meant to say earlier. I mean, on the one hand it's to write them a letter and say funding is conditioned on quote "quality work" or whatever, but this motion expressly makes continued funding conditioned on Dr. Spies himself approving the work product, and there's a lot of difference. I'm not saying, you know, whether we should or shouldn't do it, it's simply the issue that's before us.

DR. GIBBONS: I -- I guess our thought on that was that Dr. Spies in concert with the Restoration Team would make that decision.

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I guess I'm -- maybe I'm bothered by something I shouldn't be bothered with. But I'm bothered with item two under the motion -- the results of the previous work justifies spending additional funds according to chief scientist. That bothers from the standpoint that I just voted on a whole bunch of projects with the assumption that someone had peer reviewed the work that was being done and had come up with the general idea that, yes, it's worthwhile to put radio tags on murrelets and chase them all over Prince William Sound and the Gulf of Alaska, and if I subsequently then find out that two months from now somebody

wrote a report and somebody else disapproved it without ever coming back and talking to me about it, I guess I'm a little bothered by that. I like the idea of having the reports done and in in a timely fashion to fit into our process, but I'm not so sure I'd -- with due regard to you, Dr. Spies -- that I like the idea that all the projects I just went through ...

DR. SPIES: I'm not sure I want all the power.

MR. PENNOYER: ... two months from now you're going to veto them and I'm never going to see what happened or understand what's going on or any of it. So, item one, I think, particularly in concert with the RT, I fully agree with, but I'm a little troubled by item two.

MR. SANDOR: Any further discussion on this motion?
Yes, Mr. Barton.

MR. BARTON: Is your concern that the final report resubmitted to the chief scientist -- this item two?

MR. PENNOYER: No. Item two says the results of the work, not the report or anything else -- an interpretation of the results of the work can be vetoed by the chief scientist and all funding is cut off at that point. And in due deference to you, Dr. Spies, I think that's a hell of a load to put somebody after we've just passed a whole budget based on presumably peer review and doing particularly -- that's what I want to find out.

MR. COLE: I agree with Trustee Pennoyer here that that's -- in some ways granting Dr. Spies a veto power over all or a good percentage of the projects which we've acted upon today and

approved. On the other hand, it is disconcerting that we spend ten or fifteen million dollars or more or whatever, which essentially - - you'd think money has not been a great object -- certainly and object but not a object -- a final object -- and yet we're not getting quality work, according to the chief scientist. That we're entitled to expect, I think. And we do need some almost enforcement method to make sure that we are getting quality work, but I'm not sure that granting Dr. Spies and/or the Restoration Team veto power over our decisions on future restoration projects is the answer.

MR. SANDOR: Mr. Barton.

MR. BARTON: Well, I, frankly, I don't think it's fair to ask Dr. Spies or to put Dr. Spies in that position. I think the ultimate responsibility is ours, the Council, and that the -- you know, I think Dr. Spies and the Restoration Team should look at this, look at these studies and determine what their opinion is of them, but that if there's disagreement or if there's continuing shoddy work, if you will, that needs to be brought to the attention of the Council, and the Council needs to take the action.

MR. SANDOR: Mr. McVee.

MR. McVEE: I guess Dave has said that he's said he's drafted a memo, I guess. One question I would have is that if there are some, some discussion in that draft concerning the controls, you know, that would be placed or would be exercised.

DR. GIBBONS: Yeah. I've got a copy of it now.

MR. McVEE: Okay.

MR. SANDOR: Yes. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I think that both Mr. Cole and Mr. Barton are right. We need to find -- we need to assure ourselves we're not doing shoddy work, and the only way, I guess, to do it finally is to look at the results of the reports and the final reports from these projects. I guess my assumption is that any time during the year all of a sudden we found that marbled murrelets eat their collars and the system doesn't work, we would not continue to do that. Somebody would come in and say, whether it was the chief scientist or whoever would say, whoa, marbled murrelets are eating their radio transmitters, we therefore don't want to buy the extra two thousand, and we would cancel it. Just because we obligated the funds, if a report came in that showed the past -- from the past work or current work that the system wasn't working, the assumption is the agency would do it, but certainly if the agency didn't, I would assume our peer reviewers or anybody else would blow the whistle on it, come in, and talk to the Trustee Council, and we'd cut the funds off, and I don't see that this one-stop shopping is the appropriate way to go.

MR. SANDOR: Yes. Mr. --

MR. COLE: Well, one way that we could -- a type of enforcement method is to notify the lead agencies that if the final work product is inadequate that we will take some action to see that they are not given the lead on further projects. That might serve as a way of getting their attention. So, therefore, I move that this letter contain words to that effect.

MR. SANDOR: The motion on the floor is to adopt is --
can we --

MR. McVEE: I withdraw my motion.

MR. SANDOR: Motion's withdrawn, and it is substituted for a proposal of the motion by Attorney General Cole that the letter that Dr. Gibbons is writing in effect develop a proposed policy for that, and can we, Mr. Cole, have that reviewed at our February 16 meeting?

DR. GIBBONS: You certainly can.

MR. COLE: Yes, I -- I would just trust the judgment of Dr. Gibbons and/or the Restoration Team or Dr. Spies to put that in the letter so that it goes out -- the letter be dispatched without delay.

MR. SANDOR: Yes. Is there any opposition to that motion? Then that is approved.

DR. MONTAGUE: Mr. Chairman.

MR. SANDOR: Yes.

DR. MONTAGUE: Can I bring up something to the Council that needed to be brought up anyway, but, you know, this motion more or less brought it to light, and that

MR. SANDOR: I'm going to exercise the Chair's prerogative of -- of moving to two other items because Attorney General Cole is going to have to leave at four, shortly after four, and we have one other major budget item that I'd like to have the Attorney General's participation, either approval, modification or rejection, and that is the administrative budget for -- which is on

-- in the blue book, following page 16. There are two charts. The second page after page 16 of your blue book, which the administrative director's budget -- well, what's the --who's prepared to do this? Dr. Gibbons can you summarize quickly the proposed -- proposed expenditure for administration.

DR. GIBBONS: Yes. I'll quickly summarize it. If you go to page -- it's after page 16. It's form 1A, page two of three.

At the bottom of the page, it's listed 93AD, administrative director's office, direct project support, five hundred seventy-six thousand four hundred. That is for the chief scientist and peer review monies for the 1993 work plan. 93RT, the following line, Restoration Team support, direct support, for two million forty-two thousand eight hundred, is in support of work groups, which I will list -- which are listed on page 24, and they include the 1994 work plan, the Cultural Resources Work plan -- Work Group, the GIS Work Group, the Environmental Compliance Work Group, the Restoration Planning Work Group, and the Habitat Protection Work Group. Basically, on page 24, they're the ones below the middle line, excluding the chief scientist, peer review, for five hundred and seventy-six thousand four hundred. Going onto page 3 -- 3, form 1A, 93AD, the administrative director's office -- that is this building, the staff, and the Public Advisory Group -- includes those three, three facets of the one point two nine three million dollars. 93FC, the finance committee, that is the separate committee set up for a hundred and five thousand five hundred, and the final item is 93RT, the Restoration Team support, and this is

the Restoration Team itself, the public partation -- Public Participation Work Group and the Management Work Group. To give you notes on -- the Public Advisory Group spent considerable time discussing this, they had several resolutions, one concerning the expense of the chief scientist and peer review. The could not reach closure on that so that was tabled. The thing that they told the Restoration Team was to -- it was high, to reduce it. They didn't specify where to reduce, but they said it seemed high, and the action they did take was concerning the Public Advisory Group. They increased the budget from a hundred, and I believe, fifty thousand to two hundred and twenty-five thousand.

MR. COLE: Mr. Chairman.

MR. SANDOR: Yes, Mr. Cole.

MR. COLE: On that Public Advisory Group, I move to delete any funds for the Public Advisory Group for expenses of public hearings.

MR. PENNOYER: Second.

MR. SANDOR: It's been moved and seconded that any funds in the Public Advisory Group that were allocated for conduct of public hearings be removed. Is there any objection to that motion?

MR. ROSIER: Mr. Chairman.

MR. SANDOR: Yes.

MR. ROSIER: I don't have any problem with what he's recommending, but are we talking about the budget as it's prepared here and does it have such funds in it, or are we talking about the

expanded budget that they're requesting?

DR. GIBBONS: As I understand it, the expanded budget has money for public hearings.

MR. SANDOR: Yeah, the expanded budget for -- well, but the motion then would apply to whatever budget applied

MR. ROSIER: The addition of the fifty-five thousand dollars.

MR. SANDOR: Yeah, and -- well, can we take care of that motion on the floor with respect to that, but I wanted to ask him a basic question about the total budget process and the way in which we're dealing with this administration budget. But, Carl, was your question answered?

MR. ROSIER: Yes, it was. Thank you.

MR. SANDOR: And then, Curt McVee.

MR. McVEE: I think I understand the motion, but just for clarification, I assume that that would not prevent the Public Advisory Group from taking public comment at one of their scheduled meetings.

MR. SANDOR: Yeah, I presume that's not --

MR. COLE: Yeah, if -- if it's -- it's not an expense. I'm not saying that they can't have a meeting and so forth, but this business of going throughout state and holding hearings, and it's not the purpose of the motion is not that we shouldn't have public input, but when we have -- send out these and get two hundred fifty responses, have people come and testify at these hearings, I mean, that's, I think, as Mr. Barton said, we're

working the public to death, and I think they get confused, and we never know, you know -- this is duplicate testimony or the same group or -- it just gets too much to be able to evaluate the public response. And I would like to say those people were appointed because of their broad experience and -- and special abilities, and we thought that they generally themselves represented the public in their areas of qualification.

MR. SANDOR: Any further comments or questions on the -
- yes, Mr. Pennoyer.

MR. PENNOYER: I was just going to reiterate that. I don't think it was our intent that the Public Advisory Group be a focus -- a synthesis for us on public comment and that they basically hold the hearings and distill the public comment to us, that they are another form of public comment, and I think that we intended that our hearings and our mailouts, and so forth, continue, and we would get independent public comment for that reason. So at this time there is no reason for the Public Advisory Group to hold public hearings.

MR. SANDOR: If there's no further comments or questions, then we will ask if there is any objections to the passage of that motion. There being none, the motion passes. Yes.

MR. COLE: Let me ask this, can -- can we defer this until the February meeting, and let me say why. I sense that there is sense among the Trustees that we need to examine the Restoration Team process. If -- if I'm on track on that, and that is the sense of this group, then I think it would be inappropriate to deal with

the budget.

MR. SANDOR: Precisely my -- point I was going to raise. Mr. Barton?

MR. BARTON: I think we need to be concerned about more than just the Restoration Team process. I think we need to look at how we're organized to do what we've been asked to do, and, you know, I think a lot of people worked very hard to get us where we are, and I don't think we need to apologize for that, but I do think we need to look for a better way to do our business, and I guess this meeting really drove that home to me. Therefore, I move that we contract with competent organization or entity to examine our total process, and I envision that to be not something that drags out for the next six months, but rather get an RFP pulled and get the thing contracted and get a report back to us by March or the first of April. I -- I make that motion, Mr. Chairman.

MR. SANDOR: It's been moved that a contract be let to do the work described by Mr. Barton and seconded by Mr. McVee. The question -- how does the group operate in the interim? Do they need some budget approved or what?

MR. COLE: Let's address that motion, if you don't mind.

MR. SANDOR: Yes, okay.

MR. COLE: Before we get too far afield because time is fleeting, and the plane doesn't wait for me.

MR. SANDOR: So --

MR. COLE: Let me say this, if you don't mind,

quickly. I object to the motion, and I want to say why. I mean, I think we know better than anyone we can contract with where the problems lie. We have a sense of what those problems are, and then we will send this out for contract and then, you know, they'll know less about the problems which we do. I think -- I have a lot of confidence in this group. I agree that we should take a fundamental look at what we're doing. I agree with Mr. Barton. I say that without being in any way critical with the outstanding work that the Restoration Team has done. As Mr. Barton says, it's got us here, but I -- but I -- I just don't think that, quote, the way to go, close quote, is to put this out for contract and have another level of paperwork addressing the problems.

MR. SANDOR: With that objection on the record, the motion is in effect doomed to fail. (Laughter) Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. Well, I certainly agree with much of what's been said here, but I think -- again, I hope we're not getting the, kind of the horse behind the cart here on this. I -- I really feel strongly that -- that the next step that we need, we need to get an executive director or administrative director, whatever we're going to call that person, in place to be part of this -- this look-see internally, I think. With all deference to Dave, I think he's done a tremendous job here getting us to where we are here at the present time, and I really think that we need to move ahead on that, and get that person in place as we move ahead here.

MR. SANDOR: Can we have this on the February 16

agenda, because we have, what, five, ten, fifteen minutes at the most -- Dr. Gibbons or Mark Brodersen?

MR. BRODERSEN: I have a minor little bookkeeping problem on the state side in that we run out of authorization to exist February 28th, and that LB&A wants a fair amount of time in advance of us asking them for authority to continue to exist. If wait 'til the 16th meeting to approve funds and then try and develop that, we'd be hard pressed to make our March 1st date to allow us to continue expending money on the state's side for

MR. SANDOR: The Chair would entertain a motion for hand-to-mouth existence until we have

MR. PENNOYER: So moved.

(Simultaneous laughter)

UNIDENTIFIED VOICE: Second.

MR. BRODERSEN: It's an authority issue, it's not money.

MR. PENNOYER: Just a moment

MR. SANDOR: Mr. Pennoyer.

MR. PENNOYER: I think we didn't go along with Mr. Barton's proposal, and I guess I'd -- I move that we basically do what Attorney General Cole stated and try our best at the February meeting or whatever to do this introspective analysis and see how far we get. If don't get very far, I might be convinced to go Mr. Barton's route, but we should try first to do it ourselves, and then the second part of the motion is that we approve this budget contingent on an evaluation of what is -- what we want to do from this study. In other words, you're authorizing them the spending

of all this money, we're authorizing as a place-over (ph). We may come back and actually withdraw some of it or reschedule it or remold it, but rather than have to go back to the court or have people run out of money, it seems to me we ought to go ahead and do this contingent on modification based on our study.

MR. SANDOR: Is there a second to that?

MR. COLE: I'll second it.

MR. SANDOR: Mr. Cole. (Laughter)

MR. COLE: I was wondering whether -- you know, we have this symposium. I don't know who among the Trustees intend to be at this symposium, but could we not use that occasion if, for example, between five o'clock one night and nine o'clock to address this subject further, and -- and also, well, if we could address it at that time, that'll help, and in the meantime, as Commissioner Rosier says, can take a look at this executive director. Because if we hire an executive director, he or she, as the case may be, may want to play some part in the structure of the organization or the way it operates, and our deference to whomever that may be, I should think that they would -- he or she -- would want to be a part of that process.

MR. SANDOR: This February 2 symposium is what's referred to. Any other discussion on the motion? Yes, Mr. McVee.

MR. McVEE: Mr. Chairman, I guess I feel that, that the alternative to Mr. Barton's motion or idea of a tracking study of our organization would be for the Trustees Council itself to do this, based upon, of course, their -- having been immersed in this

for a number of months, years -- and I guess I feel like that if that's the option, maybe it should be delayed, although I think that some attention needs to immediately be given to this matter because if the (indiscernible) season, problems on the horizons, which may have been triggered by today's activities, but -- I think it may be best to delay it until the permanent administrative director is on board to become part of that discussion because it would seem like that would be a, a valuable, kind of an educational, delegation process between the Trustee Council and the -- and the new executive director, the permanent executive director. The other aspect of approving the administrative budget, I just don't feel like that we have, you know, information at hand we should have. We do not have a -- the financial reports, we do not know how the money has been spent -- how well have we done, you know, if we were operating a private company or corporation, we would certainly have some documentation, some financial statement available to us before we take the next step of approving budget. We have some problems with work groups that have not met for a number of months, and maybe those we could disband. So, we don't need to fund those. But, there's a number of issues or questions I think that -- that we need to look at in the administrative budget. I -- I'm appreciative of the problem if we're running up against deadlines. I don't know how to, how to deal with that. Maybe there is a solution, but certainly think we should see some of this financial data that's being generated right now by the finance committee, and I guess the other aspect of it is that -- is

that I would like to see -- see some reports, verbal or written reports, preferably written, I guess, from the work groups. You know, what's -- what has been accomplished, what are their plans to accomplish with the, the money that's being budgeted -- budgeted for this next period -- this next year. I think we know pretty well about some of them because we've paid a lot of attention to habitat acquisition, the planning process, and so on. So, we have a pretty good feel, but for some of the others, I certainly don't have a feel for where they're going or what they've done.

MR. SANDOR: Thank you. Is there any further discussion on the motion before the floor. Yes, Mr. Cole.

MR. COLE: Well, one of the things that just occurs to me in light of Mr. McVee's comments is if the monies that we have allocated in our budgets to the '92 projects, if they were meant to be caps. Have we received an accounting of how much money was expended on each project that we approved last year? I mean, did we run over, did we run under, is there extra money or did they use the last penny? We've not received any of that information, have we?

MR. SANDOR: Perhaps the audit report will show that. We had not so far have had such an audit, have we?

MR. WALT SHERIDAN: I'd like to speak to that for just a second. The financial statements are being finalized currently, and the Finance Committee is meeting next week to do that. We have the initial information to gather, and most of the projects appear to be on track financially. As to the question of the cap, and

whether projects are caps or not, I think that's probably an unfortunate way to term that. In looking at the '93 projects, the Finance Committee went through those in some detail on two different occasions, and I can assure you that we didn't approach that from the standpoint of them being a cap. We looked at them as being firm projects, and we analyzed them in detail to look at whether or not they made sense in terms of whether it's going to take that kind of money to do it. We looked at things like not just compliance with procedural things from the financial operating procedures, but as specific line items for contract things, like the rates for renting a Beaver airplane to fly out, and whether that figure looked like it was a reasonable kind of figure, and the people on that committee have a lot of experience in looking at those kinds of things and take that very seriously. We went back then to the people on the Restoration Team and made adjustments in each of those projects, and can report to you that on the '93 stuff that it is consistent with the financial operating procedures and, I think, are reasonable projects.

MR. COLE: Yes, but we were told here unequivocally, as I recall, that these figures were caps, were we not?

MR. SANDOR: There were several terms used. One was cap, and there was an expected amount.

DR. MORRIS: There was no authorization to spend any more than that.

MR. COLE: Mr. Chair?

MR. SANDOR: Yeah.

MR. COLE: Were they -- did we spend less on these? I mean, I think it's -- as Mr. McVee said, we're entitled to some accounting from last year's operations what the financial things worked out all on each one of these projects last year. I really think we should have that before we go to the '93.

MR. BARTON: From what I understand, we're about to get that.

MR. SHERIDAN: You -- you will have that, and I can -- also can report that there were at least three projects where substantial amounts of money were turned back or are being turned back, and you'll be receiving that report and have the opportunity then to reallocate those funds as you might see fit.

MR. SANDOR: Great. Any further comments or questions? Call for the question on the motion for

MR. COLE: What's the motion?

MR. PENNOYER: Basically approve the administrative budget here contingent upon our later reevaluation of our structure and spending requirements. Because the inability to dig into the detail now, we're going to wait for the financial report, we're going to look at our organizational question at whatever time frame comes out to be appropriate, and then we are putting everybody on notice we come back and change this.

MR. SANDOR: We were to have this on the agenda for February 16 meeting -- the motion with this?

MR. PENNOYER: Yes. Yes.

MR. SANDOR: Okay, any objection to that?

MR. McVEE: Yes. I have an objection to that. I think -- it's my motion -- I guess I would like to make in lieu of that would be to -- to defer this action until we have the information that is being prepared because I just think we're -- you know -- we'd be in much better position to act.

MR. PENNOYER: Mr. Chairman, on that -- see if you got a second.

MR. SANDOR: Yes.

MR. COLE: I'll second the motion.

MR. SANDOR: Mr. Cole has seconded that motion, the previous motion having been rejected. Mr. Barton.

MR. BARTON: How are we to deal with the state's dilemma though in terms of urgency? Is there perhaps some way the finance could authorize one-twelfth of the total amount and -- with the expectation that we're going to get this done within another month?

MR. BRODERSEN: Our -- our legislature would be very unhappy with us if we tried to do that, I suspect. We're going to have minor difficulties there as it is with their desire to help us manage this whole thing.

MR. SANDOR: Any further comments or questions on the motion? Any objection to the motion?

MR. PENNOYER: Mr. Chairman, I object because I don't see any input to this yet.

MR. BARTON: I don't see a resolution to the problem with that motion. I also object.

MR. COLE: Well, Mr. Chairman? If -- if we're going to take a look at our fundamental structure, why would we be approving a budget that does not recognize that?

MR. SANDOR: The Chair has that same problem. Mr. Barton?

MR. BARTON: It seems to me we could amend the budget, once we had the results of that study. I -- it's -- are we in the position of not doing anything or in the position of the state running out of money before we have the results of this money? That's what I understood.

MR. SANDOR: Mr. Cole.

MR. COLE: I move that we, we adopt the budget for the first quarter of 1993.

MR. BARTON: Second.

MR. SANDOR: It's been moved and seconded that the budget presented be adopted for the first quarter of 1993.

MR. COLE: The administrative budget.

MR. SANDOR: The administrative budget. Any discussion? Any questions? Any objection?

MR. BARTON: I assume that's subject to any future amendments we care to make in the group.

MR. SANDOR: And this still would be on the agenda for February 16.

MR. PENNOYER: Mr. Chairman, my questions is still does that solve the problem in terms of up-front funding for administration and whatever you think -- the administrative ...

MR. SANDOR: Dr. Gibbons.

DR. GIBBONS: Yes. We have a contract that -- that expires February 28 with CACI, which -- for this building and the staff, and we are in the process of working with them now on a -- on a new contract. I'm not -- the new contract is specified for nine months, but -- so I'm concerned about the activities on that -- what actions would the Trustee Council like to take in that -- try to negotiate a three month contract

MR. COLE: That -- that doesn't -- that's not the problem. I think we can go ahead, unless there's objection raised here and now. That's not where the fundamental problem is that we think we want to address, as I understand it. Do the other remaining Trustees agree with that?

MR. SANDOR: Curt.

MR. McVEE: Mr. Chairman.

MR. SANDOR: Yes.

MR. McVEE: Maybe I don't understand all the problem, and need a little bit further explanation on the point that Mr. Brodersen was raising, but we have been out of money since October 1st. In fact, I guess we just filed. The filing went to the court, as I understand it, like, today -- yesterday. But you mentioned it wasn't a money problem, it was a legislative authorization problem, and that would expire in February, and therefore, we would have to authorize money before you could go to the legislature to -- to restore that authorization or extend that authorization. Do I have that clear?

MR. BRODERSEN: That's correct.

MS. RUTHERFORD: Mr. Chair, there's one other thing. The chief scientist contract expires February 28th also.

MR. SANDOR: So February -- February 16 would be an adequate time to

MS. RUTHERFORD: Except again, there'll be an issue (indiscernible)

MR. COLE: Mr. Chairman, can I restate -- the motion. Let me see if I can refine the motion, but I think the sense of it perhaps was missed. I mean, somehow we've been able to work on a quarterly basis here in the past in seeking monies, and we've gotten along. My view is that we adopt the budget for the first three quarters -- first quarter of '93, but, but that would exclude dealing with long-term contracts, where it's unrelated to the administrative structure. That's the concept that I was trying in shorthand to express. You could exclude, I think, Dr. Spies' contract from that. You could exclude from that the rental of this building. Could you exclude from that perhaps some of the staffing for this facility here. But, what we're talking about is the funding of the broad administrative structure and other aspects.

MR. SANDOR: Is that the understanding of the second as well? Is there any further discussion of this motion?

MR. PENNOYER: Mr. Chairman.

MR. SANDOR: Yes.

MR. PENNOYER: I'm unsure of what we're saying to the court. A quarter plus any other items that Mr. Gibbons -- Dr.

Gibbons thinks are appropriate to put in? Is that sort of what we're saying? My motion originally was the opposite -- prove it all or take some back later, if we don't want spend it because you're not going to spend over a quarter of the time anyway. Now, we're approving a basic one quarter of everything plus add-on items as yet unspecified except for the contract and Dr. Spies' -- the building contract and Dr. Spies'.

MR. SANDOR: The motion as I understand it is that we're binding authorization for funding for the quarter, as we have been all along on some aspects of the Trustee Council work and activity, and the major sense of which appears to be complete agreement is that the organization's structure, including the administrative (indiscernible) needs major revision, and we -- we cannot approve the budget as proposed, with the understanding that, in fact, nothing needs to be changed. The motion was that we approve unauthorized expenditures only for the first quarter of the year.

MR. PENNOYER: But I heard in addition to that we were funding a year-round contract for Dr. Spies, a year-round contract for this building, and any other long-term contracts that were required, and I don't know what those are.

MR. COLE: Well, it's a, you know -- we can commit, in my view, to the financial organization, to Dr. Gibbons, and it shouldn't be a very difficult problem to segregate those items out. If there is any trouble, please call me.

MR. SANDOR: Any further comments or questions on ...?

Yes, Carl Rosier? Any objection to the motion? The motion is passed.

We had one other action item which we need Attorney General Cole's vote

MR. COLE: If it's that ten thousand dollar one that was deferred. Can you find out -- can you find ten thousand dollars, go ahead with that project we deferred.

DR. MONTAGUE: Pardon me, can we find it?

MR. COLE: Can you -- can you find among all these other funds that we've committed to you, ten thousand dollars to do that little project.

MR. SANDOR: Dr. Gibbons, is there one remaining motion that needs to be ...?

DR. GIBBONS: No. There was project 93011 was deferred. Perhaps a recommendation is to bring that up at the February Trustee Council meeting.

MR. SANDOR: That's fine, we'll do so, without objection.

MS. RUTHERFORD: Mr. Chair ...

MR. SANDOR: Any motions that -- actions that are required before Mr. Cole has to leave.

MS. RUTHERFORD: Yeah, I think that maybe we need a clarification on how to deal with the twenty million dollar fund for the court registry purposes. Is that not correct Craig?

MR. SANDOR: Craig, is that ...?

MR. CRAIG TILLERY: Do you want -- it was supposed to

have ten state, ten federal. Now we've got Kachemak Bay that's coming out of there. Do we take the seven and half to Kachemak come out of the state's ten, or do you want to take that off the top and then split the remainder?

MR. BARTON: Take it out of the state's ten.

MR. COLE: Take it off the top

(Simultaneous laughter)

MR. BARTON: Wait a minute!

UNIDENTIFIED VOICE: Wait a minute! (Laughter)

MR. BARTON: How badly do you need to catch that plane?

(Laughter)

MR. COLE: It all works out

MR. SANDOR: We will take this up on February the 16th, and it -- does not go hand to mouth -- there are some several items that we need to continue even though we cannot get the

MR. COLE: I will split my project between two state Trustees, but they must act in unanimity. (Laughter)

Thank you. So long, Curt.

MR. SANDOR: Thank you. Have a safe trip.

(Mr. Cole leave the meeting)

MR. BARTON: Mr. Chairman, what else it is that we need to do. Well, I move we adjourn.

MR. PENNOYER: Second.

MR. SANDOR: No. We do have -- we do have to report, at least, for the record that for the Exxon Valdez Oil Spill Symposium on February 2nd at five, a presentation to be made by a

representative of the Trustee Council.

MR. PENNOYER: I volunteer Mr. Cole, since he's not here.

MR. SANDOR: Precisely what I had proposed, and with agreement he will represent the Trustee Council, and -- did you have something ...?

MR. PENNOYER: We'll all be there watching.

DR. MONTAGUE: Yes.

MR. SANDOR: Dr. Montague?

DR. MONTAGUE: Mr. Chairman, this related to the quality of reports issue, and it -- most of the injury assessment close-outs and February 28th, which is only five weeks away, and I would say there's a number of our projects, and I assume others, that by the time we get the peer review, have the investigators rewrite their reports, have the agencies re-review those to see that it meets our quality, it may be -- will be beyond February 28th. In our case, the money's there for all the projects, but what's going to happen is they're all be laid off February 28th, the money will lapse to the Council, and we won't have the quality of reports that we would like. So, that it would seem

MR. PENNOYER: Mr. Chairman, I don't think we took final action on our proposal. There's no cut-off at the present time. The sense was that progress, adequate progress had to be made toward that. We didn't vote on the fact that the final report had to be done before you could start spending any money. I'm not sure what your ...

DR. MONTAGUE: I think this doesn't relate to anything

that came up here. It was our understanding that oil year ends February 28th, and we cannot spend any '92 authorized funds beyond February 28th.

MR. BARTON: Isn't that a problem with the legislature rather than with this body?

DR. MONTAGUE: Well, it's both.

MR. SANDOR: In any case, this is to be carried over 'til February 16. Obviously, we are about on the verge to bolt for the door (laughter) and we have a couple other items, namely to, one, identify -- are we, in fact, meeting February 16th.

DR. GIBBONS: There's a letter in the packet from the Department of the Interior saying that the alternate for Curt McVee cannot make February 16th.

MR. SANDOR: Well, then, if that be the case, is there another representative at the Department of the Interior that could meet on February 16th?

MR. McVEE: We're in a hiatus in the -- and I guess I don't know whether the new administration will appoint an alternate to an alternate, and I can't speak for them, I guess, someone can attempt to get that done, but ...

MR. PENNOYER: Mr. Chairman, how about February 17th?

MR. McVEE: He's out for a -- Pam, have you got those dates on a calendar?

MS. BERGMANN: Yes, Mr. Chairman, he's going to be out of state from the 16th through the 26th.

MR. PENNOYER: Mr. Chairman, how about February 12th?

MS. BERGMANN: That would be fine.

MR. BRODERSEN: Mr. Chairman. When we did -- attempted to find a meeting on the 16th -- the 16th was the only date -- period, other than perhaps after the 17th, which I believe Dave was going to ask you to also schedule in, considering what you've now put on your agenda for the 16th meeting.

MR. SANDOR: The 17th, you say?

DR. GIBBONS: Yes -- we've got so much on the February 16th meeting, I was going to suggest that the morning of the 17th also be used.

MR. SANDOR: The morning of the 17th would be alright for me, but -- so we're meeting on February 16?

MR. BRODERSEN: Well, Interior needs to come up with an alternate.

MR. SANDOR: Well, I guess we can call --

MR. BRODERSEN: But there was no alternative date in February that we could conceivably get you all together.

MR. SANDOR: Curt, can we communicate with Secretary Bruce Babbitt or his representative and see if they've got somebody that -- they could perhaps precipitate something?

MS. BERGMANN: Mr. Chair, I guess the -- the -- what we wanted to bring to the Council's attention is that if Secretary Babbitt ends up appointing a representative prior to that meeting, then they will be attending. But, if they don't do that, there's no provision for an alternate to Mr. Gates, and Interior wouldn't be present at that meeting in terms of having a representative

there.

MR. SANDOR: Well, we do not know that, and so we're -- you've admonished the Chair enough not to speculate, and perhaps we should not speculate

MR. PENNOYER: We're scheduled for the 16th and the 17th.

MR. SANDOR: ... until we're told otherwise. Finally, just to fix a matter of information, the Restoration Work Plan for 1993 did not consider the recreation area for Prince William Sound. We are directly the Department of Environmental Conservation's representative to the Restoration Team to develop a proposal for the February 16 meeting that deals with that activity which is described in the Restoration Plan. Is there any other items to be covered before we adjourn?

MR. PENNOYER: Mr. Chairman, I didn't catch your last comment. I'm sorry. (Simultaneous talking)

MR. SANDOR: It's not a Kachemak Bay proposal. It's a proposal for -- to describe the activity that's in the Restoration Plan that deals with recreation areas in Prince William Sound.

MR. PENNOYER: You're considering that for adoption?

MR. SANDOR: As a possible addition to the '93 work plan.

MR. PENNOYER: Oh, the '93 work plan?

MR. BARTON: Mr. Chair, I might ask that the DEC representative work with the Agriculture representative on that.

MR. SANDOR: Okay.

MR. BARTON: Been working for some months on that same

subject.

MR. SANDOR: And can we also ask at an early date to have a sort of recapitulation of what happened the last two days so we really know (laughter) so we can actually see what we've done to ourselves and the people of Alaska and the resources of the oil spill area.

DR. GIBBONS: Yeah, as a policy now, I write up notes, a summary of it, and put that on top of a copy of the transcript which will be sent to each Trustee Council member.

MR. SANDOR: Any last item...?

MR. BRODERSEN: One last item that we've talked around a little bit here is that perhaps we could get the Trustee Council to schedule a meeting in March to allow us to have a discussion on where we want to go with the '94 work plan, so that we have this kind of discussion early in the process rather than later. If you were amenable to doing something like that, I think it would be very helpful to staff.

MR. SANDOR: It would be helpful -- and, oh, one other thing Attorney General Cole said, if the Rest -- if the Trustees are going to be at this February 2-5 symposium, there may be opportunities to meet. If there's some problem or if there's some -- it should be in the public record, I guess, that we may meet during that period of time so that it is clearly understood that -- that such a meeting is authorized at this meeting.

MR. BRODERSEN: One more little issue, we need one of the federal Trustees to say a few introductory words at the symposium

following the (inaudible -- simultaneous talking) ...

MR. SANDOR: Thank you. Anything else?

MR. PENNOYER: (Inaudible -- simultaneous talking)

MR. SANDOR: Thank you very much. I apologize for this meeting run slightly over the one day period.

(Off Record: 4:35 p.m.)

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CERTIFICATE

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

I, Linda J. Durr, a notary public in and for the State of Alaska and a Certified Professional Legal Secretary, do hereby certify:

That the foregoing pages numbered 03 through 558 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council continuation meeting taken electronically by me on January 19 and 20, 1993, commencing at the hour of 8:00 a.m. at the Restoration Office, 645 G Street, Anchorage, Alaska;

That the transcript is a true and correct transcript requested to be transcribed and thereafter transcribed by me, Sandy Yates, and Jolene Thornton to the best of our knowledge and ability from that electronic recording.

That I am not an employee, attorney or party interested in any way in the proceedings.

DATED at Anchorage, Alaska, this 31st day of January, 1993.

Linda J. Durr, Certified PLS
Notary Public for Alaska
My commission expires: 10/19/93