EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

January 31, 1994

9:00 a.m.

TRUSTEE COUNCIL MEMBERS in attendance:

In Person in Anchorage

State of Alaska	**MR. CRAIG TILLERY** Alternate for Attorney General BRUCE BOTELHO
United States Department of the Interior	**MR. GEORGE FRAMPTON, JR.** Assistant Secretary, alternate for Paul Gates

Via Teleconference from various sites in Juneau

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

EVOS INFORMATION OFFICE STAFF

JIM AYERS	Executive Director (via teleconference from Juneau)
MOLLY MCCAMMON	Director of Operations (in person in Anchorage)
L.J. EVANS	Public Information Officer (in person in Anchorage)

PUBLIC ADVISORY GROUP MEMBERS in attendance:

DOUGLAS MUTTER Department of the Interior
Designated Federal Officer

JIM CLOUD
DR. JOHN FRENCH (via teleconference from Kodiak)
PAMELA BRODIE
CHARLES TOTEMOFF

OTHERS WHO TESTIFIED (in person in Anchorage):

NEIL JOHANNSEN, Director, Alaska State Parks
PAT POLAND, Deputy Dir., Alaska Community & Regional Affairs
DR. A.J. PAUL, Univ. of Alaska, Institute of Marine Science
DR. MICHAEL CASTELLINI, Univ. of Alaska, Inst. of Marine Science
KIM SUNDBERG, Alaska Department of Fish & Game
DR. ROBERT SPIES, Chief Scientist, EVOS Restoration
TORIE BAKER
DR. TED COONEY
KEN FLOREY, Alaska Dept. of Fish & Game
DR. GLENN JUDAY
R.J. KOPCHAK
JAMES GRAY
KEN HILL
AMY BOLLENBACH, Kachemak Heritage Land Trust
CHARLES McKEE
MARGY JOHNSON, Mayor of Cordova
HENRY TOMINGAS
TIM CABANA
LEROY CABANA
MAX McCARTY
JOHN McMULLEN
TOM VAN BROCKLIN, PWSCORS
STEVE ABERLE
KEN SPEARIN
MARY McBURNEY, Cordova District Fishermen United
DAN HULL, PWSAC
PAMELA BRODIE, Sierra Club
DUNE LANKARD/MARIE SMITH JONES, Eyak Traditional Elders Council

(VIA TELECONFERENCE)

NANCY BIRD (Cordova)
JOYCE BYRNS (Fairbanks)
KATHY SMITH, Kachemak Bay Conservation Alliance (Homer)
BOB HUSTON (Fairbanks)
JAMES FRANKLIN (Cordova)
E.J. CHESHIER (Cordova)

SUZIE KENDRICK (Soldotna)

ROSS MULLENS (Cordova)
MR. KEITH GIBSON (Homer)
JEROME SELBY, Mayor of Kodiak (Kodiak)
KEN ADAMS, (Cordova)
MARLA ADKINS (Cordova)
DAN BILDERBECK (Cordova)
DR. DAVE GIBBONS (Juneau)
DR. JEROME MONTAGUE, ADF&G (Juneau)
MARK BRODERSEN (Juneau)
DR. BYRON MORRIS, NOAA (Juneau)
BRUCE WRIGHT, NOAA (Juneua)
JOHN BOTCHI (Cordova)
ARMIN KOENIG (Juneau)
THEO MATTHEWS, UCIDA
WAYNE STEVENS, Kodiak Chamber of Commerce
MIKE WYLIE (ph) (Seward)
CHARLES WEAVERLING (Cordova)
MR. DUNHAM
ROXIE ESTES (Cordova)
ARLENE WYLIE (ph) (Seward)
MICHAEL ANDERSON (Cordova)
ERIC OLSON (ph) (Seward)
DAVID SCHEEL (Cordova)
JACK HOPKINS (Cordova)

P R O C E E D I N G S

(Reporter's note: Trustees Barton, Sandor, Pennoyer, and Rosier, Executive Director Ayers, and several agency representatives participated via teleconference from Juneau because inclement weather conditions in Juneau prevented their travel to Anchorage for the meeting. Trustee Frampton and Alternate Trustee Tillery participated in person in Anchorage, along with Director of Operations Molly McCammon. Tillery was the alternate for Attorney General Bruce Botelho.)

(On Record: 9:10 a.m.)

MR. BARTON: If I can call the meeting to order. Anchorage, can you hear us all right?

MR. FRAMPTON: Mike, this is George Frampton. Can you hear us?

MR. BARTON: Yes, we can George. You're a little bit fuzzy, but we can hear you fine. I've been asked to chair the meeting today, so, I'll do that, unless anybody else would like to do it. (Indiscernible) Here in Juneau we have Commissioner Sandor, Commissioner Rosier, Regional Director Pennoyer, and I'm Mike Barton, Regional Forester for the Forest Service; there's Jim Ayers, here in Juneau, along with a number of staff. Who do we have in Anchorage?

MR. FRAMPTON: We have George Frampton, and Craig Tillery sitting in for -- representing Bruce Botelho.

MR. BARTON: Okay.

MR. FRAMPTON: And some, most of the presenters for the

morning presentations are here.

MR. BARTON: I hope they're not going to use visual.

(Laughter)

MR. FRAMPTON: Mike, you should know that the quality of the sound at this end is not all that good, so, we'll not only have to ask people in Juneau to speak up, but I think I've been asked to ask the audience here in Anchorage to be particularly quiet so that others can hear when you folks in Juneau are talking and it's coming in here on the mike.

MR. BARTON: All right, and we'll try to do that, and if at any time you can't hear us or can't understand us, just interrupt. First order of business is approval of the agenda, and I would ask if there are any changes that anyone wishes to make to the agenda?

MR. PENNOYER: Yeah, it's Steve Pennoyer. I have one addition -- item at some point, and I'm not sure where it fits on the agenda. There is a request from Fish and Game and NOAA to include funding for a -- it's a publication of the marine mammal fundings relative to the Exxon spill damages that's a problem. And, I would vote it go on the agenda somewhere under the work plan, I suppose, but if you want to just add this item, I'll bring it up at the appropriate time.

MR. BARTON: Go ahead. Any objection? Any other changes? Yes, Mr. Sandor.

MR. SANDOR: Yeah, I do have a resolution upon -- for appreciation for Attorney General Cole (indiscernible).

MR. BARTON: We're going to try to rearrange the microphones. Just a minute. All right we'll work that item in if you vote for the changes. Any other changes or additions? All right, if there aren't any further, then the agenda is approved as modified. Second item of order of the day, I'll ask the Executive Director to (indiscernible).

MR. AYERS: Mr. Chairman. You mentioned visuals and there are a number of visuals that are going to -- to happen in Anchorage today. I have a packet here of -- that includes the agenda, revised, as well as a copy of the overheads that will be presented at various times. Let me pass those out to the various members here. If we need more copies, we'll get some more copies made. The agenda, obviously -- although -- will stay fairly consistent, the format is changed somewhat due to the weather. The agenda shows that the morning will be spent on briefings and reports, and our effort there is to bring everyone essentially to the same place. It's our purpose to provide the background and any action necessary to move forward with the comprehensive approach that the Trustees have directed at the previous meeting. The finance committee reports, that was on the previous agenda, Walt Sheridan has -- is available and there's copied there and here. The -- the -- I think the efforts of the finance committee report is in that document, and if we need to get into additional detail about that, perhaps the best thing to do is have people review that financial report, and with regard to substantive balance we are in the process of developing that. There are three things that need

to happen, that is a resolution of the actual balance in the court's fund, the funds that are being held by the courts, combined with the actual balances that are remaining, unspent in each of the respective agency accounts. Our current information, suggests that there is approximately eighty-eight million six hundred thousand. There are some reviews of individual agency balances and a -- and a court review that needs to be accomplished in order for us to bring an exact dollar amount. But those -- those reports are available in Anchorage, as I understand it, and Walt does have copies here. (Indiscernible - poor teleconference quality) And the court balance, and according to those balances that we know of today, were also in the packet that was mailed out.

MR. PENNOYER: Mr. Chairman.

MR. BARTON: Yes, Mr. Pennoyer.

MR. PENNOYER: The court balance you're referring to -- the eighty-eight six -- is that -- that has -- on any obligations for this fiscal year taken out of and that's what is available apparently for our consideration preservation in this '94 work plan.

MR. AYERS: At this point, perhaps I could ask Walt and Mark Brodersen together to try and give us an answer to that specific question.

MR. BRODERSEN: The balances that are shown on the financial statement are not taken into account at all in the work -- definite work up.

MR. AYERS: The court balance of eighty-six five

ninety-seven six thirty-nine that was in a three page document that -- that was in your packet, includes as I understand it, an obligated balance to the state of three point six million, but that includes the state. It does not necessarily include the balance of the respective federal agencies.

MR. BARTON: Craig.

MR. AYERS: Well, there would be another -- approximately three point two million dollars of federal agency balances upon top of the eight-six five ninety-seven. And, again, from the concept of working with the state and federal agencies, and what I will do is, as we finalize that with both -- with each respective part of the management's budget, we will send you the -- the final details of the September 30 balance. But the eighty-six five ninety-seven six thirty-nine fifty-one does not include respective balances in the federal agencies.

MR. BRODERSEN: What are the things for '92?

MR. AYERS: As it states, Mark Brodersen is pointing out, the state balances as fiscal year '93, that was fiscal year '94.

MR. PENNOYER: Mr. Chairman.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: My question though was does that account for all the obligations that we've made, for early start-up projects, any lands (indiscernible) promised for this year? Is this basically an unobligated balance?

MR. AYERS: No. It would -- part two. That is the

other item that I am -- I am attempting to ferret it out at this point. There are obligations remaining from the Seal Bay acquisition, there are additional obligations against this balance that are -- are appropriate -- that are authorizations that the Trustee Council has made, and it does not include a future obligation of reimbursement under this consent degree. Now those do not necessarily have to be counted against this obligation, specifically, but there is some portion of the reimbursement, and in particular, an amount that is going to the mitigation account of the -- Alaska. It does not have that total liability in there, so whatever current claim that we might make against that liability, and that is primarily because the total of that obligation going to the mitigation account is not -- not finally determined. The way that you have handled it in the past is actually a payment to the mitigation account directly from the Exxon payment to the court, as it happened. Craig Tillery is on line, and he may want to explain that, if you'd like to get into details. So, this balance, again, as quickly as we can get our arms around it, we will give you a more appropriate financial statement, but the financial statements would include the obligations of the -- of the reimbursement, as well as prior commitments of the Trustees. By prior commitments, again, you are -- there's -- I believe, I don't have the exact number in front of me, if somebody has it -- there's an obligation of some eight plus million dollars, plus interest, owing on the Seal Bay acquisition. That is -- if that is to be made in three payments, three annual payments in the future, but there is an

obligation there. There's also the obligation in the mitigation account, and there may be a prior authorization that I'm currently now aware of. We're now reviewing all now reviewing all the previous actions so that we can give you the financial statement that shows the balance, the obligations against that balance, and then future payments.

MR. PENNOYER: Thank you.

MR. AYERS: Of course, but we are not there. There also is the '92-'93 projects update that the Trustees had asked for at the previous meetings. What projects have we spent money on and where -- what is the status of those projects. The '92-'93 projects update and (indiscernible) you will see that projects are still in the revised status, even back as far as '92, and we will be working with the individual investigator -- project investigator -- and appropriate agency to resolve the issue of final reports on those projects. But there is a status report on each and every project.

MR. BARTON: Yes, Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. I appreciate that effort and -- but there is some -- complicated has reviewed the '94 work plan, so I presume somebody would be prepared to relay any pertinent information from this update status, as we consider projects and funding in '94?

MR. AYERS: Yes ...

MR. PENNOYER: Thank you.

MR. AYERS: Dr. Spies is in Anchorage, I assume.

MR. FRAMPTON: He is here.

MR. AYERS: Okay. And he has worked with Rebecca Gilbert as well as Eric Myers and Bob Loeffler in putting this '92-'93 project report together.

MR. PENNOYER: Thank you.

MR. AYERS: There's not -- there's an opportunity for the public to comment from 1:00 to 2:30. There is a ongoing comment -- submission regarding the various projects. We're going to begin the comment period with a summary of any and all actions that have been taken, and due to the high level public interest, we're going to ask that individual comments be limited to three minutes each. We have put that information out in the LIO. We will have timer available, but in order to be fair, we want to make sure people understand that there will be a three minute time limit. We're going to into discussions of the work plan itself, and -- and let me say that everyone will have a -- should have a copy at this point of the Executive Director recommended authorization. I think that was in the packet that I handed out a few minutes ago with the slides, with a copy of the overheads that are going to be in Anchorage.

MR. PENNOYER: Mr. Chairman.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: I took a lot of notes on the draft we had faxed out to us -- the fax that was originally is that different than the one you just passed out?

MR. AYERS: There are only two substantive changes in

-- in this draft, part of them the title of project '259, was a project that we're recommending for approval, and the spread sheet now shows this, and I -- the previous spread sheet had a problem on '259. Project '320 is a project that -- primarily the title change is the Prince William Sound system investigation and focus, and -- and that particular project and recommendation more accurately reflects both the work and the considerations that I think must be accomplished before we move forward with actual appropriations. The recommendation is the same, which is to approve the project at a specific amount with the various parts of that project included. So, those are the only two changes in that new packet.

MR. PENNOYER: Thank you.

MR. AYERS: My recommendation in the afternoon, and I -- you -- perhaps we need to think about it now or as we go along, my recommendation will be to develop a consent of projects or recommendations that everyone generally agrees to, and separate those projects that have NEPA compliance costs and those which, generate further discussions. And, I have a list of those which generally speaking, there's -- it shown on your spread sheet, those that have -- that require environmental assessment or NEPA compliance. And, my opinion is you want to discuss those about how to proceed with those, as well as the three or four major issues, one being habitat protection, the other being long-term monitoring research effort that includes the reserve consideration, and I am -- I'll be reporting about that under endowment, and the third is the issue of providing monitoring research/necessary

infrastructure, which includes the Institute of Marine Science in Seward. So, those are the three primary ones that I think obviously need further discussion, as well as the items of the -- those items requiring NEPA compliance.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: As you structure that, but I don't think it's going to be necessary to go down to project by project as (indiscernible) naturally approved the funding or your recommendations on the other projects. We'll have the -- we'll (indiscernible - poor teleconference quality)

MR. AYERS: I -- I think it's whatever your pleasure is. Obviously, if we're going to do it that way, we don't need to try and do a consent agenda and a -- but -- by the way, I think (indiscernible) said do we hear more this morning then people may decide that that's what they want to do is go project-by-project. With that said, let me say our goal, as I understand it, is to try to conclude our agenda by tonight. There is a 5:30 to 6:30 p.m. for members of the public, again, to present public comments, and in order to get all of this accomplished by that time, it's going to take pretty strict adherence to the agenda. We're in the process of moving forward with a comprehensive package of restoration, and this includes an ecosystem-based implementation structure of general restoration, habitat protection, and monitoring and research. Now, we'll talk about that more within the Executive Director's administration -- presentation. That concludes what I believe to be the essence of the various orders of

the day that are going affect us. There may be additional specific items that people want to bring up, but essentially we're going to try to adhere to a timetable in order to accomplish everything, and get -- if we run into fairly significant bumps in the road, we'll have to decide how we're going to deal with them, either separate them or -- or move them to a later time. I would say that generally there -- there are obvious difficulties in some cases, moving forward, because there are concerns that we don't have the complete package in front of us, and we -- no one wants to be left out. Everyone has a particular vested interest and particular philosophical interest, and I think everyone is seriously concerned about the restoration effort and to which we make sure that the interest of research and monitoring, including a long-term reserve, be the extent to which we can accomplish habitat protection on a broad spectrum, geographically, covering all the injured species, the extent to which we can accomplish before providing the necessary infrastructure to accomplish both monitoring research, as well as general restoration, are the basic discussions. I think -- the various members of the public have expressed their concern, that if we do one, we might not be able to do the other, and let me say, that it's my understanding that you, all six Trustees, as well as the -- representing both the United States and the State of Alaska, are committed to a comprehensive approach, not one that significantly is any less than a balanced approach that includes habitat protection, monitoring research, as well, general restoration. That is the essence of the reports you're going to

hear and what I will continue to talk about under the Director's report. That concludes my opening -- Mr. Chairman.

MR. BARTON: Is there -- is there any questions for Jim? Hearing -- hearing none, we look forward to your help in moving up through this agenda. Maybe there's time (indiscernible). The second item on the agenda consists of a variety of reports. The first of which is from the Public Advisory Group -- Jim Cloud and John French. Okay, I'm informed that I'm working from an outdated agenda. (Laughter) So, the first report on the criminal settlement monies. Neil Johannsen, Director of Alaska State Forests and Edgar Blatchford, Commissioner of Alaska Department of Community and Regional Affairs. I don't know how you fellows are going to want to do this, but have at it.

MR. FRAMPTON: Mr. Chairman, it's George Frampton. Neil Johannsen is here at the microphone, Commissioner Blatchford is in Juneau, so he's going to be ...

MR. POLAND: He was called to Senate Finance. I'm Pat Poland, I'm the Deputy Director with DCRA and can give you a brief update.

MR. FRAMPTON: All right. Pat Poland is going to sit in for him and is sitting down at the microphone.

MR. BARTON: Thank you.

MR. FRAMPTON: So, Neil, you want to go ahead?

MR. JOHANNSEN: Thank you Mr. Frampton. Chairman Barton, members of the Trustees, audience, members -- excuse my back. I'm Neil Johannsen, Director State Parks. I'm going to try to present

a very brief, maybe Molly can sort of give me a signal when she wants me to rein in here, but a brief description of an appropriation that was provided by the 1993 Alaska legislature in Senate Bill 183, in which four point seven five million plus interest that would accrue to the fifty million dollar criminal settlement would be made available to Alaska State Parks for various recreation projects. I'd like to make a quick pause here and quickly introduce a couple members of my staff who really are the ones going to be handing the planning and the execution of the projects as they -- as they shape up through our planning effort, Ron Crenshaw and Jeff Johnson over here is the two individuals who are -- are going to managing this. Again, the legislature appropriated, if you look at the total estimated interest in criminal -- in criminal funds, you will probably be in the neighborhood of about eight and a half million dollars, essentially for recreation projects. There were some specific statutory language that guides the use of those funds, it's for the construction or placement of recreational amenities, including recreational cabins, trails, mooring floats, mooring buoys, floating docks and similar items. And, also for the acquisition of sites, I read that as land, for the amenities that would restore and enhance recreational services that were either diminished or lost as a result of the Exxon-Valdez oil spill. I'd like to -- we've got a graphic up there for the members of the Trustees and Mr. Ayers in Juneau, sorry, which basically spells out the Exxon criminal funds that are available on top, which is the approximate

eight and a half million dollars, and also the use of the funds, those are statutory language on how the money would be used. Hopefully, members of the audience can see that. We also -- I would like to point out, we've got a map, if I could -- if I could switch the audience over to the left and members of the Trustees over to the right here, which for -- for the sake of kind of a quick education -- in Prince William Sound and stretching over to Resurrection Bay, we have a total of nineteen state marine parks, and a lot of people were not aware of these, these are state lands that were selected under Section 6(a) of Statehood Act, later the legislature has dedicated two state marine parks. Also, we have additional units, the park system, which are off the map. Most of you are aware of the Kachemak Bay State Wilderness Park, Kachemak Bay State Park, Shumiak (ph) Island State Park, and other units that stretch of to the -- to the west. In total, probably a half a million acres of state park lands which would be, I believe covered by the terms of this -- this appropriation. The legislature, in appropriating the money, certainly gave us some statutory guidance, but did not specifically identify where projects would be -- would be done, be it the acquisition of land or the construction of recreational amenities, and using that guidance and also primarily the existence of -- of units of the state park system, we are underway in a planning process, which is going to do several things, complete master plans for state marine parks in the Sound, for Kachemak Bay, Caines Head (ph) State Recreation Area in Resurrection Bay, Shumiak Island and other

units. Also to develop the linkage criteria, what we would call linkage criteria, to make sure that any project that we would pursue would have that -- that important and necessary linkage to recreational service that were lost or diminished by the oil spill. And, once that planning process is completed and it's gone through the linkage filter to -- to see the connection essentially between the oil spill and projects that might be pursued, various objectives, also maintenance and operations. It's important that whatever would be built in particular, more so even in lands acquired, whatever might be built, that we are in a position to maintain and operate it, and then finally there will be a process, and this will all involve a lot of coordination and public involvement, I might point out, to essentially prioritized the eligible projects before reaching a list of what we would call approved projects. In other words, we feel as if there's a fair amount of coordination, being it with the Forest Service, the Park Service, certainly a lot of organizations, public outreach, before we will have a specific list of approved projects that we're going to be pursuing. I don't have a list of specific developments or acquisitions to roll out of the hangar to show everybody this morning. Simply, that we are embarking upon a process that will last through a good part of calendar year 1994 which will involve a lot of coordination with the Trustees, with other agencies, federal, state and local, and also public involvement that will lead to that list of projects. We are in the recreation business, members of the Trustees, we are certainly aware and cognizant of

the linkage that has to be specifically developed to injured resources, but we are in the recreation business, and we are hopeful that as we hit mid-summer to fall, we will have a list of projects that we can work with you that we intend to pursue. We are your partners, basically, and that -- you guys have a lot more money than we have, but we're still your partners here, and I know that from time to time, recreation is kind of a controversial item. We are in the recreation business, we intend to pursue recreation projects, we intend to make sure there is a clear linkage to the oil spill, and through that we expect to be at least your little brothers in our partnership as we pursue our projects. Chairman Barton, members of the Trustees, that would conclude my presentation, unless there is some questions.

MR. BARTON: Any questions for Mr. Johannsen? I'll just say that we look forward to working with you, Neil, as the Forest Service does, as you go forward. I think there are a lot of opportunities to develop in cooperative efforts. I applaud your talk here.

MR. JOHANNSEN: Thank you, Mike.

MR. BARTON: Any other comments or questions for Mr. Johannsen? There was an individual representing Commissioner Blatchford, I'm sorry, I'd didn't get -- please identify yourself and proceed.

MR. PAT POLAND: Good morning, my name is Pat Poland. I'm a Deputy Director with the Department of Community and Regional Affairs. Commissioner Blatchford was called away just

minutes

before he was heading over here, to testify before Senate Finance Committee on our departmental budget, so was unable to make it. In -- I will be very brief.

MR. AYERS: You're cutting out bad, you need to go a little slower and speak, try the edge of the microphone as Neil was.

MR. POLAND: Okay, is that better? Today, with respect to the five million appropriated for subsistence restoration, the department has held a number of meetings with staff of the Department of Natural Resources, and Law, and representatives of the communities, Chugach -- the Chugach Regional Resources Commission and Chugach Corporation. What those meetings have revealed to us is that there is a great disparity between the understanding of the Oil Spill Trustee legal counsel and the communities in terms of what is appropriate subsistence restoration uses. A major drawback or a major problem for the Department of Community and Regional Affairs is that we have no particular effect, we have no specific expertise in terms of defining appropriate subsistence uses. We have a great deal of expertise in terms of working with communities, in terms of getting the funds actually dispersed and in the hands of communities, and getting projects carried out. We originally requested authority to use a portion of the funds to hire somebody with a subsistence -- a cultural anthropology background. We were denied that by the Office of Management and Budget and are currently seeking from the Department of Law to have an attorney assigned that has a

background in this field so that we can draft regulations that are necessary to -- to get an invitation for projects out to the communities and disbursed. So, in short, the money is still sitting there, no specific invitation for projects has been issued to communities, and we're waiting assistance from the Department of Law. I'd be glad to answer any questions.

MR. FRAMPTON: Thank you.

MR. BARTON: Questions or comments for Mr. Poland? Mr. Ayers.

MR. AYERS: Yes, I -- I'd just like to say that I appreciate how quickly both Blatchford, and in this case Pat Poland, and Neil Johannsen responded to our request. I think Neil Johannsen said it best, and that is that DNR, Division of Parks, is in the recreation business. Now, certainly it's my intention here that what we're going to do is work with the Division of Parks and -- and in coordination, as I understand it, hopefully with the Forest Service, in looking at recreation, but certainly it is part in that criminal settlement funds that were specifically identified by the legislature under the House Bill 183 that ultimately funded several million dollars specifically for the purposes of recreation, to restore and enhance those recreational services lost or diminished by the Exxon-Valdez oil spill. And so, we look forward to working with them and certainly coordinating with them in that effort. The same is true with subsistence, and in both cases I would say we appreciate the fact that the agencies are working closely with the communities, which is one of our primary

guiding principles within public and -- meaningful public involvement. And, we will work closely with the entities in identifying these respective needs and appropriate strategies both in the areas of recreation and subsistence. So, I really appreciate the fact that the agencies have come forward to work with us.

MR. BARTON: Any other comments or questions for Mr. Poland? Then, thank you, Mr. Poland.

MR. POLAND: Thank you.

MR. BARTON: Next, under reports is the Public Advisory Group, James Cloud and John French. Are you there?

MR. FRENCH: This is John French, I'm here in Kodiak.

MR. BARTON: Okay, how about James Cloud?

MR. CLOUD: Yes, Jim Cloud's here.

MR. BARTON: Okay, gentlemen, please, the stage. Jim why don't you go ahead.

MR. CLOUD: Okay, I'll do that. Morning ladies -- can you hear me all right, Mike?

MR. BARTON: Yeah, hold a little closer if you would please.

MR. CLOUD: Good morning, ladies and gentlemen. I'm Jim Cloud a member of the Exxon-Valdez Oil Spill Public Advisory Group, and one of five representatives of the public-at-large. Brad Phillips, the PAG chairman, is not available and he asked me to report to you on the last meeting of the EVOS PAG. On January 11th and 12th, twelve members met, representing fourteen PAG

members, to review and comment on the projects of the 1994 work plan. Mr. Ayers was absent due to weather, and the chief scientist, Dr. Robert Spies, was unable to give his report. The public comment period lasted extraordinarily long, and we may have to take the time limit advice of this group of three minutes in order to get anything done in the future, and delayed our project reviews until late in the day. Public comments from the general public covered the spruce beetle epidemic, a recreational project for Whittier, and the Prince William Sound fisheries ecosystem research planning group. Charles McKee also tried to explain why our country's currency was not any good.

(Laughter)

MR. BARTON: I look forward to that.

MR. CLOUD: The second day was dedicated to discussing and voting on fifty-six projects. In a marathon session, each project was reviewed with a representative of the lead agency and voted on by the PAG. A yes vote was accompanied by a subjective ranking of high, medium or low, and a no vote did not carry such a ranking. I believe Mr. Ayers has provided you with -- each with a table summarizing the PAG evaluations, along with comments from the Chief Scientist and Mr. Ayers. Each project benefitted from frank discussions by PAG members and questions of lead agency staff. I think you will find transcripts of the discussions enlightening, if you haven't already had time to review them. The session was adjourned after PAG passed two resolutions, and a letter of appreciation to Mr. Charlie Cole for his efforts. If I may just

recap the results of the session and some of the general comments that have -- were made over the course of two days. Most of the projects were approved by the PAG with varying degrees of ranks for priority. One project was rejected, two projects resulted in a tie vote, and two passed by a margin of two votes or less. To recap these few unapproved projects or tie or close votes, under the no category, project 94092, the killer whale monitoring project was rejected with two yeses and eleven nos. Under the tie category, project 94126, habitat protection and acquisition fund, tied at six to six, and project 94244, sea otter cooperative effort, well, let's see, tied at six to six as well, I guess. Under the close, 94083, monitoring oil and treated shores, just barely passed at seven to six, and 94110, habitat protection data acquisition, passed at seven to five. Projects that we were advised had already been funded by the Trustee Council, were not addressed by the PAG in the interest of time, and frankly probably didn't matter what our comments would have been, and additionally, projects that did not have enough information or the budget was vague, or not yet arrived at, such as project 94199, the Seward marine science project, was not addressed and deferred by the PAG until more adequate information was available. The two resolutions passed by the PAG reflected two concerns. One, and I apologize, I don't have copy of those resolutions, they weren't made available to me by the time I prepared these remarks. One was the intent of the PAG to ask that Trustee Council to instruct staff to more closely monitor the budgets of the various work projects and to look for ways that

work projects could be more cost effective and coordinated. And, the other was -- the other resolution -- and that -- that resolution passed unanimously. The other resolution was a resolution asking the Trustee Council to include in the 1994 work plan thirty million dollars to start the process of an endowment or a reserve for future year funding and monitoring and other qualified research. General comments by PAG members throughout the discussion covered three areas: fiscal responsibility, habitat acquisition and a high level of frustration with the process we were -- found ourselves in for reviewing these work projects. Under fiscal responsibility, there was considerable discussion about the cost of the projects and concern that some projects may be replacing work that is customarily done by government agencies, but now being funded by the EVOS Trustee Council. Some members expressed frustration -- have no way of determining if such feather-bedding may be taking place. Some examples of questioned projects that -- that were brought up from time to time are in the project '92, the killer whale monitoring; project 159, the marine bird and sea otter boat surveys; project 244, sea otter cooperative harvest assistance; project 40, reduce disturbance near injured murre colonies; project 216, Gulf of Alaska recreation plan; project 419, leave-no-trace education program; project 420, recreational information center at Portage. Some members expressed concern that poor coordination among agencies may be increasing costs of carrying out the projects. Members also expressed hope that the ecosystem approach now being developed by staff and the

administration may reduce duplicity in transportation, labor and contracting costs. Under habitat acquisition there were substantial comment made by several members evidenced by the tie vote on project 94126, the habitat protection acquisition fund. An increasing number of PAG members have expressed concern over the direction of habitat protection efforts. The discussion on this subject is found on pages 293 through 303 of the meeting transcripts. Several, under frustration -- several PAG members have expressed concern of apparent lack of interest on the advice and comments of the PAG members. I read in the paper the other day, I guess this is just an ongoing dilemma among public advisory groups all over the state. The -- with all the time and effort dedicated by these people in the cost of holding meetings, some wonder why they continue dedicating such effort if their advice doesn't seem to be considered. The PAG is often asked to consider issues without adequate time to review the issues or projects or with incomplete information. Several PAG members expressed doubt about the value of their comments when -- when having to address these issues without adequate review or information. Perhaps the new administration will find a way to involve the PAG in a more meaningful, effective manner. In closing, I believe I've summarized some of the PAG comments and frustrations. However, on behalf of Chairman Brad Phillips, I invite you to read these transcripts, if you have not already done so. Thank you.

MR. BARTON: Thank you, Mr. Cloud. Mr. French, is there anything you want to add?

DR. FRENCH: Following the PAG meeting, I represented Chairman Phillips at a planning session that Executive Director Ayers had convened to implement a strategy for an ecosystem planning process. I'm sure he will discuss more about the details of this, but I know it's in your packet. I do think it's worthy to note though that he did -- that the Public Advisory Group was involved directly in this process and early on, and in that sense I think that was a very productive meeting, both in terms of the external scientists that were brought in and in terms of the input from public members. I think there were three Public Advisory Group members that were invited to the meeting, only two of us actually attend -- were able to attend. I think the overall discussion about the management structure of the ecosystem approach was very positive, it was very open. It was -- it was a very positive step forward. I would like to echo some of Jim Cloud's concerns though, and that is the Public Advisory Group with respect to project '199, the research infrastructure development project. Not that we disagreed with this project, but that there was a whole lot of -- there was generally a feeling that there was a whole lot of misinformation floating around, and reading back through the packet today and the rewrite of the project, I notice that there's still -- aspects of the university, for example, I'll address that because (indiscernible) probably knows best, but -- some are assigned to one unit and some are assigned to another. In reality, the matter of the school -- the Kodiak Center and the Seward Center are all parts of the School for Fisheries and Ocean Sciences and we

all have equal research roles. That may not historically sit well with some of the Institutes of Marine Science folks, but it's officially the case. I also have a letter sent to you from the President of the University, Jerome Komisar, I can either address that now or wait until public comment.

MR. BARTON: We -- we don't have that, Dr. French, perhaps you can fax that to us here, and, Jim Cloud, if you have something written, would you also fax that down here? If we could get you to do that.

DR. FRENCH: The letter from the president was faxed to your office ...

MR. BARTON: We do have the letter, but we don't have Mr. Cloud's comments. The fax number would be 586-7840.

MR. FRENCH: Would you like me to address that letter at this point, or would you prefer me to wait until public comment.

MR. BARTON: What's the consensus of the group?

MR. PENNOYER: I'd like to hear it.

MR. BARTON: Go ahead, Mr. French.

MR. FRENCH: Okay. Overall, as you know the University of Alaska and the president -- its President Jerome Komisar, have been intimately involved in the evolution of the Seward research project, and this letter basically reiterates the support of the University of Alaska for the project, but he also wants to emphasize the fact that there has been long-term ongoing research planning within the University of Alaska and within the School of Fisheries and Ocean Sciences, and among other organizations such as

the Cordova Center, and it -- in many cases this planning has made it much more cost effective to take other approaches to developing research infrastructure to just single -- simple consolidation of everything into one place. I mean, on the outset taking into account nothing except restoration, you may even think that the best, most logical -- if you can do it -- consolidate these facilities in one place, such as Seward. However, with planning that's taken place, both within the university and between agencies, and otherwise, there aren't opportunities available for expenditure of more limited Exxon Valdez restoration funds to accomplish the same task in a more efficient, cost-effective manner. Also -- President Komisar wishes to -- wishes to say -- I guess really remind everybody that it takes -- the ecosystem studies will take many years to accomplish, perhaps as much as many decades, and it's for that reason the university strongly supports the development of the reserve fund or endowment of some -- some sort, and we feel very strongly that type of a fund is essential for the accomplishment of the types of ecosystem studies that are envisioned. And, that -- the university's position is that development of -- of research facilities, infrastructure facilities, such as those proposed for Seward, is a very positive step forward. The regional approach should be taken, including consideration of the facilities in Kodiak and Cordova and other locations in the state, and particularly in the bays, the one I left out, and that the Trustee Council also give very serious consideration for the establishment of an endowment or reserve

fund. That's all.

MR. BARTON: Thank you. Are there any questions or comments of Mr. Cloud and Mr. French? Mr. Sandor.

MR. SANDOR: Thank you for the -- the excellent report, I have two questions. With respect to the resolutions that were passed and the recommendations made, first, that I understood, it was to instruct the staff to monitor the budget of each project, is that correct?

MR. CLOUD: Yes, that's correct, and look for ways to complete the projects in a more cost-effective manner.

MR. SANDOR: Yes, I'd like -- Mr. Chairman, to formally move acceptance of that recommendation.

MR. BARTON: Is there a second?

MR. PENNOYER: Second.

MR. BARTON: It's been moved by Mr. Sandor and seconded by Mr. Pennoyer that we accept this recommendation. Any comment? Questions?

MR. PENNOYER: My only comment, Mr. Chairman ...

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: ... is that basically the mechanism to do that is something that the Executive Director, I think, ought to be -- working on and ought to be working on, as part of his financial monitoring. But, I guess I had the same problems as you in (indiscernible) projects, funding -- simply and philosophically we're told make sense, but it's practically impossible at that level of review to actually assert that that's the exact right

amount of money, and so on. But for on-going monitoring, and I understand PAG is recommending, I think, this part of our instructions to the Executive Director, and I think that we're just reaffirming that.

MR. BARTON: Any other comments? Mr. Sandor.

MR. SANDOR: Yes, Mr. Chairman. I agree with Steve Pennoyer on -- on that point, but do believe it's worthwhile to re-endorse this -- this recommendation, and I also, I guess, it's a just a suggestion that it might be well to provide feedback to the Public Advisory Group on how that was implemented.

MR. BARTON: Other comments or questions?

MR. PENNOYER: Mr. Chairman, I have one further questions on the Seward institute, but I'm going to hold it until the next presentation, I think which is on that point.

MR. SANDOR: I have one other question.

MR. BARTON: Mr. Sandor.

MR. SANDOR: With regard to the second recommendation, the thirty million for year funding, you know, reserve fund or endowment, you had mentioned in the earlier recommendation that that was passed unanimously. What was the vote on the reserve fund resolution, do you remember?

MR. CLOUD: Yeah, I have it here, just a second.

MR. FRENCH: I believe it was nine to seven.

MR. SANDOR: Fairlc close, then.

MR. AYERS: That's correct.

MR. CLOUD: I think it was seven to five, John.

very hard for -- to go -- for this group of lay people from many different backgrounds to feel comfortable in giving advice on such issues of technical -- highly technical nature.

MR. ROSIER: Mr. Chairman.

MR. BARTON: Mr. Rosier.

MR. ROSIER: It seems to me that it would be, you know, something that would be well-worth scheduling some time and perhaps, you know, having further interaction. I realize that Jim has had it full -- full plate here, getting on board and so forth, but I really think that, you know, I'd like to -- I'd like to see this PAG process prove out to where they don't feel that they're under the gun. That concern has been expressed to me from a number of the PAG members. It's a growing issue that needs some attention.

MR. BARTON: Thank you, Mr. Rosier. Any other comment, Mr. Sandor?

MR. SANDOR: Well, let me certainly second Carl Rosier's comments in that regard and, I guess, what you're saying is you can't give us -- achieve that objective as we outlined.

MR. CLOUD: Mr. Chairman?

MR. BARTON: Someone have a question?

MR. CLOUD: Mr. Chairman, this is Mr. Cloud again. Somebody just brought to my attention that you may not have that table that -- or at least the public here may not have a copy of the table that outlines the summary of PAG votes, the comments from the Chief Scientist and the recommendations from the Executive

Director. Does anybody know if that's ...

MR. BARTON: I'm informed that there are packages available in Anchorage. I'm informed by someone here in Juneau, so perhaps ...

MR. FRAMPTON: We do have them here.

MR. BARTON: ... without the spreadsheet. Without the spreadsheet (indiscernible) perhaps staff up there can confirm that it is available, if it is available.

MR. CLOUD: Molly McCammon just confirmed that it is available, so they'll -- I just wanted to make that clear because it is -- just was mentioned to me.

MR. BARTON: Any further comments or question that apply to Mr. Cloud?

DR. FRENCH: Mr. Chairman, this is John French.

MR. BARTON: Yes, John, go ahead.

MR. FRENCH: If I could follow up a little bit on your current comment. There's a tremendous amount of frustration in the PAG. There was particularly with this meeting because the PAG has never received as a group a presentation from the new Executive Director Ayers of -- this would have been his first meeting, and the weather in Juneau made things difficult, but it was not the Executive Director's fault in it -- by itself, but we had anticipated recommendations through the Chief Scientists, but were not forthcoming, but they -- we received those actually by fax last week, I think. And, finally, at least two of those projects, the Sound ecosystem assessment and research infrastructure study

projects were clearly in their developmental stages at the time we met. So, yeah, I think most of us would like to hope that this year and last were anomalies, and we can have things working more smoothly next year. But, the other thing that I would like to remind everybody, that it is almost February already, we're looking for a '95 state implementation of the beginning of federal -- federal fiscal year, and that's putting us close under the gun already. So, all I -- I'm encouraging you -- not only the Public Advisory Group, but everyone associated with the process, try to keep things moving as rapidly as possible, or once again -- August, September and October we're going to be back in exactly the same position again.

MR. BARTON: I appreciate that Mr. French's. It's good advice, and I'm sure all of us share your concerns and promise to be more diligent. We'll ask Mr. Ayers to give an extra shot of both, Mr. Ayers, and see what can be done. Any further comment or questions? Okay, let's move along to the Institute of Marine Science, on the agenda, item 2(c) -- A.J. Paul and Kim Sundberg.

MR. FRAMPTON: Mr. Chairman.

MR. BARTON: Yes.

MR. FRAMPTON: George Frampton. Dr. Paul and Mr. Sundberg are coming to the table up here. They'll be ready in just a second.

MR. BARTON: Thank you. If they would just proceed as soon as they are ready, that would be fine.

DR. PAUL: For the record my name is Dr. A.J. Paul,

University of Alaska, Institute of Marine Science.

MR. FRAMPTON: Excuse me. You're going to have to put the mike close because it's going to be very hard to hear down there.

DR. PAUL: Can you hear me fine?

MR. BARTON: Yes, that's fine now.

DR. PAUL: Thank you. For the record, my name is Dr. A.J. Paul, University of Alaska, Institute of Marine Science, and I've been asked to give a brief history on the Seward facility of the Institute of Marine Science. The Institute of Marine Science was chartered by the State of Alaska Legislature to carry marine biology and oceanographic research in Alaskan waters. And in do -- most of our faculty members are on the Fairbanks campus where they're involved in the educational program and research in both polar seas. When we first started our operation in the '60's, our shore-based station was in Juneau, and we found that that was not the best place to be for -- because most of our operations are in the Southeastern Bering Sea and Northern Gulf of Alaska. And, so a task force of NOAA people, NMFS people, State of Alaska representatives and the Board of Regents was put together to find a site for a shore-based station to do marine research in the Northern Gulf of Alaska. And, they examined coastal towns all the way from Cordova to Kodiak, looking at the economic and the infrastructure and logistics, and they concluded that Seward was the best place to put a marine science center. So the Institute of Marine Science and City of Seward joined together in our

cooperation, to create the Seward Marine Center. The city donated about thirteen acres of land to the project, and we've been operational there since about 1970. We have two major roles, one is research and the other is education. Under research we're -- we 're the vessel operations for the School of Fisheries and Ocean Sciences, and the Institute of Marine Science. We operate the ALPHA HELIX which is a one hundred thirty-three foot oceanographic vessel, which works from Ketchikan up to the ice -- ice edge, and is been as far west as Hawaii. We are also staging areas for other Unols vessels and NOAA vessels that operate in Alaska waters. And, right now the National Science Foundation is developing plans for an over three hundred foot ice breaking research vessel that would stage from Seward. So, in addition, of course, to operating vessels, we have all the facilities to -- to keep and maintain them, docks, warehouses, cranes, machine shops and trained personnel. We're also the staging area for the University of Alaska under sea research program. In addition to facilitating the vessel traffic for the Institute of Marine Science and other research agencies, we also have shore-base research, or the only running seawater laboratory in the Northern Gulf region of Alaska. The only other place in Alaska where there's significant amount of running seawater laboratories base is Auke Bay lab in Juneau. There are not running seawater laboratories in the Bering Sea or the Beaufort Sea, so we also occasionally work with arctic animals as well as sub-arctic animals. We have two buildings devoted to seawater research, about half of our faculty is actually doing

medical research, especially neurobiology, everything from salmon smolt multiplication to work on alzheimer disease. And the other part of our group that works in icy water with living animals in the seawater laboratories, work on fish and invertebrate physiology and basic biology. We train graduate students for at UAF and other universities, we have an under graduate intern program, we have a visiting scientist program, every year we have about fifty to a hundred scientist from around the world who come to our laboratory because if you want to work on living creatures in the North Pacific, the Seward lab is the only place to do it. In addition to working with live animals, we also have a biological oceanographic program. We work on primary production zooplankton productions, and we could do recruitment of decapod and larval fishes. Most of the work we do in the Southeastern Bering Sea. Seward is a site picked by NOAA, global climate changes and a long-term environmental modeling site. We have a series of stations that run from Seward out to Middleton Island. And, it's the best physical oceanographic data set that exists in the North Pacific, and it's been suggested that that set of stations should be also occupied for biological oceanographic -- first region projects also. In addition to the IMS projects that go on there, Sea Grant and Marine Advisory Program operate a small public education program. The local Native groups has an oyster hatchery that was funded from the Exxon penalty funds, and the Alaska Department of Fish and Game is researching the site as the potential place for a shell fish research laboratory that was also funded from the penalty funds.

The proposal before you today, it really has two elements, one is facility and the other is program, and my colleagues here are going to talk in detail about facility. As far as program, I'd just like to point out that as an oceanographer, I note that there's some -- quite significant gaps in the research that goes on in the EVOS region. For example, nobody is really working on prime production, and that's the basis of food chain. Also, there's much of the zooplankton population, the large zooplankton like (indiscernible) are not well sampled, and kictoplanton(ph) and forage fishes are not well sampled. I know that the Trustees are going to look at some projects in the future that would -- that will look at these sorts of things, but I'd like to point out that doing them at Seward is just a natural extension of work that's already in progress. Of course, there's also the upper trophic animals, there (indiscernible) birds and mammals, and along the Seward line which would be a primary sampling site in our proposal, which would also be -- have other sampling areas in the -- in the EVOS region. There are several rookeries, mammals and birds, and I'd like to turn the talk over now to my colleague, Dr. Mike Castellini from the Fairbanks campus.

DR. CASTELLINI: For the record and make sure you can hear me, my name is Dr. Castellini, from the Institute of Marine Science, School of Fisheries and Ocean Sciences at the Fairbanks campus.

MR. BARTON: Thank you, we can hear you fine, just stay close to the microphone.

DR. CASTELLINI: Okay, I'll do that. I wanted to address, really only two major points for you today, and that has to do within this umbrella of what the EVOS program is supposed to be doing, sort of keep that over the total concept of the restoration of injured species and research gaps, things along those lines. I'd like to address two issues, not only the unique opportunities for being able to work in this area that Dr. Paul just referred to, but also something that keeps coming up, and that is the relationships to current programs and relationships with agencies, things that Dr. French alluded to just a few moments ago. It's critical to realize as we note in this handout that we've given you on the project, at least in terms of the research levels, pages, I believe it's probably eight, nine, ten and eleven, in that range where we talk about both the marine mammals and the birds. Not only do we have research gaps, but there are tremendous opportunities for cooperation with current programs that exist, both in terms of state, federal and other university divisions. And, I was sitting there realizing that -- that most of these programs that we have now are extremely field based, and it's sort of a catch-22. The reason for that -- the reason they are extremely field-based is not only do we have a lot of field-based problems to work on here in Alaska, but we have no lab abilities to do any of the lab work even if we wanted to, to hold some of these animals. So, we have a tremendous infrastructure for working in the field, working with a lot of these animals that exist with the current agencies, but when we do some -- some sort of laboratory

work, when we have the research gab there, the work gets farmed out somewhere else. And, four that I can think of just really quickly on the top of my head that are directly relevant to some of the issues that are involved that we've all have been discussing, for instance, thermoregulation problems of sea otters. When that problem came up, it went outside to San Diego down to Scripps. They have to work on it there. Food requirements of stellar sea lions, National Marine Fisheries Service having to work on that problem under laboratory conditions, sent it out to the University of California at Santa Cruz. Diving metabolism and resting metabolism of some of the murres, some of the birds that were injured in the -- in the spill and general biology of that animal, that gets farmed out to San Diego, to Scripps again. Problems with metabolic rates of harbor seals, immunology problems, how they vary throughout the year, food requirements, that goes to Memorial University in Newfoundland. There's no ability for us to do this type of work here in Alaska. So in terms of some of the unique opportunities that exist for both marine mammals and birds, I refer you to, I believe this has been sent down to Juneau, to the large project description, today, on the Institute of Marine Science required infrastructure improvements, again pages of about eight through twelve. If you look in there we discuss overall some of the general things that we could address at this facility that we simply can't do right now. Concepts of rehabilitation or live animal studies or food habitats, growth, how much pups grow, how much they need help from their moms, how much -- a variety of

problems exist along those lines, we simply can't address. So, there are general areas that are involved there, and then I'll spend just one moment talking about some of the sort of unique opportunities that would exist if we could build a facility like this. Addressing first the marine mammal issues, we outline there concepts of marine mammal food requirements, growth, medical problems, things that simply can't be done sitting out on a beach somewhere working with these animals. I've sat out on enough beaches, it's hard enough keeping yourself together let along doing this type of problem. Attracting new and innovative research on marine mammals, and this has to do with some of the cooperative work that we've talked about. We have a list there on page nine of international marine mammal scientists that would be willing to come here to work on a whole variety of projects. I'm looking at questions like medical profiles of animals, thermoregulation in cold water, toxin and pollutant control studies, things that are critical to understanding the biology of these species that we can't do in the field using this current infrastructure that we have for field-based work. I do a lot of field work. It's absolutely critical to understanding how the animal -- how these animals work. But, we also need the laboratory-based options to be able to that, especially in the areas, the last concern there of any rehabilitation of any injured animals, simply that we can't have any process. We don't have any ability to do whatsoever in Alaska at the moment. Turning to page ten and then to eleven, then talking about the marine birds. Again, we have the overall concept

of food habits, live animal studies, avian health, those are sort of the large bullet statements. However, there are specifics again that we have not been able to approach, for instance, we have had a variety of sea bird die-offs in the Prince William Sound area recently, and again the information has to go out to somebody else outside and making the extrapolation back to Alaska, back to Prince William Sound, or back into those areas trying to figure out what's going on, whereas we would be able to do that ourselves. Again, treatment or rehabilitation of injured marine bird species, something that we just can't -- can't do. And, then finally on page eleven then, marine bird diet, growth and behavior. Once again, same thing as I've discussed with you in terms of the marine mammals, we just simply have -- do not have these abilities in the state at the moment. These are research gaps that we can't approach, major issues that are involved with them, and I urge you to realize that field-based studies are critical, a great deal of my time is spent in the field, a great deal of time for all the marine mammal scientists in the state is spent in the field. We need those studies, but by the same token every time we come up with a research question, it has to have a specific problem solved, a specific question of looking at animal's health, understanding blood conditions when you need to compare an animal that might be injured versus one which is known to be perfectly healthy. It's gone. We can't do it. We end up having to try to make the extrapolation from outside, somewhere back into Alaska. And, I'll pretty much hold it at that point and turn it over to Kim.

MR. BARTON: Is there more to the presentation, Dr. Paul?

MR. KIM SUNDBERG: Yes, my name is Kim Sundberg, I'm with the Department of Fish and Game. I'm a habitat biologist and I've been tasked with preparing the detailed project description for this project number 94119. The report that was handed out required infrastructure improvements Institute of Marine Science, pretty much covers the progress that I've been able to make with -- with cooperation from agencies, the University of Alaska, and the Seward Association for the Advancement of Marine Science to date. Drs. Paul and Castellini covered pretty much the research gaps and the unique ability to the facility -- could cover. The remainder of the report contains information on budgets and descriptions of equipment and facilities, a conceptual site plan and space utilization plan, projection of operating costs and revenue through FY '98, project schedule, list of key permits and reviews that would be required for the -- for the construction of the project, and finally there's a list of coastal marine research facilities with responsibilities in the EVOS area and which outlines the opportunities for cooperation and coordination in an ecosystem-based research and monitoring program, and also a proposed organization. And, on that -- in that light I would like to stress that the project is not intended to -- the Seward facilities are not intended to sort of do all the research and monitoring in the EVOS area. The information I think that's contained in this report shows that the concept is that it would be among many facilities

that would be doing research and monitoring in the project area. I plan on working -- continue to work with Jim Ayers and others in the coming weeks to flesh out this project description. And, that concludes our presentation. If there's any questions, we'd be happy to try to answer them.

MR. BARTON: Thank you. Are there questions or comments to any of the presenters? Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, when we get to that project on the '94 work plan, will the -- one or all of you be available for further questions as we discuss the project under the '94 work plan discussion this afternoon.

MR. SUNDBERG: Yes.

MR. BARTON: Thank you. Mr. Sandor.

MR. SANDOR: Well, I wanted to compliment you on you on the report (indiscernible) on the presentation, their looking at the prove line and target base (indiscernible). So, getting the projects to go forward, although this project is -- this activity has been underway for two decades, there must have been an enlargement in the activity and this will require that -- environmental analysis of some type to meet NEPA requirements and environmental analysis might take as much as sixty to ninety days. So, as I understand, you're prepared to work with Jim Ayers and others in getting that analysis and other project information. But, what I'm concerned about is the (indiscernible) time of the -- of the Trustees, the anticipated funding from the Council, which is a part of the funding you're getting from a variety of sponsors.

What's the critical date on getting a red or green light from the Trustee Council?

MR. SUNDBERG: Well, the project is still in a development stage. The environmental assessment could begin any time if there was a go ahead to start writing the environmental assessment. I think that there wouldn't be a problem sticking with the schedule that's in the proposed -- what -- it's within the report as long as those time lines are met.

MR. BARTON: You're breaking up. Would you briefly repeat what you just said, and get closer to the microphone, please.

MR. SUNDBERG: I guess in summary, there isn't a problem with preparing environmental assessment within the time lines that are within the project schedule and that same anticipation is for other agency reviews and permits. There's basically a year provided in there to get the necessary project approvals before the final construction documents are prepared and the schedule basically shows that process beginning in February of 1994.

MR. BARTON: Mr. Sandor.

MR. SANDOR: Well, we could discuss this in more detail when the project comes up, but it's very important for us to know, and I'll reserve any other questions until we get to that specific project. Thank you, Mr. Chairman and the presenters.

MR. BARTON: Are there other questions or comments? Okay, thank you very much. We'll move along to our next item which is the science update, Dr. Spies.

DR. ROBERT SPIES: Good morning members of the Trustee Council, the staff and the public. I feel like I'm in a restoration -- super -- their playing the restoration Super Bowl this morning. I know that we're trying to get through this before the break, so being nonetheless loquacious members of this process, perhaps I can keep my comments very brief and move through. What I would like to do is -- is at Jim Ayers' request give you some update on the scientific program, both in terms of the resources and obviously we cannot go through any kind of detail that does justice to the tremendous amount of scientific work that's gone on, that's been sponsored by the Trustee Council over the last several years, but I can provide you with a few examples, and more importantly, I would like to talk a little bit about the process that Jim Ayers has initiated, and -- and how the scientific process and studies are serving your needs and how they -- I think we -- with his proposals we can improve things as we move into restoration. And, I'll be getting some help from a few others here on -- participating in the process. First of all, Torie Baker and Ted Cooney will be giving an update on the Cordova workshop. I'll probably add a few comments on what the peer reviewers and the workshop committee have recommended. We'll get a status from the fisheries from Ken Florey of the Department of Fish and Game, and finally, I think a very interesting overview by Glenn Juday of the spill area ecosystem. Glen's a broad thinker and I think he's going to have some impressing observations to make to kind of get us in the spirit of what, I think is really a new paradigm and I

think that's why Jim's request for an update is particular appropriate at this time because we're really in a process of switching paradigms. Most of the work up to this stage, not exclusively, but most of it has been evaluation of resource abundance for the purpose of damage assessment. How many of what things are where and how they fluctuate, what was injured, what is recovering naturally, what may need some, from our accounts, some sort of restoration activities. And, we're moving now into an area of -- we've adopted the restoration plan of trying to understand these injured species. If we're going to do something for them, we have to understand what limits them, so we have to put them within some sort of ecological context to understand how habitat, feeding predation, competition and none of those ecological processes are acting on these injured resources. And, the kind of information we need to understand what could be done in terms of management, as well as track the natural recovery. Later today, you'll be considering the adoption of a management strategy for implementation of the restoration plan that Jim has developed in the last several months. I think it provides the necessary management necessitated by an ecosystem-type approach. The science is really a process, not a product and we have to bring it into the process of restoration in a way that the results are reported in a timely manner, their synthesized and stored and available to the public into the participating scientists and other related activities being carried out by public agencies here in Alaska and elsewhere, as well as universities and so forth, so that we really

have no overlap, we have a maximum efficiency, and we can make a really lasting contribution. I was really struck as I was reviewing -- have been reviewing what's known about the resources in Prince William Sound, that the -- tremendous impact that the -- the Trustee-sponsored studies have made. We have sponsored a large part of what has gone on about -- and we have learned a lot about the Prince William Sound and other parts of the oil spill area over the last few years. We're major contributors, and I think it only makes sense to really do this within the context of -- we're making a lasting contribution beyond just the particular event of this oil spill. So that really -- if we can move on to just a very brief status on the resources, and I just use a couple of examples. The first one being from the uplands, the terrestrial and fresh water. I use the example the marbled murrelet to kind of give you an idea of where we are in the scientific process. In 1989 and 1990 we had a damage -- we sponsored damage assessment studies of marbled murrelets. We recovered six hundred bodies from the beaches, and we know that represented eight or nine thousand marbled murrelets, and marbled murrelets have been in decline since 1973, and this -- due to what you supported gathering certainly documented that both in '89, '90 and then further surveys carried out in '91. We knew that there were about two hundred thousand marbled murrelets in Prince William Sound in the '70's and now we have only eight -- eighty-two hundred and five thousand are the post-spill estimates. Those -- so really a long-term decline to this has been exacerbated by the oil spill. In 1991, you sponsored a restoration

project to

carry out, in '92 as well, to -- and it documented the further declines in this resource and also went a long way towards establishing what the nesting sites were in terms of habitat, both by observation and later by radio tags in '93, we know that the marbled murrelets prefer old growth hemlock and spruce in the spill area, and this information was very key in making some of the decisions that were -- went into habitat protection, used by the habitat protection group in identifying and ranking large parcels for consideration of your protection. So, here's an example of a study that has -- from damage assessment through restoration has made a -- has followed a logical sequence and has made a contribution to the restoration process. By the way, the reviewers that recently looked at the reports, particularly the habitat work done in marbled murrelet survey, identified this as a major study contributing tremendous amount of information to the knowing about marbled murrelets in Prince William Sound -- what are the major distributions of this species died on Kodiak Island. So, we made a contribution to basic biology as well as -- as its been a useful part of this process, in as far as restoring the spill damage. The second example I use is from the shoreline, the intertidal mussel beds, and particularly the persistent oil that's occurred in this mussel beds. In '89 through '91 this beds were not cleaned up; in '91 and '92 there was kind of growing speculation as whether some of the injuries to harlequin ducks, river otters and black oystercatchers, and perhaps others, the evidence we had for continuing injuries might be linked to their dependence on eating

these mussels, and the fact that some of these mussels occurred in dense beds where these species might be picking up large quantities of oil. That was a speculation and a hypothesis -- that we had at this time. And, in '92 you sponsored work to search for oiled mussel beds in Prince William Sound. Oil was documented, and the underlying sediments, and the mussels themselves in a wide range of locations within the Sound. '93 you continued to support some work on looking at the extent of the oiling problem, but has -- has sponsored restoration feasibility work as well, where a number of different methods for clean-up the oiled mussel beds were looked at. And, finally in '94 in the work plan before you, you have a -- a proposal that includes actual restoration clean-up of these beds using a technique that we think will be fairly non-destructive. A third example comes from the offshore area, and that is the injury to the subtidal communities. In '89 and '90 you supported the coastal habitat project run by the University of Alaska, and more recently it's -- in cooperation with the Department of Fish and Game. There was an injury established, based on a comparison of oiled and unoiled areas, particularly in the eelgrass beds and the fauna associated with the eelgrass beds. The '91 studies showed that the -- the differences were in fact converging between oiled and unoiled areas. '92 was a year off for synthesis and information and completing reports, and in '93 we did -- there was some work sponsored out there. It was somewhat inconclusive because of the -- because of the condition -- the poor conditions in the Sound for the -- for the crutch of the species which were

planned to be worked on that year. As everybody knows, there was a number of very odd things that happened in '93. So, we have nothing really proposed in '94. It looks like we probably completed what can be usefully done in this process with -- working with subtidal communities at this time. Well, they may be part of a further ecosystem related research you may want to consider in the future. That concludes kind of my examples of -- from the past studies that you've gone on, but they illustrate that we have been following a process that reasonable, but I think the point I'd like to re-emphasize is that we need to -- with the ecosystem type approach that is being considered, the switch in paradigms that the -- the necessity for better and tighter coordination between studies becomes paramount, and, I think, that I more or less am endorsing what Jim is going to put forward later in the day in terms of how this process can be managed and integrated in a little better way. And, thank you.

MR. BARTON: Thank you, Dr. Spies. Are there any comments or questions of Dr. Spies? Mr. Sandor.

MR. SANDOR: Dr. Spies, last year and -- the year before, actually, you gave a visual presentation that included not only the Trustee Council, but the media, which was very well received, and I'm wondering if it's possible to have a similar presentation which you identified sort of species by species, tracking system. Is that going to be done this spring, or at some time?

DR. SPIES: It certainly could be done, I could do

that if you'd like to include that in one of your meetings in the future, in the spring. I'd be happy to do it.

MR. BARTON: Mr. Ayers.

MR. AYERS: Yes. Dr. Spies and I have talked about this only briefly. It is clearly my understanding that the public appreciated that, and that's actually what's needed. None of the items further down on the agenda that I will talk about, under the Executive Director's report, the issue of a fifth anniversary work shop of -- and I -- conference -- I hesitate to say symposium because there's some things that won't be accomplished by then. But, what we envision there is exactly what you're talking about, a presentation, species-by-species, in an ecosystem kind of discussion. What was happening? What species have -- are not recovering? What do we know today? And, I'll discuss that over -- under the Executive Director's report. But, I envision exactly what you're talking about, Mr. Sandor, with some additional effort.

MR. SANDOR: Can that be done -- say before the end spring.

MR. AYERS: Mr. Chairman, Commissioner Sandor, my hope is to get your authorization to proceed at trying to have this done towards the end of March. Now, so, right at, as matter of fact, the first day of spring is what we're targeting, and obviously it's very ambitious, it's only, you know, six or seven weeks of preparation. That is what I am going to propose later in the day.

(Indiscernible - simultaneous talking)

MR. SANDOR: Without preempting that, but since it is

a part of Dr. Spies presentation, I think we'll want to formally move this that such a presentation being made before May. I'll give a couple of -- of my thoughts.

MR. BARTON: Mr. Sandor moves and I'll second that the presentation be before May. Is there a comment on that? Mr. Ayers.

MR. AYERS: Just one question. What I envision it is that it would be in a public setting and actually we would invite the public and a number -- a number members of the media. Both the state and national media has been contacting me asking questions that I think could be answered in that kind of a presentation. Is that what you ...?

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: This is kind of (indiscernible) to the motion because it's important we continually update progress relative to the spill. But, certainly this is more than single species cover it. At some point I would presume that there is (indiscernible) monitoring research plan later on, that then becomes part of that plan. Have a plan with that objectives to that species, with some idea of what you're going to do for species -- complexes of the ecosystem. So, this is not something out of context, somehow this is going to part of that plan (indiscernible) and I presume outside you can handle it.

MR. AYERS: Mr. Chairman, Mr. Pennoyer. We clearly -- my intentions -- an adaptive management approach which is looking at what do we know today by species, what is that, you know, how

does that reflect in the ecosystem. Using that information in the presentation and then moving from that presentation and -- and analysis to what kind of work plan then should we develop based on the information that we've now gotten. Is exactly where I intend to go and that is part of the presentation later. Is that what you ...?

MR. PENNOYER: Yes, thank you.

MR. BARTON: I'll ask the question on the motion.

MR. CRAIG TILLERY: Mr. Chairman.

MR. BARTON: Yes.

MR. TILLERY: This is Craig Tillery. You broke up on a little bit of this, but I understand the proposal is to do some kind of a mini-symposium before May, this spring, with regard to damages?

MR. BARTON: Let me ask Mr. Sandor to clarify on ...

MR. TILLERY: Let me tell you what my concern is, and I haven't thought this through, but I believe there's a trial scheduled to start in May and another one scheduled to start in June, and I'm concerned we might interfere with the progress of that trial, and I am concerned that if we waited later, we might have the additional benefit of insights from the plaintiff's experts in that trial and Exxon's experts that would not be available prior to the trial.

MR. BARTON: Mr. Sandor.

MR. SANDOR: Yes, Mr. Chairman and Craig Tillery. No, this is not a symposium, this is a report similar to the -- the

ones that Dr. Spies gave last year, and I think goes to the -- Steve Pennoyer's discussions of that -- that it have a relationship -- identified.

MR. BARTON: Any further comments or questions on the motion?

MR. AYERS: Just one comment. I will be happy to work with the Attorney General's Office, as Commissioner Sandor mentions, I think what's envisioned is a conference, not a symposium.

MR. SANDOR: ... A presentation (laughter).

MR. PENNOYER: Mr. Chairman.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: This wasn't intended as a conference -- this is all update statements where we are at the moment relative to resources, ecosystems, I presume it would projects of (indiscernible).

MR. AYERS: Fine -- public presentation.

MR. SANDOR: Just an update as we did in years past.

MR. BARTON: Further comment or questions? Mr. Rosier.

MR. ROSIER: Yes, thank you. Craig, is this -- are you comfortable with that?

MR. FRAMPTON: We couldn't hear that in here in Anchorage.

MR. ROSIER: I was asking Craig Tillery if he was that comfortable with that?

(Laughter)

MR. TILLERY: I'm -- I'm not sure I understand. I would be happy to vote for this with the sort of agreement that Jim Ayers and I will work with the private plaintiffs, just to ensure that nothing is going to happen that would, you know, leave room for people to argue the -- the trial was unclear or couldn't proceed.

MR. ROSIER: I agree.

MR. BARTON: Okay, the motion is so amended. Any further discussion on the motion?

MR. FRAMPTON: What was the motion? We didn't hear any motion being made here.

MR. BARTON: Mr. Sandor moved that we have a public presentation similar to that to which have had in previous years before May, discussing the results of the studies, the status of the injuries, and the inter-relationships of those, and Mr. Ayers will work with the Department of Law to ensure that we don't create undue problems with the ongoing litigation.

MR. FRAMPTON: Thank you.

MR. BARTON: Any objection to the motion? Hearing none the motion is adopted. Further questions for Dr. Spies? Hearing none, we'll move along to Torie Baker and Ted Cooney.

MR. FRAMPTON: Mr. Chairman, this is George Frampton. We have a number of presentations here, could I suggest that we finish the presentations and then have questions from the Trustees, rather than do three presentations and three questions sessions here. Since we're out of time on our morning session, it might be more productive to have everybody make the presentations and then have

any questions.

MR. BARTON: That's a helpful suggestion and unless there's objection we'll adopt it. Any objection? (Laughter) Moving ahead with the next presentation on the Cordova workshop.

DR. SPIES: Tori and Ted, why don't you go ahead and I'll chime in at the end with a couple of comments.

MS. TORI BAKER: This is Tori Baker from Cordova. Can you hear us down in Juneau, we probably should probably test the mikes.

MR. BARTON: Yes, you're coming in just fine. Thank you.

MS. BAKER: Thank you. Members of the Trustee Council, my name is Tori Baker, I am a fisherman from Prince William Sound, and along with Dan Hall, who is the Chairman of the Prince William Sound Aquaculture Corporation, who's in the audience, I was asked today to give I believe a bit of a review and a short synopsis of the Cordova workshop. I feel a little bit that -- that Bob at this point can -- can address some of the more details of that workshop, but just as -- to remind that this was a effort that took place in early December. It was the result of some of -- two things really, an effort on the part -- the effort by the planners in Prince William Sound who came together to present, or to devise an ecosystem-based research approach to particularly pink salmon and herring in the Prince William Sound area. You who were here in -- in August and September on the Trustee Council were aware of the planning grant that was given to

that coalition of users in Prince William Sound, and when that -- that planning grant was given, there was a -- also a joint workshop that was outlined at that time for the review of that work and also the expansion of that work into other marine mammals and birds species that -- that need to be included in such an ecosystem-based approach. Without going into infinite detail on -- on the development of all that, I'd like to focus on the workshop itself that took place in Cordova. I -- it was a two and a half day up there, there was a steering committee put together between the two lead agencies of NOAA and Fish and Game, and others of us who were going to be involved in that workshop, and to that workshop we brought simply two -- two different efforts, one the technical review of the SEA proposal -- sound ecosystem assessment -- which is the document that you have all received copies of, that I have a copy of here, that was designed by the Prince William Sound Fisheries Ecosystem Planning Group, and Ted will report on that one in more detail and the proposal that is now appearing in the -- in the FY '94 workshop -- or work plan -- for consideration for funding. And, then the inclusion of other agency representatives and scientists and personal or current investigators, who were working on other areas of the ecosystem in Prince William Sound. I think Bob can speak to some of the recommendations and the findings that came out of that workshop, that was contained in a memo that was given to the Trustees and to Jim Ayers. And, I would just like to summarize that that workshop was probably one of the most unique, and probably one of the biggest turning points from a

lot of us who have been impacted by the spill and involved in it and witnessed it, in terms of the Trustees' commitment to taking some serious looks at integrating all of the research and all of the -- the efforts that have gone on before, up to this point. With that, I'd like to take a moment to introduce Ted Cooney to speak specifically to the Sound ecosystem -- Sound ecosystem assessment work and to the proposals that have been developed from the findings in the workshop and the evaluation of that plan, which is contained in the 94320 proposal, before you now.

DR. TED COONEY: Tori, thank you very much. My name is Ted Cooney. I'm presently chair of the science committee of the Prince William Sound Fisheries Ecosystem Research Planning Group. I've prepared some remarks that I'd like to read here, preferably to the process. Chairman Barton, Trustees, Executive Director Ayers, members of the agencies, agents of the Trustees, ladies and gentlemen, for the past twenty-three years, I have been a faculty member of the University of Alaska, first in fisheries biology and later in marine science. My fields of expertise include zooplankton ecology, marine acoustics, and the feeding and growth ecology of juvenile fishes with emphasis on pink and chum salmon. I'm presently leading a consortium study of oceanographic influences on the production of salmon in Prince William Sound. Cooperative fisheries and oceanographic studies CFOS brings together the expertise and facilities of the Alaska Department of Fish and Game, the Prince William Sound Aquaculture Corporation, the Prince William Sound Science Center and the School of Fisheries

and Ocean Sciences to seek new answers to old questions about salmon production variability. CFOS has established a modern program of meteorological and oceanographic monitoring at each of the hatcheries; monthly surveys of hydrographic conditions in the deep basin of the Sound; a seasonal and monthly plankton watch program and hourly measurements of upper ocean and surface weather conditions using a satellite linked, a buoy, Sea (ph) Lab One, purchased and operated by funds from the Alaska Science and Technology Foundation. Regrettably this four year program is phasing out this year, but much of the equipment in the monitoring protocols will remain in place, benefitting the citizens of the region. I mention CFOS because it demonstrates a multi-disciplinary program that has operated successfully in the Sound since 1990, and because the results of -- the results of the consortium research were available and used in part to generate some of the conceptualizations that formed the basis of the SEA Plan. Sound Ecosystem Assessment, SEA, an initial science and monitoring program, was developed this fall with EVOS Trustee Council support. I'm referring here to the one hundred plus page document that you've all seen. A group of planners consisting of members of the public, the fishing community, marine scientists and fisheries biologists from the Alaska Department of Fish and Game, from the Prince William Sound Science Center, from the Prince William Sound Aquaculture Corporation, and from the University of Alaska, organized and pursued the crafting of this document. Over a period two and a half months a draft was produced that formed the

centerpiece of a two-day workshop in Cordova designed to explore integrated ecosystem-based research. SEA was extensively reviewed by the agents of the Council and a cabaret of distinguished invited scientists from the U.S. and Canada. The plan was recognized for its scientific merit and endorsed, with minor revision, as an exciting an innovative approach to serious questions raised about the health of the Prince William Sound ecosystem, particularly with reference to pink salmon and herring resources. The document you are being asked to approve for funding in FY '94 is the extension of the SEA Plan written as a coordinated implementation proposal. This is the twenty-five plus page document that you also have in hand. In anticipation of your questions, why should the Council approve funding for SEA, how is it different from other attempts at restoration, and will it work, let me say the following. First, funding SEA will initiate a new approach to understanding the health of the Prince William Sound ecosystem. By new, I mean understanding the natural and anthropogenic processes responsible for producing the disturbing trends in higher level consumers, that's fishes, birds and mammals, so apparent in the region. SEA asks why is the system behaving the way it is, rather than merely measuring and recording its status. This is a key and very fundamental point. The SEA approach is in many ways the only tool to determine what extent the system is being perturbed by lingering oil spill effects. The metaphor here is your family car. When the car begins acting up, you recognize the problem because you know what the historical performance has been. Nowadays if you

have the

expertise or equipment -- so they must take their cars to the service garage to be fixed. The degree to which the fixing is successful in restoring performance is directly proportional to how accurate the diagnosis for the problem is. Unless the service department knows how the car is suppose to work, attempts at fixing the problem, restoration, will be hit or miss at best. This analogy holds for ecosystems as well. Can tell it can be determined how the Prince William Sound ecosystem is supposed to function in response to levels of natural variability in the marine environment, attempts at restoration will be ineffective and may even cause more problems than they are designed to alleviate. This is the answer to what SEA intends to deliver and how it differs fundamentally from studies previously sponsored by the Council, the development of a functional and predictive evaluation of the Prince William Sound ecosystem, an investigative and analytical program representing a modern tool for justifying responsible restorative activities relative to clearly injured species like pink salmon and herring. Second, the coordinated and integrated aspects of the approach to ecosystem science proposed by SEA are not new. The oceanographic and marine sciences communities have been studying coastal shelf and oceanic ecosystems in this manner for years. Unfortunately, early attempts to establish a process context for EVOS studies were denied on legal grounds under damage assessment because of the rules of the game. It appears now the rules may allow a place for process-oriented research. Admittedly, what SEA proposes is complex and expensive. However, it is no more so than

many other such investigations being undertaken outside the EVOS process. The kinds of integrated science management that have succeeded elsewhere are being adopted by SEA to assure the investigative process proposed here results in more than a paper collection of individual studies listed under a clever acronym. In that important regard SEA has been listed -- has been designed from the beginning on to major programmatic thrusts. One, a highly coordinated field and laboratory, multi-component study driven primarily by hypotheses stated in the SEA Plans, and two, a data base information services and modeling activity designed to very efficiently focus the results of SEA on the major questions being asked, and to share this information with the Council, its agents, the scientific community and the public in a professional and timely manner. We'll see work, in my professional opinion, and in the context of other such projects of this kind, that is NSF sponsored land margin, ecosystem research, NSF sponsored long-term ecosystem research and others, the answer is yes. Lastly, why should the Council fund SEA, in twenty-five words more or less. One, the concepts and SEA implementation plan draw on past studies of the region and pose several innovative and scientifically defensible hypotheses about how the system is functioning. Why we see what we see in the trends of higher level consumers. These critical ideas are ready to be tested by the scientific method. These concepts and hypotheses have been reviewed and endorsed by distinguished, invited peer reviewers from outside the EVOS process. A conceptual science has been deemed good. The strong

process orientation and coordinated program of studies proposed by SEA will establish a critical functional ecosystem concept missing in EVOS restoration activities for Prince William Sound to date. SEA should be viewed in part as a prototype program for other questions raised by the spill-impacted region and used as a pilot study for the emerging ecosystem-based management structure presently being developed within the EVOS as a means to conduct future restorative activity. In closing, let me say it has been my privilege to be associated with the development of SEA over the past four months. Particularly, my association with the hard-working members of the planning team in Prince William Sound. The community of voices that brings this plan to you does so with expectation and professional pride. It was an act of desperation that brought national attention to the plight of pink salmon and herring resources in the region this past year. The SEA planners believe that the answers to many, if not all, of the questions raised at that critical time reside in the timely implementation of this program. SEA is a product of your faith in the community process. We have guarded that trust in the development of the plan. Sometimes we have seemed aggressive to your agents in the process itself. If this was so, it was done to guard the integrity of the science. I urge that you give your greatest consideration to the funding of SEA. Honestly speaking, we, the SEA planners, and our supporters have done all we can to provide you this unique opportunity. The decision now is yours. The region awaits.

MR. BARTON: Thank you, Mr. Cooney.

DR. SPIES: Thank you, very much, Ted, a very eloquent presentation, and on behalf of the SEA program, I might -- I was going -- preparing to actually read the five major findings and recommendations that correspond to those. I might quickly skip the findings as the recommendations explain those. In some extent, I think Ted also covered them in his comments. This is a committee that -- that the -- was set up by the Trustee Council, mainly NOAA, -- Fish and Game might participate as well to set the workshop up and as Trustees' point of view provide the peer review from -- peer reviewers from the outside, which were also suggested at -- from Cordova. They got large contributions in helping us find good peer reviewers, and also participation of -- major participation of NOAA and the Alaska Department of Fish and Game. I'd like to thank Bill Hines, NOAA, Jeff Kinnings (ph) from Alaska Department of Fish and Game, Ed Wilson from U.S. Fish and Wildlife Service, Steve Planchon from Nature Conservancy, plus Tori Baker here from the Cordova, Alex Birdheimer (ph) from NOAA, Auke Bay Laboratory and Zane Korneff (ph) from the U.S. Forest Service. Just quickly, the recommendations that came from this steering committee and their memo to Jim Ayers. Recommendation number one, start research activities in 1994 that relate directly to the mayor hypothesis regarding how certain ecological processes may control fluctuations of key injured fisheries resources. The second recommendation, continue to develop a scope of work for research and ecosystem processes, both marine and terrestrial, in order to develop research controls for consideration in the 1995 work plan. Third

recommendation, research efforts on ecosystem processes should be funded for a minimum of five to ten years, design the scope of work accordingly. Recommendation number four, authorize the Executive Director to pursue administrative procedures modeled after Canada's Project Open, and a National Science Foundation that will lead to a process that requires submission of interdisciplinary research proposals for the ecosystem study. And, recommendation number five, support comprehensive review and synthesis of previous research from an ecosystem perspective. I would like to move on now to the -- an update on the status of fisheries, and Ted and Tori, if you'll stand by for questions from the Trustees at the end of the presentation. Thank you.

MR. KEN FLOREY: Good morning, Mr. Chairman, and members of the Trustee Council, my name is Ken Florey. I'm the regional supervisor for the Central Region of the Alaska Department of the Fish and Game. Our responsibility includes Prince William Sound, Cook Inlet, and Bristol Bay. I have -- I feel like it's kind of tough act to follow after, listening to Dr. Cooney. He was my major professor in college and I obviously took the wrong road because he now has more hair and he's got a lot less gray than I do, so fisheries management is not a profession, I think that I won't have anyone go into. Dr. Kinnings (ph) was suppose to give you this herring this morning -- this briefing this morning, but he had a budget hearing in Juneau, so he asked me to sit in and give you a brief overview of the status of the Alaska fisheries. Specifically, the fisheries within the oil spill area. I think

I'll just kind of cut to the chase and for the purposes of this discussion, I'm just going to limit my comments to -- to salmon and herring. The overall production in biological health of most of Alaska's salmon stocks can only be described as excellent. Both herring and salmon harvest are at or near all time record highs. The 1993 statewide herring fisheries -- fisheries were expected to produce landings of over eighty-six thousand tons, seventy-six thousand of which were to come from the sac roe fisheries. Bristol Bay, Prince William Sound, Norton Sound and Southeast were expected to be strong contributors to the statewide production. Actual harvest tolls of forty-six thousand tons, well within the range of recent catches, were only fifty-three percent of the forecast, and only the Prince William stock failed to return at or above the preseason prediction. Of the hundred and thirty-four thousand ton of herring projected to return to Prince William Sound in 1993, only thirty percent or forty thousand tons could be accounted for. In addition, the fish appeared stressed, with some exhibiting abnormal swimming behavior, and all were fifteen to twenty grams smaller than anticipated for the various age classes. Many also showed external lesions then were -- that were isolated to have VHS virus that could also contribute to the decline in biomass that was documented in 1993. Looking ahead, at the overall outlook for Alaska's herring fisheries indicate moderate to high stock status levels, which generally stable trends in most fisheries. The 1994 herring sac roe projections point to above average landings in most fisheries, while Sitka Sound and Prince William Sound are the

notable exceptions. The 1994 statewide forecast of herring sac roe harvest is expected to be about fifty-five thousand tons with only twenty-eight hundred of that projected harvest coming from Prince William Sound. Management strategies using Prince William Sound for 1994 and in the near future will take a conservative approach, keeping the guideline harvest rate at less than the allowable twenty percent due to the uncertainty of the status of the stock and our concern for the future health of the Prince William Sound herring resource. Moving on to salmon -- (cough) excuse me -- the 1993 commercial salmon harvest established a new record of over a hundred and ninety-two million fish taken. Records were approached or broken for sockeye harvest in Bristol Bay, Copper River and Southeast Alaska. The pink salmon catch in Kodiak was more than double the previous record, and the harvest in Southeast was the third highest ever recorded. However, while these records were being established, other parts of the state were suffering their worst seasons ever. The Western Alaska chum salmon stocks were extremely weak, causing the governor to declare them a disaster in the AYK region, this area of Yukon-Kuskokwim. Similarly, the Prince William Sound pink salmon fisherman suffered a miserable season as fish failed to return in anticipated numbers. With a catch of only five point eight million fish or twenty-two percent of the preseason forecast, 1993 ranks as the poorest harvest in sixteen years. While weak chum salmon returned half the statewide, only Prince William Sound suffered a failure in pink salmon for the second consecutive year. Even with no directed fish or wild

stocks, 1993 escapements averaged only about seventy percent of desired levels and were as low as twenty-five percent of the goal in some areas. Looking ahead to this year, the preliminary projections for the 1994 salmon season, indicated potential statewide harvest of a hundred and sixty-seven million fish, which if realized would be the third largest on record. Sockeye salmon returns are projected to be variable across the state, Bristol Bay predicted to have another large return similar to 1993, or reduced production is expected in Kodiak, Chignik, Southeast and Cook Inlet. Of key concern to the department is the Kenai River and Upper Cook Inlet which is predicted to have a harvest of -- surplus less than eight hundred thousand fish. The Department anticipates having to use cautious and restrictive managements to ensure obtaining escapements within the goal range. Pink salmon returns for 1994 should again be mixed. Of the ninety-six million forecasted statewide harvest, twenty-four point one million are anticipated to be taken in Prince William Sound, and of that total, fifteen point eight million are projected for the common property fishery and eight point three for hatchery cost recovery. While the forecast of harvest appears to better news considering the recent past, only six hundred and twenty-thousand harvestable fish are -- are expected to come from wild stocks. This will again dictate extremely conservative management in all harvesting returning in -- in the hatchery terminal harvest areas. In addition, the word of caution is added after the last two years' forecast experiences where returns have only been twenty to thirty

percent of projection. That concludes my summary.

DR. SPIES: Are there any questions on the overall presentation on the science program? Excuse me, I'm getting ahead of myself here. There is finally a presentation by Glenn Juday. Glenn gave a really interesting talk at the Cordova workshop, Glenn is a very broad thinker from the University of Alaska, he's got a, I think, a unique perspective on the spill area ecosystem. I've asked Glen to give a brief overview of the spill ecosystem this morning.

DR. GLENN JUDAY: Is this on? Can you hear me in Juneau?

MR. BARTON: You may go ahead and talk, go ahead. (Indiscernible).

DR. JUDAY: All right, now can you hear me?

MR. BARTON: Yeah, that's a lot better, thanks.

(Dr. Juday used overhead visuals to illustrate his presentation.)

DR. JUDAY: All right, thank you. Trying to arrange the microphones. Well, I have the unique task of giving a visual presentation by teleconference here, but I'll try to be particularly eloquent so you can see it in words. All right. Well, there's been an excellent introduction to the subject here. Everybody is using the word ecosystem, and I just want to point out some of the features of doing an ecosystem study that makes it, or context for management, actually, that makes it different than what we've been doing in the past. Everybody knows and is familiar with studies that focus on an individual organism, or numbers of them in

populations, or groups of different species all together in communities, you've got to go up one step further in concept to reach the ecosystem level, the level of incorporating all of the interacting community of life with its physical environment. In addition to this stepping up in concept level, it's inevitable that this work has to be done at bigger spacial scale and over longer periods of time, and I'll try to show some examples of that. Another unique feature is that it's absolutely vital to incorporate some consideration of energy. Energy is the currency of an ecosystem, literally, and it's, of course, accounted for by carbon compounds that are fixed. So, you'll hear a new vocabulary and new focus of studies and accounting for how things are doing, not just in terms of the population counts of the individual organism, but accounting for things like productivity and amount of energy obtained. All right. And, this is inherent in the method. All right, so we look at energy and how it moves around in an ecosystem, we see some important points here. First of all, of the incoming solar radiation, a third of it is bounced right back off the tops of clouds and dust into space, and only two-thirds is available to interact inside the earth's atmospheric envelope. About forty-two percent of that just keeps the planet warm enough so that we can be alive, and about twenty-three percent of the incoming one hundred percent is simply used to move water around. All right, and winds and waves take up about one percent. That leaves only point zero, two, three percent that's actually trapped and fixed by living organisms and is available to do the things

that distinguish living organisms. All right. What kind of ecosystems are we dealing with here, in terms of their productivity, this amount of energy that they capture. Well, if you look on a per unit area basis, estuaries, swamps and marshes, the two wetland types, are the most productive per unit area, by far, followed by, fairly closely, the tropic rain forest, it's in the general range, and other high productively tempered forest types. On a per unit area basis, you'd put the Continental Shelf ecosystems at about the top of the one-third from the bottom range. Okay. So, they are, however, much, much more productive than the open ocean. It's where the -- the marine productivity is concentrated. Now, if you account for how much of them there are all over the world, they move up considerably to about the middle range, the Continental Shelf ecosystems. So, even though they represent much less than ten percent of the worlds ocean surface, they contribute a disproportionate amount of the total productivity in the marine world. All right. Now, another unique component of this approach of doing the ecosystem studies is, a concept that's been called the invisible presence, and I'm showing a graph here that just has everything blacked out except one year, and there's a dot, and you see that one year, and what does it tell you? It doesn't tell you anything in particular, except what was going on that year. Now, adding nothing, so that piece of information, but simply having about a ten year spread of information, you can see that a single year, you can say was it in the middle, was it high, was it low, and all of a sudden, again, not adding anything to that

piece of information itself, but having a better context, you understand it better. Our trend is up, our trend is down. Over multi-decade periods of time, you begin to see are there such things as cycles. What is a long-term trend? Is there any? And, finally with long enough time series, it's possible to make very powerful statements like, this was the lowest ever in a hundred and some years. The particular example I'm showing here is duration of ice cover on a lake in Wisconsin that's been studied for a hundred and some years. Another unique component of, especially a product in marine ecosystems is, they interact. There's an elaborate ping pong game going on there. And, let's just look at this example from a lake system. Here were two excellent recruitment years of larger -- of middle-size predatory fish, and, so the adult numbers, a couple of years later after this good recruitment, went way up. They chomped down and ate up a bunch of zooplankton, the herbivores that eat the phytoplankton (?) in the lake. And you can see down at the bottom a trend in the clarity of the water in the lake, which is just an index really of the amount of -- in the primary production of amount of sun's energy that's being fixed. And, you can see how there were lag effects, at least four major players in the scheme here, and you can't understand any one single observation of measure that you've made, either by itself -- it all has to be put together -- the light bulb just burned out -- or -- yeah, now it's a complete -- and the other point is that you can't understand what this interaction, based upon a single year's observation or a very short term observation. Now, the point is

that it's virtually impossible to do really meaningful ecosystem level work without incorporating the longer term, the larger time scale, and the interaction of all of these elements. And, I'm at one of those natural pausing moments here, without audio visual aids, and -- I'll take my guidance from the moderators here, and I'll just tell you two other things. One, that -- I would have showed you some of the information we have been able to put together that indicates some of the major influences that make the North Pacific ecosystem work. How it breeds storms, and the cycles of climate that we have, and clearly these extend over very, very large areas or scales and they extend over longer time periods, multi-decades, time periods. Well, they've brought in another machine, we can give it a try. All right. For example, here's the -- a depiction of the mean sea level pressure in the North Pacific region, and you see what's known as the Aleutian Low, which is formed from cold air masses spilling out over the North Pole region of Siberia, widely over relatively warm water, the air mass rises, because of the spin of the earth, and parts that spin to the air mass and there you have the storms that we all know and love in the North Pacific. This is the Northeast Pacific High. Up until the '60's known as the California High, until that term was taken for other reasons. Now, what you have here is the convergence between those two zones, and that is the Mean Storm Tract averaged in this case over a period of nearly thirty years. And, you see it takes deadly aim straight at Southeast Alaska and drenches it. One of the -- on the direct pieces -- pieces of direct physical evidence,

and by the way I'm using information developed in a thesis at the University of Alaska Fairbanks by David Salmon under the directorship of Tom Royer (ph). What you can see here is the pile -- literal piling up of water in the area in which the storm tract has aimed, and that, of course, then has to be accommodated in movement out of there which sets up the Alaska coastal current. Now, here we have the basic current system over the -- the North Pacific, and this area right here where the cold currents and warm currents are in closest proximity is the storm breeding ground, really -- the master driver of weather systems for the northern hemisphere. Let me just show you one example of that, that depicts the conditions that we're experience right now over much of North America. Just move those systems, those high and low systems, and position the Northeast Pacific High further north, strengthen and enlarge the Aleutian Low, and you've set up a system in which warm air is being sucked up from the Central Pacific and thrown up into Alaska, so we're having near record setting warmth right now, right outside the door, and further, this gets hooked up with a high pressure system up here in Northwest Canada and throws that cold air from the North Pole, instead of over Alaska, straight down the North American Continent, which drifts eastward causing the record cold that they're having right now. So the North Pacific, its current systems, its weather patterns, extremely important in controlling much of the weather over North America, and the system is responsive to all of these inputs. Okay, I'm going to finish up with just a couple of points here. The first one is, we have some

idea, some measure, that there is something like this, a longer term repeating pattern, in climate cycles in Coastal Alaska. This is a smoothing treatment that shows beautiful cycles that are fundamentally present in the raw data. If you want to just see if I'm fooling you here, here's the mean annual temperature record at Valdez, and you can see there is such a thing as cycles. Okay. If you just clean that up a little bit, you see -- you see it expressed at Valdez, Juneau, Sitka. And, again on the basis of David Salmon and Tom Royer's work, it's been shown to be eighteen point six years in duration, suggesting that there's a fundamental change in this very powerful system that controls the biology and the climate of the entire North Pacific region on a cycle that lasts about that length -- about that period. Now, let's get back to ecosystems context for all of this. Here's an example of the data which snow disappears on the Copper River Delta and the population number of dusky Canada geese, and you see a -- an excellent inverse correlation, when the snow years are late, snow lies late, breeding is poor, the dusky Canada geese numbers go down; when the snow melts early, breeding is -- success is good, dusky Canada geese numbers goes up, and the adult population then responds. And, you can see we're looking at a multi-decade period of time again. All right. So, I think I made those basic points, and I'm just finishing with three summary conclusions here. To be successful, I would propose that any ecosystem-based investigation and activity in restoration have these characteristics, that it be concerned with the full range of natural diversity, that it be set

up to represent a comprehensive response surface, that is the ecosystem performing in -- looking at the performance of species in the ecosystem in different phases and varieties of the environments that they occur in. Of course, a commitment is a long term monitoring, and whatever monitoring program is set up should have these characteristics, it should be flexible, that is it can adapt to unexpected findings; it should be sensitive, that is it should be able to tell if it's a real change or not, and not just noise in the data; it should have standards of high quality so that unanticipated applications can be made with confidence from the data and it isn't monitoring until it's reported. Monitoring has not been done until there's been reporting and communication. Finally, that it is based on testable hypotheses, and the last point is an integration of all of the above into a model that might have application in this particular case. That is, there are four components: there's education training, in this case we can say management as well; there are long-term measurements that take place; a network of sites; and, they are based upon ideas that develop our understanding of how the system works, and what we might be able to do to it in the way, in this case, of restoration. So, thank you very much.

DR. SPIES: Thank you very much, Glenn, that was a professional presentation, I'm sorry about the bulbs, and that you compressed things so much to get through our agenda today, but an excellent job nevertheless. I'd ask the Trustees now if there are any questions that you have on the general presentation this

morning and the scientific program.

MR. BARTON: Questions board members of the Council? Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. Thank you very much for an excellent presentation. I think you covered a very diverse set of related subjects very well, timely, and there are a lot of questions, and I think they're related in many ways, how the presentation relates to the '94, '95 work plan problems. I'm going -- in interest of time today, any questions at this point until we get in some of the specifics of the projects this afternoon, but I have a quite a few as this -- your presentation relates to the level, length of time and diversity of funding that we're going to -- to forward under the Exxon-Valdez process. So, I'll wait until this afternoon on this, just wondering if you'll all stick around, and there will be questions as the projects come up. Thank you.

MR. BARTON: Further comments or questions from the members of the Council? Mr. Sandor.

MR. SANDOR: Yes, I want to echo Pennoyer's comments on the presentation. They were really very excellent. But, there is one issue that relates to the ecosystem management that is reflected in a number of letters that I've received, and it's the linkage to, you know, what's happened to the ecosystem adversely, as it affects particularly fishermen, and -- in Prince William Sound. And, I was fortunate in receiving, about two weeks ago, from Washington, D.C., as a retiree of the Forest Service, a speech by Jack Ford Thomas that touched on ecosystem management, and

specifically its linkage to economics, and I want to read one paragraph of the (indiscernible) to deal with -- with a letter I also received from Representative Harley Oberg. It is: What does ecosystem management mean? It means thinking on a larger scale than we're used to. It means sustaining the flow of resources over very long periods of time, and from that will flow many goods and services not just timber. Ecosystem management is not just the timber sale, it's putting the timber sale into the bigger picture, including the watershed wildlife growth and people's needs and values. It means economics. Ecosystem and economics come from the same route word "eco", means household in Greek. And, a household connected among all the various members and what happens to one member affects all the others, so I just wanted to add my endorsement to not only the ecosystem approach, but it's linkage to -- to -- its impact on people, and I have had the pleasure over the last three weeks, where your dealing with Representative Harley Oberg, who, of course, represents the District in Prince William Sound, but has the remarkable prospect -- perspective beyond that for the entire spill area, and he says in the letter which I trust is being distributed to everyone, and I did promise that I would address this, and in a matter -- in a paragraph of that -- from this letter, that distressed fisheries have had an overwhelming impact on the aquaculture corporations. "I believe the impact reached much further. The impact has been felt by the personal use user, the subsistence user, the sports fishermen, as well as the commercial fishermen, communities, from the suppliers of services,

gear and groceries, to those who lost seafood processing companies, even bankruptcies have also been impacted. There is no question that something is going on in Prince William Sound that science has yet to explain. Its and (indiscernible) oil spill. We have seen pink salmon runs that were large, late, and of low quality, and runs that were very small. Herring runs in 1993 were diseased and below biomass expectations. I believe we cannot discount the fact that the Exxon-Valdez oil spill may have played a major role in the diminishing and returns experienced in the Sound over the past few years, and if the economic future of the Sound will be grim, at best, if hatcheries, for example, fail before a comprehensive stabilization and enhancement science can be developed. I fear that if the lawyers and scientists continue their legal and scientific debate much longer, it may be too late for any type of recovery, and we will have no salmon with which to do restoration." I guess, and I don't know whether any of -- one of the scientists would want to react to this linkage of -- of the concept of ecosystem management that we've been discussing, but I believe as -- as an individual Trustee, that there's no doubt in my mind that the most serious and gravest of the problems that we're wrestling with right now, is the decline in fisheries in Prince William Sound means adverse impact on the -- on the people who have been dependent on that -- that resource. And so, as we look to, you know, answers to an ecosystem approach, we just have to, it seems to me, relate it directly to the economic impact on the people in communities, and come to the rescue as quickly as we can to do

something to replace, enhance, and there's these resources that have been damaged as a result out of the oil spill. And, I recognize that, you know, we can define whether the oil spill is fifty percent or thirty percent or eighty percent of the cause of the decline, nonetheless the cause is real, nonetheless the cause is serious, nonetheless the cause is really catastrophic from the standpoint that the people in communities impacted, and it just seems imperative that this ecosystem approach has to relate to the people in communities impacted. Thank you.

MR. BARTON: Further comments or questions?

MR. FRAMPTON: Mr. Chairman.

MR. BARTON: Is there any of the presenters?

MR. FRAMPTON: Mr. Chairman, it's George Frampton. If there are no other comments or questions from this end, I thought we ought to bring up the issue of scheduling here. The folks here say that we have to start the public comment period at one o'clock and that goes 'til 2:30, and for those who are here in Anchorage, there will be a sign-up sheet so that when we break for lunch, if we do, those who want to participate in the public comment period should sign up out there. Mr. Chairman, I don't know what your preference is, I think that it is important to do the Executive Director's report before lunch. It's been suggested here that we could try to work through lunch, and people could bring sandwiches. An alternative might be to try to go until 12:30, which would give us fifty minutes or so for the Executive Director's report, and then limit lunch to a half an hour. Does anyone in Juneau have a

preference or a different suggestion on that?

MR. BARTON: Half an hour lunch seems to be a consensus here, George. Why don't we do that. It's -- going to take one last comment or question on Dr. Spies and both presenters and then move ahead.

MR. FRAMPTON: We couldn't get -- which one you were favoring?

MR. BARTON: We favor going until 12:30 and taking a thirty minute lunch.

MR. FRAMPTON: All right.

MR. BARTON: Is there one more question for Dr. Spies and his group? If not, we'll move ahead then. Thank you, Dr. Spies, and thank you all of your fellow presenters. (Indiscernible) Yeah, we're not going to take a break, anybody needs a break can take one on their own. And, at this time we'll ask Mr. Ayers to proceed with his report.

(Mr. Ayers presentation was illustrated by overhead visuals in Anchorage.)

MR. AYERS: I'm going to ask that you now look in your packets, for those of you in Juneau, in your packet are a series of overheads that are going to be shown, and I'll talk from these copies of the overhead, beginning with number one. The -- I think it's safe to say that the -- that the importance today, and it includes in the structure that the focus is on an ecosystem approach, that projects do not stand alone, they're inter-related and that includes the administration. We've moved forward on your

instructions of implementation, including that of its (indiscernible), to hire both a Director of Operations, Molly McCammon who is there in Anchorage, as Director of Administration is beginning to take over the financial aspects of Trustee Council efforts. June Argrulis Clare (ph) who is here in Juneau with us today, and Eric Myers who is becoming the Project Management Coordinator who will be involved in some of the efforts that Commissioner Sandor talks about earlier, including an ongoing review of projects and project costs and reporting back, not only to the Trustees, but to the PAG and involving them in the review of projects. On the chart that I assume is up there is number one in the right-hand corner for those of you here in Juneau, we have proceeded with that implementations, as I say. I have not hired either a special assistant, nor have we hired at this time a habitat and lands coordinator. I am re-thinking the staffing needs at this time, and I am continuing my effort in that regard with looking at fixed fee, and -- and not at this point content that the best investment of resources would be either a special assistant at this time or habitat lands coordinator. We have eliminated the CACI contract effective today. We've transferred some positions that we kept to the state system at a substantial cost reduction. They're continuing the effort by including that of a library, which I can talk about later, but at a substantially reduced cost, and let me say that the efforts and support in that regard are in no -- no small measure to the contribution and advice of people in the restoration and work force. Dave Gibbons and Mark Brodersen, in

particular, have continued both to steer me away from land mines and yet helping me move forward with the efforts of -- of efficiency. We're currently renegotiating the lease. We plan to maintain the Simpson Building space for the next twenty-four months as we move towards the -- a little more effective efficiency. Let me add one other thing, and that includes that I am currently working here in the NOAA space, and we are currently on the fourth floor, but will be shuffled to the eighth floor, and that too, that cost too is included in the proposal. But, we are the -- making -- are making progress in that regard. I'd like too, to give an overview of the administration cost FY '94. The prior budget which included some five point six million dollars of proposals, then there was a revised proposal that -- for FY '94 that I just went over briefly, that's basically -- that includes the reduction that we talked about. Again, all of the work force has been extremely helpful and cooperative in helping us attain reduction of some twenty percent in what was the original budget that you had approved. We have separated out the cost of the oil spill public information system, and in the future you'll see this as a separate project. Let me say that my efforts there are to -- and this is going to be something that can permeate the debate in a variety of ways, and discussions, at the library. The information that we're gathering and then making that information available in a user-friendly way, and growing information, including these individual projects, including the details of the monitoring and research, has got to be integrated so as students, the public and scientists can

access that information for all the reasons that were described in Dr. Juday's presentation and one other, you know, there are many reasons that I was hoping that you would allow that presentation that -- that is Commissioner Sandor said earlier, all of these things are inter-related, including the public absolute need for allowing the participation and access to the information. So, the library is not just a library that is on the bottom floor there in the Simpson Building. It is going to become a significant point of our efforts to integrate research. The modeling that is discussed earlier by Dr. Cooney, there are projects that are discussed by the various agencies, that information has got to be integrated, not continue to simply be stand-alone kind of projects that go -- that go forward without coming to a central point for synthesizing. Our target for FY '95 briefly as to have a three point five million dollar total administrative budget, which is what you have directed, it is five percent, I believe that we can get there in the '95 budget. I'm hoping to go under the five percent, but that aspect includes the various science -- Chief Scientist, scientific peer review, as well as the public participation efforts. Overhead three is beginning -- a move now through the actual implementation effort. An ecosystem-based implementation management structure, and by that I mean to try and integrate the various languages spoken. As some people have pointed out, there's the language and discipline of attorneys, there's the language and discipline of politicians, there's the language and discipline of scientists, and in several instances about the time I think I understand the

question from one discipline and perhaps a solution, the other language comes into play and they are not satisfied at all and it has to be translated. I think that we've got to have a management structure that considers the scientific approach within management structure that includes the consideration to the legal confines of the court decree. To that end, we had a workshop January 13th and 14th to develop an outline or the skeleton. It includes the mission statement, we're moving towards goals and objectives, strategies, which I'll give you an example of in a moment. Guiding principles are simply the policies that have been identified by the Trustee Council members are included in the restoration plan, and then as a further articulation of those particular policies, for the implementation purposes of the restoration plan. Identification of the ecosystem context for injured resources simply means that we're going to develop goals and objectives that are related to the specific resources and services within the spill area and that we will do so in the context of the restoration plan. A draft work session, materials -- then review, and earlier there was a motion to have Dr. Spies make a public presentation of -- of -- sort of a status report of -- I would like to follow that particular session, and you will hear more about that, but I would like to follow that presentation, and then move right into the development of our work plan for '95 using his presentation as kind of the basis of what is it then that we need to move forward with. The next slide, which is slide number four for those of you in Anchorage, number four here, is the harbor seal example, and I

think that you can get a general idea of where I think we need to go, which is a goal -- would be to have a healthy, productive nearshore upland system. I can get into a great debate about how many ecosystems there are, but a healthy, productive nearshore upland system that supports harbor seals. Clearly, we are trying to design goals that lead to the mission, which is to have a healthy productive ecosystem in the spill area, which we heard earlier is a fairly significant system, because a multitude of variables, most of which we can't control. The objective here would be a population level of harbor seals in the oiled areas, comparable to that which would likely have occurred in the absence of the spill. Obviously, we need NMFS, ADF&G and the public to help us determine what that is and then to participate in that area. Strategy then would be what are those things, those activities, that we think need to occur in order to accomplish our objectives. And, again, let me say that divided as the restoration plan identifies the areas of research and monitoring, general restoration, in fact there are general restoration efforts related to harbor seals, as well as the habitat protection, those are all activities that would lead to the accomplishment of our objectives. That is an example of what you will be seeing as the implementation structure. Let me add at this point, that the implementation structure is simply the implementation of the restoration plan on kind of management-by-objective basis. It will become an appendix to the restoration plan, and, hopefully, will accomplish, at least the outline, so that it is within the

restoration plan as it moves

out for public review under the EIS. One of the things I did want to mention is that the -- the workshop on the 13th and 14th did point out the importance of having goals that people can begin to realize and talk about both in the general public and within the legal discipline, as well as the scientific discussion, and those goals are pretty much divided into restoring the injured environment to a healthy productive system, nearshore, and pelagic (ph) -- or the offshore system -- and upland. And, one of the things that -- that Dr. Juday talked about in the past, as well as Dr. Spies, is that it is no small coincidence that the whole North Pacific that Dr. Juday described in such eloquent detail, is a significant part of why we have the -- the healthy bio-diversity that we have and such a unique ecosystem in the spill area. That it is the cold combined with the upland, the nearshore and pelagic interaction that is causing to have, or causes us to be blessed with, sort of speak, the ecosystem variety, the bio-diversity of that area. And, there's been quite a bit of discussion about that, and I -- I think it's important that we continue to think about that. The next graph or overhead is number five, I guess you might say this is the ball game. Everyone wants to know that their particular perspective is being addressed. In some cases, there are things that simply are not legal. There are other things that, particularly, are not scientifically sound. On the other hand, there are certainly, the realization, as Commissioner Sandor said again, that we all are apart of this ecosystem. Dr. Juday pointed out the importance of realizing that the ecosystem approach, if

we're serious, in order to be effective, must be considered comprehensively and over a longer period of time. The magic date of September 30, 2001, may be the final paycheck, but there will still be at that time a lot we don't know. In order to be successful, we need to realize that -- that this says a long-term comprehensive and cost-effective restoration program needs to be complied to (indiscernible) strategies that are balanced, a combination of monitoring research, habitat protection and general restoration. My view is that that is what that particular slide or graphic demonstrates. We've been through damage assessment, there may be found additional at some point, but there's things that we don't know we need to go explore. We are engaged in general restoration, in research as well as habitat protection. To the extent to which we can, we need to identify within our comprehensive approach what habitat protection measures may be taken on a broad spectrum, geographically, that it assures all injured species has adequate habitat protection so as to allow -- to allow rapid recovery, the most rapid and sound recovery possible, but general restoration, as well as research and monitoring, and in particular research and monitoring, we as -- to the scientists and everything we know, needs to be considered in light of the importance of long term. That's the reason you see the arrow going forward beyond the year 2001 with regard to general restoration and monitoring and research, and that we need today to begin to think about the restoration reserve to address that. The next slide is a response to a specific question by a couple of the

Trustees. What do I think -- (indiscernible) general concept, Jim, what does that have to do with '95. This is how I envision the '95 work plan coming together. We've talked about this in our work force. In many ways it's a fairly ambitious effort to try to get us on the tract, as been mentioned by Dr. French and others, in order to try to avoid being in the same situation as today, which is that we're in February trying to develop the current year work plan. What this work plan and EIS graphic demonstrates is what needs to happen in order to get a '95 work plan to the Trustees, for review for approval or disapproval by the first of next year. And, I'm currently with that, accomplishing the environmental impact statement, including our implementation structure, so as to, we'll at least have the DEIS, more consideration as we proceed in probably the late summer with the review of the '95 work plan. But, that is response to (indiscernible) Commissioner Sandor sent out a request, like to see a time line graphic showing not only the '94 work plan to how this relates to the EIS. The next overhead, which is number seven, gives you an idea of general restoration. Although we keep saying perhaps we've done all the restoration we can, it's possible that this is going to continue. And, as you recall at the last meeting, there was discussion of some of the general restoration efforts that could be accomplished. The restoration work force has had several discussion about this and including, for example, the mustard -- the mussel bed restoration effort, the in-stream habitat and dock restoration efforts, as well as the archeological site restoration and artifact protection

efforts. They're efforts that need to go forward in '94, each of those have some individual considerations. In particular, I think that archeological sites need to be more of a community-based strategy rather than a capital project effort. That is what you'll hear more of later, I think that -- need to identify what kind of basic restoration we could do to the individual sites and what the community-base -- communities to identify what we could do locally just to assist them ensuring protection. Not at this time, sort of flowing a variety of capital projects and issues that architects do a multitude of buildings which might preclude us from doing more effective restoration efforts. Now, for those in -- in Anchorage, I guess you have slides eight through ten, you have a benefit that none of us here have, which is -- there's a photo of an oiled mussel bed, a photo of the sockeye salmon, and that -- that relates to the in-stream habitat effort that we think is important, and then there's a photo of an archeological site on Kodiak Island, again with the emphasis seen on working with the local community to identify simply restorations of sites and what they could do locally to restore that site. The wild card, of my packet here, do you have that in your packet -- yeah, doesn't say that -- recovery, general restoration, let's move to habitat protection. Habitat protection was just one of the items obviously that's going to require ongoing discussions, and probably not only today, but some anxious feelings from all of us how best to proceed. What this wild card, I think demonstrates, and it doesn't yet have the draft stamp on it, but should, but basically this particular draft of the

protection process identifies that, I think, are necessary to ensure adequate protection, good public participation, and Trustee Council -- maintenance of Trustee Council review and authority. There is a -- there has been in -- in the prior efforts, the development of the comprehensive habitat protection process, evaluation and assignment of rank. There's been a public review of that process. The Trustee Council then participates in establishing a -- a review of the ranking by -- in the previous situation, we -- at this time there will be reports, and I can do that now or in '126 about what we know about the seller's interest on the respective critical habitat areas. At this meeting, we will be asking for authorization to proceed with some process of detailed negotiation and included in that, of course, will be some additional consideration of the actual parcel evaluation, that's ongoing. That -- while there may be discussions then under detailed negotiations, so we would accomplish terms and conditions, identifying what terms and conditions might be available with the individual sellers, to put together a broad spectrum of protection. It would also include title searches to identify actual ownership of the various parcels. Surveys -- surveys would include not only the (indiscernible) consideration of the value, perhaps assets like timber, but also to review and survey for things like the infestation or other detriments that might be found in the assets prior to acquisition. Before we actually would need an acquisition, that would all come back to the Council for full review within the context of an entire -- the entire comprehensive

package that we've been talking about. Only then would there be procurement authorization. Let me go on to 11, which is habitat protection -- this is an overview of what I've found to date, that there has been a quite a bit of discussion about it, the Trustee Council approved a process in July of '92 that's been further -- further articulated, and I have made some discussion, and I need to continue to further articulate the intentions of the Trustee Council in the process. We have done -- we have identified a process for the protection of these habitats and associated services to facilitate and enhance the natural recovery that's grown public support, and the importance will continue to be, I'm sure. There was a three-element evaluation process I'll talk about in a minute, and there's ongoing technical support which we will discuss under '126, but certainly, the effort of technical support is not over. We will continue to need technical support as we further articulate what the comprehensive habitat and protection process can do and how it works. I'll talk about that in a minute. The three basic elements that I found were the imminent threat element, the large -- moving to overhead twelve imminent threat element, the large parcel element and the small parcel element. The imminent threat element has essentially been completed, and certainly there are those who would -- or have suggested that the whole concept of imminent threat in some ways was self-fulfilling, there's been a lot of discussion about that, and as soon as you talk about imminent threat, it generates imminent threat. The large parcel element, there needs to be a further (indiscernible)

of the large parcel element, I'll talk about that in a minute, but basically, there is additional technical work that I think needs to be done in order to proceed with habitat protection. Some of those have been discussed by Trustee Council members, and there are a variety of suggestions that we'll -- I'm sure we will discuss. I think that we can put together a comparative benefit analysis that makes sure that we strategically add protection geographically to insure that we cover injured species at the best affordable price, that we'll talk about later. The large parcel element, hopefully will -- we can move the detailed discussions -- the negotiations, but the small parcel element needs some further discussion with regard to process. We circulated a draft small parcel process, and there have been comments in on that. We will be talking about that under Project '110 and '126, but obviously the small parcels are those parcels under an acre. I mentioned -- slide 13, I mentioned, based on some comments I've been hearing that we need to focus on the species that have been injured and where they've been injured and then how to develop this broad spectrum of protection geographically, and certainly a maximum protection at the best possible cumulative cost, but obviously what we're all -- we now know we're talking is how do we accomplish that, maintaining a balanced approach and not preclude the realization of monitoring and research that needs to go on. Secondary evaluation supports negotiations. This is an ongoing draft revision that needs to happen simultaneously with detailed negotiation to identify alternatives to boundary reconfiguration and re-evaluation so as to

get -- knowing where to put it, but to get maximum bang for the buck so that we -- so that all species in a broad geographical area, less than fee evaluation in some cases will be effective, and certainly considering packaging strategically this revision and further articulation of the habitat protection process to be designed so as to lead to this strategic packaging of parcels, and it's very valued parcels, perhaps both high and moderate, so as to provide maximum protection benefits at the -- at the affordable price, and within that, of course, is a consideration, those areas who are appropriate of issues like the spruce bark beetle infestation. Project -- I'm sorry, overhead 14, overhead 14 is a section of research, or an outline, of the thought of research and monitoring, and in particular Mark Hugh (ph) and in my discussions with Dr. Spies and with members of the public, as well as the restoration work force, we need to have a process that's clear, an adaptive management project -- process, if you will, that Dr. Spies and Dr. Rose, as well as John French, earlier mentioned, where field work reports come in in a professional and timely manner, I might add, that there are peer reviews and completion of that work report. I think what Dr. Juday talked about is monitoring is not effective until there is an acceptable report so as to utilize the information. The synthesizing of data and (indiscernible) that we to get a little more formalized in our science review effort of the data and actually synthesizing information that would interpret the results and identify gaps and review methods, redirect the work, it would then re-examine the objections and develop, then, a work plan

for the coming year. Now, that is a very significant issue that I'm going to continue to pursue, and the fact that we've been able to get the thought up on the overhead does not necessarily mean that I want to give full bias without you realizing that I think it's critical, I think it's a major issue, I think this approach is imperative. People talk about quality. I think this is the place, it's the effort (indiscernible) it will -- it clears scientists, of both the Chief Scientist and the selected peer reviewers, scientists from in the state, that work at the various agencies, as well as the members of the public, and I want to be sure that I don't under-emphasize the efforts that I want to move towards there, that would ensure the review and the feedback both to the Trustee Council and to the public. The next item is an item that I want to respond to -- use slide 15, or overhead 15, is a direct response to Commissioner Sandor, John French, Jim Cloud, and others who talk about communication, the need for public participation for items that are discussed in the consent decree. It's no small matter. As we all know is what the intent is that we would have a specific goal related to the Trustee Council's effort to increase meaningful or true ways of public communication and participation. We -- I -- despite the fact that we were weathered out of the meeting with the PAG, I did talk to the PAG about -- with the PAG by teleconference, and got there for the last day of their meeting, and this was a major issue with Jim Cloud. I think we need a specific goal or objectives so that the PAG and the general public will not only understand what we're doing through newsletters and

annual reports and a variety of news releases and even scientific publications, which I think is imperative. For example, the proceedings that NMFS is working on, bringing together the various studies that have been accomplished to date, among those I was told that that project as well as the mammal summary publication that NMFS is working on. But more importantly, or just as importantly, I want to point out that I think that it is important that the public members be involved in every aspect of project planning and implementation. That means that there's actually members of the public participating in a project, and they are identified. When a project proposal comes in that the project proposal would, in fact, be required to identify, folks from the local communities are working with them on that project. Now, I don't think that we're necessarily talking about tons of additional money, but certainly that we know that the public, the communities, would be involved in whatever those projects are. The two-way communication that the Public Advisory Group has talked about, I think that I've gotten that message from the PAG and the Trustee Council direction. This particular slide speaks to -- is to reflect that effort and that specific goal. The final slide and item -- well, I'm sorry. I see in my notes that the work force and Molly has put together with regard to the Trustee Council communication of July 15, we conducted a media survey, in general, L.J. can talk about that, but it's been a fairly informal media survey. The media is very interested in an anniversary presentation of some sort. I think it's important that we think about -- it's not a symposium but

during -- but when we do the presentation, that we've envisioned earlier, that we do allow the public to participate in that and that we work with Dr. Spies, prepare some materials that Steve Pennoyer recommended, and that we put a package together that the general public, including the press, can use. I would also like to see us use that, as I said, the efforts have been (indiscernible) our '95 work plan effort. The next slide, or overhead, is number 16, and that particular item is to simply identify that we've heard that there are clear terms about those specific items, and earlier I had thought that perhaps we might want to make an effort to go through the '94 work plan and talk about specific projects that need further discussion, and I -- further -- four or five -- certainly Project '320 is one that is going to cause further discussion, as was pointed out earlier by Dr. Cooney, that are significant caveats -- editions of my recommendation as it relates to that project, and that project specifically will take some discussion and interaction. It is my view, in summary, that there is no one project that is the only ecosystem study. That the project and the strategy that we're involved in are all related and should be related, and we ought to be able to identify how they're related to the ecosystem in general, and the one slide that I had as the example, back on number 5, I believe it was, showed an insert, or a window, the stated goals and objectives example of -- that was overhead 4, that overhead at the bottom, had a small window insert, a rectangle that talked about related ecosystem strategies, and I think that it's important for us all to realize

that no project is the ecosystem project, and no project is simply a stand-alone project. They are not independent of the ecosystem, that they are all important, and we can -- and if they're not, we ought not to be involved in them, and if we can't describe this relationship to our effort in restoring the ecosystem, and follow the trail back to the mission statement, it ought not to funded, that the relationship to other aspects of the system must be addressed and actually identified in those proposals. I think that that will be a significant discussion item once we get to the work plan issues, and I think that these spread sheets that we've provided to you, again, as a cooperative effort of the work force, and I have enjoyed and appreciated thus far a tremendous amount of support of the various people involved in this effort and this presentation. The work to date is in no small measure a credit to the people that are on this effort. Thank you for your time, and I appreciate the fact that you've allowed me to go through this quickly, but I'm sure there may be questions.

MR. BARTON: Thank you, Mr. Ayers. Are there questions for our director? Yes, Mr. Pennoyer.

MR. PENNOYER: Well, I'll generally say that I'm very pleased with the amount of work that you've done here in the organization of this process for the administration, and how you're trying to make the various pieces fit together. I think that's the expectation of the hiring an Executive Director and I think you're fulfilling it. I think there will be a lot of questions when we get into the work plan on specific items and how they relate to

your presentation, but let me just say the first one, I don't see the answer right now, but to get into some of the projects, the discussion may come up. You all have in your handouts, you have a category of restoration strategies and you've identified monitoring and research as one of the categories. Most of your presentation here has seemed to focus on preparation of a '95 work plan and develop work plan proposals and that type of an approach. At this meeting, we're being asked to discuss and deal somehow with the question of research reserve, the PAG -- maybe we should set thirty million dollars aside, your proposal is somewhat different. We have a question of a significant facility that we're being asked to fund. Dr. Juday pointed out the need for a broader ecosystem research that might encompass the whole Gulf of Alaska at this time and what's happening. We have a new proposal and associated proposals from various agencies relative to the Prince William Sound ecosystems that include infrastructures involved to some degree, and I know that one of your efforts that you haven't so far talked about here is to come up with some type of a restoration and monitoring plan and research strategy. So, it gives us a broader context of where we go, how much is required, how the various agencies and entities and areas interact with each other. And I don't know if you have any comments relative to how we should view the '94 work plan, relative to the fact that we haven't completed a restoration plan, or sole objectives for an ecosystem for species within an ecosystem, or did you -- having completed this restoration monitoring and research plan. I noticed that the

reports given by the (indiscernible) on the ecosystem, or the ecosystem workshop held on Prince William Sound, a lot of interesting approaches, I wasn't sure how to relate that to the specifics of some of the projects that we're being asked to fund. Could you perhaps state your intent with regard into some context of the '94-'95 work plan?

MR. AYERS: Mr. Chairman. I guess, for over the twelve or fifteen years that I have come to know and respect you, Mr. Pennoyer, I would expect no less of a question. (Laughter) I -- your perspicuity -- your ability to go right to the heart of the matter never escapes me, and I think you have hit the nail directly on the head. We know, and we have -- we in the work force and a number of others have talked about the fact that we're trying to put in place the implementation structure which is very much like trying to decide exactly how the engine and the train should be manned, when, in fact, the train has left the station. The train is on the track, moving down the track, particularly for '94. What we have tried to do is, as much as possible, I've been in a number of both delightful and painful discussions with the people of the work force, the public, the scientists, the dispute among and between some scientists, the dispute among and between some attorneys, and it's my view that, generally speaking, we have a good foundation. This is a dynamic process. There is not going to be a beginning date, it happened the day the sailor put the tanker on the rock, and that we are not yet caught up. On the other hand, this dynamic process has a good foundation. Those prior to me have

put in place a solid restoration plan, and it gives excellent guidance, it's a good foundation, and it discusses the importance of long-term consideration given the nature -- given nature, and in particular, that which Dr. Juday talked about. My view is that, for better or worse, we've got to deal with the '94 work plan. I think we do know enough to know that we -- that we need a comprehensive balanced approach. We ought not to spend all the money on habitat protection. We ought not to spend all of the money on construction of facilities. We ought not to spend money on general restoration effort unless we have a good, solid understanding that we're going to do more good than harm. We have mentioned specifically the reserve. I think that the general public, as well as the scientists, at this point, in recognizing the long-term issue, we ought to consider the reserve. Now, I hope to get at least conceptual approval to go develop a strategy based on your discussion of -- when you get your reserve, but I think that we need to put some funds into a reserve consideration. You asked specifically that I come back to you on endowments. I just avoided that word because I don't want to debate with the attorneys, and you know, at some point somebody may want to go have that debate. On the other hand, I think that it is prudent to realize that the scientists are saying, you're going to get to 2001 and you very may well have as many questions as you do answers at that point, maybe more, and you're going to continue to have some species which have not recovered. That discussion, I think, needs to go on today. I think I'm prepared to -- based on what I know --

to recommend that you do authorize me and detail me to go ferret out how to put together a reserve in some form each year towards that reserve. The institute -- I am trying to describe simply in terms of the infrastructure that's needed. A variety of scientists have discussed how infrastructure gaps exist. There needs to be better communication among me and the University, as has been pointed out, we certainly know the University players themselves. The agencies, the scientists, the University and I need to get in a room someplace and talk about what are those infrastructure gaps, but I don't think anybody questions the issue about whether or not there's an infrastructure gap, but I'm recommending that we have -- that we move forward based on that conceptual basis to an understanding that we are going to commit some funds to that, and that I will work to develop an integrated funding strategy. If there are problems with lawyers, which everyone -- you know, we all know that there's been some discussion about some legal problems there, feel out the integrated funding strategy, we're not the way to impose a conceptual understanding that there's gaps. With regard to the SEA plan, you know, you have both legal, scientific and political issues there. I in no small way felt the pressure of all three of those issue in that regard. But it is true that a number of people have gotten together and looked at an ecosystem approach. It's a direct -- it's an ecosystem study of Prince William Sound and should not be considered the ecosystem study. And I have -- you know, and I'm pretty emphatic about that, obviously, but my concern there is that we not let the effort to

date go either unsupported or unfunded. The question is how much is true, and I think, again, we need to get some -- a Chief Scientist and a couple of other scientists in the room and sit down with Dr. Cooney and others and go forward with some of that effort. A major concern is -- you asked about that one specifically, the major concerns that I have in that area, I've relayed that to them, I have no basis of recommending that we do or do not spend over a million dollars on hydro-acoustic equipment and modeling technology. I need some help. I need it from NMFS and from ADF&G, the Chief Scientist, and perhaps the peer reviewers. I don't know what that (indiscernible) is, we need to get in a room and work on that, but I do think you ought to authorize me to proceed under certain conditions in keeping that effort going. There's an administrative issue there that I think is significant, and that is how to move money into a variety of participants' hands to carry out the work. We need detailed work plans and some more details to the budget, and then we need administratively to figure out with the state or the federal agency who hands money into the hands of a nonprofit or an individual to carry out work. I think that issue needs to be worked out. You mentioned -- the other thing you mentioned was the various agency proposals. All I can tell you is that I've struggled, as did -- with the work force, and we tried to keep in mind, moving towards an integrated effort. But that there are some projects that need to go forward, and, I mean, I tried to -- our charter has extended twelve million, we're at fourteen million, but -- and about half of that is the Prince William Sound

effort, which I think is appropriate. We've listened -- we listened to the fishermen and a number of the people from the community, and I would think that it's appropriate that half of that money, as Commissioner Sandor and others reinforced earlier, needs to go in and support that particular effort and that particular community in addressing those questions, with the understanding that what we need to do is to engage in that project as it relates to the whole ecosystem. We need to make sure that each time we engage in that kind of an activity, that we're learning, and we're looking at what we need to do with regard to the ecosystem, not a particular species or a particular industry, and I think they've done that very well, but with regards to the implementation -- and the thing that's due with other projects. There are some agencies that have individual projects that should go forward. There are some that I recommended in my recommendation be delayed, but I think there are some that need to go forward at this time, we just shouldn't approve them at this point. With regard to the implementation structure, the implementation structure, the management by objective is as far along as it can be, and it is true that you will have to take action, and I am recommending that you go forward with some actions I just covered in the '94 work plan. We need to go forward, and in some cases we don't have the framework totally in place, but we have tried to review these projects with that framework in mind, and again, I think that the work force, and even in some cases, we got on the line for hours to relate and talk with the members of the public or

those proposing projects.

MR. BARTON: Mr. Pennoyer, let me just suggest that we break this off now, break for lunch, come back and take public comment on the '94 work plan, and then re-open this discussion before we begin our discussion of the '94 work plan.

MR. FRAMPTON: Thank you.

MR. BARTON: Then we'll adjourn and recess until 1:00 o'clock. Anchorage, I understand there's a problem with the phone transmission?

MR. FRAMPTON: Do you want to repeat that please?

(Laughter)

MR. BARTON: What is the nature of the problem? Are we breaking up or is it just not loud enough, or what?

MR. FRAMPTON: The nature of the problem seems to be -- the nature of the problem seems to be a muddy sound coming from your end.

MR. BARTON: Hello, Anchorage.

MR. FRAMPTON: Can you hear us in Juneau?

MR. BARTON: Yeah, we can hear you, George. Can you hear us?

MR. FRAMPTON: Yes. The problem seems to be a little bit of a muddy sound coming from Juneau to Anchorage, but if you can hear us, we will be able to do the public comment pretty well because people will be speaking either from here or from other locations into here, so you should be able to hear us fine between 1:00 and 2:30. Is that all right?

MR. BARTON: Yeah, that's fine. Is there anything that we can do to help improve the quality as far as you all are concerned though?

MR. FRAMPTON: I don't think so. We'll just try to keep it quiet here.

MR. BARTON: Okay, quiet. We'll see you at 1:00 then. Thanks, George.

MR. FRAMPTON: We'll see you at 1:00 o'clock then. Thank you.

(Off Record at 12:30 p.m.)

(On Record at 1:05 p.m.)

UNIDENTIFIED VOICE: Yes, over here?

UNIDENTIFIED VOICE: Mike, can you hear me?

BRIDGE OPERATOR: I also have Becky from Juneau on line.

MR. FRAMPTON: Mike, can you hear us in Juneau?

MR. BARTON: Yes, George.

MR. FRAMPTON: All right.

MR. BARTON: Are you all there?

MR. FRAMPTON: Yes.

MR. BARTON: We're all here. At this point, George and I have talked during the lunch hour and most of the public comment, it seems to be in Anchorage, and because of our communication difficulties, George has graciously agreed to chair the public comment portion of our meeting here. There are no members of the public in the federal building here in Juneau that wish to speak.

There may be some over at the LIO, which I assume L.J. has checked that out. So, take it away, George.

MR. FRAMPTON: All right, thank you, Mike. I understand that the first order of business here is to read quickly a summary of motions and actions that were taken this morning, and then we will take comments from those here in Anchorage, a number of people who have signed up and want to comment, and then we will go around to the various teleconference sites in alphabetical order to take comments from those locations, and I would ask that each commenter take his or her comments to two or three minutes. We will have a timer. We will give you a thirty-second card if you're in Anchorage, and we will stop you at three minutes and also ask that, since we will have a public comment period later this afternoon, that in this public comment period people focus on the FY94 work plan draft, which we are about to discuss following this initial public comment period. The summary of motions and actions taken this morning, the agenda was approved subject to a motion to add a request for funding a publication of marine mammal proceedings later on. There was a Public Advisory Group presentation. Commissioner Sandor moved that more cost-effective ways of implementing projects be explored. He also -- that motion was adopted. Commissioner Sandor also moved to take seriously the recommendations by the Public Advisory Group on individual projects. That motion was also approved. There was a science update and a number of presentations on the state of the fisheries, on the Cordova workshop, on ecosystem approaches. Commissioner

Sandor moved that a presentation or a report be made of species status before May. That was approved subject to the amendment that the Executive Director will work with the Department of Law in structuring that report so that we do not cause undue problems for any pending or ongoing litigation. With that, I'll ask the first person on the list here in Anchorage, if he wishes to speak, who signed up, John McMullen, M-C-M-U-L-L-E-N, from Cordova. Is Mr. McMullen here? No. All right. The next is Robert Kopchak, I believe it is. C-O-P --

MR. KOPCHAK: K-O-P.

MR. FRAMPTON: K-O-P-C-H-A-K, from Cordova.

MR. KOPCHAK: An appropriate location.

MR. FRAMPTON: I think the middle microphone, probably. You are going to have to get near the mike.

MR. KOPCHAK: I'll sit close. Good afternoon. My name is R.J. Kopchak from Cordova. I'm a hunter-gatherer, commercial fisherman, and I've been following the process of the restoration group for the last five years. I'm somewhat encouraged by some of the testimony -- or some of the presentations I heard this morning, especially as they relate to beginning to take some ecosystem approaches to the upcoming plans. I get confused when I hear the word "ecosystem" because we saw the globe when he talked about an ecosystem, and there are inter-related ecosystems and then there are bio-region areas that have a lot in common, that may share some cross-over ecosystem traits. I'd like the group to take a good, strong look at trying to bio-regionalize some of their approaches

to the science, not only ecosystem approach, looking at it systematically, but recognizing the geophysical constraints and limitations in some of the regions that are within the impacted areas and saying this is a region, that's a region, they have geographic, geophysical and geopolitical areas in common and are best suited, then, to either perform, monitor, oversight, or support research programs. I have a couple of points that I have noted down that I'd like to share with you just quickly. In the 1994 work plan, I don't have any specifics, but I would like to comment on portions of the '94 work plan that are trying to deal with the upcoming year and developing programs for research and monitoring. It appears to me that there -- it's a lot easier to evaluate programs that have to do with acquisition of natural resources than with how you're going to proceed with science, and I think that one of the reasons for that is that the Trustees have developed some measurements and criteria to evaluate those, and there are a lot of outside agency interactions with the Trustees on those. It's not the same with science. I would like to really promote again, and I included it in a letter that I sent off to the Trustees just the middle of last week. I would like the Trustees to really begin to consider regionalizing the science in all of these areas, and I'm talking about Prince William Sound, I'm talking about Seward, the north Gulf Coast area, and I'm talking about Kodiak and the island chain. Those are three real geographic, geophysical areas that can be looked at in a somewhat separate view. We all received different kinds of impact from

different kinds of oil. They all have different kinds of needs. They all have different kinds of infrastructure. I think you need to start looking at this process that way. The other thing that I would like to encourage you to do is take a good, strong look at the oversight committee that was set up in the Oil Spill Prevention Act of 1990, called the Oil Spill Recovery Institute. It has a board of directors that's made up of regionally representative groups and it includes empowering the citizenry, one of the things that the Trustees have not been able to do yet. Give some power back to the people. We appreciate your hard work, but we don't feel like we're being allowed enough interaction with you, and we're not participating at a level I think we should. Thanks.

MR. FRAMPTON: Thank you. Next on the list, James Gray from Cordova. Mr. Gray, you've got to get near the mike.

MR. GRAY: Okay. Thank you. My name is Jim Gray. I am a fisherman from Prince William Sound. There's a couple of issues I'd like to bring up here with the Trustee Council, and I would like to bring up another -- an issue that I brought up last time, and that was money for hatchery operations in Prince William Sound and possibly money for debt retirement in Prince William Sound, and I would like to bring up the fact that we've been hearing that there are legal opinions from the Justice Department saying that this is a nonappropriate use of EVOS Trustee monies, and we would like to emphasize that we still do believe that this is an appropriate use for Trustees' money. We have a legal opinion on that which we have distributed to the Trustees, and have

perceived -- also the perceived notion that the hatcheries may be a problem in Prince William Sound is an issue that we take issue with, and we don't feel that there is any scientific proof that hatcheries are a problem in Prince William Sound. As a matter of fact, Secretary of the Interior Babbitt, in his visit to Alaska in August, pointed out that this would be a perfectly appropriate use and a good use for monies, is to help restore hatcheries in Prince William Sound. We feel that the land acquisitions of areas that have questionable value for restoration in oil spill damage areas, specifically lands that were not damaged by oil, lands that don't have anadromous streams on them, and we feel that they are much more in a gray area, legally, in our minds, than is the funding of the hatchery program, which benefits all of the user groups in Prince William Sound, the subsistence, common property fisheries and recreational users. We'd like to -- I'd like to point out that the EVOS monies, in my mind, were not set aside to rectify past inequities and policies, or to restore -- but to restore land and land environment that were damaged by the 1989 Exxon Valdez oil spill. Prince William Sound, once again, is by far the most damaged area from the oil spill and it's still receiving a token effort in this seemingly political process. This process should not be about who has the most political power, but what is the correct or right thing to do to restore the oil spill area. We encourage the Council to stay on higher ground in this process and do the right thing, and not with powerful political powers -- what political powers seem to be pushing for. In regard to science, we

also feel that the -- we would like to encourage peer review for the scientific effort, and in the same way as we develop these scientific plans, we were encouraged to get peer review and have workshops, we would like to have this other FY94 and FY95 plan by independent peer reviewers so that we can get a clear look as to what that is. And the last thing I would like to say, I'm out of time, is that -- which is a perfectly appropriate time, is that I'm starting to get frustrated by the fact that the last time we had a meeting, and it was in one day, today we have a meeting and it's one day, it doesn't seem like people have time to ask questions. We're making monumental decisions here and these are big issues, and I'm starting to resent the fact that we're getting here and everybody's in a hurry, people don't have time to ask questions, so I would encourage the Trustee Council to have two-day meetings, at least, so that we can have time to go over these issues. Thank you.

MR. FRAMPTON: Thank you. Next is Ken Hill of Cordova. H-I-L-L.

MR. HILL: Good afternoon. My name is Ken Hill. I live in Cordova. I am chairman of the board of directors for the Prince William Sound Science Center. I have a few general comments that I'd like to present today. That in your deliberations as Trustees for this huge pot of money that we're all considering here, there's a few considerations I'd like to have you take a look at. We need to keep in mind, I know it sounds trivial, but we need to keep in mind where the oil spill was. It was in Prince William

Sound, after all. There's hardly been anything that reflects that fact over time because we don't seem to know what has happened to Prince William Sound in the meantime. Where were the most species, including homo sapiens, endured the most damage and are continuing to do so. Homo sapiens seems to be a neglected species and they grade (ph) in here, and oftentimes, if you look in Cordova today, I think you'll see that the humans are having a tougher time than some of the animals around there. I think it's important to remember that we know enough to know that with impact habitat, birds and mammals will restore themselves with or without our help. We don't need a spendy captive program to either study or restore these injured species. We do need to know how these species are elements of an impact ecosystem, however. We don't have enough information to know even whether oil or something else has damaged our fisheries resources in Prince William Sound, but something has, and we need to know that information before we can know even whether we can fix it or not. There has been excellent team assembled at the request -- I put request in quotation marks because I think when you shut off about a quarter of the nation's oil supply, that's more than a subtle request -- and mandate of residents and fishermen from the region that has produced a plan that has the greatest promise to answer these questions, it is important to fund those people so that they can integrate past work and collect new information to complete what may be the most important work to date, that this work could serve as a template for other work in other regions to be done. Simple logistics will

prevent the effectiveness and efficiency of gathering information unless done from all three centers for research in the oil spill region. I want to reinforce what John French's comment was, that it was important for him to think that consolidation wasn't the important thing for -- to a central area. It's important to do the work from all three centers because the logistics is the main reason. And, lastly, I'd like to say that, like never before, the people that reside in Prince William Sound are watching this process and are united in wanting expenditures that will restore our own habitat.

MR. FRAMPTON: Now, we'll go to Chenega, Chenega Bay Teleconference Center. Can you hear us? They're not on the line. Is Cordova on the line? Cordova, are you on the line?

MS. BIRD: We're on line.

MR. FRAMPTON: Is there someone who wants to participate in the public comment at this time?

MS. BIRD: This is Nancy Bird. Can you hear me?

MR. FRAMPTON: Yes, we can.

MS. BIRD: My comments today -- are my own, I want to make clear, and not those from an employer or any other organization. I would like to request that you delay, or even better yet, not even take the forty to seventy million dollars for additional reimbursements to the state and federal governments slated to the near future. I want to know if the two hundred and fifty-one million dollars already spent from the nine hundred million dollar settlement, fully one -- fully three-fifths is

already gone to state and federal coffers for reimbursements, and another fifth went to Exxon, and about another one fifth was spent on 1992 and 1993 studies. Only one-tenth of the money was spent -- has been spent on any habitat acquisitions, those being for Kachemak Bay and a down payment on Seal Bay. I won't belabor my ideas regarding the magnitude of the reimbursement taken right off the top by state and federal governments and Exxon instead of spreading those out over the term of the settlement. Regarding the '94 work plan, I would strongly support Proposal 94320, the Sound ecosystem assessment proposal. In his review of the SEA plan, Dr. Charles Miller of Oregon State University stated an initial skepticism but concluded, and I quote, there are many valid, worthy causes seeking to share in the Exxon Valdez (indiscernible due to poor teleconference transmission quality) I can think of none more likely to contribute to the long-term environmental commitment on the health of Prince William Sound and for the people around us to acquire a strong (indiscernible) understanding of the natural variability of its resident population. I also strongly endorse Proposals 94184 or '191 for pink salmon studies, 94165 and '166 for herring studies, and 94421 for the common property salmon stock restoration program. As far as the movement towards more coordination of long-term planning to reach this program throughout the oil spill impacted region, it has been a long, long time in coming. I agree with President Komisar that we need to recognize and commit to long-term studies if we are really going to gain a better understanding of Prince William Sound and other regions in

the oil spill impacted area, and although I support long-term funding for research, I don't support it at the scale encouraged by the University. I was glad your Executive Director here takes council from habitat protection and monitoring, research and restoration. Funding for research and monitoring should not be done at the expense of habitat protection or vice versa. I also agree with Mr. Ayers that we must get the best bang for our buck not only in habitat protection but also the research and monitoring projects. In that light, I will be very disappointed if you decide today to allocate the twenty-five million requested by the Seward Institute of Marine Science. It's not that I don't support some kind of improvement in Seward, it's just the scale of this. Finally, I am seeking to continue the negotiations for habitat acquisitions and/or conservation easements on lands owned by the Eyak Corporation and the Chenega Corporation. To reach a successful conclusion to these negotiations for the particularly important parcels listed in your own habitat protection work group, five of the seventeen parcels with the highest critical habitat are owned by these corporations. Thank you.

MR. FRAMPTON: Thank you very much. Now, we'll go -- is Fairbanks on the line? Fairbanks, can you hear us?

BRIDGE OPERATOR: Yes, we can.

MR. FRAMPTON: Do you have someone who wishes to comment?

STAFF: The first person would be Joyce Byrns.

MR. FRAMPTON: All right, could you spell your last name, please?

MS. BYRNS: B-Y-R-N-S.

MR. FRAMPTON: All right, go ahead. Please go ahead.

MS. BYRNS: Well, I simply want to say that I'm certainly in favor of the acquisition of lands in the Prince William Sound and Kodiak areas to be used by the people, by fellow Alaskans, and also for eco-tourism.

MR. FRAMPTON: Thank you. Next, Juneau. Is Juneau on the line?

STAFF: We're on the line (indiscernible due to poor teleconference transmission quality) thank you.

MR. FRAMPTON: Juneau, we're going to have a hard time hearing you because you're very broken up. So, whoever talks has got to go right up to the microphone, and if you have someone who wants to comment, please say your name and spell your last name and go ahead.

STAFF: This is Juneau, the LIO, and we just have -- there is no one to testify at this time. Thank you.

MR. FRAMPTON: All right, thank you very much. Next, Homer. Is someone from Homer on the line?

MS. SMITH: Yes, this is Kathy Smith and I'm a wildlife biologist. I live in Homer. I'm also on the board of the Kachemak Bay Conservation Society. The group has asked that I represent the concerns of the membership of about sixty that live and work here in Kachemak Bay in the Gulf of Alaska. We request that funds be expended for three major projects in our area. One, habitat acquisition, more population and proximity studies in the

Barren Islands, three, removal of exotic and injurious foxes from the Shumigans. We fear that in spite of the fact that much of the oil spill damage occurred outside of Prince William Sound, in the Gulf, the Alaska Peninsula and Kodiak, that the emphasis of late seems to have been on Prince William Sound projects and, basically, the Seward Sea Life Center. We worry that sea birds and their breeding habitat will be ignored. We ask, respectively, that the Trustee Council keep in mind that murres were the most heavily impacted sea birds, and virtually no murres left -- excuse me, no murres nest in Prince William Sound. Birds were impacted outside where they live, in the Gulf, and that's where we need to focus the seabird work. Forage fish, quote, studies in the Sound won't help in the recovery of murres in the hardest hit areas like the Barrens. Please preserve funding for the impacted areas. It's just too early to ignore these heavily impacted populations, and we don't see that murre numbers have recovered a bit since the spill, and until the population does start increasing we certainly cannot consider murres a recovering species. This continued monitoring of numbers, and the reproductive success in the Barrens is critical, we think, in determining the status of the murre recovery, and it will also improve our population models in the event of future impact to the habitat. This is also just very important to the Kachemak Bay Conservation Society, it furthers educators and counter operators in this area who regularly take turns to view the Barren Islands sea birds. We also ask that you consider supporting another extremely effective way to protect seabirds, and that's

through the removal of exotic predators on Sea Bird Island. Kachemak Bay Conservation Society supports Shumigan Island fox removal. This is a proven management technique for habitat recovery in the Aleutians, and we believe it would be equally effective in the Gulf of Alaska and on the Peninsula where populations of nesting sea birds have been impacted.

MR. FRAMPTON: All right, thank you very much. That's the three minutes.

MS. SMITH: Okay. Can I just summarize and just say that we feel that the impact of resources in the Gulf are sort of being ignored, and ask that you do fund the murre work and fox removal --

MR. FRAMPTON: Thank you.

MS. SMITH: -- and follow up on this (indiscernible).

MR. FRAMPTON: Thank you. Now, Kenai Peninsula, are you on, Soldotna? No. All right. Kodiak Legislative Information Office in Kodiak? Are you on?

DR. FRENCH: This is John French. There's two of us here to testify. I'll go first.

MR. FRAMPTON: All right, John. Go ahead.

DR. FRENCH: I'd like to primarily address two projects. First of all, '320, the Prince William Sound ecosystem study. I first of all wholeheartedly support this shift in the paradigm to ecosystem study, and I think the ecosystem -- the Sound ecosystem assessment project is worth funding, at least in the context of providing a pilot for future studies and would be found

to be oil spill area-wide. As the previous speaker, I am concerned about this tendency to restrict our study to the Sound, and I would like to speak formally against that. Also, with respect to Projects '199 and Project '20, that's no longer in the work plan, that is the facilities, I do support and recognize the need for improved School of Fisheries and Ocean Sciences facilities in Seward, but I think this needs to be integrated into existing plans. In many cases, plans can be developed in a more cost-effective manner by piggy-backing onto an existing planning process. The planning process should enhance the collaboration between agencies, and should be directed toward a variety of ecosystems, not just the order of ecosystem as is found in Resurrection Bay. Also, as many of the Trustee Council members are aware of, there's a lot of planning with respect to fisheries activities that has taken place in Kodiak. This was originally reflected in Project '20, and to ignore that planning and to try to duplicate something that's going to be felt to a certain extent in Kodiak anyway would be very costly. Thank you.

MR. FRAMPTON: Thank you. Next, we'll go to Seward. Are you on in Seward, the public library?

BRIDGE OPERATOR: This is the Seward Legislative Information Office. We have observers at this time, but people who may wish to testify later.

MR. FRAMPTON: All right, great. That's it. Tatitlek, is somebody on there? No? Valdez? Are you on, Valdez? (Static and electronic tone) Not anymore, I guess. Valdez, are you

listening? All right, Whittier? Is Whittier on the line? All right. We'll come back and try again. Here in Anchorage, the next person on the list is Amy Bollenbach from Homer. Just lean into the mike.

MS. BOLLENBACH: Okay, may name is Amy Bollenbach. Is that picking up? I am -- I can't hear it. Is it working?

MR. FRAMPTON: You probably have to talk a little bit louder.

MS. BOLLENBACH: My name is Amy Bollenbach. I am a member of the Kachemak Heritage Land Trust, and I'm representing it today. The land trust mission includes preserving for public benefit wildlife habitat, recreation lands, open space, and land of historic and scenic significance on the southern Kenai Peninsula. Therefore, we request that you fund Project Number 94110, habitat protection and data acquisition, and Project Number 94126, habitat protection and acquisition funds. Just because we just endorse those two projects doesn't mean that we don't approve of many other worthy projects in the 1994 restoration plan. It just means that our mission best fits those. So, please fund the habitat protection projects. Thank you very much.

MR. FRAMPTON: Thank you very much. Next, Mr. McKee. Is Mr. McKee here? Good. From Anchorage, Charles McKee.

MR. McKEE: Good afternoon. My name is Charles McKee, and I'd like to talk about this project, the lead agency, Alaska Department of Law, Project Number 94424, setting aside twelve million dollars for unsubstantiated damages, and I'd like to point

out that it's, of course, insufficient monies, also the fact that the there's a little bit of misnomer. You're -- not to exclude Janet Reno's Department of Law, but I feel that this -- the whole legal department from the top down is more in the venue of RICO violations rather than the Department of Law, and taking into consideration my investigation, we should really address Lloyd's of London as the lead agency here, and the fact that if they can't get oil out of Prince William Sound, then they would be financially in -- hard-pressed to continue their endeavor. So, I -- the entity that I'm representing, in fact, is their huckleberry, and the blockage is going to commence until a full funding is remedied. And furthermore, the tank farm in Valdez should be expanded. It -- they cut short of the building of the tanks that were in consideration when they were building the Valdez Terminal, and they should be finished and they should also be -- people that aren't necessarily affiliated with the Mormon religion should be also considered for hire, and well as union.

MR. FRAMPTON: Thank you, Mr. McKee. I'd like to commend you for making a link between the restoration reserve project and the federal reserve. (Laughter) There are some who might wish to give you Janet Reno up here, but right now the federal government has her.

MR. McKEE: Well, I said Lloyd's of London. You have to (indiscernible).

MR. FRAMPTON: Thank you. Next, Margy -- or Margie Johnson from Cordova?

MS. JOHNSON: Good afternoon, gentlemen. Can you hear me in Juneau?

MR. BARTON: Yes, we can. Hi, Margie.

MS. JOHNSON: Hi. I would invite you to hold your fifth anniversary conference slash symposium workshop in the Prince William Sound, i.e., Cordova. For those of you whom I haven't had the opportunity to meet, I am the mayor of Cordova, and I have been in business there and a full-time resident for the last twenty years, and I sort of softened my remarks today because you have such a great new Executive Director on board now and I am sure things will change, but it's been my experience that the Exxon Valdez Trustees have shown themselves to be inept in their charge of the oil spill money, arrogant in their treatment of Alaskans who have suffered loss, and deaf to the demands of equitable spending of oil spill money on development and environmental projects, and simply immune to criticism. I am encouraged with Commissioner Sandor's remarks which he included of Harley Olberg (ph) because I feel that I represent the citizens, and the citizens of the Prince William Sound, i.e., Cordova, have been greatly hurt by the oil spill. Many of your predecessors came to Cordova when the oil was still in its slick stages and posed for photo ops with ABC, CNN and all the major networks, but it came as no great surprise that as soon as the cameras were turned off, and the proverbial dead otter went to otter heaven, people just left, they went back to Juneau or Anchorage or Outside and hired the Outside consultants to look after it, and more or less just treated Cordova like the forgotten

stepchild. Well, that's got to cease now, and I think you'd better take a new look at what you're doing. There's a whole new attitude in Cordova about what the Exxon Valdez Trustees should be doing. We had a town meeting two weeks ago. Three hundred and fifty citizens appeared at the town meeting, the largest gathering since Don Cornet's (ph) infamous words of "trust me, I'll make you whole." But at the town meeting, an angry fisherman loudly demanded that city leaders sue the Exxon Valdez Trustees for what you haven't done, and I'm going to spare you the rude statements that many of the citizens have asked me to express about your inability to take charge, and I'll just cut to the chase. To date, Cordova has received precious little from the oil spill funds while many other projects of dubious worth have been funded, but that is in the past, that was yesterday and yesterday's gone. It's a brand new world now, and we look forward to working with Jim Ayers, and we want to see the SEA plan fully funded. It's not like a buffet at my restaurant where you can just pick and choose two hamburgers and leave the tuna salad. We want the SEA plan entirely funded -- I'm not quite finished.

MR. FRAMPTON: Well, we're going to have limit everybody to three minutes.

MS. JOHNSON: Okay.

MR. FRAMPTON: If you'd like to conclude in a sentence --

MS. JOHNSON: Okay. I would just like to conclude by saying this, allow me to make the position of Cordova crystal clear. We're not a wound that's going to scab over and disappear.

Long after you are no longer a body, Cordova will still be here, and Cordova will have a Prince William Sound Science Center, an Oil Spill Recovery Institute, and the SEA plan must be fully funded. Thank you.

MR. FRAMPTON: Thank you. We'll do one more from Anchorage and then go out to our teleconference sites. Henry Tomingas (ph) from Anchorage.

MR. TOMINGAS: I've got a couple of things I want to give you before -- well, as I start here, let me go ahead and kind of echo what Jim Gray said about the time for preparation. I came here this morning to listen, and then I find myself sitting up here and trying to respond to some of the things that I see, and I keep hearing that from numerous people that have spoke. It seems like maybe some of these things are moving too fast; some of them are moving too slow. Last November I was in here at a meeting, and the big rush was to hurry up and get this restoration plan out, I mean, it's got to be out right now, but then I find, you walk in here, and you'll find something lying on a table that you've never seen before and that makes it difficult to respond to that. So, in echoing that one more time, a more coordinated effort with -- of the mayor of Cordova, she just -- her response here seems to be that there isn't any coordination with Cordova, and I'm finding the same thing. I have a business in Alaska, and I'm finding, too, that there's not much coordination here, and I'm not going to say too much more about this. The problem with testifying about something, if you know something about it, you're testifying about

people that you know, and you might shoot yourself in the foot in the process here. So, if -- what I would like to do is see some of these things move a little slower, particularly the Institute for Marine Science, I think that that needs to be examined more closely. I'm in favor of the idea, but I can see on the surface there's some coordination problems here that just aren't being resolved, and I would not like to see that being funded, to see us go on into accumulating a long-term debt that we don't have any idea what the costs are, and I'll give you an example. There's two and a half million dollars right here. If I turned that in to you guys with the line drawing, I don't know what you'd say to me, and as you can probably guess, we provide marine support services to different projects, and I'd like to see a lot more involved here. I would like to see some education programs involved for the Native communities, to the different communities. I think that this could be looked at in a lot greater detail than just the line drawing and a note at the bottom for two and a half million dollars. Now, I didn't get to -- I apologize, I didn't get to speak to the two people that presented this today. I tried to find them, but I couldn't, and I'd be anxious to talk to them, but I think, all in all, more coordination is needed all the way down the line here. I mean, I can't even hardly really respond to this. I'm in favor of it, but I'm not in favor of it the way it is. It's difficult.

MR. FRAMPTON: Thank you very much. Now, we'll go out to Cordova. Is there another person who wants to comment?

MR. FRANKLIN (ph): My name is James Franklin (ph). I'm

a commercial fisherman in the Prince William Sound in the area for the last eighteen years and a resident of Alaska who resides in the City of Cordova. I've been over the recommendations of the Chief Scientist, Dr. Spies, on the draft '94 work plan and the U.S. Council, and it dawns on me that what we need is more public input, persons who have lived, worked and played in the area that was contaminated and devastated by the '89 oil spill. Out of the thirteen Prince William Sound fisheries projects, Dr. Spies' recommendations would fund only one, the Sound pink salmon project, put twelve on hold, cut the ecosystem research plan funding by sixty-five percent. I'd strongly disagree. Of the total amount of oil spilled in the Sound, seventy percent stayed here. I do not think it's too much to ask that the majority of the oil spill settlement funds be used in the restoration of Prince William Sound. A person more sensitive to the issues, focal communities and inhabitants of the oil spill impacted area would, in my opinion, be a better choice than the Chief Scientist. After reading Dr. Spies' recommendations on the '94 work plan, his agenda is not the one I envisioned for the recovery of Prince William Sound. On my own note, I strongly urge you, the EVOS Trustee Council, to fund Project 94320, a part of the ecosystem study plan would look into the glass (ph), the herring and pink salmon fisheries in the Sound, find out what is happening, why is it happening, and maybe when we can expect the Sound to recover. I encourage the Council to give full funding to Project 94320. Project 94421 is also a top priority in my opinion. The current

hatchery programs are an important restoration tool and address the needs of commercial, sport and subsistence fisheries damaged by the oil spill. These hatchery programs are essential to the promoting and (indiscernible) the populations of pink salmon, species identified as not recovering in the draft restoration plan. I'd encourage the Council to give full funding to Project 94421. Dr. Spies highly recommends the Alaska Sea Life Center, Project 94199. I do not. I'd like to know, how can any of us support a project that has not been publicly reviewed, has had no input from the EVOS Public Advisory Group, and has had no coordination with any of the Prince William Sound resource efforts. According to the final project writer, Kim Sundberg, its main purpose will be to do the same sort of research and monitoring studies that are already being proposed by other projects in the Sound. Mr. Sundberg lists the cost of projects of fiscal year '94 as twenty-five million dollars. By my own calculations, this is over twenty-seven percent of the total amount of funds available for the '94 work plan. If we go by Dr. Spies' recommendations, this one project alone will gobble up almost one-third of all available funds. I'm outraged. I'm certain that certain political pressure is coming to spend this amount of money on any one project. I've yet to hear any comments out of Seward on how they are going to address my own personal concern about what is happening to the ecosystem of Prince William Sound. My recommendation concerning this project is to have a thorough public examination of costs for approval. My other recommendations are that the rest of the projects of Prince William

Sound are needed for the restoration to continue on. Thank you very much for your time and patience. Thanks.

MR. FRAMPTON: Thank you. Next, we go to Fairbanks. Is there someone else in Fairbanks?

MR. HUSTON: My name is Bob Huston. I've been an Alaskan resident for about fourteen years, nine of them in the Interior. I'd just like to voice my support for the Trustees in the purchase and the transfer of land to its public use (indiscernible due to poor teleconference transmission quality) in the Kodiak and Prince William Sound so that we could enjoy them, not only in an ecological but also in a tourism status and as recreational sites. Thank you.

MR. FRAMPTON: Thank you. Especially, thank you for being brief. Could you spell you name, sir, in Fairbanks, so we get that right?

MR. HUSTON: H-U-S-T-O-N.

MR. FRAMPTON: Thank you. And now, Juneau, do you have another person at the microphone in Juneau?

BRIDGE OPERATOR: Not at the LIO.

MR. FRAMPTON: No? All right, so we'll go to Homer next.

MR. GIBSON: Hi, this is Keith Gibson, G-I-B-S-O-N. I'd like to speak briefly to the question of trust expenditures for the forest health initiative, which I understand has been suggested by some. I've been a small-scale lumber and sawmill operator in the Homer area for the last fourteen years, but I'm not an entomologist and I don't have a degree in forestry, but I have a

great deal of field experience that's been focused on the spruce bark beetle. DNR's forest health initiative is primarily focused on logging as a response to spruce bark beetle. The (indiscernible) meets some objectives to some landowners in some places. Normal DNR allocations are plentiful enough to meet those, but broad-scale logging is apt to bring about a habitat degradation in a given area and even epidemic levels of infestation. An example of this is the Tyonek infestation covering hundreds of square miles on the west side of Cook Inlet in the early '70s. The west-side timber sale was launched with a lot of rhetoric about renewing the health of the forest. Hundreds of thousands of acres were clear-cut and primarily not replanted. Gross revenue to the state was two to ten bucks an acre, not counting any reforestation or contract administration costs. But what would have happened if no sale had taken place? Bruce Sanker (ph) did an extensive study of an intensive study of an uncut area after the epidemic had passed (indiscernible) trees over five inches remained and presumably all -- almost all of the trees younger than that, so this is in contrast to the first cutting of the stand for which the state received so little money. Even in those days, regeneration was anticipated to cost up to two hundred and fifty bucks an acre where it was needed. In conclusion, even with the heavy state subsidies proposed, wide-scale timber harvesting as a response to the spruce beetle offers habitat many more perils than the beetles themselves do. Thanks.

MR. FRAMPTON: Thank you. Now, we're going to go back to

Kodiak and pick up the other person there, if he or she is still there. Kodiak?

MR. SELBY: Yes. Good afternoon, Mr. Chairman, and members of the Trustee Council. This is Jerome Selby, mayor of the Kodiak Island Borough, and I appreciate the opportunity to testify. Due to limited time, I'm not going to go through the specifics by project, but I do have a concern with the 94320 ecosystem study plan because I recall specifically asking at the meeting whether those monies were set aside, and if it would include Kodiak and the lower Cook Inlet, and I was told at that meeting that it would. I was somewhat disappointed to see that it does not, at this time, and what I would like to ask is that you increase the funding and include Kodiak and the Lower Cook Inlet. If you look at the salmon projections for these two areas for 1994, you can see that we aren't necessarily out of the woods on possible impact as well. Beyond that, I'd like to -- and in all the communities you hear some amount of frustration. All of the communities in the spill area are still suffering from the aftermath of the Exxon Valdez. I'm not going to get into fighting amongst the regions because I think all of them have some definite needs. We've always supported Prince William Sound having some attention, but the fact that -- even if they have the thirty-four million that's projected here for Prince William Sound projects. I would like to urge you to move ahead with the study on the coordinated research infrastructure. I don't think that it's far enough along to draw any conclusions or fund the projects, but I'd like to urge you to take the remaining

fifty million that you have available right now, put five million of it into the start of the endowment fund and put the other forty-five million into land acquisition funds, and let's move ahead on getting some of these projects done. Thank you.

MR. FRAMPTON: Thank you. Now, we're back to Anchorage. Tim Cabana, is that the -- could you spell your last name? I'm not sure if I got it right.

MR. CABANA: C-A-B-A-N-A.

MR. FRAMPTON: It should be on, yeah. Hello.

MR. CABANA: Yeah, my name's Tim Cabana and I've been a fisherman in Lower Cook Inlet and Prince William Sound most of my life. I just a got a few -- actually, I got a question here. If you buy all this land, who owns it? Can somebody answer that? When you buy the land, who's going to own it? Is that beyond an answer?

MR. TILLERY: Yes, the parcels that have been acquired so far in Kachemak Bay is owned by the State of Alaska. Seal Bay is currently owned by the Nature Conservancy and will be conveyed to the State of Alaska after the legislature passes a bill creating a state park there.

MR. CABANA: Okay, so we have a huge state that's less than one percent privately owned, and we're spending all these EVOS funds to buy up the remaining one percent. That makes a lot of sense, especially on a tax basis. Another thing is, why do we need to change -- all that we're doing is changing ownership. We're not actually changing this land. The land is still going to be the

same. You go anywhere in Prince William Sound or Kodiak, stand on the beach and cast a line out in the water. It's not going to change whether you own it, he owns it, no matter who owns it, it's still going to be the same land, the same mountains, the same everything. We're spending an awful lot of money to buy a lot of land with a very little return. I mean, what is the difference going to be here? Okay. I see that there's probably a lot of land out there that should be looked at, that's near watersheds or something like this, but land two thousand feet up the mountain on Afognak Island, I don't see how that's been affected by the oil spill. Let's go on to the other things here. The hatchery systems in Prince William Sound, Kodiak and elsewhere, now, there's something that you could possibly do some help with. I agree with this Asburn and Mason's legal opinion. I don't understand why it's okay to buy land at two thousand feet on Afognak Island but it's not to help the hatchery system. You've got a lot of projects here, funding supposedly underway here. I'd like to put in -- I'd like to see this Project 94424 happen too. I'd like to see some money put away for the future here. We're spending an awful lot of money on land and other items, and you might want to sit back and think about this for awhile. There's a lot of studies that need to be done. I think that a lot of these studies that were passed over by the scientific proposal here, I don't understand why we just keep putting them off. There's an awful lot of herring and salmon studies that need to be done instead of put off. There's -- well, it's also -- it's kind of frustrating to try and say what a guy

wants to say in three minutes. I'd appreciate it if the next time we have a meeting, it could be more than one day, as Jim Gray would say, and possibly have a few more minutes to speak. You can't begin to go through what is on my mind in three minutes here. I'd like to thank Mr. Sandor for his -- his old speech on what he believes is the affected areas and the affected people. I think he's right on the nose there. I appreciate his statements there. I guess that's all the time I have. Thank you.

MR. FRAMPTON: Thank you. Next is Ken Spearin from Anchorage.

MR. SPEARIN: Yes, my name is Ken Spearin. I'm a commercial fisherman also. I'm going to be very brief here. I just want to make a point here of how these funds are being spent, and basically, I'm against buying land and trees, and I'm for giving funds to help these hatcheries and for scientific research, and I'm also for the Seward Science Center, and that's basically all I have to say.

MR. FRAMPTON: Thank you. Let's go back to Cordova. Are you on in Cordova? Is there someone else who wants to comment?

MR. ADAMS: Yes, yes, indeed. There are people here and we'll be having folks with a lot of comments for quite a while, sir. Thank you.

MR. ADAMS: Yes, my name is Ken Adams. Hello?

MR. FRAMPTON: We hear you. Go ahead.

MR. ADAMS: Okay, yeah. My name is Ken Adams and I'm on the board of directors of several Cordova organizations, Cordova

District Fishermen United, Prince William Sound Aquaculture Corporation, and the Science Center. For several years, we in Prince William Sound have expressed our frustration with the Trustee process, for the lack of a committed approach, analysis and restoration of this, the most spill-impacted area and its resources, and I completely concur with our mayor, Margy Johnson, when she expressed her view of the earlier Trustee process (indiscernible). I appreciate the effort of the Council at present and Mr. Ayers to improve upon this process and to come to grips with some of the more real and pressing problems that need to be addressed. Thanks also to Mr. Sandor, Mr. Florey, Ted Cooney, and Torie Baker for their accurate presentation of our dilemma and a possible solution for this dilemma. Dr. Cooney and Florey end up -- and Mr. Spies also earlier discussed the (indiscernible) and keenly dedicated effort on the local scene, but to aid the Trustees and to help provide them with some direction, particularly about one of the SEA projects, or the SEA workshop that was held here in December and the peer review film critique that were very positive, and underlined the fact that the SEA was found worthy, in its entirety, and clearly this is the approach to take. As was mentioned, this FHA proposal stood as a model for further -- or for other spill-impacted areas. I want to address support for a number of projects here, particularly the Fish and Game pink salmon project, 94184, '5, '187, '189, '191, and the FHA Project '320 and also common property salmon stock restoration, '421. With respect to the common stock restoration, funding for PWSAC is essential.

The restoration -- PWSAC is the source for restoring some of the damaged services. It acts as a regional fha association and provides fish for more than just commercial users, for sport and subsistence users as well. Financially and (indiscernible) speaking, we're up against the ropes because of the recent fish shortfall. Prior to the spill, PWSAC was obtaining a goal of approximately twenty million pinks annually. That is, we've achieved the level of sustainability, but of late we've seen outright run failures. Unfortunately, now, some people view the hatcheries as part of the problem. Support for FHA, maybe we'd shed some light on it.

MR. FRAMPTON: All right, thank you. That's three minutes, I'm afraid. Next, we're going to Fairbanks. Is there someone else who wants to comment in Fairbanks? (No audible response) Can you hear me, Fairbanks? All right, next, Homer? Is there someone else that wants to comment in Homer?

BRIDGE OPERATOR: No, we're just listening here. Thank you.

MR. FRAMPTON: All right. So, we're back to Anchorage, and then it looks like only Cordova still has commenters. So, Anchorage, the next person who's signed up is LeRoy Cabana from Anchorage.

MR. CABANA: Good afternoon, members of the Trustee Council. This is my third joyous trip down here. I kind of enjoy you guys now. I was getting tired of this but some of you aren't here, but I'd like to welcome Craig Tillery to the team. He's

going to probably do a good job for us. My concerns are, as most people, I'm a Prince William Sound fisherman, and I look at the habitat protection evaluation map over there and, you know, I kind of view being a member of Prince William Sound for most of my life, I view Prince William Sound as the equivalent of a nuclear disaster, if I can get your attention to that, and I think those other guys are down-winders, the Kodiak and the Kenai Peninsula, and as a result, I'd like to see as much restoration done inside the Sound as we can do. I'm entirely in favor of funding the hatcheries in Prince William Sound for FY94, and I also am really in favor of some hatchery retirement debt in Prince William Sound, and I know that's being walked around like there's eggs under our feet, but I feel that it's a viable spender of money and I'm all for it. I'm totally against hardly any more land acquisition. I mean, I think we need to do some serious checkbook analysis here. Land acquisition is so enormously expensive, we can spend all of our money on a couple items or we can spend a lot of money on many different items. We only have so much money. The checkbook is just like the one you have at home. There's only so much money in it. You can't have everything you want. I feel land acquisition is at the bottom of my list, as far as spending this money. We need some serious marine environment studies done to figure out what's going on. I would like to remind everybody that Southeast Alaska experienced one of its largest herring and one of its largest salmon runs in recent history. Kodiak Island experienced one of its largest herring runs in recent history. On down, the

Chain experienced the same things. Bristol Bay experienced the same things. The oil spill-affected area of Prince William Sound experienced nothing in any accountable numbers at all. We did not even have, for the first time since the sac roe herring fishery began in 1993, we did not even have a sac roe fishery for the seiners. This is the first time in the history of that fishery. We had almost no salmon available for us inside the Prince William Sound area. Most of the salmon that were caught were out in the Copper River Delta area which was not affected by the Exxon oil spill to the extent of the inside of the Sound. So, I only have a few seconds here, and I'd like to just say again, I'm just against this land acquisition, I think it's too expensive, and I don't think that's what the EVOS money was intended for. The money was not titled EVOS acquisition money; it was titled EVOS restoration money. Thank you very much.

MR. FRAMPTON: Thank you. Next, Max McCarty. Mr. McCarty?

MR. McCARTY: Good afternoon. My name is Max McCarty. I live at 503 Fourth Street, Cordova, Alaska. I'm a seiner in Prince William Sound, and as a seiner in Prince William Sound, I am part of the ecosystem. I became vested in that fishery years ago when I found out about the hatchery system and saw that it could alleviate the natural cycles that existed in returns and become a viable fishery, and I thought that we were viable as fishermen because we were investing in the resources in the area and helping to develop them in a sustainable way. However, last year, for the

second year in a row, as we were more or less straining the waters of what we came to refer to as the Blue Lagoon, because Prince William Sound doesn't look healthy down there, we realized that possibly the Jacques Cousteau team that was in town during the oil spill, and said you guys are going to start to see the effects of this oil spill in about three or four years, well, maybe they were a little bit prophetic, you know. Perhaps, we will never know, but as a result of that, the frustrations really came to a peak, and as you know, it ended in a blockade of the Valdez -- the narrows of the Valdez Arm because of -- you know, even though we are, as people are saying, the epicenter of the oil spill, a lot of this frustration was being directed toward the EVOS Trustee Council because it didn't seem like -- it seemed like we were out of the restoration loop in that. As you know, then, the blockade came to an end when our three demands, which were economic assistance for the fishermen, studies of Prince William Sound to see what was wrong with it, and three, make sure our hatchery systems didn't go under. It was when those three demands were -- said they would be addressed, we called off the blockade. Since then, the SEA plan has been developed, that's been wonderful, everybody applauds it, the peer reviewers like it so -- you know, everybody likes the SEA plan. However, my concern is with the hatchery system and the lack of a consensus on the fact that hatchery systems are something that should be supported. The PWSAC needs -- PWSAC is the -- what we refer to it as, the Prince William Sound Aquaculture Corporation, needs some funding because there's been a double whammy on it.

Hatcheries should not be responsible for the sins of the father. In other words, hatchery systems that have gone out of whack in other places are not our problem. The perception of the Prince William Sound Aquaculture is that maybe it only benefits some fishermen. This is not true. It benefits everyone in the area. All you have to do is go down there and watch kids, you know, catching a (indiscernible) spin or remote release site for chums or king salmon, pluck these fish out of the water every fall, and you realize what a great thing it is. We can adopt an abundance mentality here. The MOA says that this is something that you should do -- you should -- and that. All these behind the scenes deals that have been going on for two weeks now are great, but you should support 94421 and that, because if you don't, everybody, as you've heard from the time this public hearing began, people's suspicions of how this Council is operating are going to be confirmed and in a very negative way, and I think we can move forward in a positive way here, and there's a chance that a window has been opened.

MR. FRAMPTON: Thank you. I'll go back and see if John McMullen wants to speak now.

MR. McMULLEN: Mr. Chairman, thank you for the opportunity. I'm John McMullen, president and CEO of PWSAC. I'm here to testify for Project 94421, commercial common property stock restoration. This proposal asks for a one-time funding for the restoration replacement enhancement of salmon resources and service injured by the oil spill. We've been told several times over the

last few weeks that the Trustee Council is generally sympathetic with this proposal and our needs, but that there are legal issues connected with this particular project, therefore my testimony. Our understanding of the Memorandum of Agreement, MOA, is that it is the Council's trust responsibility to ensure that all injuries and loss of state and natural resources are fully compensated. Hatchery fish qualify as natural resources according to the MOA because they are managed by the state for directed subsistence, sport, and commercial common property fisheries. We asked our attorney to provide his opinion as to whether our proposals for hatchery funding qualifies under the guidelines of the MOA. I'll leave copies of that response with you. The response we received is that our proposal fits squarely within the provision of the MOA that requires the Trustee Council to use all natural resource damage recoveries for purposes of restoring, replacing, enhancing, rehabilitating, and acquiring the equivalent of natural resources injured as a result of the oil spill and the reduced or lost services provided by such resources. The restoration plan contemplates that the type of restoration embodied in our proposal Page 12 of the restoration plan contains a policy which requires that a project to restore or enhance an injured service must be sufficiently related to a natural resource in various ways, including restoring a resource or providing an alternate resource. It seems clear enough to us that our proposal qualifies. Secondly, it has been questioned whether commercial fishing interests qualify for funding under the MOA. We believe that

salmon is injured

resources and, with the services that they provide, do qualify, but our proposal goes beyond commercial fishing interests alone. Regional aquaculture associations are statutorily charged with the enhancement of subsistence, sport --and sport fisheries as well as commercial fisheries. By law, our board of directors reflects these interests, and in reality we work at meeting these various goals. Third, it has been suggested that there is a distinction between wild and hatchery stock. However, they both qualify as natural resources, according to the MOA and the restoration plan. In the fisheries, they are indistinguishable except when tagged. All salmon occupy the same niche in the food chain of the Sound. They are a nutrient source, both as juveniles and adults, to a wide variety of birds and animals. Finally, the restoration plan states that it is the Trustee Council's policy that restoration projects should not adversely affect the ecosystem. It is our understanding that some of opponents of our proposal have argued that hatchery releases might represent excesses that may somehow be ecologically disruptive. However, to my knowledge, there is no consensus among scientists that this is true in Alaska. Therefore, the Trustee Council has no reasonable basis on which to conclude that implementation of our proposal would violate its policy. I guess I have to quit here, I've used my three minutes, but just to say, I urge the Trustee Council to provide funding for Project 94421. Thank you.

MR. FRAMPTON: Thank you very much. We'll go back to Cordova. Are you on the line?

BRIDGE OPERATOR: We're on the line.

MR. FRAMPTON: All right.

MS. ADKINS: Good afternoon, gentlemen. Thank you for having this meeting for us. My name is Marla Jean (ph) Adkins. I'm a thirty-five year resident of Alaska and a twenty-two year resident of Prince William Sound. I have been forming a letter of response -- a letter to Secretary Babbitt from (indiscernible) our regional director of Interior Fish and Game -- Wildlife Service, U.S. Department of Interior. (Indiscernible due to poor teleconference transmission quality) with our Executive Director Ayers, this is definitely not the case. Our problem is an ongoing process, the internal problems within the EVOS Council itself. The struggle and potential power plays, you'd think that six men could come together and make reasonable decisions, four plus years after the fact, after three hundred million dollars has been spent. Approximately (indiscernible) this letter, (indiscernible) eight two nine million dollars were funded for the 1992 work plan in Prince William Sound, approximately ten fishery projects, in addition to the fifty thousand to provide the Prince William Sound Science Center. In 1993 we developed an ecosystem study (indiscernible) the actual site of the spill. It is imperative that increased monies for Fish and Game projects, monitoring, hatchery relief. Mr. Adams, who spoke previously, recommended projects for 1990 (indiscernible due to poor teleconference transmission quality) long-term monies need to be set aside. Not four years from now, gentlemen. Many are not happy with Dr. Spies

recommendations, I for one. The fishermen, the business sector and the communities of Prince William Sound have suffered terribly, again, the actual site of the spill. I have talked this week with three fishermen who are trying to sell out their operation. I don't know how they're going to sell it. It's not easy to sell. Obviously, we still have problems, especially because the Sound needs restoration now. We are not going to wait another four years, so I don't know what you are going to do about it, but you've can change (indiscernible) your politics and papers. Thank you.

MR. FRAMPTON: Thank you. Thank you very much. We'll take the next person from Anchorage and then come back to Cordova. Tom Van Brocklin from Valdez?

MR. VAN BROCKLIN: Mr. Chairman, members of the Trustee Council, for the record my name is Tom Van Brocklin. I was brought up in Cordova, my home town. I've lived in Valdez since 1980. I'm a member of the Valdez City Council. I'm here today as chair of the Prince William Sound Communities Organized to Restore the Sound. We had a meeting on Saturday, and I'm bringing the brief report forward to the Trustee Council. I'd like to make an opening point, though. I believe the mayor of Kodiak referred to thirty-five million dollars being spent in the Prince William Sound region this year, and unless my math is off, I don't understand where this is coming from unless he is including Seward in Prince William Sound. I'd like to make the record very clear today, Seward is not part of Prince William Sound. There's a lot of open water between

the two locations, and I think it's worth clarifying. Our group met on Saturday, and we're bringing forth five specific points because of time limitations. One general point we'd like you to take into consideration: first of all, we'd like to see you fund our hatcheries. It's Project 94421. The state, working with our communities, tried to find some way to deal with global competition. Our hatcheries are part of that effort. We've got to preserve them for the future. Number two, the SEA plan. This organization came together, the Council and all of the scientists, to do ecosystem studies. A good plan has been started. We hope you continue to go forth with it. Number three, we'd ask the Trustees to support, to approve Chenega parcels, that you go forward with your negotiations with Chenega Bay Corporation. Number four, we encourage the Trustees to go back to negotiations with the Eyak Corporation. Again, we consider both of these acquisitions to be of importance. And number five, we support research on herring spawn. Now, there's an awful lot of other projects you're looking at dropping, but again, we're zeroing in on particular ones, and that's your herring spawn studies, Number 94166 and '65. Herring took a terrible hit. There's evidence to point out that it was oil related, and we'd like to see those go forward. Finally, Mr. Chairman, members of the Council, I'd like to go to a general point, and that simply is that we ask you, as members of the Prince William Sound Communities Organized to Restore the Sound, that all projects go through the full process of review. We don't believe in the case of the Prince William -- the

-- sorry, the Prince William, right -- the Seward Sea Life Center, the Marine Research Center, the North Pacific Research Institute, or now known as supposedly the Seward Renovation of the Institute of Marine Science. (Laughter) I don't know what it will be named tomorrow. What we do hope, we really hope, is that as in the case of all projects that you go through a full process of review, including comments by the public and the entire system. Thank you very much.

MR. FRAMPTON: Thank you very much. Cordova? Next person in Cordova? Are you on the line?

MR. BILDERBACK: Yeah, this is Dan Bilderback. I'm a commercial fisherman in the area. I've got a lunch sack on the table here in front of me that I get all my food out of, and I just want to take you back to '89. (Sound of paper bag popping) I'd like to apologize to everybody here about the noise pollution that went out, and I know you all have problems with it, and it's something to be addressed later, but right now I'd like to get my bag picked up because I can't have any more food for awhile. (Sound of paper crackling) I'd like to see you guys fund our eco -- our SEA program and our hatchery program. Thank you.

MR. FRAMPTON: Sir, could you repeat your name? We didn't get that for the record here. We got the other noises, but we didn't get the spelling of your last name, if you could do that again.

MR. BILDERBACK: Hear me all right? Dan Bilderback.

MR. FRAMPTON: Could you spell your last name?

MR. BILDERBACK: B as in boy, I-L-D-E-R-B-A-C-K.

MR. FRAMPTON: Thank you very much. It's a little bit hard here unless you're right next to the microphone in Cordova, and I would urge you down there to speak slowly so we can all hear up here because the sound is just a little bit muddy. We'll come back there in a minute. Now, in Anchorage, Steve Aberle. Is that the right pronunciation?

MR. ABERLE: Aberle.

MR. FRAMPTON: Steve Aberle, A-B-E-R-L-E, from Girdwood.

MR. ABERLE: Members of the Trustee Council, I'm a commercial fisherman from Prince William Sound. I represent the sentiments of many of my fellow fishermen and women and members of the Prince William Sound community. I'm here today to urge you to consider and to fully fund Project 94421, the common property salmon stock restoration project. As you know, since the 1989 Exxon Valdez spill, our Prince William Sound common property fisheries have been severely impacted. For the past three years, we face ever increasing devastating and dismal returns of herring and various species of salmon, in particular, pink salmon, to Prince William Sound. Not only has this affected individual fishermen, but it severely impacted and rippled through the entire economic infrastructure of the Sound's communities. Fishermen, canneries and their workers, tenders, airlines, transportation companies, sports fishermen, local businesses and governments, have all suffered as a result of these diminished returns. PWSAC, our hatchery program, has been particularly shackled by lost revenues

due to severely decreased returns, as well as by increasingly hostile market conditions that promise to be with us for a long time in the future. The fishermen in communities of the Sound could probably survive several years of poor returns if prices were better, and we probably could survive low prices in fish returns if the Sound were at pre-spill levels. However, the combination of poor prices and terrible returns is crippling all of us in the communities that we live in. By funding totally the common property salmon stock restoration project, you can help us recover by assuring that there are no disruptive hatchery closures or loss of brood stock due to lack of funds. PWSAC has been operating in the Sound since the mid-70s and has a proven track record. It's survival is imperative to the economic and social health of the Sound's peoples and communities. Your investing of EVOS restoration funds in 94421 is an investment in Prince William Sound and her communities, which is where I feel the emphasis of EVOS restoration should be. Thank you.

MR. FRAMPTON: Thank you. It looks like we have time for about three more people, and I want to thank you all for being patient and understanding with the three minute limitation because that's what's enabled us to have others talk. Riley Wilson, here in Anchorage.

UNIDENTIFIED VOICE: He had to leave.

MR. FRAMPTON: All right. E.J. Cheshier from Cordova. C-H-E-S-H-I-E-R.

MR. CHESHIER: Correct. Hello, my name is E.J. Cheshier.

I'm a fisherman, born and raised and presently living in Cordova, a fishing village. Most of my family are fishermen who also live in Cordova. Our front yard is Prince William Sound. It, our yard, has always been a beautiful and bountiful place to live and work and just enjoy our lives in. Just now, I'm thinking about some people that I know who take a lot of pride in their yard and who have actually subsisted from it. They kept the grass healthy, grew the most beautiful flowers, and generally kept their yard nice and neat, but now for some reason the grass has quit growing and the flowers have quit blooming like they have for so many years previously. These people have become quite worried and distraught about what has happened to their yard, and are at a complete loss as to the cause of this disturbing phenomenon, but not being professional gardeners, and without all the special tools that are required, these people are having very little luck figuring this serious problem out. And I say serious because these people actually made their living selling the flowers and all the extra grass that they grew. The problem is this: these tools and the gardener that knows how to use them are very, very expensive, and these people are rather poor now as it has been quite awhile since the problem arose, but they haven't given up hope because they heard of a group of -- a group called Trustees, or something like that, I'm not sure what Trustee means, who is said to have a lot of money, and their job is to use this money for just this purpose, to help these people are down and out and can't afford to restore their yard to the beautiful yard it was before this disaster. Now,

these people I know don't believe at all in this charity concept and would much rather try to fix the problem by themselves with plain old hard work and their own money, but you can see the pickle that they're in. So after many discussions and meetings, they've come to the painful decision of asking for some help. Boy, I sure hope they have some luck with these Trustees, or whatever they call them, because these people I know are starting to look a little gaunt, if you know what I mean. Thank you.

MR. FRAMPTON: Thank you. We'll go back to Cordova for the last person for this session, but I would ask those that are able to stay, who have not had a chance to talk in Cordova, and who want to speak, we will have another public comment session beginning at 5:30 until 6:30. We'll take one more from Cordova.

MR. MULLENS: My name is Ross Mullens. I live in Cordova and I'm a commercial fisherman. I've raised my family here and sent my kids to college as a result of working in the commercial fisheries of Prince William Sound. Like many public hearings over the years, I assume that this is a legal requirement and probably a whitewash that's unlikely to be listened to by the bureaucrats hiding behind the process. I naively continue to hope, though, that this is not the case. Prince William Sound is in a state of collapse, affecting salmon, herring, and the complex web of interrelationships that support these resources. No other region in the so-called spill area has suffered the devastation of the Prince William Sound region. The memorandum of agreement that created the EVOS Trustee process is a mandate to provide funding

primarily for rehabilitation, restoration and to replace damaged resources. (indiscernible due to poor teleconference transmission quality) comments of a Dr. Spies or others of his ilk, California, be incorporated into comments that show the scientific bias of his views, to me is a travesty. When he states that hatcheries may be contributing to the decline of wild stock, it reflects his latent bias on the restoration process. He has no more idea that this is the case than anyone else. In fact, when the hatchery process began in the early 70's to restore resources to Prince William Sound that had through normal cyclic fluctuations made it difficult for fishermen to survive in that process, there were studies done showing that the ecosystem could support and maintain as many as sixty million fish in this area. Are those scientists' views now thrown into question? I wonder about that. But I think responding to the SEA program is crucial to the restoration and greater understanding of Prince William Sound. Without it, its residents and businesses have a very small chance of survival. We work hard to develop these programs and we feel that we should continue to get some help here rather than spending vast quantities of money on science centers in areas that have no previous history of damaged resource involvement, and I finally feel that the projects for Prince William Sound are critical, 94421, 94320, a litany of others that are listed there that would gain insight and provide greater resource understanding and rehabilitation and enhancement and restoration as the MOA states. You should support those, not buying up bear habitat that has nothing to do with the oil spill

area. Thank you.

MR. FRAMPTON: Thank you very much. And in Anchorage, Suzie Kendrick from Soldotna. Not here now?

MS. KENDRICK: I'm here, thank you.

MR. FRAMPTON: Oh, sorry.

MS. KENDRICK: My name is Suzie Kendrick, and my husband, Doug Heimback (ph) and I are commercial fishermen in Prince William Sound. Somehow, it seems this Council has been unable to keep in perspective what they've been charged to do in the restoration efforts in Prince William Sound. I'm here today to plead the case of each and every fisherman in the Sound, be it sport, commercial, subsistence, or marine mammal. The health and vitality of the aquaculture program in Prince William Sound is vital and nothing short of essential in the recovery and restoration of the economy and ecosystem of our beloved Sound. We must have our hatcheries operating, or we die. Do you understand this? The hatcheries were in place before the spill and should have restoration funding whether anyone on the Council, especially the federal representatives, agree to the concept of the enhanced fisheries. Regardless of the rhetoric, there has been no conclusive evidence from Fish and Game or anyone else that hatchery fish have contributed to the ecosystem problems we're seeing in the Sound. The fact is, their hatcheries are worldwide and they've aided the recovery of numerous fisheries. I don't feel the Trustees should let personal bias regarding their stand on aquaculture affect the thousands of spill-impacted fishermen who are rapidly seeing their

livelihoods diminish, while funds sit in an account and our hatcheries shut down. Hear us loud and hear us clear. The Prince William Sound Aquaculture Corporation will be down to zero operating funds in March, and we feel that it is clearly the responsibility of these Trustees to immediately release the requested funding in the spirit of fisheries restoration. It is unfortunate that I somehow feel I am forced to beg you all to listen. This is my future I'm speaking about. Each time I feel we make progress in reaching the Council, it's short-lived. I have recently learned that the five million dollars supposedly set aside for a comprehensive ecosystem study of Prince William Sound is in danger of being restricted to those studies that can meet the unanimous approval of the Council by a certain date. Instead of this five million dollars being actually put into an account and to be used solely for the purpose of the studying of the ecosystem, the administrators have effectively restricted the efforts of a group of dedicated scientists. It's beginning to look like the federal members of the Trustee Council have another agenda that doesn't necessarily have the best interest of Alaskans at heart. What's the problem? Is this money earmarked in earnest, or are you just giving us lip service, because we're not going to go away. We deserve straight answers and we expect honest accounting of the Trustee Council's actions. I wish I could sit here and praise the efforts of the Council as relates to the Seward Sea Life Center or whatever politically correct term is being applied this week, but considering the weak efforts of the Council in the areas of funding

fisheries and ecosystem research and aquaculture restoration, no fishermen in the Sound can support such an extravagant expenditure of funds while we continue to fight to be heard. I support the spirit of the idea, but the reality of the situation in the Sound is that we can't afford to ignore the future of the people of the Sound. It is the people who continue to suffer and because of the Exxon Valdez oil spill, and we're looking to you for some help. Thank you.

MR. FRAMPTON: Thank you very much. Mike Barton in Juneau, it's 2:30 and I guess I'm to hand this back to you --

MR. BARTON: All right.

MR. FRAMPTON: -- at this point, with thanks to everyone who has had a chance to comment and, again, we will have another public comment beginning at 5:30.

MR. BARTON: Okay, thank you, George. At this time, I'd like to take up the item that Mr. Sandor had as to the agenda. Mr. Sandor?

MR. SANDOR: Yes, Mr. Chairman, fellow Trustees. I appreciate having this item added to the agenda, and this is an acknowledgement of appreciation for Charlie Cole's contribution to -- I move the following resolution be passed: The Exxon Valdez Oil Spill Trustee Council expresses its deepest appreciation to Charles E. Cole for his extraordinary leadership as attorney general in negotiating the settlement agreement which led to establishment of the Trustee Council, and for his leadership in initiating and guiding the Trustee Council to make sure the

Council's operation was in strict accord with the settlement agreement, to (indiscernible) in the restoration of resources and services injured by the Exxon Valdez oil spill. The Trustee Council is profoundly grateful to Mr. Cole's professionalism and friendship and extends its best wishes for good health and happiness (indiscernible) in the years ahead.

MR. BARTON: Is there a second?

UNIDENTIFIED VOICE: Yes.

MR. BARTON: Are there any objections to the motion? Hearing none, the motion is adopted. Mr. Sandor?

MR. SANDOR: And if we could, Mr. Chairman, here -- and I guess our counterparts in Anchorage, autograph a copy of this from Valdez oil spill final report, State of Alaska report, and you can put whatever notes you want to Charlie in that. I thought that would be a good way in which Executive Director Jim Ayers to transmit the resolution.

MR. BARTON: We'll ask each and every member of the Council to do that by this afternoon.

MR. SANDOR: Thank you.

MR. BARTON: The next item on the agenda is the 1994 work plan, and that is the briefing of our Executive Director's recommendations. Mr. Ayers.

MR. AYERS: Mr. Chairman, what's your pleasure? We could spend some time here going through a lengthy discussion about how to proceed. It seems like there are two choices. One is to take a page at a time. Let me say that all of these projects,

including the '424 project of endowment/reserve, had public review. There have been comments regarding a couple of these projects, in particular the institute. There has been a name change, and assuming that there was no ill will intended, let me say that I will be responsible for the various -- I will be solely responsible, as a matter of fact, for the various changes to the title, as I think that it's been appropriate based on the public comment that we've gotten back, including the fact that at various points either scientists at the University or the public at large has recommended a specific change, and this is always been draft, but in each case there has been a public review of the project. The two choices would be to adopt the recommendation for authorization with acceptance, or to go through it by page.

MR. BARTON: What's the wishes of the Council?

MR. FRAMPTON: Mr. Chairman?

MR. BARTON: Mr. Frampton?

MR. FRAMPTON: In order to frame the discussion here of the work plan, I'd like to move that we adopt the work plan as recommended by the Executive Director, and that includes the provision of six point two five million dollars for the SEA plan, combined with other Prince William Sound research, 94320, and includes the recommendation of twelve million dollars for a reserve, and I suggest -- want to suggest that using that as a framework, we may want to then devote attention only those specific projects that -- for which there is some clarification or discussion needed, and I'd just like to commend Jim Ayers and the

staff who have worked on this. I think it's very promising to see the real organization developing here. We are well through the transition to a permanent staff and, I think, a functioning organization where the Trustees can appropriately function as Trustees and board members and make policy and fiduciary decisions and not micro-manage the operation. We're not all the way there because we have some things left to be done, but I think that the kind of balanced plan, Jim, that you've described, which includes restoration, monitoring and research, and habitat acquisition, really is emerging here, and by my motion to approve the plan as recommended, the recommendations of the Executive Director, I mean to include going forward with the two projects that really require something more than simply voting on the plan itself, and those are, first, the Seward facility and, second, the habitat acquisition, the negotiations process. It's my desire to go forward with both to give the Executive Director the authority to negotiate, to try to put together a comprehensive, balanced, affordable, habitat acquisition project, and also to go forward with the Seward project, although in both cases, obviously, some things need to be done before the summer or the spring before a final approval and package can be put together, and I know that Commissioner Sandor has drafted a resolution to approve funding subject to a number of things to be done by the Executive Director for the Seward facility and also a separate resolution to proceed with detailed negotiations to put together a comprehensive land acquisition package, and those have been, I guess, distributed to

the Trustees, and I -- so my motion would be, then, to approve the 1994 work plan as recommended by the Executive Director, including the twelve million dollar reserve, and to approve the two resolutions that Commissioner Sandor has drafted with, I believe, a minor one word change and the one on habitat protection.

MR. BARTON: Is there a second to that motion? (Response not audible) Mr. Rosier seconds. Discussion?

MR. PENNOYER: Mr. Chairman, I am not sure I understand what we're voting on so perhaps you can elaborate. Are you proposing to do this? Are you then saying that we're going to proceed in this way, that there'll be no further discussion, are you intending the discussion to come out on projects people may have questions about before we finalize this vote, or are you going to do an amendment, or how did you intend to proceed? This is a large package, and I agree with you, I'm very pleased with the Executive Director's work that he's done in narrowing it down, but there are probably still some questions involved in the project. So how did you intend that we proceed in that regard?

MR. FRAMPTON: Well, my intent -- can you hear me? Is this on? My intention would be that we -- not to vote on my motion, or amended version of the motion, until we have discussed the specific projects within the work plan with respect to which any Trustee has either a question or a potential objection to the Executive Director's recommendation, and certainly, the -- there may be discussion on the 94320. The Executive Director did not recommend the hatcheries, the common property hatcheries project.

That's a very difficult problem for all of the federal Trustees because we are unable to convince the Justice Department that this is within the mandate of the consent decree, to date at least, although that may be something that we can work on, and I'm sure that there are other projects that people want to question, or may -- the Trustees may not want to accept the Executive Director's recommendation, but my idea is to discuss them one by one, and then to call for a vote eventually on the motion to accept the Executive Director's recommendations for the work plan, together with the two resolutions relating to Seward and moving forward with habitat negotiations.

MR. BARTON: Mr. Sandor.

MR. SANDOR: Mr. Chairman, as I understand it, then, we would go through page by page and identify either comments of the Chief Scientist or the Public Advisory Group rationale or -- and then the Executive Director's recommendation, and would, in fact, be able to essentially identify what proposals might be amended. Is that correct?

MR. BARTON: That's my sense of Mr. Frampton's motion, but perhaps not. George, would you say so?

MR. FRAMPTON: Well, I guess we can go through page by page and ask whether any of the Trustees have a question or anything to discuss about the Executive Director's recommendation with respect to each project and, if not, move on to the projects where we do.

MR. BARTON: Mr. Sandor?

MR. SANDOR: Yeah, the reason that I proposed that is because of the (indiscernible) by the Public Advisory Group and ask them to remain in case we have any inquiries, similarly the Chief Scientist, and I don't anticipate -- well, I do anticipate a number of questions with respect to several items, but I do not see this as a prolonged process. I see it as essentially flipping through these things and just focusing in very quickly because this material was distributed in advance so we've had an opportunity over the weekend to study it.

MR. BARTON: Mr. Pennoyer?

MR. PENNOYER: Mr. Chair, I think we just ought to proceed that way. For example, you said the first page, I don't have any questions on the first page, or the second page, but some of these have instructions that the Chief Scientist is going to -- may reduce the costs -- or with the Executive Director contingent on agency cost, and I just want to ask a few questions though on what that type of thing means, but I am prepared to start with page 1 and then when we get to one that's got something like '320 (indiscernible due to poor teleconference transmission quality) at that point.

MR. BARTON: Mr. Ayers?

MR. AYERS: Yes, Mr. Chairman. Let me just say that simultaneously I have been trying to get the gist of what needs to happen once you do what you have just described, and I think three parts, ultimately, of the motion will have to be considered, and I'm trying to work on that and I will get a copy to you, but

ultimately, as I look at this, there will have to be a consideration of a motion to approve the recommendations after you do what you said with the exception of final approval of at least those requiring NEPA, according to the federal lawyers and what I've read in the past, a consideration of a motion to authorize the director -- the Executive Director to proceed with implementation of those projects in the amounts recommended and described only after there has been successful (indiscernible due to poor teleconference transmission quality) of those particular aspects, and then there are some projects, and I'm trying to work on the language here, and I will have it for you shortly, but as you move forward, that would continue forward with funding and implementation of some projects in the amounts recommended, only after successful completion of all tasks, and I will have a couple specifics as we go through those of what those particular tasks are, but some of these projects were detailed and reviewed as has been recommended both by the group in Cordova on certain projects, and others by the Chief Scientist, and I don't think it's a matter of conflict. It is a matter of resolving some additional details that need to be looked at. Well, I will try and put that together as we proceed here.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, perhaps this is the time to give me the final answer to the question I asked before lunch. You gave a very good answer with regard to individual conduct, but what I was really asking was the context of the '94 work plan and where

you were in coming up with this overall research and monitoring plan so at some point we can see how all this fits together and make our decisions based on the whole structure in front of us.

MR. AYERS: I believe that that will be before you in June, and as you instruct me to move forward, I've tried to do it -- we've tried to do it to the best of our abilities in this '94 work plan, but as we move forward and we get towards the FY95 work plan, the implementation, including the integration, join our monitoring and research as integrated, will be back before you, and both those things like research, (indiscernible) on research and monitoring, some of these specific projects will be included as a part of that presentation. They will come together in June, as we bring back the integration of the models.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Just a question before we start. In terms of where we are now, as we approve some of these projects, they will go back for detailed study plans, budgets and so forth, and then would be reviewed, or is this -- what stage are we at? On some of these we've got some very general descriptions, fairly general descriptions of some of these, and I presume that if it is as in the past, I'm not sure of the time (indiscernible) in the past we've actually had detailed study plans brought forward to -- relative to the amount of funding requested before the final funds were disbursed, or something like that.

MR. AYERS: Yes, and again, these projects have specific additional tasks. I would request -- I would ask, or what

-- the recommended authorization is that the approval be subject to the completion of task, and those tasks would be completed before we would move forward.

MR. PENNOYER: Mr. Chairman? Do we go page by page to identify which those are so we know which ones we're --

MR. AYERS: Yes, and -- yes, and I will try and identify the specific motion that will complete that. The environmental assessment will be one of those. I will try to complete this recommendation so that you have a motion by the time we get to the end.

MR. PENNOYER: Thank you.

MR. BARTON: You're going to see to a draft of that, then, so we won't have to, is that what I heard?

MR. AYERS: To the best of my ability.

MR. BARTON: Mr. Sandor?

MR. SANDOR: I had one -- or a couple of comments with respect to the director's report, Mr. Chairman, and I thought the report was real fine, but I do believe that there are opportunities for improvement in a couple of areas, and particularly with the Public Advisory Group. In the overhead that was projected in Anchorage and which we read here, it seems to me it would be worthwhile, Jim, if you identified specific places in which the Public Advisory Group would interact with you and with the Trustee Council in the process, as opposed to, I think, page 15, in which it's identified as just one of the public, and my suggestion is to follow Dr. French or some representative of the Trustee Council to

work out that process. In the same vein, with regard to public unity (indiscernible due to poor teleconference transmission quality) process itself, I think we should give consideration to some more formal communication opportunities to the impacted communities themselves because they too were impacted and have to have special considerations that are unique to the impacted areas within the spill that existed. And then finally, with regard to imminent threat and the long (indiscernible) that completes February 90 (ph), I recall the discussion that we didn't want to have an (indiscernible) held to our heads with a chain saw in the background, but on reflection, I think we would be making a mistake not to consider not only imminent threat but imminent opportunity, and for example -- and some of these aren't, obviously motivated by, you know, by what the Trustee Council might do, but in a briefing, you know, on the Kodiak in-holdings, particularly the Old Harbor situation where there have been already two hundred ten-acre lots laid out and sixty or more have already been sold, that, you know, represents an action that, according to the manager of the refuge and the Department of Interior, you know, that needs attention, needs action, and you know, I think that we ought to not only look at that opportunity as long as, you know, beginning the negotiations on that particular Old Harbor parcel. With respect to imminent opportunity, that similarly, you know, there have been discussions between Chenega and the Forest Service with regard to habitat acquisition opportunities there under the criminal settlement monies, and as we looked at civil opportunities and we

know now of some very unique management opportunities for coordinating protection of habitat through easements and so forth, and that's been an imminent opportunity. So I wanted to give those reactions to the -- to your report. Thank you, Mr. Chairman.

MR. FRAMPTON: Mr. Chairman? Mr. Chairman?

MR. BARTON: Yes, Mr. Frampton?

MR. FRAMPTON: I just want to thank Commisioner Sandor for his thoughts about the land acquisition parts of this, and particularly Kodiak Island, which I think, as people know, is a high priority, personally, for Secretary Babbitt, and I want him to know especially that a letter sent this past week, January 27th, to Governor Hickel from the National Rifle Association, strongly urging acquisitions on Kodiak Island and in the Kodiak Archipelago. But having said that, however, I think the important thing here is really the issue of balance, as well as affordability. We want to have balance in the research program. We want to have balance overall, but within a habitat acquisition program we're also looking for balance, and it's the -- really going to be up to the Executive Director, initially, and the negotiating teams, to put together a comprehensive and affordable but balanced package. We know that we don't have, by any means, enough money to acquire either in fee or other protective arrangements all of the habitat that may be offered for sale. We know that we're going to have to look for other creative ways to approach habitat protection, but I think the important thing is that we're looking for a package that's balanced and that's why we need to go forward and provide

the authorization to start putting that package together in light of the evaluations that have been done and in light of the new information that may come up in the next few months.

MR. BARTON: Thank you. Are we ready to look at page 1? Mr. Rosier?

MR. ROSIER: Yes, I have a quick question on 94041. We've consistently opposed getting involved in projects outside of what we had defined as the spill area, and assuming that the cut that has been proposed by the Executive Director here takes in those two islands that are proposed in the proposed project description here that are in the Shumigans and on the western edge only. Is that correct?

MR. AYERS: On the western edge is correct, as I understand it, yes. On the western edge, and we seriously narrowed this project, and it's my understanding that there has been little or no opposition to this, and I have sought out opposition and have found none.

MR. ROSIER: I certainly support the project. I just wanted to make sure that we were staying -- remaining consistent here, and we're talking about (indiscernible) and Simeanof (ph) on that, and that solves both my problems.

MR. AYERS: Where it talks about the western edge, it's my understanding, and if Fish and Wildlife Service is there on the other end, correct me if I wrong, please, Sandy.

UNIDENTIFIED VOICE: We are proposing only to clear two islands in the Shumigans on the western edge of the spill zone.

MR. FRAMPTON: I don't know if you could hear that. This is George Frampton. The proposal is to clear two islands on the western --

UNIDENTIFIED VOICE: The western edge of the spill area.

MR. FRAMPTON: The western edge of the spill area only. That's the -- I guess that that's what's incorporated in the scaled down project that is part of the recommendation.

MR. BARTON: Thank you. Mr. Pennoyer?

MR. PENNOYER: One very quick question on 94039, the Chief Scientist recommended skipping 94. Our Executive Director (indiscernible) the Executive Director in 94039 recommends doing that study this year and then evaluating three or five years on that because of the possible involvement of personnel if we skip the fish here and try to pick it up next year.

MR. AYERS: That's exactly right, that they have convinced us that at this point there is reason and rationale to continue with the common view of population monitoring this year and then look at a three or perhaps four or five year continuation, and they do have the -- it's also the fact that we have funded the portion of this year already and there's some economy of scale, since they are staffed.

MR. FRAMPTON: Thank you.

MR. BARTON: Mr. Sandor.

MR. SANDOR: With regard to 94040, where the Chief Scientist recommended funding for one year, and your recommendation is disapproval, can you give me the rationale for that?

MR. AYERS: The murre colony disturbance issue seems to me to be the lack of comprehensive explanation. There are a couple of people that perhaps are there, but there are other methods, including a public education method, that seems to be a reasonable part of our public education effort and public information as opposed to pumping some forty-five thousand dollars into this murre disturbance reduction. Dave, do you recall any other specifics about that? I think that they concurred with that.

DR. GIBBONS: Well, basically (indiscernible due to poor teleconference transmission quality) it was a trade off. We asked Fish and Wildlife to propose the best projects for the four years and they said (indiscernible due to poor teleconference transmission quality). So we said, let's concentrate on that one in '94, look at the other ones and (indiscernible due to poor teleconference transmission quality) approach and then perhaps look at the idea of a buffer zone on the island rather than disturb them through, you know (indiscernible). We don't use other methods.

MR. AYERS: I know it was in line with our efforts to try and consolidate projects into an ecosystem or a whole approach as opposed to numerous projects. This seemed to be the one most conducive to an immediate --

MR. BARTON: Any further questions on page 1?

MR. TILLERY: Mr. Chairman, this is Craig Tillery.

MR. BARTON: Any questions on page 2?

MR. TILLERY: Mr. Chairman? Mr. Chairman?

MR. BARTON: I'm going to page 3?

(Laughter)

MR. TILLERY: Mr. Barton?

MR. BARTON: Yes.

MR. TILLERY: This is Craig Tillery. Can I go back to 1?

MR. BARTON: Yeah.

MR. TILLERY: We never left there. (Laughter) On 94007, the archeological. Several entities, I believe, Chugach Alaska and Kodiak Area Natives have at one time or another suggested that they have the capacity to carry out this type of project somewhat cheaper than the agencies can do. I would like to know if the Executive Director has explored that option, if that's something that could be explored before this is done. If it's included within the statement that he will be involving local communities in this one, that seems to be something we say we're going to in the restoration plan but we rarely do, and it looks to me like this might be an opportunity.

MR. BARTON: That's certainly correct, exactly correct.

MR. AYERS: -- (Indiscernible) explore further the possibility of RFP prior to release of funds?

MR. TILLERY: That's correct.

MR. BARTON: If I understood, what Mr. Tillery was asking is to involve local communities.

MR. TILLERY: No, I was suggesting that we look to have private organizations carry out this project.

MR. AYERS: Yes, I understand. We talked with DNR

about that and encouraged them. I concurred, and yes, what I just did was, and I think this is true, that would have to be through some sort of RFP process, so I will explore RFP for this project prior to release of funds.

MR. TILLERY: Thank you.

MR. BARTON: Does anyone have anything else on page 1 or 2? (Pause) Or 3? (Pause) Page 3? Mr. Sandor?

MR. SANDOR: All I'm doing is (indiscernible due to poor teleconference transmission quality) it's applied here and it's highlighted -- highlighting the differences between the Chief Scientist and I'm trying also to look at the Public Advisory Group's comments, and so with regard to the 94086, I guess it is, approval of the experimental and monitoring studies, the Chief Scientist has investigated seventeen major changes (indiscernible due to poor teleconference transmission quality) intertidal zone (indiscernible due to poor teleconference transmission quality) projects. The Executive Director approved, contingent upon a revised (indiscernible) work and budget focus on the intertidal disclosures. It seems to me that the Executive Director's recommendation is appropriate, and I don't have any problem with that. I guess, Dr. Spies, your suggestion was to skip '94 was -- do you want to elaborate on that reason?

(Pause)

MR. FRAMPTON: Dr. Spies is coming up to the microphone. Did you hear the question?

DR. SPIES: I understand he was directing to the

potential difference of opinion on --

MR. SANDOR: 94088, and you know --

MR. FRAMPTON: 086.

DR. SPIES: Right, thank you. I didn't quite hear the question. It's still -- the microphones are a little bit -- I mean the speaker is a little bit muddy and I've got a little hearing loss in my left ear, so would you mind?

MR. SANDOR: You suggest that skipping 1994 or reducing the scope or consolidating with other intertidal projects -- the approval that's been recommended by the Executive Director seemed to at least partially deal with that. Are you comfortable with that contingency?

DR. SPIES: Yes. This was -- my comments were made before we discussed these projects individually with the Executive Director and the agency representatives so, you know, I'm looking at, you know, the consensus of the group here in the right-hand column. So these are my -- these are my comments beforehand. I would agree with his recommendations.

MR. SANDOR: Thank you.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, don't 94110 and 94126 get us to Mr. Sandor's resolution in some combination? Both those projects are related to the developing criteria and rank parcels for protection and provide funds for acquisition, so I think if you get to '110 at the bottom of page 3, and '126 at the top of page 4, you go right into Commissioner Sandor's proposal for habitat

protection. So at this point, maybe we can focus -- take that up.

MR. BARTON: Mr. Sandor?

MR. SANDOR: Yes, Mr. Chairman, specifically to all the members of the Trustee Council (indiscernible) in Juneau. The resolution to proceed with a habitat protection program, bearing in mind that this was not distributed to the various places that may be on line as rapidly (indiscernible). The Exxon Valdez resolution -- Trustee Council approves unanimously agrees as follows: One, habitat protection needs to move forward as part of an overall restoration strategy. Two, the Executive Director shall work with the lead negotiators to develop a standardized appraisal process, including standardized appraisal instructions, which shall be used to appraise the parcels under consideration. Three, the Executive Director shall start negotiations with the landowners of the parcels ranked high in the comprehensive large parcel evaluation and ranking. The Executive Director may include additional large parcels as necessary to facilitate development of the list in step 6. These negotiations are to be conducted for the purpose of providing the Trustee Council with proposed terms and conditions for acquisition. Agreement to proposed terms and conditions are discretionary with the Trustee Council. No promises or representations to the landowners to the contrary shall be made. Four, the Executive Director shall review the comprehensive large parcel evaluation and ranking based on public comment and public advisory group comment. The document shall also be reviewed to take into account our understanding of where injury actually

occurred and the benefits to accrue to the populations actually injured. Five, the Executive Director will develop a rationale for acquisition for each parcel under consideration. Six, based upon all of the information developed above, the Executive Director will provide the Trustee Council with a recommended list of large parcels to be protected. The recommendation will include considerations such as: one, the degree of benefit afforded injured resources and services; two, the need to have a balanced program throughout the spill area; three, the cost and terms available from the landowner for individual parcels; four, the adequacy of protection measures available from the landowner; and five, the adequacy of funds to carry out other restoration activities. Seven, small parcel negotiations will proceed once an evaluation and ranking of small parcels has been completed and approved by the Trustee Council. Mr. Chairman, you know, this does not preclude the Executive Director from identifying some unique or imminently pressing parcel that might, you know, come to his attention, but that's the proposed resolution, Mr. Chairman, and I so move.

MR. BARTON: It's been moved. Is there a second?

MR. PENNOYER: Second.

MR. BARTON: All right.

MR. PENNOYER: Mr. Chairman?

MR. BARTON: Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman. Thank you, Commissioner Sandor. How does this then relate to these two projects listed

here, and is there a time sequence involved in this relative to the '94 work plan?

MR. BARTON: Mr. Sandor?

MR. SANDOR: Yes, Mr. Chairman, Mr. Pennoyer. It seems to me that the purpose for (indiscernible) these projects and that the Executive Director, in consultation with the agencies that are involved and interested in resources and services damaged and in consultation with the landowners to be able to involve the opportunity for acquisition and to evaluate them, and support the resolution.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: I guess the question I was asking is, is do you then assume we would do this a piece at a time or are we going to get an overall plan by a certain date that we're requesting so we know at some time how all this sort of comes together relative to the other things that may require funding? I'm having trouble determining how to put this in perspective, and part of the motion is to put it in perspective, adding the -- adding to the funds to carry out other administration activities, so I assume we're asking for a plan that will allow us overall to look at this restoration strategy and if we have a (indiscernible).

MR. SANDOR: Mr. Chairman, Mr. Pennoyer. We do want an overall plan. It will probably take some months before we're able to accomplish that and bring that before the group, perhaps as late as July, but we do not want to preclude some opportunities for acquisition in advance of that consideration for the -- the reasons

of imminent opportunity or imminent threat or other rationale.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Last question, then, Mr. Chairman? Mr. Sandor, then, are there any other criteria we're going to provide on this package, a balance through the spill area or other criteria that need to be applied, or is this -- I'm sure the Executive Director knows (indiscernible due to poor teleconference transmission quality) we haven't formally stated, but those things like that, do you think we should state?

MR. SANDOR: Well, we do have some previous work in the -- by the Trustees have identified some criteria, but this is not meant to exclude a theory, indeed, that the -- that may come to light in the analysis process that, in fact, Director Ayers may want to bring before us.

MR. PENNOYER: Mr. Chairman?

MR. BARTON: Go ahead.

MR. PENNOYER: It's clear, then, that we're looking for a sort of a balanced approach (indiscernible due to poor teleconference transmission quality).

MR. SANDOR: That's right.

MR. PENNOYER: Thank you.

MR. BARTON: Are there further comments or questions? I have a question on item 2. We've asked the Executive Director to work with the lead negotiators to develop a standardized appraisal. How does that relate to the appraisal process that we earlier agreed to follow (indiscernible due to poor teleconference

transmission quality) federal appraisal process?

MR. SANDOR: I hope, Mr. Chairman, I believe that this builds on that. I presume that our lead negotiators, quite frankly, will include departments that have expertise in law and that is standard (indiscernible due to poor teleconference transmission quality) process used to date to further refine -- to develop a standardized process that would subsequently be used as negotiations begin, not only this year but in future years.

MR. BARTON: Would this -- this would really build on the federal process?

MR. SANDOR: That's right.

MR. BARTON: The federal agencies would have to use that process. Other comments and questions?

MR. PENNOYER: I'd like to ask a technical question. (Indiscernible) Just how are we going to show these two projects in the restoration plan based on the placeholders (indiscernible due to poor teleconference transmission quality) or just leave a blank or --

MR. AYERS: Mr. Chairman?

MR. PENNOYER: The reason I bring that up is how we come to require the short-term but do this evaluation and ranking. Is all that covered by the '93 court request or additional funding as needed and (indiscernible) then or is something existing for this proposal?

MR. BARTON: Mr. Ayers.

MR. AYERS: Mr. Chairman, Mr. Pennoyer. Unless there

is someone on line who feels that it is not adequate, I am convinced that there is adequate funding in those two projects, '110 and '126, to satisfy the conditions and requirements embodied in the resolution.

MR. PENNOYER: Thank you.

MR. BARTON: Mr. Sandor.

MR. SANDOR: And in further response, Mr. Chairman, to Mr. Pennoyer's question, I believe that the Trustees and the Executive Director should have the flexibility of having this, in fact, as a placeholder, and it comes on you to utilize it in that process.

MR. AYERS: Mr. Chairman, there are definitely assignments through the worthy habitat work force that will be required to carry out that resolution to develop a strategic package that we're talking about, but I do feel that there is sufficient funding in the package as presented. I do have for your review a draft of the summary of what we have been able to accomplish with regard to an analysis of the parcels to date, and I have that for you today, parcel by parcel, and sellers in summary, if you're interested.

MR. BARTON: Thank you, Mr. Ayers. Are there any more questions or comments on Mr. Sandor's amendment or Mr. Frampton's motion? Any objections to Mr. Sandor's motion, the resolution which we've just been discussing? (No audible response) Hearing none, then, the resolution is adopted as an amendment to Mr. Frampton's motion. Any more comments on page 3? How about

page 4? Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman, 94159, we've approved the stream surveys already, and I notice that the recommendation is to disapprove the summer surveys pending review of the surveys frequently needed. So the spring surveys will complete a body of work done in the full spring and summer survey or by the same rationale (indiscernible) as the previous one (indiscernible) what's the rationale for doing the spring and not the summer?

MR. AYERS: In most instances, including the previous one, I have supported the efforts to bring some discipline to peer review, scientist peer review. That's why we have them. This particular case, the marine bird and sea otter were both surveyed. It has been recommended that we complete the spring survey and move forward with getting a final report in and that investigators become responsive to the peer review comment, and we get a successful final report and then proceed next year with integrating this into our overall monitoring and research efforts, that we not put any more money into this until we know where we are. That's consistent with the Chief Scientist and the peer review recommendation.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Well, my next question is based on 94137. The Chief Scientist says disapprove. You're recommending approval. I presume it's because of the seismic conditions during the final recovery of the herring fish?

MR. AYERS: That's correct. That's exactly what my

recommendation means. I concur, obviously, with the Chief Scientist, but in this particular case, we've investigated the money, it is being -- that is, it would be worthwhile to recoup our investment at this point by completing the recovery -- the ID.

MR. BARTON: Are you ready to move to 5? Page 5? Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, 94165, herring genetic stock identification. The Chief Scientist (indiscernible) possible approval based on acceptance of the 89-91 (ph) final report, and you concur with the holding of pending acceptance of damage assessment studies, so that means probably not this year then, is that correct?

MR. AYERS: Sir, there's a lot of support for this project, and I actually believe that the -- that the Chief Scientist insists that this might be a valuable project, but someone's got to complete the report, and including the people in Prince William Sound encouraged us to put more discipline in the process. So this says that there were -- if they were able to convince us that they actually have the 89-91 final report, it's possible that we would go forward with doing some additional work. There's no sense in doing additional work unless we get this, so the answer to your question is no, it probably will not get funded in '94, but we left a slight crack in the door that said if they were able to complete their report and tell us what they've been doing, it's possible they could get the funds, but very doubtful.

MR. BARTON: Anything further on page 5? Mr. Pennoyer?

MR. PENNOYER: Mr. Pennoyer, just a note that the pink salmon projects have been integrated into Project '320, so I presume we'll discuss them under '320 and I won't (indiscernible) at this time?

MR. BARTON: Sounds like a fair assumption. Anything further on page 5? Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman (indiscernible) I mean, this is where we hit 94199, the Institute of Marine Science, Seward improvement, so I think we've got a resolution from Mr. Sandor here, and I presume we have to discuss that at this time.

MR. BARTON: That's the plan.

MR. SANDOR: There has been, Mr. Chairman, distributed to the Trustees in Anchorage and here, and not at other locations, the resolution to approve funding for expansion of the University of Alaska Institute of Marine Science at Seward, and that proposed resolution is as follows: The Exxon Valdez Trustee Council approves financial support for the proposed expansion of the Institute of Marine Science at Seward, Alaska and authorizes the Executive Director to: one, take the necessary steps to secure NEPA compliance; two, consult appropriate entities, including the University of Alaska, the City of Seward, the Seward Association for the Advancement of Marine Science and appropriate Trustee agencies to review the assumptions relating to the proposed improvements and capital and operating budgets; three, to develop an integrated funding approach which assures that the use of trust funds are appropriate and legally permissible under the terms of

the Memorandum of Agreement and Consent Decree; and four, prepare a recommendation of the appropriate level of funding for consideration by the Trustee Council that would be legally permissible under terms of the Memorandum of Agreement and Consent Decree. That is the resolution, Mr. Chairman, and I so move its adoption.

MR. BARTON: Is there a second?

MR. PENNOYER: Second.

MR. BARTON: Mr. Pennoyer seconded. Mr. Pennoyer?

MR. PENNOYER: I just have one question for discussion under number three, develop an integrated funding approach means integrating with the other research activities which (indiscernible due to poor teleconference transmission quality) the Exxon Valdez (indiscernible) research?

MR. SANDOR: Integrating, Mr. Chairman and Mr. Pennoyer, integrating not only in that regard but also to examine the integration of other funds that go with the development of that project because the equivalent of (indiscernible due to poor teleconference transmission quality) for example, would be targeted for that project in the belief the integration needs not only to be within the research project but also for that project itself.

MR. BARTON: Mr. Ayers.

MR. AYERS: Mr. Chairman, Mr. Pennoyer and Commissioner Sandor, I -- it's my understanding that there have been questions raised about the -- which portion of civil funds

might be used for the purposes of meeting the (indiscernible) needs of research and monitoring, and this particular resolution and I think number three, use an integrated funding approach to identify those measures which do meet the intent of the Memorandum of Agreement and Consent Decree, and identify the additional portions of funding that would submit to the total of twenty-four nine eighty-four (ph), which meets the needs. It's the total identification of the funds, including the specific measures that are permissible under the civil settlement.

MR. BARTON: Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman. Well, I would hope that in this develop integrated funding, it is a (indiscernible) as you have said, and also Mr. Sandor said, remember, that this is to be integrated with the other research and maybe come back with a research package which shows in full what we're going to spend in both research and ecosystem and other research (indiscernible), and if we can put this in perspective and (indiscernible) '95 work plan in perspective of the research reserve we're setting aside. In other words, something in front of us so we can see how this fits in. Is the resolution at this moment (indiscernible) what the appropriate amount of money is, or does it really have -- do you come back and tell us how this was integrated and (indiscernible)? I didn't see an amount in here and I --

MR. BARTON: Mr. Sandor.

MR. SANDOR: Sir, the amount is not listed. As you may recall at the last Trustee Council meeting, the amount that was

originally identified would be determined, and it's in this process that the recommendation of the appropriate level of funding for consideration will be made.

MR. PENNOYER: Thank you.

MR. SANDOR: I do want to re-emphasize the importance of integration, not only as it's addressed and Jim Ayers outlined, but I should point out that the integration of other resources into the process (indiscernible due to poor teleconference transmission quality) impacted the entire oil spill area.

MR. BARTON: Mr. Sandor, help me understand, then, what we're doing. As we look at this (indiscernible) under 94199, we have twenty-five million dollars identified there. Are you saying that we should strike that at this time?

MR. SANDOR: That should be regarded, Mr. Chairman, as an estimate, and that literally -- this resolution that's proposed, as states that we authorize the Executive Director to prepare a recommendation. There are several of these questions with respect to legally what levels might be coming from the civil settlement monies versus other sources, and it's not intended that a level be assigned at this time.

MR. BARTON: So, then, the intent of your motion is that the Executive Director will come back to the Council, then, with responses to item (indiscernible due to poor teleconference transmission quality) and 4 in your resolution?

MR. SANDOR: That's right, Mr. Chairman.

MR. BARTON: That's very important to me that it be

done that way and that the Council have another opportunity to examine the results.

MR. SANDOR: That's the intention, Mr. Chairman.

MR. BARTON: Other comments or questions on Mr. Sandor's motion? (No audible response) Are there any objections to the motion to adopt the resolution? (No audible response) Is there further amendment to Mr. Frampton's motion? (No audible response) Hearing none, the resolution is adopted. Any further discussion on page 6? (No audible response) Moving along to page 7 then? Mr. Pennoyer.

MR. PENNOYER: 94244 (indiscernible) evaluate the cost of this project, although it's not -- it's only fifty-four thousand (indiscernible) then the Executive Director has approved has approved the (indiscernible) implementation of this project with criminal funds. Would you kindly express some of your views on what you were approving, but then you're saying maybe we won't use these funds to do it?

MR. AYERS: Mr. Chairman. It is my view that we need to have better communication with the state and with the federal side in integrating the use of our funds, and by that I mean, obviously, there's some proprietary interest that's not going to be -- to be violated, but in this particular case, there are state agencies with funds that you heard this morning, that physically do work with the unincorporated communities with regard to subsistence issues. We need to make sure that we have better communication, and that they have a plan so that we have a full plan that's

integrated, not us doing one thing and then the state agencies moving forward to use the criminal settlement funds on either similar or -- or even in some cases, on competitive projects. So all this says is let's move forward. Well, let's go over and talk with the Department of Community Affairs about their five plus million dollars working with the subsistence community so we're working together with them, no longer just traveling along this parallel track, that we're working closely with them, and in the long run, I think we ought to give them our information so that they have the information, then the Department of Fish and Game, Division of Subsistence, as well as the Community Regional Affairs' five million dollar project, becomes a single effort working with communities rather than having a variety of bureaucracies running out to these communities and talking to them about subsistence projects. Is that clear?

MR. PENNOYER: Thank you.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, at the end of the page, 94255, and at the top of the next page, 94258, are sockeye salmon projects primarily in Cook Inlet, and they're both fairly -- have a pretty good price tag on them, consistent with what, I think, what we've discussed in the past. I think both come very highly recommended, as does the -- I think, the strategy of looking at potential management improvement in the Cook Inlet management of sockeye salmon as a way to restore the injured resource and, of course, to prevent further injury. Both say, however, in the Chief

Scientist's remarks and in the Executive Director's review, contingent fund further Executive Director review of project and consideration of normal agency management responsibility. I'm not exactly sure what the Executive Director might point out or how he intends to -- I'd like a little elaboration.

MR. AYERS: Briefly, Mr. Chairman and Mr. Pennoyer, there are a number of people, including the public, who have raised the issue regarding -- and including the Chief Scientist, regarding the normal agency regulatory responsibilities, and I have not had time to sit down with Fish and Game and separate or even have a conversation about is this within the normal agency management responsibility and make a judgment on my own. So all this says is, I don't know whether it's within their normal responsibility or not, but it's a critical project to go forward with, but the public as well as the Chief Scientist have raised the issue and I feel obligated to sit down with the Department and talk about whether or not these projects are within their normal agency responsibility and clarify from there.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I guess the reason I raised the issue was that (indiscernible due to poor teleconference transmission quality) identified as important. I think the criteria by which you judged that are also going to be important, because I think they affect a lot of the things we're doing. The Wildlife Service, for example, has the responsibility for research on birds and marine birds, but they may not be funded to do this,

and they have been funded to do it, so I assume even the project we (indiscernible) other than removal would be within the normal, possible duties of the Fish and Wildlife Service. And I'm not picking on you, by the way, George, but -- so in terms of how we judge that, I think it's going to be somewhat critical because part of our strategy that I think makes a lot of sense is improved management technique to apply to restoring injured resources, and I think anything that has to do with cost-specific management is going to fall within the guidelines of either my agency or Fish and Game's, depending on the resource, so I don't know if you're going to go back and evaluate their past budget in Cook Inlet and see if there was a dip in terms of the request for increase, or how you'd approach it, but there are some criteria there that you're going to have to spend some time discussing with us and with -- between our two agencies at some point so we know why project alterations are proposed or something. I can agree with the concept, but I think we've never come to grips with it adequately in terms of what we mean by it.

MR. BARTON: I think it's important to remember, we sit on this Council because we have normal agency responsibilities in these matters, and I think perhaps what we're striving for is that -- I don't think funding agencies for their -- normal agencies for their normal responsibilities is out of line as long as the need to do so was caused by the oil spill. Dr. Rosier, do you --

MR. ROSIER: Mr. Chairman, yes. I agree with most of what Mr. Pennoyer says, but I certainly agree with where you're

coming from on this particular issue as well. I think that the -- the disturbing thing to me on this is to see particular projects that have this support, you know, from the public consistently on this, these have been singled out, these projects specifically have gone through a tremendous amount of outside peer review. We recall that in last year's funding we were asked to, in effect, take these to an outside peer review group, which we did, without funding back. So, yeah, I think anything that we do, any project that we have funded be subjected to the same type of scrutiny here, and I think, you know, we need to develop, perhaps, the criteria to, in fact, do that, but I'm getting a little tired of these being the projects that get singled out for that special review.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: One last thought on that, and I agree that you need to look at the normal responsibilities to find a way to evaluate whether it's something this Council ought to be doing or not, but there's also the question of developing technology versus ongoing funding, and for example, if we do (indiscernible due to poor teleconference transmission quality) Cook Inlet that allows us to easily, in season, separate, you know, a stock out and manage for them, how long does the Trustee Council carry the funding for that. There are some of those questions that need to be wrestled with too, right now, but that's something in your thought process you need to take into account.

MR. BARTON: Further comments on page 7?

MR. AYERS: Except this -- let me just say that I

think 94258 and the previous one should -- could have said, perhaps, approved, and Executive Director shall review projects because it's the normal management responsibility, and perhaps even something about developing technology. And that was more of a note to me, as much as anything, saying that I need to just be aware of it, and I understand the previous comments, message received.

MR. TILLERY: Mr. Chairman? Mr. Chairman?

MR. BARTON: Yes, Mr. Frampton?

MR. TILLERY: No, this is Craig Tillery in Anchorage. As I understand '258 and its predecessor, the Executive Director could review this and make a determination that it was within normal agency management responsibility and the project would then not get done and would not come back before us. I am not comfortable with that. I understand he hasn't looked at this yet, but I would prefer taking the contingency off of these. I think they should be done. I am comfortable that they are not within the agency management responsibility, and they're a unique product of the oil spill.

MR. BARTON: I think Mr. Ayers has gotten that message, Mr. Tillery, but we'll -- thank you.

MR. AYERS: Let me try the language, Mr. Chairman. Mr. Tillery, what I said previously is that it's my understanding that -- what I should have said, perhaps, is my understanding is that the language and my direction, which I am now making a note of with regard to the ultimate motion that you will make, is that this now says, "approved, and the executive director shall review the

project and consider normal agency management responsibility and developing technology."

MR. BARTON: Does that address your concern, Mr. Tillery?

MR. TILLERY: I hope so.

MR. AYERS: You can also simply take -- you can -- obviously, we all support the project, recommend approval, and the fact that I need to go educate myself with regards to normal agency responsibility can be taken as aside, so you can strike all the language after "approve" if you so desire. Obviously.

MR. BARTON: Mr. Sandor.

MR. SANDOR: I think it might clearer, Mr. Chairman, if we do regard Craig Tillery's action as a motion, and I would second it (indiscernible).

MR. BARTON: Your motion was just to put a period after "approved" and delete the rest of those remarks?

MR. AYERS: Is that I am to assume, Craig, your motion?

MR. TILLERY: That is correct. I would put a period after "approved."

MR. BARTON: Is there a second to that?

MR. SANDOR: I did.

MR. BARTON: Is there any objection to the motion? (No audible response) All right. Further amendment to Mr. Frampton's motion? (No audible response) Any more on page 7?

MR. SANDOR: Yes, Mr. Chairman.

MR. BARTON: Mr. Sandor.

MR. SANDOR: With regard to 94241, the rock fish management plan in Prince William Sound and Kenai has the public support, both from the Public Advisory Group and the public comment, but if the -- in the Chief Scientist's recommendation, this is an enhanced -- excuse me, an enhancement action since injury to the species is not certain. There was increased fishing pressure on the species after the spill reviewed normal agency management obligations. The Executive Director disapproved the review as part of the 1995 work plan, portions regarding the normal agency responsibilities, the Department of Law has concern about the extent of injury. I guess I wanted to go on record, Mr. Chairman, as you had observed that, even when normal agency responsibilities are involved, we shouldn't necessarily rule it out, as you pointed out, so I guess I'm specifically focusing this on this as an enhancement action, which by and of itself is consistent with the settlement agreement, so I guess I would certainly support the ADF&G on -- you know, I'm not objecting to this disapproval, but just to be on the record in saying that I could (indiscernible) support.

MR. BARTON: Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. I appreciate the support from Commissioner Sandor, there, on that particular project. I really think, you know, however, that in this particular situation, we have not demonstrated, you know, a strong link there in terms of the impact of the oil spill. Any questions

about the transfer of management efforts on these species as a result, there were some individual stresses found to be -- spill -- by the -- by the spill, but again, the degree of injury is certainly not fully understood. But it's my view, you know, looking at the rock fish management plan, it probably does fall into the category of agency responsibility, and I think that from my standpoint, I think that we made the basically right decision here on this, but I might come back to this agency responsibility thing. I really think that this point needs to clarified, and we need to have a level playing field, so to speak, as far as all of these are concerned, and when we take the initial prep on the projects, and so forth, that's part of the consideration, that they're all judged against the same standard, you know, and that's extremely important. So I will not, you know, while I appreciate Commissioner Sandor's efforts here on this, I really think that this is -- this is an effort that the decision is correct on.

MR. BARTON: Mr. Rosier, do I understand you to mean that any time we see in this document language regarding normal agency responsibility, that the discussion that we've had with regard to '255 or '258 should be considered to apply in every situation where we see that? Is that what you meant?

MR. ROSIER: I would hope so. I would see that as a level playing field because, as you stated, we have -- you know, each of us has programs that are involved with this, projects that are involved with the annual work plans here on this, and all of the agencies -- now, I think, without exception, we're basically

looking at reduced funding, and they operate (indiscernible), and from that standpoint, you know, some of these things are simply not going to get done. Let's face it, where we have a link with the oil spill, I really think that we ought to be spending the oil spill dollars to get the job done. On the other hand, if it's a normal agency thing, then it's not directly related to the oil spill, but I don't think that it should affect the funding.

UNIDENTIFIED VOICE: Thank you.

MR. BARTON: Further discussion on page 7? How about page 8?

MR. PENNOYER: I have a couple on '279. I thought we had funded that project in previous years, and I wondered what the results of the testing was that we need to continue that in this coming fiscal year, this fiscal year.

MR. AYERS: Perhaps Jerome could answer that best.

DR. MONTAGUE: Okay, Mr. Chairman. If you remember, this project was funded in '93 --

MR. BARTON: You might have to speak into the microphone.

DR. MONTAGUE: Where's the microphone?

UNIDENTIFIED VOICE: It's right there.

DR. MONTAGUE: This project was funded in 1993 under a couple of recesses, I guess. First of all, there has been food testing earlier that's indicated that most of the foods were faced -- the local people, from their own experience, that they were seeing in the field, were unconvinced, and the entire purpose of

this project, then, was to involve the people, the actual users of the subsistence source, in every aspect of going and selecting the sites, selecting the samples, taking the samples to the laboratory and analyzing them, and with the end result being that they're comfortable that if the results say that everything is fine to eat, that then -- so most of the samples collected in this manner which were for the most part, and I think in every case they were suitable for consumption, but unlike the previous times, the people, we feel, and widely felt, they are accepting those results, the samples taken, where they were taken, they were good to eat, and what was to be done this year was to -- at those sites and villages that weren't dealt with in '93, that this should encompass those. Apparently being successful in its major mission was -- which was to make the people satisfied with the results. We think it's making a difference.

MR. BARTON: So that (indiscernible due to poor teleconference transmission quality) around different communities than we've tested before, is that what we're doing in '94?

DR. MONTAGUE: Right. This would encompass all the sites, I mean, all the sites -- all the main villages in Prince William Sound.

MR. BARTON: Including those that we just tested in prior years, or not?

DR. MONTAGUE: Well, it includes (indiscernible due to poor teleconference transmission quality) were tested, you know, prior to this project. In fact, all of them, most of these, I

think, were (indiscernible due to poor teleconference transmission quality) projects.

MR. BARTON: So if I remember correctly, there was an initial round of testing done almost immediately, and then the Trustee Council initiated another round of testing. This was a continuation of that second round of testing.

DR. MONTAGUE: That's correct.

MR. BARTON: Will we be testing in communities that were tested in '92?

DR. MONTAGUE: No.

MR. BARTON: Thank you. 94272? As I recall our discussions of this back last year, there was a lot of concern that the released fish would be available to (indiscernible). Am I remembering that correctly, and is that the intent of this project this year as well? Go ahead.

DR. MONTAGUE: (Indiscernible)

MR. BARTON: Yes.

DR. MONTAGUE: Yes, in that the environmental assessment and in the documents of the regional planning team, both presented as essentially a fishery open to (indiscernible due to poor teleconference transmission quality) if there's any season -- commercial season was open. There's not expected to be a problematic commercial harvest, but there could (indiscernible due to poor teleconference transmission quality).

MR. BARTON: Any other questions on page 8? Okay, page 9? Questions or comments? Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman, page 9 is where we get 94320, Prince William Sound ecosystem investigation, and there's been so much discussion of this project that it's hard exactly to tell where to start. The executive -- Chief Scientist has talked about the (indiscernible) aspect, (indiscernible due to poor teleconference transmission quality) detailed study plan before the release of funds and definite study gradually. The Executive Director has added and modified this thing to bring some of the other fishery studies into it, and Prince William Sound Aquaculture has expended (indiscernible) manipulations of a million and a half, and now has six and a half million with seven hundred and thirty-seven thousand dollars worth of fishery studies and one point five million dollars of environmental manipulation. I think, in effect, what we have here is about twenty projects, and that's the same way we've gone through some of these others individually, without the specific, I think, review of each project and a Chief Scientist and Executive Director recommendation project by project. I think we're practically going to have to go down through this a piece at a time. (indiscernible due to poor teleconference transmission quality) I heard a lot of public testimony about the Chief Scientist's comments and others. We did receive on Prince William Sound -- the Prince William Sound Science Center did put together an ecosystem planning approach, and they crunched (ph) an awful lot of work into a very short period of time and from a lot of very knowledgeable people in that process. I think they're very much to be commended for what they did. Certainly, the desire to take care

of what's happened with fisheries in Prince William Sound, insofar as it's an injury related to the spill or what the spill has done to the ecosystem, and as a whole, which may have been these important fisheries matters, I think it's high on our list and we're trying to figure out how to do it, and it's been less a -- I think the question of money to fund things as not knowing which things are appropriate to fund. I think that's probably why we have so many of these ecosystem research proposals in front of us. We had a workshop, we had a workshop steering committee report. Dr. Spies requested further recommendations from the workshop steering committee, or substance of it, and I think we are probably going to have to go down through this a piece at a time. There are major expenditures in different areas. There are some that are probably critical to be approved now to get in the water at all. There are others that may be less critical for peer review. I note that in (indiscernible due to poor teleconference transmission quality) we got a recommended course of action on some several items here from somebody, it's not identified who sent it to us, for possible consideration in the '94 work plan.

MR. BARTON: Executive Director Ayers?

MR. AYERS: Yeah, that's the summary I was working on that you will want to work from -- and it is related to this, yes.

MR. PENNOYER: With specific regard to Project '320, there will be a need for project management -- a project management team to assure final reconciliation and integration of all the related projects. I would propose that this team would include the

two fisheries scientists -- three scientists, sorry, together with representatives of the Department of Fish and Game, NOAA, University of Alaska, Prince William Sound Science Center, will be tasked with finalizing a detailed work plan subject to final approval of the Executive Director. Issues to be addressed by this project management team would include administrative overhead, indirect costs, contracting procedures, logistics coordination, equipment needs, database management, and modeling requirements, and part of this is -- is -- because of the scope of this project is -- might take a little bit of time. So now as we go through this, how we separate out pieces that need to be approved now or require further work, or perhaps the Executive Director can help us with suggesting a way in which we could move through the proposal. I see we just had a new data.

MR. BARTON: I wonder if we wouldn't all be more attentive if we took a break until 4:00 o'clock.

UNIDENTIFIED VOICE: Good idea.

(Off record at 3:55 p.m.)

(On record at 4:10 p.m.)

MR. BARTON: Anchorage? Hello, Anchorage? Okay, let's reconvene the session. We were beginning a discussion of 94320.

MR. FRAMPTON: All right, Mr. Chairman.

MR. BARTON: Mr. Pennoyer?

MR. FRAMPTON: Can you hear us down there?

MR. BARTON: Yeah, you're coming in just fine, George. Can you hear us?

MR. FRAMPTON: All right, I can hear you. Craig Tillery was standing here a minute ago, and I just want to make a suggestion about the '320, and two things, first, let you know that I'm going to have to leave in about fifty minutes, and so Paul Gates is going to be sitting in my chair -- his chair. I wanted to make a suggestion, the second thing is, I wanted to make a suggestion about 320, talking to Dr. Spies during the break. My understanding of what the recommendation here is, is to basically approve six million two hundred and fifty thousand dollars for the combination of the SEA proposals and the other proposals that are included here, that are closely related, that is, herring and salmon studies in particular, with the understanding that while we are approving the expenditure of the money, that in effect we're approving a pot of money today if we approve this, that some further planning work by the Executive Director and the Chief Scientist and their colleagues on the staff is going to be necessary to clarify and integrate these projects, to make sure that some of them are cost-effective and review the budgets and how they work together, and that everybody recognizes that that work has not quite been completed yet and may need a month or two to do, and -- but what we're saying is, we know we want to fund virtually all, or all of these projects, although they may not all be funded this year at the level requested, and we certainly want to fund them in an integrated way. Now, if that's the case, I for one am satisfied to accept that recommendation as is without going through a detailed discussion over the next, which may take some hours, at

least, of the individual projects, because I'm not sure that we, or indeed, the Executive Director and Dr. Spies and others are in a position to sort of do this assessment and integration as we sit here tonight, but that's going to be part of the planning process that's going to go on. Now, obviously, that leaves some discretion to the staff as to whether some of these projects get funded fully or not so fully, the budget is cut down, how they work together, but I'm prepared, given what I know about this, having looked at the statements of the projects of -- and reviewed the S-E-A, or SEA proposal, to give the staff that pot of money and that authorization to go forward. Now, some of the rest of you might not, but I am concerned that not only it's going to take us well into the night if we try to do this in detail, but that neither the Trustees, nor perhaps Mr. Ayers and Dr. Spies are really in a position to do that usefully right now. What they're saying is it's going to take a couple of months to do it. So my -- I don't know how others want to proceed, but I'm prepared to do this is as a pot of money, subject to the planning process. Thank you.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Yes, thank you, Mr. Chairman. George, I am too, generally. My problem is, there are a couple of exceptions that I think we ought to leave to the discretion of (indiscernible due to poor teleconference transmission quality) and give the Executive Director a little bit of direction if we can. My question is sort of how that happens, and without coming back to us. It is a -- are we separating that, and I'm not sure what the

Executive Director is going to do in this regard, or whether we have a research advisory board that at some point is going to sort of look at all this and give us a specific cut on it. I don't think we can do it here; I agree with you on that, although I think we ought to at least discuss in concept a couple of things in here to see how they fit, how the Executive Director is going to handle them. But in general, I agree with his recommendation and the one you just gave, that we let him go back -- out and spend a little bit more time. These folks have put together something in a very short period of time. They haven't had the time that some of the other projects had to prepare detailed study plans and so forth, so I think we have to allow that time and still try to get a meeting together in the field this year. Perhaps we could just sort of plow through this by category and discuss in general what we think of certain areas, and let the Executive Director respond as to how he might handle a further review. If we're going to do that, I suggest that we start maybe at the bottom with the projects that complemented the SEA, that the Executive Director has identified, and some of these projects have been the subject of quite a bit of past review and discussion, and were carried over some of these general work plans because they did integrate with the ecosystem plan -- study in Prince William Sound. (Indiscernible).

MR. BARTON: Mr. Sandor.

MR. SANDOR: Mr. Chairman, I also believe that probably additional time is needed, not only for the reasons (indiscernible due to poor teleconference transmission quality) but also for

appropriate peer review was not able to be focused on these additional projects, and this is in addition to what the scientific group, I think, is suggesting. I think this is another instance where we might also refer it to the Public Advisory Group for this interim period of time, just for their information and review. I am partially concerned about the -- well, the processing of this Project 94421, and the issue is sort of legal (indiscernible) and I don't want to lose sight, specific to (indiscernible). I'm of the mind that what we probably want to consider doing is having a continuation of this meeting in the form of a follow-up teleconference in sixty days or something, within two months, to update us on this thing and the approval is up to the specified amount, and then to have that defined in that follow-up meeting. Does that make sense?

MR. BARTON: Mr. Ayers?

MR. AYERS: Yes, Mr. Chairman, I would support that. I guess one of the things I'd like to do is find out if Molly has heard Commissioner Sandor's comments, if you've had a chance to talk with Dr. Cooney there about the idea of sitting down and developing kind of a more detailed work plan and addressing the significant questions that are involved in this, for example, the fiber acoustic equipment and that technology, the issue of additional purchase of equipment, database and modeling equipment. The University itself has raised a couple of questions about their super-computer and how this might be related to their -- to other equipment, and then how the integration of this database and

modeling is related to our overall efforts. Those are issues that we have actually discussed before. If it is a suggestion, as I understood Commissioner Sandor's -- Mr. Chairman, suggestion that we put together a detailed work plan, that this approval would be subject to putting together a detailed work plan, that I would need the assistance of both the National Marine Fisheries and the Department of Fish and Game scientists to take a look at, in particular, these equipment issues, the technology, and a couple of these projects specifically. So, we'll report back to the Trustee Council in a teleconference within the next thirty to sixty days. Now, Molly, I hope you and Ted and Torie and whoever else is sitting there are hearing that, and if there's a -- I think that would work.

MR. FRAMPTON: Mr. Chairman?

MR. BARTON: Yes.

MR. FRAMPTON: Mr. Chairman, this is George Frampton. I think the idea of a report back to the Trustees with a more detailed work plan is a good idea. I'm not eager to have another meeting just to look at the details of this because, quite frankly, I think that we have a number of projects that have been through several rounds of public comment, an ecosystem plan that was developed in large part by the public and through a public workshop, and at this point, you know, we're really looking at the scientific staff to integrate what the pub -- to put the final touches on what the public is very involved in, and frankly, I think we owe the public an approval to go forward with this thing,

rather than something that -- as we're going forward with other projects, rather than sort of leave this hanging. So my preference would be to make the commitment, if we're satisfied in the amount, and then just ask the Chief Scientist and staff and the Executive Director to report back to us, let's say, in sixty days, what the package looks like, and obviously, if any of the Trustees are dissatisfied at that point, we can always schedule a formal meeting by teleconference, but hopefully we will have not misplaced our trust in our staff and we'll like what we see. Thank you.

MR. ROSIER: Mr. Chairman.

MR. BARTON: Mr. Rosier.

MR. ROSIER: Thank you, Mr. Chairman. I certainly concur that -- I think we need to move ahead, and if we have to have some additional planning efforts involved in (indiscernible due to poor teleconference transmission quality) but there really has been a tremendous effort made on the part of the public to, in fact, bring us to this particular point. But I'm not sure, I'm not sure what sixty days means in terms of the implementation of this program. When I look at these, I'm assuming that we're talking about implementation of the project probably starting this spring, and from that standpoint, sixty days seems like an awful long time. Quite frankly, I don't know if we can do it in thirty days and get this thing behind us, you know. I think that that's a much more reasonable time frame, quite frankly, in terms of recognizing the public effort that's gone into this at this point.

MR. FRAMPTON: Dr. Spies wanted to say something here in

Anchorage.

DR. SPIES: Yeah. My concern was --

MR. BARTON: Dr. Spies.

DR. SPIES: Can you hear me?

STAFF: No, go back to the other one.

DR. SPIES: Okay. My concern here is that we're looking at significant oceanographic features that develop in the early spring and production in April and May, and that we need to get some things in the field, I believe, in conversations with Cooney and look -- understanding what they're trying to do here. So we may need a mechanism to identify how we can put those particular projects on a fast track and not wait for sixty days for review.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. I feel, you know, looking through this, there's obviously some things that need to go sooner rather than later, and I assume that the Executive Director and the group we have looking at this needs to take that into consideration, and if there's a placeholder analysis and some of those things, however we need to go, and George, whether there's an official meeting or not, it seems me that a teleconference identifying early up (ph) projects could be held rather quickly, if this was the only topic on the agenda. And, like I say, some things, like, I think we've had the -- you've had detailed peer review on coded wire tag recovery, otolith markings, and some of these others, and I think some of the rest of this wouldn't take

all that much time. So speed would be of the essence. I think what we're saying is that the general levels are not inappropriate to this type of process. At some point, though, I think we have to come back and talk about long-term, and I think it builds into this research reserve fund and all these other questions because probably you're looking at -- we've had -- had some estimates of eight to ten years to try and build this out. Hopefully, one of the answers we can use directly in the restoration before that, but it still indicates a very long-term commitment and a very great amount of funds, and the three areas that I think we're all interested, although Prince William Sound has certainly taken the lead, and maybe that's actually the one that's going to require the most effort. I'm not hap -- I'm not unhappy with that concept of going forward and then coming back to it, the short terms or some things that may require early-up to get going, and it may be sixty days to review with us whether there are other modifications that are going to be considered. As we go through this though, there are a couple of things that maybe we ought to understand. For example, there's one called experimental manipulation for a million and a half dollars, and I think maybe we ought to have a little bit more discussion of that, probably, with the Executive Director, before we leave here.

MR. AYERS: Yes. Let me also mention, Mr. Chairman, that the -- that the issue of NEPA compliance and a couple of other -- the four or five other projects, need to come back before the Council anyway in the next sixty or so days, so you could give us

authorization to proceed. We'll just tell them to go work out the detailed plans and report back to you, and that also will be consistent with some other things that we need to do. With the understanding -- I would need to clarify my understanding that you would generally accept the level of funding, and details need to be worked out, but in some cases, particularly those that have already been identified, that we could move forward, that there are specific areas of concern that I have mentioned that you need me to report back on. As I said, I would need some help and cooperation from the local scientists, that of the University and ADF&G. We would proceed at this level with the understanding that we're going to report back on a detailed work plan by teleconference, but at the same time we could cover some of these other issues.

MR. BARTON: Mr. Sandor.

MR. SANDOR: Mr. Chairman, so that all the cards are on the table, at least from my perspective, and I'd hate to be regarded as a hidden agenda, but this hatchery project, the funding of hatcheries is of great concern, and the timing of that is a thing that's going to have to be resolved, I think, in the next thirty -- or next sixty days, or thirty to sixty days. If, as I understand it, as we go into this, there's some legal question of whether it is or it is not appropriate to utilize the civil monies, and having heard of that possibility, we've been exploring other sources of funds, including the reprogramming of some of the criminal settlement monies which have already been designated by the legislature with respect to the five million in research for

DEC. That same problem of research definition, as well as the matter of (indiscernible), you know. If we do not, today, give assurance that one way or another we're going to get the eight point five funding, I think, there's argument for that. But we've certainly got to do it within the next sixty days, so -- and so, for that reason, a teleconference has -- I'm also interested in the teleconference for resolving that specific problem as well. I just -- I don't want you to be surprised when that item arises in the course of the discussion, not only today, but in between now and the time we deal with the teleconference.

MR. BARTON: In the interest of moving right along, the chair would love to hear a motion. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I move that we conceptually approve the total of two hundred and fifty thousand dollars for the Project Number 94320, with the Executive Director to come back to us in order for further discussion of details and study plans along the lines that he indicated in his memo to us, and that a teleconference occur within the next thirty to sixty days, that also we be prepared to have a discussion of projects that are time-critical, and they need to be in the field -- well, taking into account when projects that have to get into the field to be successful in terms of both '94 and possibly '95 funding because I don't know if somebody's going to -- might be able to gear up in that time frame, and that we make a final decision on the project content at that teleconference.

UNIDENTIFIED VOICE: I second that.

MR. BARTON: Made and seconded. Is there any further discussion? Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, perhaps one further discussion along the lines of what Commissioner Sandor said about 421, which is going to come up a little later in the agenda, but there's a million and a half dollars in here for Prince William Sound to experimental manipulations. Perhaps it might be worthwhile to hear a little discussion and see what that is and have a bit of discussion as to how that might be -- it might have to be fleshed out by teleconference if the Executive Director would care to collaborate.

MR. BARTON: Mr. Ayers.

MR. AYERS: Mr. Chairman, yes. It is clearly my understanding that the Trustees, each of you individually and now collectively, have indicated, you know, your concern and interest in supporting the efforts of the -- of not only the group of Prince William Sound but the community itself, and I think that's been expressed clearly. With that end in mind, and also to try and avoid some of the hoops, but make sure that we continue to move forward, we have legitimately and legally identified approximately one point five million dollars that can be integrated into this effort as experimental management research, as proposed by Dr. Rose, chief fisheries scientist at the -- from Newfoundland, and that has been integrated into this effort to ensure that we can at least get some money up and off the ground so that the PWSAC efforts that were described earlier. And in particular, if that

effort is consistent with the court decree and is primarily to conduct experimental management and research and monitoring studies designed to facilitate wild stock recovery and sustainability, and it can be done, using the hatcheries, and could not be done without the PWSAC hatcheries, for the record, and the SEA proposal has referred to this on page 6, under their predator-prey relationship, experimental releases of hatchery juveniles, which will provide a powerful test opportunity. I think it is consistent with that particular project, at least at that level, to go forward with that aspect, and that would -- that would provide a million and a half of the three and a half or three point nine that's actually needed. Now, you'd have to work on whatever we're going to do about the balance of that effort in other quarters, or further discussion, but there is a million and a half dollars included in this recommendation, specifically to integrate that effort of the hatcheries into the experimental management or monitoring research effort of '320. I think that -- I'm assuming that you're also suggesting that we have the authority to go forward with those efforts that need to be submitted in the near future (indiscernible due to poor teleconference transmission quality). The report would come back on some of the more detailed work plans or the specific science involved in some of these major purchases of scientific equipment that needs further discussion.

MR. BARTON: Let me just say that I understand Anchorage is having a hard time hearing. I'd ask you here in Juneau to speak up and speak slowly. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman. Are you saying that the only detail would be -- and what the million and a half is going to be used for is what appears in the tables at that time, or would you be able to elaborate a little bit on what -- how that integrates with the rest of the ecosystem study in Prince William Sound, how specifically that phase that requires hatchery releases to conduct the ecosystem work that is being proposed here? I think it means to do something more than what's in this table.

MR. AYERS: Mr. Chairman, Mr. Pennoyer, point well taken. There will be a description of the research and monitoring that is envisioned with the experimental release system in relationship to the hatchery. That will come back to you.

MR. BARTON: Mr. Rosier.

MR. ROSIER: Well, I -- without getting into that particular issue any further, I would -- I've still got some questions in terms of the motion as it relates to those projects which are -- which might be time critical here. Are we talking about a teleconference with our director to cover that as soon as he has that information, and then another one to take a look-see at all of the projects in detail, all this, or are we talking about holding all of these, having everything put together, and putting them together only at one point?

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, I'd say whatever's fair. I don't know how that's going to work out, and I'm not sure whether -- lacking a detailed study plan, what magnitude of expenditure

might be considered time critical. So, it seems to me, if he's got something to pass down within thirty or sixty days, that he'd better get back to us and let us know what it is, and we can make an adjustment at that time. So I was taking into account the potential for time critical needs without pre-selecting what that might be.

MR. FRAMPTON: Mr. Chairman.

MR. BARTON: Yes, go ahead.

MR. FRAMPTON: It's George Frampton. Steve, would you consider an amendment to your amending motion that the staff be authorized to go forward with any time sensitive expenditures, in their discretion, pending their teleconference with us, you know, which will be thirty to sixty days from now, to give us a more detailed plan? I think that would only result in one more teleconference and would allow anything that's really critical in the next thirty to sixty days to go forward. Otherwise, I think we're into two or three teleconferences here. Is that an acceptable amendment to your amendment?

MR. BARTON: You're breaking up, George. Can you say that again?

MR. FRAMPTON: Would it be an acceptable amendment to Steve's motion, Mr. Pennoyer's motion, that the Executive Director be authorized under this project to go forward immediately, if necessary, with any time sensitive expenditures and come back to us within sixty days with a more detailed report that we can -- with respect to the whole project that we can then approve or modify?

That would only result in one more teleconference on this one.

MR. PENNOYER: I guess, George, I don't know what that means, that's the problem. Maybe -- are you indicating that your -- something is so time critical in the next thirty days without a detailed study plan, it's -- that's been peer reviewed and just ought to be approved? I'm not sure what you're driving at. I -- I didn't intend to have three teleconferences. I was intending to have one, and if the Executive Director found anything that was really time critical, I mean, of a significant nature, I'm not talking about minor stuff, but of a significant nature that required hiring a whole bunch of people or chartering a bunch of vessels or something, that it would get back to us somehow in the interim and get some type of sign-off, whether it was a teleconference or whether we notified each individually, and we just simply say that there was a problem. I don't care how we do it but -- I can't answer your question because I don't know what I'm -- I don't know what we're talking about in terms of magnitude of effort or what might be required. I don't see a need to set up two formal voting teleconferences --

UNIDENTIFIED VOICE: I don't either.

MR. PENNOYER: -- but it seems to me, if there is anything that (indiscernible) that he can look at the whole system. If it needs to be approved, he can contact us fairly easily and find out at that level if any of us -- if he needs to talk to us as a group or not.

MR. BARTON: Mr. Rosier.

MR. ROSIER: A question, in regards to the listing on this one page summary that we have, are there not project descriptions somewhere that describe these already in existence? I'm assuming that the effort that's gone into this must have gone beyond just identifying the project description or title here on this and the dollars they're pushing for that. Are there not write-ups on these projects somewhere in existence?

DR. MONTAGUE: Mr. Chairman?

MR. BARTON: Dr. Montague.

DR. MONTAGUE: Thanks. That is -- at the bottom of the table, all those projects with 94 project numbers are in this blue draft work plan. Certainly, those are written up in adequate detail. The --

MR. ROSIER: This is Table 2?

DR. MONTAGUE: Two, except experimental manipulation, which is not numbered. All the other projects except one have a very detailed, hundred and some page description of the SEA plan without projects, and there's a one page description for each of these, and there were fifteen projects. So, there's a one page description for each project, a hundred and some page very overview type-description that get into each project.

MR. FRAMPTON: Dr. Spies wanted to say something.

MR. BARTON: Yes, Anchorage?

DR. SPIES: With regard to the time critical aspects of this overall SEA plan, I just conferred briefly with Dr. Cooney, and we believe that with -- we can sit down within a week and

identify things like the scheduling of ships purchased and ordering of major oceanographic equipment and so forth that would need to be carried --

MR. BARTON: Dr. Spies, get closer to the microphone, would you please?

DR. SPIES: Can you hear me in Juneau?

MR. BARTON: Yes, but you're breaking up. Get closer to the microphone, please.

(Laughter)

DR. SPIES: I'll see if I can get it right over my larynx here.

MR. BARTON: There you go.

DR. SPIES: We could sit down inside of a week and develop a list of time critical elements that would have to move forward, probably no later than thirty days from today, and provide that to Jim Ayers, that Mr. -- Dr. Cooney just advised me that that would be quite possible. So, I think we could address the time critical elements of the program without slowing down what needs to be done in '94, and at the same time allow us time to develop the integration and allow the Cordova group and others participating here to write detailed project descriptions for the normal review process.

MR. BARTON: Mr. Pennoyer?

MR. PENNOYER: I think that would be fine, and then you could just notify us, collectively or individually, however it works, of what that is, and we could summon the Executive Director,

he's not that far away, and tell him if we have any further questions.

DR. SPIES: Good. Every --

MR. PENNOYER: Why don't you count on doing that?

DR. FRAMPTON: I think everybody here in Anchorage is nodding. I think we have a procedure which is, we're going to get notified of any time-sensitive project. If we have any problems we can weigh in, that's in the next few weeks, and then we'll have a teleconference in about sixty days to look at the overall detailed proposal. I'm looking at Dr. Spies. Is that do-able? Dr. Cooney?

DR. COONEY: Yes.

MR. FRAMPTON: They say yes. In fact, they could probably get an integrated plan done in the thirty to sixty day time frame.

MR. BARTON: That would be fine. Everybody here is nodding too. Let's take that and run.

MR. FRAMPTON: All right. We'll take that and run. Thank you, Mr. Chairman.

(Laughter)

MR. SANDOR: Well, next time -- I'm nodding as well, but I would hope that the lawyers perhaps could be as capable of reaching some agreement with respect to what is legal -- with respect to '421 and, as I understand it, the legal determination of the feds now, and perhaps the state as well, is that the one point five million for the hatchery program was, quote, legal. I was listening when John McMullen was outlining the legal advice that he

had, which went beyond that. Could we ask the federal and state attorneys, whoever they may be, to read this analysis that apparently was written by some capable attorneys, and see if we can't up that? Because, you know, I think we need at least three million -- three and a half million, I guess is the -- three million is the minimum, three to three and a half million, and we -- that's a high priority, as we heard on the teleconference, and we've got to come up with the money somewhere.

MR. BARTON: We can certainly ask the attorneys to try to have a -- some legal advice sometime for our teleconference.

MR. SANDOR: Yeah, please, within thirty to sixty days.

MR. BARTON: Any further discussion on that, or shall I move along?

MR. FRAMPTON: I don't think you're getting any dissent from Anchorage.

MR. BARTON: Moving right along, comments or questions on page 9? Is there any objection to the motion? (No audible response) I'm sorry. I have a motion -- I have a motion -- I have a motion -- Any objection to the motion? (No audible response) Hearing none, Mr. Frampton's amendment is further modified with regard to '320. We'll come back and discuss that when we vote on the main motion. How about page 10? Any more comments on page 10?

UNIDENTIFIED VOICE: Mr. Chairman?

MR. FRAMPTON: Mr. Chairman?

MR. BARTON: Let's just discuss '422 for a moment. We're asking for a -- this is the environmental impact statement

for the restoration plan, they're asking for an approval for a budget of three hundred forty-three thousand dollars. Also, this assumes a finding of a record of a decision on the last day of October, and at some point I would like approval on the option for the alternatives that were set out earlier. We had two option sets, one set was to utilize the alternatives that were contained in the earlier work on the EIS by Wallcoff (ph) & Associates. The other set differs somewhat since it was sent to the Trustee Council on or about January 21st. Let me just say that I move that we adopt option set A to the alternatives of the brochure. Is there a second?

UNIDENTIFIED VOICE: I second.

MR. BARTON: Any objection to the motion? (No audible response) Thank you. Mr. Pennoyer.

MR. PENNOYER: Mr. Chairman, 94417, differing recommendations by the Chief Scientist and the Executive Director. If the Executive Director could elaborate on why he's recommending approval?

MR. BARTON: Mr. Ayers.

MR. AYERS: Yes, I was just looking at my notes. This -- after considerable discussion including that with a couple of community representatives, it appeared that this project, which could be integrated with the DEC program, I don't know if we've had -- the DEC may want to speak to that, but the idea is that, in fact, the waste oil disposal facility is a model that has been used, at least in the Southeast, to some success, to the extent to

which communities could get involved in an effort to reduce the amount of oil would be a general restoration effort that would provide -- or at least a reduction, or an elimination of further toxic impact upon the injured species. I don't know if DEC would like to add anything to that or not.

MR. BRODERSEN: The entities have definitely supported it, as did the public.

MR. SANDOR: Mr. Chairman, it seems to me there would be some opportunity to coordinate with 94090 and (indiscernible) Mark?

MR. BRODERSEN: I think Mr. Ayers was referring to a program that the DEC already has going in the Southeast, in terms of coordinating the efforts. The oiled mussel bed clean-up is really a very specific restoration project that absolutely would not be too amenable to coordination of this particular project.

MR. SANDOR: The shoreline assessment. Okay. At any rate, you do not have any problem with the point that Jim Ayers makes?

MR. BRODERSEN: No.

MR. BARTON: Any comments on page 10? 11? Mr. Pennoyer?

MR. PENNOYER: Mr. Chairman. 94505, information needs for habitat protection, (indiscernible) four hundred and six thousand. The Chief Scientist's recommendation is that this is a high cost for close-out, and I'm not sure how that relates to 94126 and 94110, we already approved and everything processed because

that was a long-term habitat planning. Is this still an appropriate expenditure, Mr. Ayers?

MR. AYERS: Yes, and, as a matter of fact, it's a close-out of '505 and continues to be a project that the GIS system -- I don't know if there's somebody from either the Forest -- either the Fish and Wildlife Service or ADF&G that will want to speak to this project, but it does have to do with the integration of the anadromous stream catalog efforts, the GIS system, and I believe there's even a piece, I thought, of the DNR system, and the effort here was to aid and the protection of resources and services injured by the spill by some logging and inventory. The Fish and Game may want to add something to that.

DR. MONTAGUE: Mr. Chairman?

MR. BARTON: Mr. Montague.

DR. MONTAGUE: The Fish and Game, I think, had a hundred and fifty-seven thousand and something out of the four hundred and six, and the main cost being for that money, was to digitize the anadromous stream catalog.

MR. BARTON: Are there any further comments or questions on page 10? Mr. Pennoyer?

MR. PENNOYER: We're on page 11.

MR. BARTON: I'm sorry, page 11, yeah.

MR. PENNOYER: Mr. Chairman, the last project, the restoration reserve of twelve million, not that I have any problem with the content, but why is that taken that out of this particular year's fund as opposed to some other number, and by -- how does

this relate to future work plans? What's your general strategy with this one?

MR. AYERS: As we discussed earlier, that coming back before you at the -- hopefully, at the June meeting, as we complete the implementation structure, you would see the comprehensive balanced facility that would include habitat protection, general restoration monitoring and research, and within monitoring and research, an articulation of the need for long-term perspective. With a long-term perspective, it's clear that we are going to need resources in the future to continue our effort in the spill area. What this particular amount does is give us the ability to fund an ongoing effort beyond the year 2001 if we address the issue today. And so, based on what I know today and what I've learned in the short time I've been here, including my discussions with the scientists and some of you, of the individual Trustees, this will be a part of the comprehensive package and will be a much needed one, in order to assure that we have funds to carry on and fund some of the research and monitoring that we'll need beyond the year 2001. The amount is twelve million, there's the region, it's '424, there's a project description, but I -- what I actually am asking at this point is for, perhaps, a conceptual approval with the understanding that we are setting aside the twelve million, and that we need to actually explore how those funds would actually be managed, but it's proposed that they would be managed under a restoration reserve and, in fact, it would be prudent because it provides us by -- removing those funds from the court and start

putting them into a higher return capability proves that we're going to maximize our capability after the year 2001. Currently, we're receiving about two percent on those funds, and if we allow that to continue, we are in many ways reducing our capability in the future. We could explore secure, non-risk reserve, setting aside some twelve million each year, which would give us approximately a hundred and fifty million dollars, and I'll be glad to bring back some examples of that. We clearly need some specific proposals of other reserves to be managed either within the federal system or the state system, but subject to the Trustees' authorization for expenditure.

MR. FRAMPTON: Mr. Chairman?

MR. BARTON: Mr. Frampton?

MR. FRAMPTON: I'm going to turn this chair over to Paul Gates, so I'm not quite going to get a chance to vote on my motion, but thank you very much for your running a very good meeting, and I will talk to you in the next few days.

MR. BARTON: (Indiscernible) but I'm sure Mr. Gates will carry the ball forward as you did.

(Mr. Frampton leave the meeting; Mr. Gates is seated for the Department of the Interior.)

UNIDENTIFIED VOICE: Did that answer your question?

MR. PENNOYER: Yes, it did.

MR. BARTON: Any further discussion on 11? Mr. Pennoyer.

MR. PENNOYER: This maybe is the time to bring up the

addendum on 11 to the -- I thought we'd do it on the proposing proceedings. I have one additional request I'd like to put in front of you, and you have a memo I passed out on the funding of the marine mammal book, and several agencies have gotten together and had their scientists who worked on damage assessment studies in connection with the spill come up with a publication in the academic press entitled "Impact of the Exxon Valdez Oil Spill on Marine Mammals." This is an elaboration and an extension of what was presented in the symposium, and it complements the symposium proceedings that this Council has already published. It's a valuable piece of work, I think, and you have a list of the articles that are in it in the back of the memo that I've sent out, and I've put a description of the book itself and Tom Lawson (ph), as -- is serving as the editor for the book. Many Fish and Game authors, National Marine Fisheries Service, and others are in the -- and the Fish and Wildlife Service are in the articles that are in the book. Tom wants to defray the cost of publication such that it brings the price per copy down to about thirty dollars to make it more broadly available, and he estimates that for twenty thousand dollars they can do that, and I'd like to move that we authorize this expenditure as part of our efforts to put the results of our work in front of the public.

MR. ROSIER: Second.

MR. BARTON: Made, and seconded by Mr. Rosier. Any discussion? (No audible response) Any objection to the motion?

MR. TILLERY: Mr. Chairman?

MR. BARTON: The motion passes. Is there further amendment --

MR. TILLERY: Mr. Chairman?

MR. BARTON: -- to Mr. Frampton's motion? I have a question for Mr. Ayers. Some of these projects need NEPA compliance yet. How do you envision handling that?

MR. AYERS: Mr. Chairman, the draft -- the suggested approach that I had -- a possible approach that was handed out suggests that a motion would be -- after we complete this, Mr. Frampton's motion to adopt as a condition with the various changes we've made, and with the exceptions of projects that have been identified with NEPA compliance, then a separate motion, and you need to tell me which way you'd like to do it, (indiscernible) come back where you could consider a motion to authorize the Executive Director to proceed with the implementation of the projects requiring NEPA compliance in the amounts recommended, conditioned that only after successful completion of all the requirements under the NEPA.

MR. BARTON: I so move.

UNIDENTIFIED VOICE: Second.

MR. BARTON: There's a second on the motion.

MR. AYERS: Mr. Chairman, Project '199 very well -- and we didn't have costs in there, we didn't know what the pledge was going to be, but it has been pointed out to me in a recent fax that '199 will require some effort, and we probably need some amount of money for expenditures to actually be approved, and I

would suggest some -- no more than fifty thousand dollars for all the efforts that need to go to complete NEPA as well as other efforts.

MR. SANDOR: I second the amendment.

MR. BARTON: It's been moved and seconded that we will appropriate fifty thousand dollars --

UNIDENTIFIED VOICE: A maximum of fifty thousand dollars.

MR. BARTON: A maximum, okay, on 94199. A maximum of fifty thousand dollars to '199 to do whatever the Executive Director considers necessary to get that off and running.

MR. TILLERY: Mr. Chairman?

MR. BARTON: Yes.

MR. TILLERY: We had a little trouble breaking in a little while ago. I have to questions with regard to projects that I think you passed without our being able to get your attention.

MR. BARTON: I'm sorry, Mr. Tillery. Go ahead and ask them. If you'll get a little closer to the microphone, you're breaking up.

MR. TILLERY: Okay. Well, one is simply a piece of information on the reserve. I was -- I didn't understand the use of the word conceptual approval. Do I understand that if this passes we will request the court for that funding and it will go to the agency that's the lead agency on the project? Is that correct, or are we going to somehow revisit this before we make a court request?

MR. BARTON: Well, I believe your interpretation is the

same as my understanding.

MR. TILLERY: Okay. The second one has to do with the -- I think twenty thousand dollars appropriated so that we could reduce the cost of a book to the public from sixty dollars a copy to thirty dollars a copy, and I have serious reservations that that's a legitimate expense. It's a small amount of money, but it just doesn't seem to me like that's what we're in the business for.

MR. BARTON: You're breaking up again, Craig.

MR. TILLERY: I have questions about the legitimacy of an expense whose sole function is to reduce the cost to certain members of the public that might be first in line for a book, to get a copy at thirty dollars instead of sixty dollars. It seems to me, it somehow would need to be justified as part of our public relations or public information activities, and I don't see the justification.

MR. BARTON: Isn't that the same thing we did with the results of the symposium?

MR. TILLERY: Well, the symposium was a Trustee Council sponsored-activity. I analogize this book a little bit more to the Alaska Department of Fish and Game's magazine on the oil spill, and if someone tells me that we subsidized that, then I'll agree that we've -- that that's consistent.

MR. PENNOYER: I can't answer the question. We did the proceedings. This was work that was done under our auspices, Craig, and it's all stuff that's done relative to damage assessments. I'm not sure how it differs, and the context is to

bring down the cost for better public dissemination of the information produced by this Council, much in the same way we do by funding a library or any one of a lot of other activities. I'm not very clear why that's not appropriate.

MR. TILLERY: Well, my understanding of the -- when I, I guess, read a write-up of this, I understood that the book wasn't one that was done under the auspices of the Trustee Council but was, in fact, someone's own effort using information developed by the Trustee Council. Am I incorrect?

MR. BARTON: Byron Morris, do you want to comment?

DR. MORRIS: Mr. Chairman. It was basically done without the confines of Trustee agencies. We believe that (indiscernible). It is a (indiscernible) by somebody, by one of the principal investigators, and they're all agency principal investigators of the damage assessment project with the public's response.

MR. BARTON: Are you saying it's an individual rather than an agency effort, Craig? I'm not sure what you're implying. It's --

MR. TILLERY: Well, my understanding was that it was an agency effort rather than a Trustee Council effort, and they now come at this late date to ask us to not only bless the project but to subsidize it. I have been informed that we did subsidize the Fish and Game magazine issue, and I suppose that subsidizing this would be consistent with that. In the interest of moving along, I will withdraw my objection.

MR. PENNOYER: Whether we provide the funds or not, the publication will go forward. It's simply a question of whether we think it's reasonable to use that publication and assisting their efforts in getting a broad distribution of research results out to the public, and in this case, by reducing the price of it to assure a broader distribution, much in the same way we felt it would with the proceedings, and we asked them to get the cost to come down. So I'm not (indiscernible) having our people look -- lawyers look at it some more, Craig. I'm not sure what we'll do with it, but it's certainly not a question of the publication not going forward. It will go forward but it will go forward at a higher price. Is that correct?

DR. MORRIS: That's correct. Basically, what we're doing, this is money that's purchasing age cost (ph) to make it a Trustee Council contribution to that.

MR. PENNOYER: Would the Trustee Council be credited for --

DR. MORRIS: Yes, sure.

(Laughter)

MR. BARTON: Are you okay, Craig, or do you want to reconsider that?

MR. TILLERY: I will accede to the will of the group.

MR. BARTON: All right, thank you. (Indiscernible) some more items on the program. If you'll look in your book, in the public comment, there's a letter in here to the -- at least some of the Trustee Council members. Thank you, Mr. Rosier.

MR. ROSIER: Excuse me.

MR. BARTON: At any rate, what it's doing it's so offering to work with the Trustee Council, the private landowner offering to work with the Trustee Council to modify or possibly modify the management on private lands, and I'll just read part of this. The first letter under public comment is in the book. Koncor has approached the Trustee staff on several occasions with ideas of such restoration enhancement projects. We currently have active timber harvests and forest management activities on Afognak and Montague Island. The staff response has always been positive and supportive, but unfortunately nothing has happened. This is clearly evidenced by the lack of any restoration projects that private landowners included in the '94 draft work program. The site projects Koncor has addressed have included such things as salmon stream enhancement, modifying stream buffers, wildlife reserve areas, rescheduling of harvest and (indiscernible), routing of roads to avoid critical habitats for spill damaged species. These are all projects that can be done cooperatively with present landowners who choose not to sell their land to the government, but are still concerned about restoration or enhancement. What I would propose that we do is ask the Executive Director to meet with Koncor and see what possibilities there are to do this. I think it's commendable that we have a private landowner offering to help. In following up on this letter and in conversations with the author, they're not actually looking for money, but looking to take advantage of an opportunity to do some of these things while we

have equipment in the area, and in many cases these are no-cost items. So if there any discussion that we want to have on this or not, but it just seems like an awfully good opportunity we could take advantage of and, in fact, we'd be remiss if we didn't. Mr. Sandor?

MR. SANDOR: I second your motion to have the Executive Director consult with the author of the letter and to report by teleconference.

MR. BARTON: Any further discussion? (No audible response) Any objection to the motion? (No audible response) Hearing none, the motion is adopted. Is there any further discussion on the '94 work plan? Mr. Sandor?

MR. SANDOR: It's just a question on the process and the comments, and I know many that's been summarized, this has been the case. Last year when we went through this process after the fact, there was some criticism about the competitiveness and projects identified by private researchers that were, in fact, not integrated. Was there anything like that appeared in -- this year?

UNIDENTIFIED VOICE: I'm not familiar with any, but --

MR. SANDOR: Thank you.

MR. BARTON: Any further discussion on the '94 work plan? Okay. As I understand Mr. Frampton's motion as it's been amended, it runs like this, that we adopt the Executive Director's recommendations with these amendments or these modifications: one, in places where we talk about normal agency responsibilities that we collect the discussions we had over what that means with

particular relationship to projects '255 and '258 and others as they occur throughout the document. The second amendment are both of Mr. Sandor's amendments, the two resolutions that he put forward, one entitled Resolution to Approve Funding for Expansion of the University of Alaska Institute of Marine Science at Seward, and the second resolution is the resolution to proceed with the habitat protection program. The third amendment relates to Project '320, that we conceptually approve the funding level, that the Executive Director come back with the details developed, that we teleconference within thirty to sixty days for a decision, that the time-critical field studies be identified as soon as possible, and that the legal -- or that the attorneys provide us legal advice in relation to this project in time for the teleconference. The next amendment was Project '422, in which we adopted option set A for the alternatives for the environmental impact statement. The next amendment was the funding of the marine mammal book for twenty thousand dollars. The next amendment was related to NEPA compliance and the lack thereof for some of the projects in the work plan, and we adopted the Executive Director's language with regard to that. The next amendment was Project '199 where we appropriated up to fifty thousand dollars to the Executive Director to get that project underway. And the last amendment I have note of is in relation to the January 18 letter from Koncor in wanting to work with the Council in relation to management practices on private lands where the landowners do not wish to sell, and we directed the Executive Director to meet with the corporations to

further explore opportunities and get something developed for us and some recommendations in time for the teleconference in relation to Project '320. Does anybody else have any further notes or amendments?

MR. TILLERY: Mr. Chairman?

MR. ROSIER: Mr. Chairman, I trust that we'll be sure to understand what we did with '421. It's my understanding that we'd adopt a formal action on the recommendation that Mr. Sandor asked for the legal reviews of the issues surrounding '421, and that would be part of the consideration when we, in fact, took up '320.

MR. BARTON: That's my understanding as well, was that was actually part of the '320 work plan.

MR. ROSIER: Yes, that's correct.

MR. BARTON: A minimum of one point five, hopefully the lawyers will --

MR. AYERS: Should the lawyers find -- the lawyers clarify why we cannot fund the full three twenty --

MR. BARTON: Right.

MR. AYERS: -- five that's needed for, at least, the PWSAC effort? Is that consistent with your understanding there in Anchorage?

MR. TILLERY: Yes.

MR. BARTON: Is there anything else that I missed?

MR. TILLERY: Mr. Chairman, I believe that we --

(Simultaneous indiscernible background conversation coming

from Juneau)

MR. TILLERY: Mr. Chairman? Mr. Chairman? Mr. Chairman? Mr. Barton?

MR. BARTON: Is there further discussion?

UNIDENTIFIED VOICE: Yes.

MR. TILLERY: Mr. Barton?

MR. BARTON: Yes?

MR. TILLERY: Did you mention that we had deleted the contingencies from '256 and '258, and that under '007, the Executive Director was to seek to solicit private organizations to carry out those activities?

MR. BARTON: I did mention that, but I appreciate your clarifying that. Mr. Pennoyer.

MR. PENNOYER: I'd ask Mr. Wright to discuss the administrative detail on the proceedings.

MR. BARTON: Can we vote on that first?

MR. PENNOYER: Oh, I thought we had. Okay.

MR. BARTON: Any objection to the motion? (No audible response) Hearing none, we've just got a '94 work plan.

(Applause)

UNIDENTIFIED VOICE: With a teleconference on it in another two months.

MR. BARTON: Mr. Pennoyer.

MR. PENNOYER: Mr. Wright, please, would you tell us about the proceedings?

MR. WRIGHT: Thank you. We are advancing on having the

proceedings published, although because we have problems with time delays, working with NOAA's contracting abilities that we're going to run into -- we're going to put back our publication date. What we would like to do is go a second -- go with an alternative route, and that is to let the sixty-nine thousand dollars (indiscernible) contract for that -- for publication of the proceedings at no additional expenditure of funds because we'll be having a state agency take care of the contract.

MR. BARTON: (Indiscernible -- simultaneous talking)

UNIDENTIFIED VOICE: I'll move and second.

UNIDENTIFIED VOICE: The case may be --

(Laughter)

MR. BARTON: Is there any further discussion on all this? (No audible response) Any objection to the motion? (No audible response) The motion passes. Any further (indiscernible) has asked me to put on the work plan (indiscernible).

MR. ROSIER: Mr. Chairman, I had a -- one additional item here that's been brought to my attention here during the course of this meeting today. We had a gentleman by the name of Dave Gibbons that gave us awfully good service during the pioneering days of this organization on this. We thought that we'd ask for support in passing a resolution of appreciation for Dave Gibbons, in recognizing his accomplishments and dedication as he worked as the administrative director of the Exxon Valdez Oil Spill Trustee Council. With your concurrence, I'll read the resolution here.

MR. BARTON: Thank you.

MR. ROSIER: Whereas Dave Gibbons was the interim administrative director of the Exxon Valdez Oil Spill Trustee Council from its inception through 1993; whereas, in that role Dave was an influential force in overseeing and pioneering restoration activities for the country's largest oil spill; whereas, during that time, the Trustee Council accomplished millions of dollars of restoration, monitoring, and research activities and the first two habitat purchases; and whereas, the accomplishments of the Trustee Council were made only with Dave Gibbons' exceptional dedication, experience, and effort; therefore, be it resolved that the Exxon Valdez Oil Spill Trustee Council expresses its grateful appreciation of Dave Gibbons' work as Interim Administrative Director; recognizes his effort, creativity, and immeasurable contribution to the restoration of the injuries caused by Exxon Valdez oil spill; and gives their personal appreciation for his exceptional dedication and accomplishments. I so move that resolution, Mr. Chairman.

UNIDENTIFIED VOICE: Second.

MR. BARTON: Any objection to the motion? (No audible response.

(Applause)

MR. BARTON: We'll recess until 5:30. We need to recheck some batteries I'm told.

(Off Record 5:15 p.m.)

(On Record 5:35 p.m.)

(Resumption of public comment session)

BRIDGE OPERATOR: Excuse me, we do have Anchorage on line.

STAFF: This is L.J.

MR. BARTON: Is Anchorage ready?

STAFF: Yes, sir, I believe so. (Laughter) I hope we don't blast you out, the whole balance has changed once more, and I'll give it back to Craig now.

MR. BARTON: All right.

MR. TILLERY: Okay, maybe if we could establish just a couple of ground rules. Are we going to -- we haven't done this before, we've had two public comment sessions. Are we going to allow people to speak twice, and do we still have our three minute limit in effect or is it open season within reason?

MR. BARTON: We still have our three minute limit in effect, and I think the priority ought to be for those who have not spoken before.

MR. TILLERY: Okay. Okay. In Anchorage here, the first person we have for comment is Joe Wilson. (No response). Mr. Wilson is not here. We have Mary McBurney.

MS. MARY MCBURNEY: Thank you, Mr. Chairman. Members of the Trustee Council, my name is Mary McBurney, and I am Executive Director for Cordova District Fishermen United, and I've also had the pleasure of serving as an alternate on the Public Advisory Council. I'm going to be framing my comments in the past tense for the most part, and I would like to thank you very much for approving funding for the Prince William Sound ecosystem

assessment, the SEA plan, and I do look forward to seeing perhaps a little bit of a reversal in terms of the common properties salmon stock restoration plan. This is a project that is very critical to those people in Prince William Sound that rely on the common property fisheries for their livelihoods and also for the economic viability of the communities in the area, and if there is any possibility of perhaps finding funding that can fit into a different criteria perhaps than what the Department of Justice has come up with, we would certainly appreciate it. Now, if I could just switch my comments more from a Public Advisory Group perspective, and I would like to address Project '199, that is the Seward -- well, not sea life center any longer, but the enhancements to the Institute of Marine Sciences in Seward. When this project came before the Public Advisory Group a couple of weeks ago, we were not given the benefit of any detailed information on what the project entailed, nor did we have the benefit of what the budget was going to include, and at this point I understand you do have at least a conceptual approval on the table for this project for approximately twenty-five million dollars, and my concern here is that the Seward project is being held to a different standard of public review than the other projects that did come before the Public Advisory Group that were presented to us in great detail in the 1994 draft work plan. So, with the affirmation that I heard earlier expressed by Mr. Sandor for including the public in more ways to provide meaningful input, I certainly would hope that the Seward project would somehow come

before the Public Advisory Group for more review so that the public will have an opportunity to take a look at this project in its fleshed out configuration and also take a good hard look at the proposed budget as well. Thank you.

MR. TILLERY: Thank you, Ms. McBurney, and thank you for waiting around.

MR. BARTON: Craig, I think we have a comment here in Juneau.

MR. TILLERY: Okay.

MR. PENNOYER: Craig, a comment. This is Steve Pennoyer. The Trustee Council resolution does not fix a particular funding level and left that up to the Executive Director coming back with the various aspects we asked them to review, including integration of other fundings sources, the integration of this project with the overall research plan. So, my assumption is that it's going to come back. I don't know if the PAG is going to meet in the interim, but I presume if they do they could be made available -- this could be made available to them as well.

MR. SANDOR: And may I add a request that we do in fact schedule in (indiscernible) the Public Advisory Group's report to us (indiscernible) they want greater involvement, participation, and it's a good place (indiscernible -- poor teleconference transmission quality).

MR. TILLERY: Commissioner Sandor, you were breaking up on that comment. Commissioner Sandor, you were breaking up on that last comment, could you repeat that, please.

MR. SANDOR: I was just saying, the Public Advisory Group in its report to us, Dr. French pointed out that they wanted to be even more specifically involved, and I said we should, in fact, prior to the sixty day teleconference, run this and whatever else is appropriate through that group.

MR. TILLERY: Thank you. Are there any other questions or comments?

MS. MCBURNEY: No, not at this time.

MR. TILLERY: Okay. Do we have anyone at Chenega Bay? (No response) Do we have anyone left at Cordova?

MR. JOHN BOTCI: Yes, good evening. This is John Botci -- B-O-T-C-I -- in Cordova. First of all, I'd like to briefly comment as to the purpose of this public hearing after the fact. I'm a little bit -- a little appalled actually at the -- excuse me. Let me just read briefly what I have written in front of me. I'd like to speak in support of plan 9'320, the ecosystem study plan; 94421, the common property salmon stock restoration; 94165, herring genetic stock identification in Prince William Sound; and 94166 herring spawn deposition and reproductive impairment. In addition, I would hope the lead scientist has displayed his position for the distribution of funds for the 1994 work plan. Those of us in the spill-affected area are dumbfounded how anyone could continually ignore recommendations from peer review and public comment. There seems to be a gross amount of funding going to administrative costs and very little going towards restoration. It's a pattern that's still being promoted, and

before any more funds are spent in this direction, I would like to see some justification and what was the results from past actions that have been conducted by the research team. Again, in reference to 94199, the Alaska Sea Life Center, I am more than slightly appalled that the Seward center was fully funded. I consider this more of a debacle than a public process. It's obvious to me that decisions have been made elsewhere, and we're all just wasting our time here, and I'm very sorry I feel this way, gentlemen, because I had a lot of hopes for this process. However, I'm feeling slightly let down and more than a little disappointed. Good evening, gentlemen.

MR. TILLERY: Thank you, Mr. -- any Trustee Council members have comments or questions?

MR. PENNOYER: Mr. Chairman -- or Mr. Organizer, I think I need to clarify that one more time. The Trustee Council did not fund the Institute of Marine Sciences at Seward. We asked for further study on it, we approved in concept that we would be doing something there, we asked the Executive Director to come back with an integrated approach that integrated it with both the other research efforts that we're putting in the spill area and other funding sources that would be used in this regard, as well as some further evaluation of the -- of that project proposal. So, the fact that was not approved in a specific amount, the concept of doing some expansion of the effort there was approved -- I don't think we approved a particular amount of spending for the study.

MR. TILLERY: Are there any other comments? Okay, thank

you, Mr. Bobby (ph). Do we have anyone in Fairbanks? (No response) Is there anyone in Juneau who wishes to testify?

MR. ARMIN KOENIG: This is Armin Koenig. I am in Juneau right now because of the fog, but I'm a Cordova fisherman, senator, and I'm also on the board of directors of PWSAC corporation and have been for about ten years. (Indiscernible -- poor teleconference transmission quality) testimony here after the fact, but I would like to read into the record. I think no one is confused that the ecosystem has suffered damages by the Exxon Valdez oil spill. Salmon are part of our ecosystem, of course, a very important one, not only to other marine and terrestrial animals and birds, but a great (indiscernible -- poor teleconference transmission quality) personal relationship are linked to the salmon resource, but of course to all the people who depend on the health and productivity of salmon stocks on cultural, subsistence, recreational and economic benefits. Other links within the ecosystem to any direct damages to salmon stocks, the severity and duration of such damages are currently not fully understood, and it's such lack of knowledge that is being substituted by assumptions, (indiscernible -- poor teleconference transmission quality) and hypothesis, and it is very difficult to arrive at consensus decisions about the extent of damage and what and how to restore. A questionable diagnosis of a disease will most likely lead to a questionable treatment to affect a cure. Nevertheless, it is obvious in (indiscernible -- poor teleconference transmission quality) productivity of the sockeye

salmon, (indiscernible -- poor teleconference transmission quality) and west Port of Valdez pinks, it is fraught with Prince William Sound problems. Loss of salmon resources in Prince William Sound are a loss of services that this resource has provided in the past to all other animals, and not to forget the humans, that are the people -- the community property fisheries, communities and labor forces. According to (indiscernible -- poor teleconference transmission quality) lost services are to humans (indiscernible). In Prince William Sound, salmon hatcheries provide very important benefits to the salmon resources and all of its users. One, we need to provide (indiscernible) of fish for controlled research. Second, hatcheries are an effective tool (indiscernible -- poor teleconference transmission quality) for restoring damage to depressed wild stocks. You let these go away, you will miss the opportunity of wild stock restoration efforts, (indiscernible) fishing quotas, favorable environmental (indiscernible) conditions, breeding mortality with such damage and depressed stocks will come back. And third, we need to (indiscernible) hatchery salmon are an important part of the Prince William Sound regional resource management goal. (indiscernible -- poor teleconference transmission quality) optimum sustained yield of wild and hatchery salmon for common property benefit as part of and within a healthy and balanced ecosystem, who, in other words their production goal is aimed to maintain an environmentally sustainable economic growth. If the (indiscernible -- poor teleconference transmission quality) hatchery system or the (indiscernible) hatcher system goes

down, so will the regional economy, as it is based on the productivity of marine resources.

MR. TILLERY: Thank you, Mr. -- sorry, you have reached your three minutes. Could you conclude, and we would also -- it would be helpful if you could spell your name for the record here.

MR. KOENIG: My name is Armin Koenig. A-R-M-I-N, K-O-E-N-I-G. (ph). I'm finishing my remarks out. The hatchery system now needs financial support that the salmon resource currently does not provide. It provides long enough, and has not used all the opportunities (indiscernible -- poor teleconference transmission quality). For all these reasons I mentioned, I support the project 94421, the common property salmon stock restoration; 94320, ecosystem studies plan; and 94137, 94139, 94165, 94166, 94184, 94185, 94187, 94189, 94194, 94192, `259, and 94272. Thank you, that's all here.

MR. TILLERY: Thank you, sir. Any questions or comments from the Trustee Council? Do we have anyone in Homer who wishes to testify? (No response) Okay. Do we have anyone in Kenai-Soldotna who wishes to testify?

MR. THEO MATTHEWS: Yes, we do.

MR. TILLERY: Please go ahead -- if you could give us your name.

MR. MATTHEWS: My name's Theo Matthews. I'm representing the United Cook Inlet Drift Association as their administrative assistant. This is the first council meeting I've missed. I just couldn't make it to Anchorage. From some of the comments I've

heard, a lot of my comments may be, quote-unquote, after the fact. I'll find out later what you did today. In general, I'd like to support all projects that are aimed at supporting the fish resources -- the fisheries resources of Prince William Sound, Kodiak and Cook Inlet that were damaged by the Exxon Valdez oil spill. In terms of Cook Inlet, in particular, I would like to recommend the continuation of funding for projects '258, '255, and '504. These projects are critical. The Kenai River sockeye salmon resource represents ninety percent of the income for the Cook Inlet commercial fishery, and therefore it affects the lives of about thirty-five hundred harvesters, three thousand processors, and the other businesses that support our industry. These projects have been ongoing, and we hope we had or will have your continued support. I'd also like to make a comment in terms of projects '199, that used to be called the Seward Sea Life Center, I'm not sure what it's called now. I understand it's being modified, and until we see the final parameters we won't really comment, but in general we don't feel that we need another research center. We need the projects, we need the funding to go to the resource. Thank you very much.

MR. TILLERY: Thank you, Mr. Matthews. Any questions or comments from the Council? Is there anyone in the Kodiak LIO who wishes to testify?

MR. WAYNE STEVENS: Yes, good evening. My name is Wayne Stevens. I'm the executive director of the Kodiak Chamber of Commerce. And, member of the Exxon Valdez Trustees Council, I just

want to relate to you that the Kodiak Chamber of Commerce supports the continuation of the process to complete habitat acquisition on Kodiak Island, Shuyiak (ph) Island, and Afognak Island. We have supported these projects from the onset and feel that it's important for you to conclude the negotiations for the acquisition of this habitat. Thank you.

MR. TILLERY: Thank you, Mr. Stevens. Any comments from the Trustee Council? Is there anyone at Seward who wishes to testify?

OPERATOR: Yes, Mr. Chairman.

MR. MIKE WYLIE (ph): My name is Mike Wylie (ph), and I'm a commercial fisherman, fished in Prince William Sound prior to the spill -- '84 to eighty (indiscernible -- poor teleconference transmission quality) right over there, and had a set net site in Cook Inlet since 1976, which was running at the same time. I am also a laborer, and I worked on the oil spill. I live in Seward in the winter and in Clam Gulch during the summer. When I say I worked on the oil spill, I was very familiar with the chaos that occurred when we were trying to find places for otters and birds here in Seward. We -- as a laborer I worked on making -- starting to set up the army -- the Air Force rec camp, we got started to set it up, and then we were told we couldn't set up there, lost a day or two of work that we -- to set that up. We eventually set up a separate area for the sea otters down by the Institute of Marine Science, and in fact actually used some of their facilities at the Institute of Marine Science pool there that they had used for

research, I believe. I can remember distinctly a situation one morning when we came into work. We had cages around the pools, and the otters -- I think we had -- we had as many as a hundred and thirty there at one time. One of the otters during the night had climbed up on top of the cage, over the fence -- good at diving in the water, wasn't so good at diving in the air, and was killed. I know this isn't about whether you save one otter, it's more about knowledge, and we need some, believe me. People didn't realize otters climbed, I think at that time. We frantically went around the next day and put lids on the cages. But I as a commercial fisherman, usually about this time of year, we start getting ready for the herring run in Upper Cook Inlet where we have a bait herring fishery. The last couple of years it's been closed down. Why, we don't know. Is it due to the spill? Maybe. It may be just migratory routes, but there's no money to study those herring, so we don't know, Fish and Game doesn't know. But we won't be getting ready for herring this year. Runs in the Inlet, there's been changes also. The pink salmon that run up in the Kenai River, it's just very minimal compared to what they were. Why was that? Maybe people don't care because the pinks are such a low priced fish, but it has something to do with the entire system, and I just, you know, ask of you to try to get more knowledge and try to find out what is going on, and the Institute of Marine Science has got a good record finding that. They've done research on salmon, sprat, on the marine environment in general, they've got a new boat coming on line. I think any kind of enhancement you can do so more

knowledge can be obtained will help all fishermen. One last point is that Seward is logistically very important. It's right between these other fishing areas, and is hours from Anchorage by road and a half an hour by flight. So, it's logistically -- it's a perfect location to serve this area.

MR. TILLERY: Thank you, Mr. Wylie. Your three minutes is concluded. Is that the end of your remarks?

MR. WYLIE: Yes.

MR. TILLERY: Are there any questions from the Trustee Council? Is there anyone at Tatitlek who wishes to testify? (No response) Is there anyone in Valdez who wishes to testify? (No response). Is there anyone in Whittier who wishes to testify? (No response) Let's go back to Anchorage. Bill Hull? (No response). Bill Lindow? (No response) Dan? Dan Hull is here.

MR. DAN HULL: Thank you, Mr. Chairman, members of the Trustee Council. For the record my name is Dan Hull. I am a gillnetter in Prince William Sound, chairman of the Prince William Sound Aquaculture Corporation, and co-chair along with Torie of the planning group in Cordova. Over the past six months, I have become more involved in the Trustee Council process than I ever intended or would care to admit, and I would describe my experience variously as frustrating, fascinating, and encouraging. In the past few months, Jim Ayers and Molly McCammon have made an extraordinary effort to pilot the EVOS ship through the political, scientific, and legal storms of this institution. I appreciate and commend their efforts and am particularly encouraged by the draft

ecosystem-based management structure which will guide future restoration of the entire spill area. However, I do have serious concerns about the EVOS decision-making process in general, and that is, that politics may hold sway over or color the legal and scientific aspects of the Trustee Council process. I hope that the public as well as the Trustees will recognize and control or manage this issue in order to preserve the integrity of and achieve a healthy balance of science, law, and politics. As others have mentioned, I am speaking after the fact a bit. I appreciate your support for the proposals on fisheries research projects in Prince William Sound, as well as though in the Kenai. Turning in particular to the common property salmon stock restoration proposal, in light of legal questions raised by the federal Department of Justice regarding this proposal, the recommendation to fund PWSAC hatchery fry releases as a research tool is certainly one valid justification with which the aquaculture corporation would agree. The salmon enhancement program has provided much of our current knowledge about marine survivals of fry and smolt by size and time of release, nearshore migration patterns, the duration of early marine residency, growth rates and other aspects of the life histories of these species. Without the enhancement program, it would not be possible to conduct some of the proposed research projects in the FY94 work plan, and our ability to understand the marine ecosystem as well would diminish. However, we do not agree that research is the only justification for funding for PWSAC, and our review of the settlement agreement, as described

by John McMullen, indicates that 94421 falls well within the legal guidelines of Trustee Council spending. I recognize that the legal questions raised by the Department of Justice cannot be resolved at this meeting, and greatly appreciate the efforts put forward by the Executive Director Jim Ayers and state and federal officials to find a compromise. And in particular, I would like to thank Governor Hickel for his solid support of the PWSAC and the state's salmon enhancement program. However, I am deeply disturbed by the fact that the Department of Justice can issue a legal opinion about EVOS decisions which affect the future of the people in the communities of Prince William Sound, but which will never be made public and will never be understood and can never be questioned. I do not believe that this is consistent with the open and cooperative approach to decision-making on the EVOS Trustee Council of which so many policymakers have spoken. Therefore, I would suggest that in the future, this legal information be made available and in specific, or in particular, I would hope that if this legal issue is going to be reviewed further, that that -- those documents be made available to us so that we could look at them as well.

MR. TILLERY: Thank you, Mr. Hull, your time is up. Have you finished?

MR. HULL: I will just close with an introduction to the original perspective of PWSAC, which was written almost twenty years ago, and it's as valid now as it was then. "The non-profit concept is to serve everyone who fishes in the common property

fishery and to assist the state in a common effort to rehabilitate our depressed fisheries. Participation in the rehabilitation program by fishermen, the processing industry, and communities will bring a noticeable change in Alaskan fisheries, i.e., from a managed public to a responsible, knowledgeable, actively participating public, which is willing to share the responsibility for our public resource. We are willing to make a single-minded and continuous commitment to this challenge as we are, by choice socially and emotionally, tied to this livelihood -- fishing." Thank you.

MR. TILLERY: Thank you. Do we have a comment from the Trustee Council?

MR. SANDOR: Yes, Mr. Chairman -- or facilitator. I do want to -- I would seize that suggestion that Dan put forward, namely that we do get the various opinions on the legality of that and make it public. I guess I would move that we attempt to do that -- the opinions, adverse opinions, part of the public record.

MR. ROSIER: Second the motion.

MR. TILLERY: I think I heard a motion and a second?

MR. SANDOR: The motion was to seek the written opinions on the issue -- the legality or illegality or the problem -- and make that available as part of our public record. (Extraneous noise over teleconference system).

(Laughter)

MR. ROSIER: I second.

MR. PENNOYER: That wasn't a comment on the motion, by

the way.

(Laughter)

MR. TILLERY: Is there additional comment on the motion? (Laughter) Hearing none, is there anyone opposed to the motion? (No response) The motion carries. I understand we will seek, which I interpret to mean we will contact the federal agencies that were given the opinion and see if they will release, waive any attorney-client privilege or whatever else they may claim.

MR. BARTON: Craig?

MR. TILLERY: Is there any further questions or comments?

MR. AYERS: Mr. Facilitator, I would appreciate it, I did see a copy this past week that I think was faxed to me with regard to the legal opinion that Mr. Hull has referred to, but I would appreciate it if Molly would retrieve that from Mr. McMullen or whoever is there in Anchorage and, if, in fact, I could request the good services of the Attorney General's Office and being the focal point of a state opinion, including that which Dan Hull has, and then we would work together with Mr. Brighton, as I understand it, of the Department of Justice, and have all of the attorneys share their wisdom with us at one point so that I didn't continue to seek individual opinions, one at a time. So, if you would help me there Mr. Facilitator, I would appreciate it.

MR. TILLERY: We will do that. The next person is Chuck Totemoff. (No response) The next person is Pamela Brodie, in Anchorage.

MS. PAMELA BRODIE: Thank you, Mr. Chairman, I'm Pamela Brodie from the Sierra Club. First, congratulations on agreeing on a 1994 work plan. I would like to commend Mr. Jim Ayers on the hard work he has put into this into creating a comprehensive package with an ecosystem approach to present to you, and I feel reassured that the Trustee Council has now set a mission and goals and objectives and is working on strategies. As an observer, I'm not sure how accurate it is, but it always seems to me that the annual work plans were rather scattered as to what was being proposed and which projects were being agreed upon -- were being funded. It seemed to be a kind of a random approach. Now it looks like a more rational approach. I don't agree with all of the decisions. These aren't necessarily the decisions I would have made about what to fund and what not to fund, but I do think that it's a sensible, well thought out approach, and I'm very pleased to see that. I also think that in the past, there has been perhaps excessive monitoring, not that this causes harm, but it is very expensive to count every species in every place every year, and I'm glad to see that that is coming under more control now. I do have a couple of major concerns, and one is regarding the Seward Marine Science Institute. I'm glad to see that the Trustees are not moving too quickly on this. I don't think there's any need to move quickly on this, and I'm glad it was not fully funded at this meeting. It does seem to me that it's been a backwards way of approaching a project that, first of all, people in Seward wanted an institution in Seward, and there was a search for ways to

justify it, at least that was the impression that I got and I think many other members of the public got. Whereas, a more rational approach would be to first start out looking at what scientific needs -- what needs the scientists had and then figure out a way to meet. It does seems that at least now this more rational approach is getting some attention. But I'm not convinced that this institute is necessary, especially at the proposed funding levels. Just because we need to send out laboratory samples Outside, that we need a twenty-five million dollar project to be able to process inside. My time is up. I'll just say my other concern is that the habitat protection process may be so rigid that it might be -- prove to be impossible to actually acquire habitat, and I hope that if this process that you have adopted doesn't work, that you will be more flexible in the future. Thank you.

MR. TILLERY: Thank you, Ms. Brodie. Are there any questions or comments from the Trustee Council? (No response) Okay, we're going to go around the teleconference sites again. Just so we can get a better sense of our time here, I'd appreciate it as each site comes on if they could give me an estimate of how many people are or will be wanting to testify at that site. Is there anyone from Cordova who wishes to testify?

OPERATOR: We have four people remaining.

MR. TILLERY: Okay. Thank you. Could we have someone.

OPERATOR: Seward has three that would like to testify.

MR. TILLERY: Okay, let's go ahead and hear from Cordova.

MR. CHARLES WEAVERLING: Mr. Chairman, members of the Trustee Council, my name is Charles K. Weaverling. I am the past mayor of Cordova and vice chair of the Prince William Sound Economic Development Council, and a former director of the Wildlife Recuse Fleet in Prince William Sound during the Exxon Valdez oil spill. I am pleased that you did not approve the Seward Sea Life Center; however, I am disappointed you conceptually approved it. This has not been reviewed by peer scientists, it has not been adequately reviewed by the Public Advisory Group, and no public review has occurred. You have conceptually approved a pig in a poke to the tune of twenty-five million dollars. This group claims to be an umbrella organization, yet little or no contact with other scientific organizations exists. Your non-reviewed plan is basically bricks and mortar, not in the spirit of the EVOS settlement. There is minimal description of the scientific project, and what there is emphasizes marine mammals, such as sea lion and harbor seal research in captivity. Captive research is not ecosystem research, and I should point out it gives no cost to do the research. I would like to point out that some of what Seward says it will do is redundant and (indiscernible -- poor teleconference transmission quality) established operating Oil Spill Recovery Institute, which was mandated in OPA90. In summary, to make a project such as this to the tune of twenty-five million dollars should not be rammed down the throats of the public. I would like to speak in support of continued negotiations for habitat acquisitions and/or conservation easements on land owned by

Eyak Corporation and the Chenega Corporation. Of the seventeen parcels deemed the highest critical habitat by the Council's Habitat Protection Work Group, five parcels are owned by these corporations. Three of these five may be slated for clear-cuts very soon, adding to the large scale cuts the eastern Prince William Sound is already experiencing. Again, the potential scale of magnitude of these clear-cuts would threaten other important values (indiscernible -- poor teleconference transmission quality) and people. I urge you to redouble your efforts to reach a successful conclusion to negotiations for these particularly important parcels. Thank you very much.

MR. TILLERY: Thank you, Mr. Weaverling. Are there any comments or questions from the Council? Okay. Is there anyone from Juneau who wishes to testify?

OPERATOR: Mr. Facilitator, there is no one remaining in Juneau that wishes to testify at this time.

MR. TILLERY: Thank you. Is there anyone at Kenai or Soldotna who wishes to testify?

UNIDENTIFIED VOICE: (indiscernible -- poor teleconference transmission quality)

STAFF: He said no.

MR. TILLERY: Okay. Is there anyone in Kodiak who wishes to testify?

DR. FRENCH: This is John French. I'll try to keep my comments brief since I've already spoken. I wish to speak to you again as the science academic representative of the Public Advisory

Group, and as such I (indiscernible -- poor teleconference transmission quality) your recommendation to go forward with a more recent decision on the expansion of Fisheries and Ocean Sciences facilities. I wish to encourage the Executive Director and the Trustee Council to use the broadest possible regional representation of both public and scientists in developing this proposal. The current proposal contains many errors and programmatic inconsistencies. I think it's important that we work these out and we know fully well what we are getting into before we go forward to any great extent with this project. Second of all, I wish to thank you for taking the first step to establishing a reserve fund. This is a very important aspect for those of us who worked on this aspect with the Public Advisory Group, and I think would concur that this is a very important step forward. Finally, with respect to hatchery fish, I hope that you will go forward with the greatest diligence of your last resolution with respect to the legal status of hatchery fish. Genetically, they are identical to or are directly derived from wild fish. Once they are released by the hatcheries, they become a common property resource, they are managed by the Department of Fish and Game, which is indeed a Trustee agency, and by my reading that meets all the criteria in the Consent Decree to defining an eligible, natural resource. These have clearly been injured. If we lose the hatchery system, it will be absolutely impossible to restore this resource to its pre-spill status.

MR. TILLERY: Thank you, Mr. French. Could you give me

an idea of whether any more people in Kodiak wish to testify.

DR. FRENCH: I'm the last one, thanks.

MR. TILLERY: Okay, thank you. I believe there are three people in Seward. Could we have someone from Seward testify. (No response) Is there anyone at Seward who wishes to testify at this time? (No response) Okay. Are they on line?

STAFF: Yes, they were.

MR. TILLERY: Okay, well, we're move along to Anchorage and come back and try Seward again. Dune Lankard and Marie Smith? (Pause) You're going to have to speak pretty directly into the microphone. We're not picking it up.

MR. DUNE LANKARD: (Accompanied by Marie Smith Jones to the microphone) Okay. Thank you very much. My name is Dune Lankard. I'm a tribal spokesperson for the Eyak Traditional Elders Council in Cordova, and this is our chief, Marie Smith Jones. First off, Marie would like to have the opportunity to thank you for your efforts in trying to find a way to negotiate with the Eyak Corporation. I realize in your latest packet, your habitat protection packet, that you have outlined about thirteen different areas that are of Eyak lands that are up for restoration possibilities to protect in the future. What we would like to do right now is to express as a shareholder of the Eyak Corporation, both of us are, that we have been participating in a number of informational meetings that the Eyak Corporation has been putting on in Cordova, Anchorage, and one in Seattle, and they're going to have another one in Cordova within a week here, and what they have

been planning on doing is getting ready to put together their new three year logging plan, which will probably start, I would say, at the latest by March. And it's a three year plan, and it's to level approximately forty-five million acres of land between Rude River, which the head of Orca Narrows, all the way to Simpson Bay. And in this three year logging plan, they figured that they'll gross about thirty million dollars. They figure that they'll have expenses, operating expenses, of twenty-five million dollars, so the net operating profits, the five million dollars, that will go to the logging contractor that they already owe five million dollars to. So, as far as our shareholders, we have nothing to gain from this logging operation at all as far as dollar value, but the sad thing is, is that we are going to lose Orca Narrows. And Nelson Bay is named after Marie's -- one of the full-blooded Eyaks, who is -- his name is Gus Nelson, and so they named Nelson Bay after him. Now, at the head of Rude River on the right hand side is a creek called Stevens Creek, and it was where the last run of hooligan was harvested each year, and that was named after Marie's mother and father, Scar and Minnie Stevens, and so if you look at around 1925 it was the last subsistence area of the Eyak Indians. Up above Shepherd (ph) Cannery was another cannery, called Moore's cannery, and that was a place where a fellow by the name of Moore had befriended the Eyaks and gave them boats and hunting equipment so they could go out and exist around that area because it was the last subsistence area for us to use because after the 1900's the canneries and railroads had come, we were pushed out into that

region.

MR. TILLERY: (Indiscernible -- simultaneous talking) three minutes. Would you conclude your remarks.

MR. LANKARD: So, we would like to ask the Trustees Council to aggressively pursue negotiations with the Eyak Corporation to try to come to some sort of agreement to protect this habitat because on the eastern side of the Sound there's the last run of wild stock chum salmon that needs to be protected, along with a lot of the animals that live in that region. So, we would like to ask that you come to some sort of terms with the Eyak Corporation as quickly as possible before they start harvesting the timber again.

MR. TILLERY: Thank you, Mr. Lankard.

MR. LANKARD: Thank you.

MR. TILLERY: Ms. Smith, did you ... (No audible response from Ms. Smith) Thank you, and -- Trustee Council members have any comments or questions, I would first say that -- I cannot speak on behalf of the Trustee Council, but certainly on behalf of myself, we are willing -- I am more than willing to at any time speak with Eyak about their lands. Are there any comments or questions from the other Council members? Thank you very much.

OPERATOR: We're back on line. This is Seward.

MR. TILLERY: Is that Seward that's just came back on?

OPERATOR: Yes. Seward is back on line.

MR. TILLERY: Okay, could we have someone from Seward who wishes to testify.

MR. WILLARD DUNHAM: Yes, Mr. Chairman. My name is Willard Dunham. I'm president of (indiscernible -- poor teleconference transmission quality), and I'm also on the board of trustees for the project -- institute project here in Seward. I have listened this morning and this afternoon and this evening, and I would like to thank you for the action that you have said you have taken earlier in the day in regards to this. It's a little disappointing to hear some comments and the negativeness that has been spoken about the project without really ever (indiscernible -- poor teleconference transmission quality) working with us or help us with this facility. The facility is designed, and it's not something new. It's been around and it's been suggested that this type of facility, a major science facility as this, has been needed even since the late '60s when the National Science Foundation and NOAA's first major studies for Alaska. The University, as we all know, has been very serious times in picking -- trying times in picking up the necessary funding and monies for research, and the opportunity that we put together is -- we see it as working in conjunction with them all (indiscernible -- poor teleconference transmission quality) (Extraneous loud noise) Is that my time?

(Laughter)

MR. TILLERY: Please continue.

MR. DUNHAM: To sum it up, it's a good project. We have had literally hundreds of scientists from all over and around the world in reaction from this, plus the scientists that you have had testify before you, and a project (indiscernible -- poor

teleconference transmission quality)in the realm of the research facility. I hope you will listen to them. I hope we will work forward in it. I would be more than willing to help in any way I can for the rest of the areas to better understand the project.

MR. TILLERY: Thank you, Mr. Dunham. Any questions or comments from the Council? (No response) At this time, is there anyone else in Cordova who has not previously testified who would like to testify?

MS. ROXIE ESTES: My name is Roxie Estes. I was born and raised in Prince William Sound. I'm a commercial salmon seiner. I can't believe that you are possibly considering seriously postponing the funding for hatcheries or the Prince William Sound studies on our fisheries. The all time amount of damage done by the Exxon is glaringly evident. We have become the black hole of Calcutta in a state awash with a fair amount of plenty. If there is any doubt, get off your rear ends, get down here and see for yourselves. Oil from the Exxon is painfully easy to find. I wish to hell that it all disappeared the way Exxon would have everyone believe. We had a working system in place, not perfect because the state had most of the salmon locked up for several years prior to the spill. Good management was no management for the Prince William Sound area, but the fishermen were left with the hatcheries, which was never intended to be the entire mainstay of the fishery. We got stuck with that scenario. Through no fault of either the fishermen or the hatcheries, the Sound is so heavily polluted, it is destroying instead of promoting

life. First the oil industry flattened us with the spill (indiscernible -- poor teleconference transmission quality) literally kicking us when we're down. Buying trees, building whale jails and museums for all those bones, I would under the impression this so-called fund was to try and repair the damage done. It's high time you quit wasting time and money and get started. Before the Exxon, Prince William was not only a glorious place to live but a good place to make a living. The oil companies might be doing fine now; the rest of us that were here before oil and planned on being around after it was gone are nearly wiped out (indiscernible -- poor teleconference transmission quality) financially and emotionally. It's criminal that you people can't be held accountable for your actions. (indiscernible -- poor teleconference transmission quality) is the mildest term I could apply.

MR. TILLERY: Thank you, ma`am. Are there any questions or comments from the Council? (No response) If there is anyone in Anchorage who has not previously testified who wishes to testify and perhaps hasn't signed up? (No response) Is there anyone in Seward who has not previously testified who wishes to testify at this time?

MS. ARLENE WYLIE: Members of the Exxon Valdez Trustees Council, my name is Arlene Wylie (ph). I have resided in Alaska for nearly thirty years, and I reside in Clam Gulch and Seward. I support the enhancement of the Institute of Marine Science in Seward. As part of a commercial fishing family, I believe that we

need the research (indiscernible -- poor teleconference transmission quality) in order to continue the fishing resource. I ask you to accept the concept of the expansion plan fully, the Institute of Marine Science, that we can continue to attract scientists, provide more research and answers with up-to-date technology. The Institute of Marine Science here in Seward has been reviewed by scientists internationally, and (loud extraneous noise) and carefully designed to be a highly qualified plan -- the Institute of Marine Science, one of the ten best oceanic research centers in the world. Thank you for your time, and we look forward to even more positive results.

MR. TILLERY: Thank you. Any questions or comments from the Council? Is there anyone in Cordova who has not previously testified who would like to testify at this time?

MR. MICHAEL ANDERSON: My name is Michael Anderson. I'm not a fisherman; I'm a Cordovan, and I'm testifying on behalf of the community. I was a councilman during the 1989 -- during the oil spill. I recall vividly the early days of the spill, while the world's concern was for Valdez (indiscernible -- poor teleconference transmission quality) namesake, Cordova whose economy was dependent on Prince William Sound fisheries was ignored. We had to go to Valdez to fight the nations press and bureaucracy and oil companies to realize that it was Cordova, with its ironically clean beaches, that was critically dependent on the resources that the spill was impacting. They are apparently still having the same difficulty, and it would appear that those with

better access to you or with federal conflicts that this money can solve are benefitting from this oil spill settlement while we are again being ignored. While the state fisheries suggest great -- good returns, Prince William Sound has had a consistent downward spiral in multiple fisheries. Cordova has lost canneries, probably will lose fishermen who have to go elsewhere to find livelihoods. When I was a councilman, we had nearly a million dollars coming in in fish tax, and now it is about a third of that or less. I was afraid in 1989 that we wouldn't know until -- just what the effects are, but I am sure they will realize in the coming decades the biological impacts of catastrophes like Chernobyl. I'm afraid now that we are just now realizing the effects of the spill and doing our darndest to look the other way. I know the spill had a great impact on Prince William Sound ecology. I want (indiscernible -- poor teleconference transmission quality) long-term state of Cordova, economy and mental health, so we can look forward to the future. I want that research to be done out of Cordova, a community that really depends on the accuracy of the information. It could be done immediately, and now is the best we can do. We have a science center, we have a plan, we have Fish and Game, we may still have PWSAC, let's get it started today. Look at the big picture for Prince William Sound. The trees, the deep water, and the streams. (indiscernible -- poor teleconference transmission quality) to be Trustees of this money and remedy the problem and not just passive the population centers. I don't want a shrinking economy, I don't want Kodiak to be picking up cheap boats from

Cordova, I don't like higher taxes, don't believe pork-barrelling solves anything. Please concentrate on Prince William Sound and its repair, (indiscernible) of Cordova's people, (indiscernible) and income (loud extraneous noise on teleconference network -- indiscernible).

MR. TILLERY: Thank you, sir. Have you concluded your remarks? (No audible response) Is there any comments from the Trustees Council? (No response) Is there anyone in Seward who has not previously testified?

UNIDENTIFIED VOICE: (On teleconference) Next time could we get the paperwork from the Executive Director ahead of time. We have one more person here.

MR. TILLERY: I'm sorry. Ms. McCammon, can you address that? -- the paperwork?

OPERATOR: I have one more person left, Mr. Tillery.

MR. TILLERY: Okay. I understand someone has requested -- apparently one of the sites did not get paperwork in advance.

MS. MCCAMMON: Mr. Chairman, all of the backup information was sent out to the LIO's earlier this week, with the exception of the Executive Director's recommended authorizations, and that did not get out to the LIO's until today.

MR. TILLERY: Okay. Thank you. We will try to get those out earlier next time. There was someone in Seward who wished to testify?

MR. ERIC OLSON (ph): Yes, my name is Eric Olson (ph). I was raised here in Seward, I've lived on the Kenai Peninsula all

my life (loud extraneous noise on teleconference network). I have been involved in the commercial fishing industry since I was a boy. I fished Prince William Sound, I fished Cook Inlet, I fished Kodiak, and I've seen those fisheries come upon good times and come upon bad times, and they seem to be cyclical in their nature, which we're all pretty much aware of. In the last ten years, I have run charters out of Seward and out into the Gulf of Alaska, was involved in the oil spill and involved with some of the research that was being done. Along the coastlines at that time, there was no research and they really were hard pushed along the coastline to get some pre-spill data. And the Institution (sic) of Marine Science here that's been established since 1969, its location is ideal, it has a deep water port, it has access inland. I feel that this facility is a facility that needs to be enhanced. In the last ten years, we have seen the kittiwakes, the Gulf population go through starvation periods, we see the decline of the harbor seals and sea lions, and we do not have answers. So this facility is a facility that needs to come on line, and it needs to come on line soon, and I just would like you all to consider that in your evaluation.

MR. TILLERY: Thank you, sir. Are there any comments or questions? (No response) Okay. Is there anyone left in Cordova who has not previously testified who wishes to testify at this time?

MR. DAVID SCHEEL: Yes. My name is Scheel. I'm a resident of Cordova and a recent addition to the scientific staff

of the Prince William Sound Science Center, also recovery institute. I am speaking to you now as a concerned scientist. I'm not representing the opinions of my employers, but I am concerned that the Trustee Council get the best possible scientific input they can. The Trustees and Jim Ayers have echoed that desire that the science that is (indiscernible) by the Trustee Council meet the highest possible standards. Today, two major scientific projects have received conceptual approval. One of these proposes in 1994 and beyond to collect data relevant to test possible hypotheses, hypotheses about the state of the affected areas. The other proposal is to built substantial laboratory and captured animal facilities. My understanding of conceptual approval is that it is contingent upon careful integration of these and other research projects. I would like to point out to the Trustees and the Executive Director that this balance must be sought between habitat protection and funding for research, so must balance be sought between laboratory science and field science. The two work well together. However, lab studies are, by definition, simplified goals more difficult to extrapolate for the entire ecosystem. Field studies, because they occur in the full spectrum of the wild environment are an opportunity for a much greater depth of understanding. The answers to questions about the effects of the Exxon Valdez oil on the natural ecosystem will not be found in the lab alone. That is not where the oil or the ecosystem resides. You have heard today considerable public concern about the scale of proposed laboratory facilities. This concern is also well

justified scientifically. I understand and sympathize with Trustees and Executive Director's frustrations when scientists disagree amongst themselves on scientific issues. This usually occurs because there is a grain of truth to each position, but I hope that the Trustees will seek broad scientific review on the desirable balance between laboratory and field studies (indiscernible) research in the spill-affected area. Thank you.

MR. TILLERY: Thank you, sir. Could you spell your name, please.

MR. SCHEEL: David Scheel. S-C-H-E-E-L.

MR. TILLERY: Thank you, sir. Any comments or questions from the Council? (No response) I guess at this time, we're passed 6:30, I need to ask the LIO operator if we can extend our use of the teleconference network? I think we only have three or four more people. (Pause -- no response) Hearing no objection (laughter), we'll move on. Is there anyone left in Cordova who wishes -- in fact I believe -- Seward, is anyone in Seward who wishes to testify at this time?

OPERATOR: (Indiscernible -- poor teleconference transmission quality)

MR. TILLERY: No. Is there anyone else in Cordova who wishes to testify at this time?

OPERATOR: (Indiscernible -- poor teleconference transmission quality) spoken.

MR. TILLERY: Can you repeat that, please.

OPERATOR: Everybody's spoken here.

MR. TILLERY: Thank you. We have Anchorage. We still have two people who have previously testified but would like to say something again. Mr. McKee? And is Ms. Bollenbach -- you'll be next then? So we have two people left.

MR. McKEE: My name's Charles McKee, and I have received a letter from the Legislative Affairs Agency, and this is pertaining to my activity on other testimonies, and it's wholly untrue, but because I'm not praising the activity of the legislative body or the Trustee Council, they've been -- threatened to cut me off from public testimony, and I would like to submit this as evidence as this letter -- which I don't have available copies, but I'd like to turn it in and have you people make copies of it. My legal jurisdiction is the fact that I do represent the Treasury, and I have commented the fact that this institution financing for the restoration of Prince William Sound and the problem that other people have stated, which is indeed the fact, that there is political, quasi-religious mentality intervening in the scientific and legal aspects to the restoration of Prince William Sound. We don't control our money, we can't control the restoration of Prince William Sound or any other aspect of our economy, i.e., society and debt burden thereof. And I've made that clear in my documentation time and time again, as I've stated on other legislative activity through the LIO, and I had received this letter, I signed it, certified I received it -- a certified letter today after I had previously testified.

MR. TILLERY: Thank you, Mr. McKee. If you would hand

it to me, I would appreciate it. I will try to -- we'll get it copied -- back to you. Can we have the envelope also. We can mail you a copy if we can't make a copy right now. Ms. Bollenbach, I believe you're the last person, although we'll ask one more time.

MS. BOLLENBACH: Thank you. Thank you very much for your indulgence. I only took about a minute before, so I've got at least two minutes, right?

OPERATOR: We have one more person in Cordova who would like to speak.

MR. TILLERY: Okay, thank you.

MS. BOLLENBACH: I'm from the Kachemak Heritage Land Trust, and I wanted to tell you a little more about a piece of land that we think would be wonderful for habitat protection and acquisition. It's ninety-seven acres, and I can't imagine the Trustees in Juneau can see this, but it's about five miles from the west of the base of the Homer Spit, and it's about a three and a half miles from Bishop's Beach, which is a common public access to the beach. And there were six senior citizens who took a field trip from Bishop's Beach, which means we walked -- I'm not quite in that category but almost in the senior citizen category -- we walked from Bishop's Beach to the site of the property on January 15th to test mentor recreation according to the Chamber of Commerce advertisements about the best things to do in Homer for the summer. This walk is one of the best things to do in Homer, and then you can -- there's easy access to walk into these lake system, which drains down a little bit off of this particular property into the

tidal pool. However, most of the senior citizens did very well. I was pretty tired after walking over some of the slippery rocks by the time we got there. But one of the things that impressed us about the walk to the property was that where people have put roads down to the beach back towards the Spit, there's considerable erosion and besides the natural erosion of this area, and so it doesn't look like a good area for development. The owners are willing sellers, but they are planning to develop this area if the Exxon Trustees or some other public entity doesn't acquire it in the near future, and I just wanted to point out that if the threshold criteria is the same for small parcels as it is for large parcels, this parcel fits all of the criteria. There's an active eagle's nest in the cottonwoods, I believe it's in this area, and there are two other eagles' nests in the area. We don't know whether they are active at this time. There are harlequin ducks that, in the words of a biologist who a little bit west here, hang around in the tidal pools. There are harbor seals that haul out on some of these rocky areas. There are sea otters in the area. So it's a long list of injured species that are in -- off of this parcel of land or on the parcel of land. In the best of all possible worlds, this ninety-seven acre parcel would be expanded to two hundred and fifty acres or so. The State Parks building is down this way a little bit, off the Sterling Highway, and the borough owns some land below the scenic -- these are the scenic overlooks here. The borough owns some land here. It wouldn't be too difficult to get a very large section of land.

MR. TILLERY: Thank you, Ms. Bollenbach. Is there any questions or comments from the Council members? That information will be given to the small parcel people. If you can maybe stay just after the meeting, we can get that.

MS. BOLLENBACH: To Dr. Wiener or --?

MR. TILLERY: Yes.

MS. BOLLENBACH: Thank you.

MR. TILLERY: Okay. Is there anyone who wishes to testify in addition to the one person in Cordova? Okay, can we hear from the person in Cordova?

MR. JACK HOPKINS: Hello, my name is Jack Hopkins. I'm a life-long resident of Alaska. I'd just like to go on record supporting the Prince William Sound Aquaculture proposal and I'd like -- really like to see is that the Trustees retire the Prince William Sound Aquaculture debt. That way it would help to -- PWSAC and the community by allowing the burden to us to retire the debt of Prince William Sound Aquaculture, therefore taking some of the pressure off of us having to harvest the fish themselves, and they'll be a surplus so that fishermen will be able to harvest these fish that would surplus and we might be able to get back in a healthy economic state. Thank you.

MR. TILLERY: Thank you, Mr. Hopkins. At this point, I will turn the meeting back over to the chairman in Juneau.

MR. BARTON: Thank you, Mr. Tillery, for that good job. Is there any other business that needs to come before the Council. (Indiscernible -- poor teleconference transmission quality)

MR. SANDOR: Mr. Chairman, I move that this meeting recess until a teleconference to be scheduled at some time by the Executive Director within sixty days.

MR. BARTON: Is there a second?

MR. GATES: Second.

MR. PENNOYER: Second.

MR. BARTON: Any objection to the motion? Hearing none -- is there any other business to come before the Council? (No response) Okay. (Sound of gavel falling).

MR. ROSIER: Thank you, Mr. Chairman.

(Off Record at 6:45 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 04 through 276 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council meeting taken electronically by me on the 31st day of January, 1994, commencing at the hour of 9:00 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, Sandra Yates and Angela Hecker 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 7th day of February, 1994.

_____
Linda J. Durr, Certified PLS
Notary Public for Alaska
My commission expires: 10/19/97