

EXXON VALDEZ OIL SPILL SETTLEMENT
TRUSTEE COUNCIL

RESTORATION OFFICE
Simpson Building
645 G Street
Anchorage, Alaska

Trustee Council Meeting

Juneau, Alaska
February 13, 1995
10:00 a. m.

TRUSTEE COUNCIL MEMBERS in attendance:

STATE OF ALASKA

MR. CRAIG TILLERY/ALEX SWIDERSKI
Trustee Representatives for BRUCE
BOTELHO, Attorney General, Alaska
Department of Law

STATE OF ALASKA DEPARTMENT
OF ENVIRONMENTAL CONSERVATION

MS. MICHELLE BROWN, Deputy
Commissioner and Trustee

Representative for MR. GENE
BURDEN, Commissioner

UNITED STATES DEPARTMENT
OF THE INTERIOR

MS. DEBORAH WILLIAMS, Special
Assistant to MR. GEORGE FRAMPTON, Assistant
Secretary

STATE OF ALASKA DEPARTMENT
OF FISH AND GAME

MR. FRANK RUE,
Acting Commissioner

UNITED STATES DEPARTMENT OF
AGRICULTURE – FOREST SERVICE

**MR. JAMES WOLFE/DR. DAVID
GIBBONS**, Trustee
Representatives for **MR. PHIL JANIK**,
Regional Forester

UNITED STATES DEPARTMENT OF
COMMERCE – NOAA

MR. STEVE PENNOYER,
Director, National Marine Fisheries
Service.

TRUSTEE COUNCIL STAFF

MS. MOLLY MCCAMMON Executive Director, EVOS Trustees Council,
present in Juneau

MR. ERIC MYERS Director of Operations, present in Juneau

MS. L. J. EVANS Public Information Officer, EVOS Trustees
Council, present in Anchorage

MR. BOB LOEFFLER Restoration Specialist, ADEC

OTHERS IN ATTENDANCE who testified in person or via teleconference

MR. CARL ROSIER Former Commissioner of Alaska Dept. of Fish and Game,
present in Juneau

MR. JIM AYERS Former Executive Director, EVOS Trustees Council,
present in Juneau

MR. ALEX SWIDERSKI Attorney General's Office, Alaska Department of
Law, present in Juneau

MR. ART WIENER Alaska Department of Natural Resources, present
in Juneau

MR. RICK SMERIGLIO Teleconference, Seward

MR. STEVE RANNEY Teleconference, Cordova

MR. JIM BUTLER Teleconference, Soldotna

MS. LINDA FREED Community Development Director, Kodiak Island Borough,
via teleconference, Kodiak

MR. PAUL SWARTZBART Teleconference, Anchorage

MR. MIKE BRITTAIN Teleconference, Seward

MS. DIANE ZIRUL Teleconference, Soldotna

MS. GAIL SMITH Teleconference, Kodiak

MS. CAROL BOEHNERT Alaska Center for the Environment,
teleconference, Anchorage

MR. MARK KANSTEINER Teleconference, Seward

MR. MIKE BUCKLEY	Teleconference, Kodiak
MS. PAMELA BRODIE	Sierra Club and EVOS Public Advisory Group, teleconference, Anchorage
MS. MARY FORBES	Teleconference, Kodiak
MR. ERIC COUFEL	Teleconference, Kodiak
MR. DAVE WERNER	Teleconference, Cordova
MS. RAGINE VLASCHKA	Teleconference, Kodiak
MS. KENDRA RUSSELL	Teleconference, Anchorage
MS. TABATHA GREGORY	Teleconference, Anchorage
MR. DAVE DEANS	Teleconference, Anchorage
MR. CHARLES MCKEE	Teleconference, Anchorage
MR. BRIAN JOHNSON	Teleconference, Kodiak

P R O C E E D I N G S

(On Record 10:16 a.m)

(Dr. David Gibbons is seated as the Trustee Representative for Mr. Phil Janik, Regional Forester, U.S. Forest Service-Agriculture for the morning proceedings.)

MS. WILLIAMS: Good morning, I would like to call this meeting to order. It is February 13, 1995. This is a meeting of the Exxon Valdez Oil Spill Trustee Council. I am Deborah Williams, I am representing the Department of Interior on the Trustee Council. The other Trustee Council present today are Steve Pennoyer, representing NOAA; Craig Tillery, representing the Attorney General's office for the State; Michelle Brown, representing the Department of Environmental Conservation; Frank Rue, representing the Alaska Department of Fish and Game; and Dave Gibbons, representing the United States Forest Service. Let us begin by looking at the agenda. Do I have a motion to approve the agenda?

MR. PENNOYER: So moved.

MS. WILLIAMS: Is there a second?

MS. BROWN: Second.

MS. WILLIAMS: Is there any corrections, additions or comments any Trustee Council members would like to make about the agenda? If not, is there any opposition to approving the agenda? Hearing none, we'll move to the order of

the day. Are there any items that the Trustee Council members would like to introduce as part of the order of the day? Hearing none, let's move to

recognitions. It is the Trustee Council's great honor and privilege today to recognize three outstanding individuals who have contributed over the last several years an immense amount to this effort. We would not be where we are today, we would not have accomplished what we have accomplished today without the outstanding efforts of these three individuals. And, let me begin if I could by recognizing Carl L. Rosier. Carl, could you join us at the table, please?

MR. PENNOYER: I don't know, if he didn't wear his tie (laughter).

MR. ROSIER: There are certain privileges here, you know, being unemployed.

MS. WILLIAMS: Some of us joined Carl in the elevator ride up. For those who are not here, Carl is dressed very casually and he has a smile on his face, that makes the rest of us very envious. And, Carl said he has yet to find anything to speak against retirement.

MR. ROSIER: That's right, Deborah.

MS. WILLIAMS: Commissioner Rosier, it's my great honor to read to you a resolution of appreciation, recognizing your outstanding leadership and dedication as a Trustee Council member for the State of Alaska, Department of Fish and Game on the Exxon Valdez Oil Spill Trustee Council. If I may read the resolution. "The Exxon Valdez Oil Spill Trustee Council expresses its great appreciation to Carl L. Rosier for his leadership and stewardship as the Trustee

Council member for the State of Alaska, Department

of Fish and Game, on the Exxon Valdez Oil Spill Trustee Council. Carl Rosier's extensive experience, sound judgment and insight have been a great assistance to the Trustee Council in formulating policy for the restoration of the injured natural resources and the services they provide. His dedication of service and ability to find constructive solutions to difficult and complicated policy issues have contributed significantly to the Trustee Council's design of a comprehensive and balanced approach to restoration of the spill-affected area. The Trustee Council gratefully commends Carl Rosier for his professionalism and friendship, and wishes him well in future endeavors."

MR. ROSIER: Thank you, very much.

MS. WILLIAMS: Thank you, so much. Would any Trustee (applause) - - would any Trustee Council members like to say anything to Carl? (Laughter) On the record. Yes, Mr. Pennoyer.

MR. PENNOYER: With an opening like that (laughter) -- Carl I want to thank you very much for the time you served here with us. We went through a lot of projects and a lot of design on, particularly resources to do with natural -- research to do with natural resources, and in which your agency has direct management responsibility for. I don't think we would have gotten here, where we got on some of them without your help. So, very much appreciated that, and I wish you very well in Kona, or wherever your recent journeys will take you.

MS. WILLIAMS: Thank you, Mr. Pennoyer. Any other comments for
Commissioner Rosier? Well, Commissioner, I would also

just like to extend my personal appreciation. It was an honor working with you.

You were a tremendous asset to the Council, and I do wish you well.

MR. ROSIER: Thank you, very much. It's -- it's hard to see the end of an era here, for gosh sakes, but I know that you're going to go on and do great things, even if we did spend all the money before I got off. (Laughter) Well, anyway, thank you, very much, and I know this group is going to do great -- great things here. And, I just really appreciated the opportunity. It was a lot of fun, it was frustrating at times, but it was a lot of fun, and I'll not forget any of you. You were -- you were all great business partners here in this endeavor, probably as good an example of government working together as I've seen in my some -- close to forty years of government service, for gosh sakes. I just think that it was a great -- great experiment that really worked well. I thank each and every one of you.

MS. WILLIAMS: Thank you, Commissioner, very much. (Applause) The only thing missing from Carl's resolution was one "for gosh sakes." (Laughter) Thank you very much, and we're signing your resolution as we speak, and look forward to your receiving it, with our best wishes. Thank you. We also have a resolution for John Sandor. John is on vacation today and couldn't join us, but I would like for the record and for everyone's information to read his resolution. It goes as follows: "Resolution of appreciation for John A. Sandor,

recognizing his outstanding leadership and dedication as a Trustee Council member

for the State of Alaska, Department of Environmental Conservation on the Exxon Valdez Oil Spill Trustee Council. The Exxon Valdez Oil Spill Trustee Council expresses its great appreciation to John A. Sandor for his leadership and stewardship as a Trustee Council member for the State of Alaska, Department of Environmental Conservation on the Exxon Valdez Oil Spill Trustee Council. John Sandor's extensive experience, sound judgment and insight have been of great assistance to the Trustee Council in formulating policy for the restoration of the injured natural resources and the services they provide. His dedication of service and ability to find constructive solutions to difficult and complicated policy issues have contributed significantly to the Trustee Council's design of a comprehensive and balanced approach to restoration of the spill-affected area. The Trustee Council gratefully comments John Sandor for his professionalism and friendship and wishes him well in future endeavors." Very good. We, next have the opportunity and great pleasure to recognize Jim Ayers. Jim, if you would join us at the table. Jim, as everyone knows, was our Executive Director, and an extraordinary executive director he was, and Jim, it is our great pleasure to honor you and I will ask Molly to present you -- I will ask Steve Pennoyer to present a few items of our appreciation.

MR. PENNOYER: A few items? I've got to give him money, too?

(Laughter) Well, Jim, I guess, though you're sitting at the table, we don't get

to yell at you anymore, so -- maybe this is the last chance?

MR. AYERS: I wouldn't expect you to (indiscernible).

MR. PENNOYER: Jim joined us a year and a half ago, something of that nature, in that order. I like to remember when so many things were going under the bridge in that period of time, and we were still struggling in our transition from damage assessment, a phase we had been engaged in for several years, to restoration. And the transit to restoration was not an easy one because it meant really devising a plan for the expenditure of the funds achieved in the settlement to benefit the resources that had been damaged in the spill, as opposed to the first phase, which was the study then to determine what had happened, and it was was likely to happen. The research didn't stop, of course, because we hadn't finished looking at what had been -- what had happened, but we jumped right into the process of really devising how to extend that to settlement money. And, all the lands that land acquisition, research plan, an ecosystem study, many those things that Jim jumped in the middle of, and I think was a significant contribution to getting where we are now. We probably could not have easily have done it without his help, particularly not in the period of time involved. So, Jim, I think one of the better choices we made at the time was your selection for the job, and I think you did an outstanding job. It's been a great pleasure to work with you on it, and we have a small plaque here, complete with logo, it says: "In appreciation of the excellent work by James R. Ayers, to

develop a comprehensive and balanced program that will provide the protection and restoration of the resources and

services injured by the Exxon Valdez oil spill. Exxon Valdez Oil Spill Trustee Council, February 13, 1995." (Applause)

MS. WILLIAMS: Molly, you have a few items for him to accept?

MS. McCAMMON: Well, one of the unfortunate aspects to Jim's departure is that it was so sudden, and, I mean, he just literally left over night and the staff really was not able to express our appreciation, and give him some kind of a roasting, or whatever, before he left. But, in lieu of that -- we really won't roast you today, but we would like to present you with something from the staff in the Anchorage restoration office and the office here in Juneau, in appreciation of our feelings with you, and appreciation for the kind of Executive Director and the kind of boss you've been to us. So, we would like you to have ...

MR. AYERS: Nothing to do with baseball. (Laughter)

MS. McCAMMON: So, for those on the teleconference, we are presenting Jim a copy of the poster, the marine ecosystem poster -- poster that was put out by the Trustee Council last fall, signed by the artist Debby Dubac.

MR. AYERS: Thank you, very much. You almost said roaster -- (Laughter) which I would have expected. This is very nice, thank you very much.

MS. McCAMMON: And, we have one other small memento for you, Jim.

MR. ERIC MYERS: One last item, during the approximate twelve months

that I anyway had an opportunity to work with Jim,

and I think I can speak on behalf of the rest of the staff, we were all very honored to have the opportunity to work with somebody that set such high standards for hard work and for excellence and for professionalism, but I think that throughout the staff, if there was one thing that Jim inspired in all of us, it was that every single document would be stamped draft, and so we have gotten for him a draft stamp that he can use (laughter) in the capacity of the Chief of Staff, and for those of you who want to take a look at how large it will be, a fairly bold with a red ink pad.

MR. AYERS: Thank you. I could have avoided many problems in the last year. (Laughter)

MR. PENNOYER: You may need that more now where you are than before.

MR. AYERS: Let me count the ways.

MS. WILLIAMS: Mr. Ayers, would you like to say a few words?

MR. AYERS: I'm trying to learn how to do that. (Laughter) I think you all know it was -- was and continues to be one of the greatest experiences of my life, and I am indebted to the Council. I think that it was one of the foremost points in Alaska's history to see the state and federal government working together. I think sometimes people don't realize what a rare event that is, and how much actually got accomplished. We spent all the money, and the

public got to participate, but I also think that it was one of those rare times where we got -- I got to do something, about something I believed in so wholeheartedly with people that I

feel are friends and I love so much, and you don't get to do that very often in your life, and I'm very grateful to have had the experience to do so much with people that I care about, and I just hope I get a chance to do that again. Thank you. (Applause)

MS. WILLIAMS: Any other comments from the Trustee Council members? Thank you so much. We have two additional certificates of appreciation to give today, with pleasure. One is for Mark Broderson. Is he here today?

MS. MCCAMMON: No.

MS. WILLIAMS: No. This is a certificate of appreciation for all of his, you know, outstanding work on -- to assist the Council, and the certificate says: "The Exxon Valdez Oil Spill Trustee Council members extend our deepest appreciation to Mark Broderson for your contribution to restoration of the resources and services injured by the Exxon Valdez oil spill, as Chief of Restoration for the Alaska Department of Environmental Conservation." We do want to thank Mark very much. The last certificate of appreciation we have to give today is to Dr. Jerome Montague. This certificate reads as follows: "Certificate of Appreciation. The Exxon Valdez Oil Spill Trustee Council members extend our deep appreciation to Dr. Jerome Montague for your contribution to restoration of the resources and services injured by the Exxon Valdez oil spill, as Chief of Restoration for the Alaska Department of Fish and Game. Thank you

both. (Applause)

MR. AYERS: By or leave, sir? (Laughter)

MS. WILLIAMS: Yes, and thank you. We look forward to

continue working with you in your new capacity, and again, Carl, we wish you the best.

MR. ROSIER: Thank you.

UNKNOWN: Can I borrow that draft stamp? (Laughter)

MR. PENNOYER: I had one other announcement to make. We, among others contributed to the publication of a book on marine mammal research done largely under the auspices of the spill and associated with it, under damage assessment process, and we were one of the contributors. It has been completed, it has been published, and I have copies here for the Trustee Council members and the Executive Director. Just one complaint, in fact there is too much data and not enough pictures, still I'd like to pass that out to the Trustee Council members and the Executive Director.

MS. WILLIAMS: Thank you, very much, Mr. Pennoyer. Before we move on to the next item, I do want to officially introduce and welcome our two newest Trustee Council members. As I mentioned in the introductions, Michelle Brown is representing the Department of Environmental Conservation, and Frank Rue is representing the Alaska Department of Fish and Game. We're very pleased to have you join us.

MR. RUE: Thank you.

MS. WILLIAMS: If the Trustee Council members would now turn to

the meetings upon the December 2nd and January 5th meeting. Do I have a motion to approve the minutes?

MR. PENNOYER: So moved.

MS. WILLIAMS: Is there a second?

MR. GIBBONS: Second.

MS. WILLIAMS: Are there any comments on the minutes. I actually had one, and I will defer to Mr. Tillery if this is correct. With respect to the December 2nd minutes, if the Council members could turn to page three, and at the top of page three there is the Tatitlek motion. It was my recollection that we had a cap on the Tatitlek motion of not to exceed \$22 million. Is that correct?

MR. TILLERY: We had a cap on it. Was it \$22?

UNIDENTIFIED VOICE: Yeah.

MS. WILLIAMS: Should the minutes be reflected to correct that?

MR. TILLERY: Would so move.

MS. WILLIAMS: Okay, is there a second?

MR. PENNOYER: Second.

MS. WILLIAMS: Any objection? Is there any other additions or corrections to the minutes of December 5th (sic -- December 2)? Any objections to approving those minutes? No objections, they stand approved. We can turn then to the minutes of January 5th. Are there any additions or corrections to those minutes? Any objections to approving the minutes? Hearing none, the minutes stand approved. Thank you. I would now like to ask Molly McCammon to give the Executive Director's report. Molly.

MS. McCAMMON: Thank you, Madam Chair. In your packet you have a

financial report as of December 31, 1994 from the Administrative Officer, Tracey Cramer, and you have been receiving

these on a regular basis. As you know, we have mentioned in the last six months or so, that we are preparing to -- to go out for an audit sometime this year. We hope to have the RFP out probably in April or May. As the first step of getting ready for that audit, we contracted with the local accounting firm of Elgie, Rayfield and Funk to look at all of our documents and all of our financial statements, at the court distribution records that the court requests, and to make sure that the financial statements that we were putting together were accurate and were displayed in acceptable accounting process -- format, and that basically they were reflecting accurate numbers to the extent showed by those documents. We have Mr. George Rayfeld and Max Murst (ph) from a company here in Juneau, who are here to answer any questions, if you have some. We'll be meeting with them, that's kind of a second phase to start discussing what the scope of this post-audit will be, and how to actually go about drafting and putting together this scope of work that will go out to RFP for. So, basically, they did not go into the work done by the individual agencies or the actual reporting by the individual agencies, but what you see is an actual statement by federal fiscal year of the revenue disbursements and the fees, and at the bottom the uncommitted joint trust account balance. And, as you can see, there is -- it's -- there are significant changes from the format that we were using prior to this for our financial reporting, and in the future what you see on page two will be

the format that you see the financial statements come in.

MS. WILLIAMS: Molly, I do have one question, and that is the District Court fees, both looking at page two and also the statement that was in our notebook. We, of course, pay quite a bit of money in District Court fees. I never candidly noticed that before, is that pursuant to some schedule? What exactly are we paying for with the court fees there?

MS. McCAMMON: Mr. Tillery, would you like to respond?

MR. TILLERY: It's a federal regulation that requires -- I forget -- it's like ten percent of the amount we earn or something like that. We -- there is a provision in there for a waiver at the time that we first got the order from the court, we requested a waiver. It was denied. We -- by Judge Holland -- we requested it again, it was denied. There is a fee for managing CRIS, and there appears to be no way we can get around it absent a court order.

MS. WILLIAMS: When was our last motion?

MR. TILLERY: For what?

MS. WILLIAMS: To waive ...

MR. TILLERY: Oh, boy, it would have been back when we set it -- '91. There was a -- what we were thinking we would do when we deal with the reserve account, is to view that, perhaps, as a different animal, and I'll see if there were any possibility of dealing with the fees on that one. Although, given the fact that it will be more actively managed, although it's not tremendous

amount of work, we're going to be talking with them about the fees and trying to get those reduced as low as possible.

MS. WILLIAMS: Because that is -- \$721,000, that's not an insignificant amount of money.

MS. McCAMMON: It is a significant amount of money. But, Mr. Rayfeld and Mr. Murst are both here if there are any questions directly about this report.

MS. WILLIAMS: Do the Trustee Council members have any questions? Appears there are none, Molly.

MS. McCAMMON: In addition, staff have been working with the Department of Law and Barry Roth with the Department of Interior to implement the investment strategy that was approved by the Council last fall. A request was made to the Court Registry Investment System to implement that. They responded with a draft description of how they would implement that strategy that was in a form that a number of us here had difficulty reading and interpreting. Since that time we've had a further discussion with Bob Storer at the Alaska Department of Revenue, and we've had some further clarification on how to implement the investment strategy, and that should be proceeding in the next month or so. But, as of this date, it is not in place, as of this date. So, I wanted to make note of that. As the other part of our reporting process to you is the quarterly Project Status Summary. We instituted this a year ago of setting up a database of all of the projects that have been funded by the Trustee Council since

inception. In particular, tracking where we are in terms of producing the final reports and having them available to the public. If you'll recall, in August, the quarterly report indicated that there were a significant number

of reports to the '92 and '93 Work Plans, that has still not even achieved the draft stage. Since that time, progress has been made, an additional thirteen reports on 1992 projects have been accepted by the Chief Scientist, since that report, and this represents a substantial effort on the part of the agencies and the PIs to come to grips with the backlog of reports.

MR. PENNOYER: Excuse me, are you reading from a package of some kind, it's in our ...

MR. McCAMMON: I'm sorry, I thought I handed it out. Attachment A, which is on page three, shows the report that has not yet been submitted to the Chief Scientist, as of December 31, 1994. There are still four projects from the 1992 Work Plan that no final reports have been submitted and there are five projects from the 1993 Work Plan that have not been submitted. On page four of the next page, shows the number of reports by agency, those accepted by the Chief Scientist, those in project -- in progress -- and those not yet submitted to the Chief Scientist. The following tables, after page four, indicate specific information about each individual project, the status of the report, some of the references and results from those studies that were conducted, and related projects. I have the next quarterly report, which you'll be receiving in about three months, we will have on this database the 1995 projects, and will be reporting to you on the status of those projects as well. These are the projects

that are currently underway, and we will be reporting to you those that are basically on track, those that have fallen behind for whatever reason, and

give you an update on those for the 1995 projects.

MS. WILLIAMS: Trustee Council members have any questions or comments for Ms. McCammon on the quarterly Project Summary Status?

MR. PENNOYER: Deborah.

MS. WILLIAMS: Yes, Mr. Pennoyer.

MR. PENNOYER: Molly, the same question I asked last time we did this -- are -- is the Chief Scientist satisfied that reasonable progress is being made or are there -- highlighting certain projects that need an additional discussion, or, what do we do? Because I see, for example, '92 Work Plan, some of it's hydrocarbon analysis. I know it's been a very difficult thing to get done, but is the Chief Scientist satisfied with they're making adequate progress on this?

MS. McCAMMON: Madam Chair, Mr. Pennoyer, yes, the Chief Scientist is satisfied. One -- one thing that you will note, is that even though a number of the projects are coming to completion and final approval, there are only one or two that are actually available to the public in the Oil Spill Public Information Center. That is the result of a major revamping of our report writing procedures, approximately four months ago, and since that time a number of reports that had been completed that had to go -- undergo some minor revisions in order to get them into the format that we ended up with. Those, I believe, in

the next three months will be making some significant effort to get those reports completed and into the library and available to the public. But,

I believe, if you look at the ones that have -- on page three that have not been submitted, there has been a problem with the backlog in the hydrocarbon analysis on the part of NOAA. We had discussed with the agency last summer the possibility of contracting out some of that work in order to get caught up on a more expedited fashion. The response that we've gotten from the agency though is that process seems to be in place, that they seem to be able to -- they seem to be catching up on that backlog in a quicker fashion, and they believe it would take more time now to contract it out rather than doing it in-house. So, I think we're on track with the hydrocarbon analysis. One of the big projects that is still far from being completed are the surface oil maps under the Department of Environmental Conservation. Part of that problem is (tape interruption) working for, and the corp Trustee Council stands, and so we're trying to get those maps completed in conjunction with his other duties, so we're trying to get that done.

But, I think the Chief Scientist does believe that there -- progress is being made, and once we get the project put into the final fashion and make them available to the public, which we expect to be done in the next three or four months, then we'll be a lot further along.

The second aspect of our information management project this year is to develop an electronic bibliography of all of the work being done by the Trustee Council and to have that available to the public, and to EVOS researchers and the

general scientific communities through some form of Internet connection. Right now, that's not available.

MS. WILLIAMS: Any additional questions or comments from the Council? Let me just say, I think your attachments A and B are very good, and the report (indiscernible).

MS. McCAMMON: Madam Chair, the next item on the agenda are personnel changes, and according to the agreement between the State of Alaska and the Oil Spill Trustee Council, regarding an Executive Director for the Trustee Council, the Executive Director has the authority to appoint persons to fill senior staff positions, subject to the approval by the Trustee Council, and in the last six months or so, I have discussed with each of the Trustee members the structuring of the Trustee Council office, and have indicated my intention to fill the position of Director of Operations with Eric Myers, seated to my left, and the position of Science Coordinator with Stan Senner, who will be starting that position in March, and I just wanted to affirm on the record that I have discussed this with each of the Trustee Council members and will be in the process of implementing that shortly.

MS. WILLIAMS: Any questions or comments for Molly in terms of either Eric's appointment or Stan's appointment? I would just like to say, Eric, particularly, congratulations, you have served the Council well in your previous responsibilities, and I look forward to working with you in your new position.

MR. RUE: Madam Chair, I'd just like to congratulate Molly

for picking two good people.

MS. McCAMMON: The next item on the agenda is a status report of the Alaska Sea Life Center, and when the Trustee Council

took action on the research infrastructure improvements affiliated with the School of Fisheries and Ocean Sciences -- Institute of Marine Science in Seward, on November 3rd, I believe, is when that action was taken. The approval was conditional on the Executive Director completing a number of steps prior to actual release of the funds. One of them is the approval by the Executive Director of a detailed construction budget and a detailed operating plan that requests realistic cash flow for the successful construction and operation of the research facility. The construction budget and operating plan are still being used and revised by the project manager, Heery International, and SAAMS board to reflect a turnkey \$37.5 million research facility. I have discussed with the Department of Transportation, Commissioner Joe Perkins, for their assistance in providing a review of the construction budget, and the operating budget for that facility. It's expected that we will have those available for review by early April, and at that time DOT and hopefully ADEA will be able to assist in a review of both of those budgets prior to my making final approval of those.

The second aspect was approval by the Executive Director of an agreement to be entered into by the State of Alaska, Department of Fish and Game and the City of Seward providing that the facility will be owned by the city and that the city will provide for the operation and maintenance of the facility for the practical life of the facility. In your packets you have a status report from Kim Sundberg

to myself on the status of that cooperative agreement. It is currently being reviewed by the Department of Law. It will need

to be adopted by resolution of the City Council. It is expected that that agreement will be completed by April. A further agreement is underway between the SAAMS board and the City of Seward for construction and operation of the Sea Life Center. This is currently being reviewed by Seward and, again, will need to be adopted by resolution by the City Council prior to the release of the land for construction. It is anticipated that also will happen by April.

A third cooperative agreement that is in the works is between SAAMS and the University of Alaska over the role that the University will play in providing the scientific leadership at the facility, and this will comply with provision four of the resolution adopted by the Trustees in November. Approval by the Executive Director of the details governing and management structure for this facility, that clearly identifies the role of the University of Alaska in providing the scientific leadership at the facility, and insures the facility is managed so that research activities appropriately serve the Trustee Council's restoration mission. This cooperative agreement is being discussed now. It -- the goal is to take it to the School of Fisheries and Ocean Sciences Advisory Board in April and to the Board of Regents in June. I would be bringing that back to you at some point for you to look at and provide any kind of comment back to (indiscernible) also. But, I believe that that cooperative agreement will -- will clearly identify what function the university plays in the Sea Life Center.

The additional steps required by the Executive Director

prior to release of the funds was approval by -- of a showing by the City of Seward that future mitigation measures identified for the construction and operation of the facility will be given due consideration and implemented to the extent practicable. This will be done through the agreement between Fish and Game and the City of Seward in that cooperative agreement. And, then the last step is that annual financial reports and project status reports will be submitted to the Trustee Council by the City of Seward and the Executive Director to carefully monitor the construction of the facility and provide regular updates to the Trustee Council, regarding the project's progress. And, it is my intent at every Trustee Council meeting to have an update for you at that time on the status of this project. It's anticipated that, assuming all of these conditions and steps are completed, that we would go to Legislative Budget and Audit through the State of Alaska towards the end of the summer to request their authorization for expenditure of the funds, and the first \$12.5 million will be requested from the court after September 1st, that's assuming all of these steps are first completed.

MS. WILLIAMS: And, Molly, when would construction then commence, the following spring, or immediately?

MS. McCAMMON: I believe construction is -- would begin -- a portion of it would begin in the fall and next winter, with Phase I available for

research activities in June of '97, and Phase II completed in June of '98. The SAAMS board is going ahead with planning for a \$47.5 million facility, and attempting to raise the

\$10 million in additional private funds to pay for, primarily, the public education and the tourism portions of the facility, and they have contracted with J. Donovan & Associates to lead the fund raising campaign. They have hired former state senator Suzanne Little to be their coordinator -- their local coordinator of that fund raising effort. They're in the process of contracting with a public relations firm to get publicity out on the project. Their initial response has been positive from large donors that they've been focusing on. The major fund raising effort in the state right now, that is competitive with this, is the fund raising effort on the part of Providence Hospital, and there's not a -- there's a feeling that the two have different sources of funding and that this shouldn't be a problem.

MS. WILLIAMS: Are there any questions or comments of the Trustee Council? Yes, Mr. Tillery.

MR. TILLERY: Madam Chairman, when I was recently in Cordova, one of the messages that came through from the citizens there was that they didn't understand how the IMS facilities and improvements and the research program is going to be conducted there by the Trustee Council and others fit with the Prince William Sound Science Center. I guess I understand, maybe there is going to be Auke Bay improvements, the Fish Tech Center is certainly going to be receiving some more funding, is that somewhere ...

MR. PENNOYER: Sounds good to me. (Laughter)

MR. TILLERY: The Fish Tech Center is likely to receive some more
funding. I guess what I'm wondering is -- I know we've

dealt with this at the time that we were looking at approving it, but is there anyone who is looking at how these different research institutes, how the research programs are going to fit together as opposed to competing with each other?

MS. WILLIAMS: Ms. McCammon would you like to respond?

MS. McCAMMON: Madam Chair, through -- during the EIS process on this project and during initial planning, there was a significant amount of work that was done on that, and through that process the niche for the Seward facility was identified as marine mammals, sea birds and fish genetics, but the fund-raising -- through the fund-raising process on this project, they have identified that it continues to be somewhat of a problem that there is still some confusion in the minds of the public and maybe even the entities themselves as to the various roles and niches that each of these facilities play in the overall marine research effort for the state of Alaska. I think it would be beneficial to take the initial planning that we did and take it a further step, and I have discussed this with Jim Ayers about the possibility of someone within the State of Alaska performing, at least for the State's facilities, performing some kind of a -- a facilitator role in terms of trying to more explicitly define the future of marine research in the State of Alaska. He is -- has actually committed to that effort and will be working to identify someone to assist with that.

MS. WILLIAMS: Mr. Pennoyer.

MR. PENNOYER: Interesting question that Mr. Tillery

brings up because it was one that was asked before we ever approved the funding, and I believe if you go back and look through the source documents, there are many assurances there that this isn't over that, that it's going to be a primary source of facility capability that does not exist elsewhere in Alaska, and that our terms, our resolution, very specifically says if we have projects that logically can go there, that's where we're going to try to direct them -- those to some other facility you've mentioned, so -- within their capability. They only -- their capability is limited, of course, under expense, other than (indiscernible). So, I -- but I do think it's well taken that we take the next step, take -- go back and look at that to make sure that in fact we have satisfied that requirement because we very specifically didn't want just to do a competitive -- because I know the Science Center in Prince William is getting funding from the SEA program and the Arctic Development Projects occurring. This is not supposed to be in competition, it's supposed to be providing a unique capability that didn't exist before (indiscernible) without going back and rereading all that and re-paraphrasing, it might be helpful if we did, that again, just questions being asked. The other -- I had a follow-up question.

MS. WILLIAMS: Please.

MR. PENNOYER: As we get these project reports, it would be helpful if the resolution and the progress reports were keyed to each other so we

could see which specific items we'd asked were completed by what time frame,
understand how we're going to play in

that completion, kind of keep us advised. But my impression is the actual release of the money was a contention on some of these things being accomplished, and so it's a little bit more than advisory-type thing, and whether they come back here and approval, or we're just advised and then raise problems we have, I don't know. Anyway, if you could key back to the resolution as you present the projects, it would help me a lot. (Indiscernible)

MS. McCAMMON: I'll try to be sure to do that.

MS. WILLIAMS: Mr. Pennoyer and Mr. Gibbons, are you interested in having a presentation on this group that will be helping to define the respective roles of the research institutes and entities?

MS. McCAMMON: Madam Chair, if I can make this one comment on that. I think what has kind of confused the process in the last few months is that the Kodiak Fish Tech Center has put an RFP out on the street that is asking for -- it's my understanding -- kind of assistance in developing their future role. There's some language in there that's fairly vague in terms of the role of the Fish Tech Center, and that apparently has kind of added to some of the confusion as to how that facility and the Seward facility compliment each other.

And, I think it's just one of the -- the whole area of marine research, and who does what, is not something that, I think it's agreed to at one time. I think it's an ongoing effort that needs continuous discussion and continuous fostering.

MS. WILLIAMS: Mr. Pennoyer.

MR. PENNOYER: Fish Tech Center in Kodiak is, at least

partially, to house existing functions that are woefully inadequately housed in Kodiak right now, whether it be Fish and Game problems for space or facility availability or -- our problem is the fact that those (indiscernible) 1938, '40, (indiscernible) greatest shape than (indiscernible) laboratory. So, there are a lot of other things too, but I think your point is well taken and it will be evolving, just as our research and what we're going to do long-term with our restoration reserves is an evolving thing too. Maybe -- we've got groups looking at a long-term science plan, maybe that's an appropriate thing to add to their charge. Also, look at our ability to carry out required research within the state, and how (indiscernible). I think we had (indiscernible) on the science plan.

MS. McCAMMON: Madam Chair, we do have a number of excellent people who are working on our long-term research program. I -- this kind of coordination of the marine research effort was certainly something I think that was envisioned when School of Fisheries and Ocean Sciences was created within the university, just to get some kind of coordination on the part of the university facilities. Since this involves such a diverse group of entities -- state, federal, university, private -- I'm not sure that our planning group is necessarily going to be able to provide the kind of facilitation to actually come to some kind of an agreement on some of these things. I mean, certainly they

could provide the research that indicates the status of where the various pieces are, but I would anticipate that -- I think really what is needed is

some kind of statewide leadership on trying to get all of these parties together and map out the role of marine research in the future and get some agreement on that, given that there is limited funding for marine research and that even funding to continue maintenance and operation of facilities is limited. Now, who that entity is to reach that kind of an agreement, I'm not really sure. But I think it would be very beneficial to the state to have something like that.

MS. WILLIAMS: Yes, Mr. Pennoyer.

MR. PENNOYER: I think, Molly, that's very true, and I think that's needed, but when we provided the money for this particular facility was to provide a capability for restoration activities that didn't exist outside. So, somehow that has to be built into it too. This is more than just another piece in our statewide marine research thing. A necessary thing for our efforts in the Gulf of Alaska, the spill area, so from that standpoint, whatever we're doing in long-term research has the major input to how this facility is used and what we think it's going to be used for.

MS. McCAMMON: That's correct.

MS. WILLIAMS: Well, do you want or need a motion of any sort from the Council supporting such a statewide overview or initiative?

MS. McCAMMON: Well, I -- Madam Chair, I don't know if we really need a motion on this, but it's something, as Mr. Tillery has mentioned, that it

came up in Cordova, it did come up in a

discussion with the project managers of the Sea Life Center in terms of fund-raising. I believe that the niche and the role of the Sea Life Center is actually probably more clearly specified than other facilities are. So, in that sense, I don't think it creates a problem for this facility and where the planning is on this one. But, in terms of how it fits in with the overall effort statewide -- what I'd like to do actually is go back and discuss with the long-range planning group and the science advisory group to the Sea Life Center, which is meeting, I believe, this week or next week, and get further feedback from them, and then report back to you at the next meeting.

MS. WILLIAMS: That's fine. Any objection to that? Any further comments on the Alaska Sea Life Center or some integrated marine research plan? Okay. Continue.

MS. McCAMMON: Madam Chair, I'd like to report on a number of items that we've undertaken since the last meeting in December. At that time, in November and December, the Council approved funding for a wild salmon stock supplementation workshop. This was held in January at Anchorage. It was attended by nearly a hundred people. There were experts from all over the country. The Department of Fish and Game and the Forest Service did an excellent job of pulling together this workshop in a fairly short time frame, and attracting a number of very prominent people on this topic. I think the workshop

was successful in that the result of it will be guidance for consideration of future and ongoing proposals for in-stream supplementation efforts. We will have

a

report and some draft procedures for -- for future guidance, that will be developed as a result of this workshop. It was actually a very interesting event. It was held at the Anchorage Museum. I think if I had one regret about the workshop is that if we had known what interest it would generate, we -- I think we would have come back and asked for additional funding and tried to expand it even further. It was amazing how much interest there is in this topic, and we had some of the top people in the country there, and there were a lot of people who attended the workshop just to hear and benefit from their presence. One of the -- the prime reasons for having that workshop was to review and give further consideration of project 95093, which was the proposal submitted by the Prince William Sound Aquaculture Corporation and Eyak Tribal Corporation to do in-stream supplementation work within Prince William Sound, and also to do some remote releases to benefit -- that would take pressure off of the wild stocks in the western part of the Sound. Following the workshop in January, we met with PWSAC and Eyak. We now have several teams working on a revised project proposal.

It has become a much more collaborative process among the Department of Fish and Game, PWSAC, Eyak, and the regional planning team for Prince William Sound. We made it very clear that any proposal that was developed was one that had to come and be developed through the regional planning team process, instead of coming to the Trustee Council first and then going back through the regional planning team

process. So, we would not be coming to the Council for any further action, unless there was a positive

recommendation from the regional planning team. The teams now are working on a proposal to look at various remote releases of hatchery stocks that would be intended to relieve the harvest pressures of the wild stocks on the western side of Prince William Sound, and if you kind of visualize western Prince William Sound, the majority of the hatchery production is on the western side. It also tends to be the entrance to major entrance of the waterflow into the Sound, and that's also the area that was impacted by the oil spill, and the goal would be to try to take some of that hatchery production on the western side and do remote releases in other areas in the Sound, and try to relieve some of that (indiscernible) on the western side. Now, whether this can be accomplished is still being looked at. It has to be done, of course, very carefully, so that it doesn't impact wild stock on the eastern side of the Sound, or in other areas. So, how extensive it can actually be done without having an impact on other wild stocks is still being reviewed, but that's the focus of the effort. Following the workshop, it was decided not to pursue actual in-stream supplementation in the oiled streams. There was the feeling that the populations there had not suffered enough -- actual population damage to warrant actual in-stream supplementation at this time. There is a March regional planning team meeting, and the planning teams are trying to develop a proposal that will go to that planning meeting in late March, and then following the results of that we'd come

back before the Council sometime in April perhaps. The other aspect of that would be some genetics work,

which would be answering some of the questions about gene flow between hatchery and wild stocks. But, this kind of an effort in conjunction with the transition from coded-wire tagging to otolith marking appears to have some of the -- the most promising long-term benefit to the fisheries in Prince William Sound in terms of trying to reallocate and redistribute where some of that hatchery production is in order to protect the wild stock in the western side.

MS. WILLIAMS: Some of the Trustee Council members have questions or comments for Molly on the wild stock supplementation workshop? Yes, Mr. Pennoyer.

MR. PENNOYER: Molly, maybe I missed it, what's the punch line? We put out some money for the workshop and to get things started. Is there a dollar punch line were you going to be submitting at this meeting, or the next meeting or something?

MS. McCAMMON: Madam Chair, Mr. Pennoyer, the original request -- PWSAC lists from somewhere between two and four million dollars, approximately, for work this year. The Council at the November meeting approved \$100,000 for additional project planning, and to include the participation -- to allow for the participation of PWSAC and Eyak in that planning process. Approximately half of that funding, \$40,000-50,000 thousand was used to assist in the wild stock supplementation workshop to get some of the top people there, and to allow for

the participation of PWSAC and Eyak at that workshop. The proposal that is being developed now, in all honesty, I have no idea what the dollar amount they're looking at.

I have encouraged a modest proposal, but I really have no idea what it's going to be coming at.

MR. PENNOYER: To assess even (indiscernible) ...

MS. McCAMMON: I will before then.

MR. PENNOYER: ... total amount that we received in a letter like this requiring emergency action to do this. I don't hear anything like that being -- if you're going to think about it, and try to -- or promote the releases, is that for this year? Are we talking about next year? Do we have a feeling for what we're going to be faced with over the next three or four months?

MS. McCAMMON: Mr. Pennoyer, it would be impossible to do remote releases this year. The kind of work that will probably be done this year is maybe some beginning of the genetics work, and identification of the areas that would be likely candidates for the remote releases, some of the field studies that would be required, looking for an early run stock of pink salmon. So, there will be some of that field work in preparation for remote release down the road. But, we're at least a year away before it can (indiscernible).

MR. PENNOYER: That's not an unexpected answer, but I know that the concept of the remote releases in Prince William Sound, those aren't exactly a new one, so I didn't know how much (indiscernible). I believe we're not going to just rush out and do something, because you create more problems than you

solve if you do it wrong, so -- thank you.

MS. McCAMMON: I believe the regional planning team has

already identified two or three likely spots for possible remote releases and so they are working on that effort. As you well know, one of the big issues with remote release in the Prince William Sound is getting the agreement of all of the various allocation groups, because it does have an impact on allocation among the gear groups, and that's one of the reasons why we made it very clear to PWSAC and others that it had to be driven by the regional planning team process, which is the process for negotiating out these kinds of things.

MS. WILLIAMS: Any other questions? Ms. McCammon.

MS. McCAMMON: The second major event that we put together in January was the 1995 Restoration Work Shop. This was held in Anchorage from January 17 through the 20th. It was a four day workshop. It was considered mandatory attendance on the part of -- of all of the principal investigators and researchers and anyone involved with the restoration program. This was actually, I think the first time other than the symposium two years ago which was held to discuss the results of the damage assessment studies, the first time all of the -- almost all of the researchers involved in the overall effort were together having to listen to what everyone else was doing, and the feedback that I got from a number of people was that they were really amazed at the breadth and scope of the restoration program. They were not aware that there were so many other efforts ongoing, that there was so much, in essence, competition for attention

and funding. This provided an opportunity -- I guess I had always assumed that
scientist, in

particular, had a number of opportunities throughout the year to get together and kind of network and discuss things. This provided an opportunity that apparently is not very common in the state, especially within certain areas of research, and the feedback overall was very positive. This is considered to be an ongoing annual event that is a requirement of the process. It -- a lot of focus was spent on the '94 field season results. In looking at those, and then looking back at the '95 projects that were funded in November in terms of determining whether there should be any modification or revision in terms of their scope or direction. Overall, I think it was a really productive, beneficial workshop. Do you have any questions about that?

MS. WILLIAMS: Any further comments about the workshop? Anything else Ms. McCammon?

MS. McCAMMON: I -- do you want to pass out this here. The other -- other than completing action on all of the habitat acquisition and protection proposals that were adopted by the Trustees in November and December, and it is major goal of 1995. The other major goal is to develop a long-range plan for the restoration program, to the extent that we can today. And, we have -- and also to begin work on the FY '96 Work Plan development. If you look at the handout before you, this handout is actually borrowed from Deborah Williams.

MS. WILLIAMS: I was going to say, I know this.

MS. McCAMMON: Deborah and Craig Tillery were able to give some opening remarks at the restoration workshop in January,

and I think Deborah very distinctly described the phases of the restoration mission, and as you can see here, Phase I being spill response clean up, damage assessment, litigation, and finally, settlement. Phase II was further damage assessment work, restoration planning and the beginnings of -- of restoration effort. Phase III included adoption of the final restoration plan which was adopted in November, and the development of a -- what we always have referred to as the comprehensive and balanced approach between research and monitoring, general restoration and habitat protection. This phase has identified a clear mission statement, together with policies and recovery objectives for the injured resources and services. It has all of the essential elements that we see for actually working to achieve restoration over the long-term. It includes a commitment to a long-term fiscally sustainable approach, and also includes adoption of the restoration reserve, which is intended for long-term restoration work. Where we are now, basically, is in Phase IV, which is implementation of the restoration plan -- implementation of the comprehensive balance approach. As time has progressed, the Council has systematically addressed numerous policy choices along the way, refining and focusing the restoration effort. The Council had defined the restoration mission, goals and objectives. They have identified and projected the relative emphases of the program elements. On page six of the restoration plan is a -- is a -- I think a very good layout of where we see the

commitment in terms of funding and the various aspects of the restoration program. The key challenges

now before us are bringing closure to the habitat proposals under negotiation, implementing a long-term research, monitoring and general restoration program that is scientifically sound and fiscally sustainable, bringing the Alaska Sea Life Center project forward to provide the needed research infrastructure, and ensure that the restoration reserve is appropriately managed for maximum value. The next hand -- graph before you is called Restoration Plan Implementation. For some reason we always refer to this as the "three-legged stool graphic," although it's obviously not a three-legged stool, but a bar graph, but this again shows the essential elements of the Trustee Council effort, general restoration and research and monitoring, phasing into the restoration reserve in the year 2001, habitat protection with the major effort early on, it has a lot of (indiscernible) efforts get achieved, and we reached purchase agreements or agreements on conservation easements, the efforts on habitat protection was (indiscernible). And, again the restoration reserve was there for long-term use.

The next graphic shows the adaptive management cycle, shows how the annual work plan effort is designed to ensure that the future work of the Trustee Council benefits from the past work. It starts with, in the spring soliciting ideas and projects, evaluating them, distributing the draft work plan, out for peer review and public review, approving the work plan and funding, and then prior -- prior and during implementation, integrating the findings, the field season results and

the report findings, and doing this is the form of the annual workshop, and
continuous

review and discussion. And, if you look at the final graphic, this is very draft, actually I should have Jim Ayers' draft stamp on this, because this is a big draft. But, what we're looking at, this is the time line for this year starting with the annual workshop in January, beginning in March with the FY '96 invitation and the draft long-range science plan, public meetings and public review of the long-range plan in the spring, review of the project proposal, with our goal in January of having an actual Trustee Council approval of the FY '96 work plan at that time. This would be prior to the beginning of the fiscal year.

And, let me say this, our big -- our big deal is no interim funding this year, and if you've at all been dealing with any of this in the past, you'll know that this should be a big improvement. And, the final graphic is page six from the restoration plan, and this table actually has been -- has proved to be very useful in describing the income, the payments by Exxon, and where we see, at least at this stage, the expenses and the estimates of future expenses for the remainder of the funds, and I would anticipate that each year this table would be updated to include what the Council is actually -- what action has actually been taken and any modifications to these. These, of course, are all guidelines, they're estimates. As restoration needs are presented to the Council, we anticipate that there will be modification to these as time goes on. But, I think it provides a useful review of how -- where we are in terms of planning.

Our big focus this year, of course, is planning -- on the work plan, and Bob Loeffler is -- once he kind of finishes his prime

responsibilities for the Department of Environmental Conservation will be working for the Trustee Council, guiding the long-range planning effort in the next few months, in particular, and I would like Bob to just describe a little bit about that effort and what -- what we're doing in trying to provide for you that contact for making your future work plan revisions. Bob.

MR. LOEFFLER: Thank you. This is only going to take about five minutes or so, and what I'd like to do is really focus on -- a little bit on the process, but mostly on when you'll products and what those products will look like, that is the information in them, and I'd like to do that by providing for the new Council members a little bit of background about last year's -- last year's process, and then -- then show you how this year's process will be integrated in the '96 work plan. So, that when you get funding decisions in '96, they will be in the context of a long-range -- long-range plan. So, let me begin with the background. It was only last year that the Council had leave to go ahead and make long-term commitments. That is, with the adoption of the restoration plan -- before the adoption of the restoration plan and the final EIS, the Council was in some ways inhibited from making the kind of offers that they made for a suite of habitat parcels and the Alaska Sea Life Center and variety of long-term commitments. The implication for the work plan was, that in previous years, up to and including '95, you approved individual projects that

were -- that well, some of them had long-term commitments, they were really an annual -- a look at what was

needed annually. The Council was frequently frustrated by this approach, with the most vocal critic being Mr. Pennoyer, and what we've asked -- what has been asked for was, rather than saying, well this is what we'd like to do this year with, say, harbor seals, is a long-term look, so that, for example, if you're going to approve harbor seal research, you're going to have how long it's going to take. What we'd say is the end point. The end point being what you're going to accomplish and how many years. So, what we've been told what I think you'd like to see, what I'm told you'd like to see, is the end point, the years and what is accomplished. The milestones that you can evaluate whether in interim years, it's accomplishing that, and as part of that, an annual cost projection, so that you can in 1996 it will be this much, '97 this much, and in '98 it's done and here is how it will be done. So, that's the information we'd like to give to you, and we'd like to give it to you so that you can -- in the context of the '96 funding decisions you'll be making in March -- or in August, excuse me. So, that -- that's sort of a background. Let me go back and talk about we -- the steps we did last year, because I think this year is modeled on them, but somewhat slightly different.

Last year we did a workshop, scaled down version of a workshop that Molly just described, but a workshop nonetheless, in April, where we got some scientists, PI's and the public. From that we drafted an invitation, please

submit your restoration projects. Came up with a draft work plan and a final, a relatively straight-forward process. This year we're going to use those same four

steps, the workshop that Molly just described, an invitation, draft and a final, but we're changing significantly to make this a long-term look at restoration. And, let me give you the two major differences. The two major differences that is that this time when we talk about projects, we're talking about the long-term context, end points in terms of what they will accomplish, and the cost, milestones, and then an annual projection of costs. So, this long-term look is something that, through the adoptive management process. We review annually, so it's not a long-term look that you then put on a shelf, and say, well, now we do step two, and next year we do step three -- but we update it annually through a workshop, like this one that involves all the PIs, the public, scientists and agencies staff. So, that's the first change, that this is a long-term look at a long-term work plan, so to speak. The second is schedule. Those who are on the Council, I'm sure it's -- showed some frustration last year having to fund an interim budget and then a final 1995 budget. This year, in the words of Ms. McCammon, no interim budgets. Do this once. That means that you're hoping -- that we're hoping that -- and expecting that then your work plan decisions were made up -- are before September 1st. So, those are the differences. Let me go back and run through our current process to show you the implications. First, is the restoration workshop that Molly described. It ended three weeks ago, and highly successfully getting the PIs, the scientists and the public to scientific

exchange and a discussion of future restoration needs. We're now in the process of writing that out

into the invitation. The invitation will be a rough draft, first cut and a long-range work plan. So, it will have -- it will have in general where we're going in terms of how long things will take and approximate costs. Now, these costs will be rough and will not add up to the final costs. There are likely to be somewhat more than what we expect the final work plan to have, and we -- but they would be a first start to ask the public to -- for people to respond to, so people get a view of like, well, this is kind of where we going, how should we then modify it to something that we want -- that you want to approve in August. So, the invitation is different in a couple of senses. It is a rough draft of the long-range work plan, it is useful for the public to review and tell us, you know, where they want emphases changed, and also provides more direction for the PIs to focus. It's a more focused invitation for proposals. So, that's -- that is, you'll remember, step two, work shop invitation. The proposals are due May, approximately May 1, and we'll come out with a draft work plan in late June or early July, and then refine it so that all the information is there prior to your decisions in August. So, that's where we're going. Long-term information through the steps we've used in the past, we'd like your leave, I guess, to work through your staffs to put together the invitation, using the results of the workshop, and I guess that's all I've got.

MS. WILLIAMS: Any questions or comments for Bob. Mr. Rue.

MR. RUE: Thank you. I don't know whether Bob or

Molly wants to -- I'm sort of sitting in the back out of the sun -- shed some light on this. The question I've had is, is there a way that we could re-look at the issue long-term commitment to fundings if we don't have to do this annual, every year look at the budget, present a new project. Can, when we say long-term, we also say term -- look at what we think of on the state side of the capital project. Say, this project looks good, it's going to take three years to do, here's funding for three years. We may check in every year to make sure it gets done, you know, any project amendments, but can we give more certainty on the budget side of things on the projects. I think that's a question that would be worth looking at anyway, as part of this long-range look. And, I know that's been an issue before the Council before, but I hope we can perhaps revisit it little, at least discuss it.

MS. McCAMMON: Mr. Rue, certainly the Trustee Council itself can authorize funding for longer than a fiscal year. It's my understanding from the various agencies that for accounting purposes that it's not viewed as a capital project, and that the funding would be done on an annual basis. I think what we're proposing is the differences that, just for example, you have a three year project that Fish and Game is proposing, we know the approximate cost to be half a million dollars a year. When the Council votes on year one, they are in essence committing to three years, barring some unforeseen circumstances that may

come up during the development of the project, and the project itself would be reviewed through the workshop, but that the commitment would be

there for three years of funding, which is a lot higher level of commitment than has been given in the past. Now, it's certainly within the purview, I believe, of the Trustee Council, to actually formally commit to that. Also, the request to the court would probably go on an annual basis for actual funding.

MS. WILLIAMS: Let me -- you mentioned one thing, it is past 11:30, and, of course, I've committed to the public to begin public testimony at 11:30. I wonder if we could break this discussion now, and resume it after the public testimony to accommodate members of the public who may have taken time out of their schedules to testify. Is the Trustee Council agreeable to that?

Could we be reminded of what off-site locations we have on line, and will we be receiving a list of those people who wish to testify from those off-site locations?

MS. McCAMMON: We're not set up to receive that here. LJ, could you let us know who is on line right now.

STAFF: At this time, Seward, Cordova, Soldotna and Kodiak are on line and they all have folks to testify. I understand two of them in each of those sites. We have six people on the list here in Anchorage, who would like to testify.

MS. WILLIAMS: Very good, and how many people do we have in Juneau who would like to testify? Is there anyone who would like to testify who is

here? All right, well, let's just -- we'll go to each site, one at a time and take one testifier, and if we could let us begin with Seward. We'll go Seward, Cordova,

Soldotna, Kodiak, Anchorage, so you can be prepared for that order, and we'll keep cycling through until we've received all of the testimony that people would like to offer today. If we could begin with Seward, please.

MR. RICK SMERIGLIO: Yes, my name is Rick Smeriglio. I'm testifying from Seward, but I actually live in Moose Pass, and once again I'd just like to support -- let you know of my support for buy-backs in Kenai Fiords National Park. I support keeping it whole. I believe those lands out there really are of national significance, otherwise they wouldn't have been made up a national park, and they are definitely of local significance, it appears, to our economy and to our recreational opportunities. I would like to communicate to you my sense of urgency. I feel the time is really running out, time and dollars. I see lots of resolution supporting buy-backs from the Tatitlek Corporation and from Eyak and Shuyak, but Kenai Fiords National Park hasn't shown up on the radar screen yet, and I'd like you to know that I would like for it to.

I believe that if there's only a one-time chance to do this, and if we miss the opportunity that irrevocable change will occur in the park, as the park's value to the local economy and its value to the national well-being will be -- will be lost. I'd like to just keep it short and give you the one message that I support buy backs in Kenai Fiords National Park. Thank you, very much.

MS. WILLIAMS: Ms. Smeriglio, thank you very much for your

testimony. For the record, could you please spell your last name?

MR. SMERIGLIO: My last name is spelled, S-M-E-R-G-L-I-O, and I live in Moose Pass.

MS. WILLIAMS: Thank you so much. Are there any Trustee Council questions? Thank you, again, very much for testifying today. We appreciate your testimony. If we could hear from Cordova now, please.

MR. STEVE RANNEY: This is Steve Ranney in Cordova. Can you hear me?

MS. WILLIAMS: Yes, and if you could please spell your last name?

MR. RANNEY: That's R-A-N-N-E-Y, and I'm the only person here in Cordova, so I'll just keep it brief also. First of all, I'd just like to say I'd like to see the new faces there on the Trustee Council. I think it's good to, you know, have a new perspective as this goes on, especially on the Eyak timber buy-back. That's what I wanted to say just a few words about. I know that that's been a real difficult negotiation. There's been a lot of new ground that's being broken on those negotiations as far as the -- the conservation easements and, I guess, our main concern, at least mine and I know other people, is now that it's been broken into two buy-backs, the core tracts that are fee simple and then the conservation easements in the other part, I know from my perspective and also from others, that they're -- we're really concerned about the possibility of the Trustees actually funding a logging operation here by -- if it does degenerate into just buying core instead of the -- also the second

tract. I guess that I'd

like to ask is if the negotiations do end up that you're just buying the core area, that you delay that as long as you can and try again on the negotiations for the conservation easement, and at the worse case scenario, at least give us the chance to voice our opinion on the buy-back in case it does end up just being the core area. But, just try as long as you can to negotiate a -- any reasonable settlement on the conservation easements. Thank you.

MS. WILLIAMS: Thank you. Are there any questions or comments for Mr. Ranney?

MR. GIBBONS: Madam Chair.

MS. WILLIAMS: Yes.

MR. GIBBONS: This is Dave Gibbons of the Forest Service. We will take that advice. We have been negotiating with them, and we're going to continue to negotiate as best we can.

MS. WILLIAMS: Thank you, very much for your testimony. Soldotna, please.

MR. JIM BUTLER: Can you hear us okay?

MS. WILLIAMS: Yes.

MR. BUTLER: My name is Jim Butler. The spelling of my last name is B-U-T-L-E-R, and I have two points to make. The first, I guess, would be a clarification of your agenda, and that would be that the Executive Director

report will be split and there will be an executive session prior to the Executive Director going into the acquisition report on small and large parcels.

Is that correct?

MS. WILLIAMS: That is correct, yes.

MR. BUTLER: Okay, the second point, I guess, is that I'd like to speak today to the Council and stress what I believe is the importance of a small parcel acquisition program, specifically in areas that are heavily impacted by the spill, and that would primarily any Kenai River habitat. As I'm sure the Council members are aware, the Kenai River habitat is unique for the resources that were impacted by the spill, as well as services. Some of those resources include salmon, dolly varden and a significant number of water fowl. The recreation services, in particular, that have been impacted primarily with the way resources access has been either channeled to different locations or left unchecked, and as a result you've seen significant impacts to habitat along the river, which have further aggravated impacts to resources as a result of the spill. The Kenai River area is unique in that it is, I think, in most -- most people's opinion represents a high value habitat and I think all would agree that money spent sort of preemptively on habitat acquisition is much better spent than money trying to appraise or restore some of the habitat and resources that will ultimately be damaged if this opportunity is left -- let go by. It is my understanding that the parcels that have been submitted along the Kenai River have all been considered a high value parcels for their unique attributes to habitat for water fowl and attendant wet lands associated with a filtration for resources that are actually in the river. I think that dollar for dollar, not

only Alaskans, but visitors across the nation, will benefit from the small parcel program because, typically, small parcels are going to be acquired

in places where the public can actually access those parcels. Unlike many of the large tracts that don't have much public access, the small parcels are unique in that they are -- have not only been impacted by -- impacted by the spill, but potentially going to be impacted from people who are going to be down in those areas. I believe that the restoration habitat protection acquisition of the Kenai River parcels will make sense for the Council's objectives, and would hope that the Council recognizes that now is the time to begin the transition from large parcel acquisition to looking at the small parcel program and ensure that there is sufficient resources set aside to make that program a true benefit to your objectives overall. That's all I have to say.

MS. WILLIAMS: Thank you, Mr. Butler. Is there any questions or comments for Mr. Butler? Thank you, so very much for your testimony. We'll look forward to hearing from you again on small parcels as we proceed through that process. Kodiak, please.

STAFF: This is Kodiak and we have five to testify, Mrs. Freed will be first.

MS. LINDA FREED: Thank you, good morning, my name is Linda Freed. My last name is spelled F-R-E-E-D. I'm Community Development Director for the Kodiak Island Borough. I'm here to testify in support of the small parcel habitat protection program. Specifically, the Kodiak Island Borough supports the

acquisition of one thousand acres at Termination Point in the Monashka Bay on Kodiak Island. For your information, the Kodiak Island Borough is one of the adjacent landowners of the parcel proposed for purchase.

In fact, recently the Kodiak Island Borough has completed a development planning process for our parcel adjacent to the parcel proposed for acquisition. Development options for out-years providing additional public recreational facilities on the site. In fact, this particular development recreational area has been ranked as the number one project in our region for funding under the state's marine recreation program, which is funded by an appropriation from the Alaska State Legislature out of funds received from the Exxon Valdez criminal settlement. The Kodiak Island Borough supports the acquisition of Termination Point as a project that would enhance and be compatible with the development we are proposing on our parcel adjacent to the proposed purchased parcel. In addition, the main water supply system for the entire urban areas of Kodiak City and outlying residential and commercial development areas is adjacent to this parcel as well, and we believe it is important to acquire this parcel as the area was impacted by the Exxon Valdez oil spill. We think it's a highly important recreation area for the Kodiak urban area, which is about 14,000 people, and we would encourage your support of its acquisition. If you have any questions, I'd be happy to try to answer them for you. Thank you.

MS. WILLIAMS: Thank you, Ms. Freed. Are there any questions or comments for Ms. Freed. Mr. Tillery.

MR. TILLERY: Ms. Freed, what was the name of the parcel next

door, that the Kodiak Borough owns?

MS. FREED: The Kodiak Island Borough owns an

unsubdivided portion of land that is adjacent to the Termination Point parcels. We call it the "End of the Road" because it's where the road ends at Monashka Bay. It's also the area where the city water supply flows in the Monashka Bay from Monashka Creek. But it is an unsubdivided parcel. We define it legally by township range and section numbers.

MS. WILLIAMS: Any additional questions or comments. Yes, Ms. Brown.

MS. BROWN: Please, has Kodiak completed its land selections under the municipal ...

MS. FREED: We have completed our land selections and we have an out-of-court settlement with the State of Alaska for that selection process.

MS. BROWN: Thank you.

MS. WILLIAMS: Any other questions or comments for Ms. Freed. Thank you very much, Ms. Freed. Anchorage, please.

STAFF: We have Mr. Paul Swartzbart.

MR. PAUL SWARTZBART: Yes, my name is Paul Swartzbart, and I'm a commercial fisherman and tour boat operator from Cordova.

MS. WILLIAMS: Mr. Swartzbart, if you could spell your last name for the record, please.

MR. SWARTZBART: S-W-A-R-T-Z-B-A-R-T.

MS. WILLIAMS: Please proceed.

MR. SWARTZBART: Okay, I'm very concerned that the logging moratorium on Eyak lands is over on March 1st, and that the alternative number one deal with the Eyak Corporation is entirely

stalled over Eyak Corporation maintaining future development rights. I've spoken to many Eyak shareholders, but I feel they are very adamant about retaining some development rights. The Trustee Council needs to realize that there is no development scenario that would be as devastating as the clear cutting that is scheduled to start in about two weeks. Equipment and personnel are moving into Cordova now. (Indiscernible) to purchase timber rights on the north four Eyak parcels and allow the Eyak shareholders to retain some future development rights.

I also feel that a professional negotiator or facilitator will be very helpful in this process. I just urge that Trustee Council will not let this deal disappear over this one issue of future development rights. Thank you very much.

MS. WILLIAMS: Thank you, Mr. Swartzbart. Any questions or comments for Mr. Swartzbart? We appreciate your testimony. Thank you. Let's return to Seward.

MR. MIKE BRITTAIN: Good morning, my name is Mike Brittain, my name is spelled, B as in Boy, R-I-T-T-A-I-N. I'd like to speak about the buy-back of the proposed in-holdings in the Kenai Fiords National Park. I'm very concerned about this. I believe the park is one of the state's greatest assets. Wildlife out there is actually, but unbelievable. However, it is suffering. Even before the oil spill, the number of birds and sea lions were declining. The spill, of course, further accelerated this decline. Also, the waters, which are

not part of the park, are a victim of over fishing -- are like large private in-
holdings in the park with

possible resource development that would actually be the death of this extraordinary area. And, even though I know that some of the areas in the park are not rated highly as far as the rating system is concerned, I believe that the sum of these parts is greater in the whole. You have to look at it from an ecosystem point of view. Also, some of the select lands are the most sensitive and productive in the park. Some of the flatter lands of the areas is where the salmon streams are, which, of course, draw sea life, whales and sea lions, and that sort of thing, also, the bears. This land would be taken out of the park and probably denied public access. I think that to not buy back these inholdings would be like giving away land on either side of the road into Denali National Park. Of course, there would be a great public uproar over that. I feel the same way about Kenai Fjords National Park. It's some of the most accessible wilderness area that we have. It is accessible, of course, only by boat. This also allows for very little environmental impact. Visitors can get out there and see it, and get back with leaving very little trace. It's also a big educational tool because it shows the public what is where -- excuse me, shows the public what is at risk as far as our resources are concerned, and I believe that alone is a large point. Keeping the park intact would be an important step in allowing the restoration of this area to continue, and I believe that allowing these land selections to take land out of the park would

further exacerbate the present problems, and also it creates a zoo, and would also like to encourage the Native Associations involved to

think about this and to allow the Trustee Council to continue with, and the National Park to continue with, their negotiations. Thank you.

MS. WILLIAMS: Thank you very much, Mr. Brittain. Any questions or comments for Mr. Brittain? Mr. Brittain, I would just like, not only to thank you for your comments, but also to support what you said at the end of your testimony. Of course, to make this happen we have to have not only willing buyers, but also willing sellers. So, any work that the people of the City of Seward or other supporters of this can do to talk not only with the Trustees, but also with the sellers would be greatly appreciated. Anything else from Mr. Brittain? Thank you, Mr. Brittain. Am I correct in understanding there is no one further who wishes to testify in Cordova? Cordova, okay, thank you. Soldotna then, please.

MS. DIANE ZIRUL: This is Diane Zirul, spelled Z-I-R-U-L. I'm with the Kenai Native Association, in town of Kenai Peninsula, and I would like to also express my support for the small parcels acquisition process. As Jim Butler stated earlier, the Kenai River -- it's our understanding that the Kenai River parcels have been rated highly in the selection process, and not only does the Native Association feel that the Kenai River would be beneficial in -- in preserving the ecosystem, but we would encourage the inclusion of the Moose River tract, which also has similar wildlife, which may have been impacted. There are

sockeye, pink salmon, dolly vardens, river otters, bald eagles, bear, moose

and so forth that use the Moose River tract, and it's my understanding that has a rating lower on the priority listing, but it is our feeling that it is very important. This area is also adjacent to the Swanson River and the Swanson canoe trail system which would, through its acquisition, then make it very available for other recreation activities and to the general public. We feel very strongly about these two areas, i.e. the Kenai River and Moose River tract and would appreciate any consideration of that in the future. Thank you.

MS. WILLIAMS: Thank you, Ms. Zirul. Are there any questions or comments for Ms. Zirul for her testimony? Thank you very much for testifying today. I would like to go to Kodiak, please.

MS. GAIL SMITH: Hello, my name is Gail Smith, S-M-I-T-H is the way the last name is spelled. I'm a member of the Kodiak State Parks System Advisory Board, and I'm here to support the small parcel acquisition process, and specifically I'm here to support Termination Point. Termination Point is a heavily used recreation area. It's utilized for fishing, hiking, kayaking, picnicing and beachcombing. There's a high aesthetic quality to the area of Termination Point. It's a pristine natural area, it's very quiet, it's very heavily wooded, and it draws a lot of people from the Kodiak area to this area to recreate. The area was impacted by the oil spill, and there was a loss of recreation value due to the oil spill. Currently the area is owned by

(indiscernible) Corporation, and there are plans to either log or

subdivide the area. If it is logged it will most likely be clear cut, as that is the techniques that they're currently using. This activity would be incompatible with the recreation activities that go on in the adjacent areas, and there is the hope that the adjacent area which is the "end-of-the-road" area that Linda Freed spoke of earlier, will benefit from the marine recreation project and will be further developed for recreation. We feel like if there is any kind of activity around the area of industrial use, it would be highly incompatible with those recreational activities. I spoke with a sport fish biologist for Fish and Game yesterday. He said there are plans to stock the area with additional coho fish. We highly support the purchase of Termination Point and your consideration of small acquisitions. Thank you.

MS. WILLIAMS: Ms. Smith, thank you very much. Are there any questions or comments for Ms. Smith? We appreciate your testimony. Thank you. We will return to Anchorage.

MS. CAROL BOEHNERT: My name is Carol Boehnert, B-O-E-H-N-E-R-T. I'm representing Alaska Center for the Environment, and we'd like to say welcome to the new Trustees. I will also be talking in four areas of support today. First, we continue to support negotiations for Afognak parcel for a comprehensive deal there. ACE would like to strongly support the Termination Point, as part of the small parcels on Kodiak. Third, we are pleased that negotiations continue on

Kenai Fiord. We realize that they're not (indiscernible), but we support the time it takes to make a great deal there. There is a lot of public support for Kenai Fiords.

Finally, that raises to Eyak. We feel that it is absolutely essential for any plan for the spill area to include a deal on Eyak lands. We believe that a plan or a compromise can be worked out where both sides feel that life has been fair and responsive to their needs. We also strongly support a comprehensive Eyak deal, not a smaller one. Thanks.

MS. WILLIAMS: Thank you, Ms. Boehnert. Any questions or comments for Ms. Boehnert? Thank you very much for testifying today. Let us return to Seward. Is there anyone else who wishes to testify in Seward?

MR. MARK KANSTEINER: Yes, my name is Mark Kansteiner, that's spelled K-A-N-S-T-E-I-N-E-R, and I request that you consider a buy-back of all the lands in Kenai Fiords National Park. During the oil spill clean up, I worked between Seward and Homer capturing wild animals. As a result of my time in this area, I was able to see first hand how the area of the park is a very important and very large ecosystem, and we all know that it's important to maintain a system as a whole. Allowing the break up of Kenai Fiords Park would indeed be a shame. It would be like cutting off your index and middle fingers: the hand or system still functions, but not very well. This land is not like some other potential buy-back land that will need to have a land manager put in place. This, of course, allows a smooth transition as well as dollar savings in not having to locate and select a manager. The Park Service is in place and has been

supervising this land quite well, since it first became a park. Thank you.

MS. WILLIAMS: Thank you, Mr. Kansteiner. Are there any questions or comments for Mr. Kansteiner? Hearing none, we do want to thank you for your testimony. We appreciate your testifying today. Is there anyone else in Soldotna who would like to testify? We'll return to Kodiak, then.

MR. MIKE BUCKLEY: Yes, my name is Mark Buckley, last name is spelled B-U-C-K-L-E-Y. I'm a fifteen year resident in Kodiak and a commercial fishermen. I am here representing myself, and I want to say that I have no financial interest in any of the parcels under discussion. I'm here to support these small parcel acquisition program and in particular the acquisition of the land known as Termination Point at the End of the Road here on Kodiak Island. I, like many other people on the island, use the area frequently for recreational activities, and I bring my visitors from off islands to Termination Point frequently for hikes in the woods. And, uniformly people who have traveled all over the world recognize the value and beauty of the place, and I would certainly hate to see it affected negatively by subdivision or, of course, clear-cutting. So, thank you very much for giving me the opportunity to talk, and again I support the acquisition of termination point.

MS. WILLIAMS: Thank you, Mr. Buckley. Are there any questions or comments for Mr. Buckley? Hearing none, Mr. Buckley we appreciate your testifying today. We'll return to Anchorage, please.

MS. PAMELA BRODIE: Pamela Brodie from the Sierra Club.

I am also the environmental representative on the Public Advisory Group. I would like to welcome the Knowles administration into this project, and I look forward to meeting with Mr. Frank Rue and with Michelle Brown and Gene Burden to talk about these issues. The rest of the members know that I have attended all Trustee Council meetings so far, and that this is a major area of interest for the environmental community in Alaska, and in America. I'd like to thank the Hickel administration and Clinton administration Trustees for the offers that they made on numerous parcels in November and December of last year, and I am hopeful that a lot of these will be successfully negotiated. I would like to talk about five things in my public comments. First, and most importantly, I would like to suggest to the Trustees that you get one professional negotiator to complete the negotiations for the large parcel habitat acquisitions, and this is not meant to be a criticism of any agency or any one who has worked on these. I know some of these negotiations have been extremely difficult. I think that the process would work better if there were one person dealing with all of them, just have that particular job in his or her life to make these things happen, and was able to balance the various opportunities to get the best possible deal negotiated. The second -- my second point is, I'd like to say please do not give up on the negotiations that are having difficulties, in particular Eyak and Kenai Fiords. I hope that the Trustees can get -- that could extend the moratorium for

Eyak to continue negotiations, and that they -- that you will keep money available to make the appropriate

large deals in these areas. Thirdly, I'd like to ask the Trustees to please reach out again to the Chugach Alaska Corporations. I'm concerned that Prince William Sound might not get the habitat protection that is really appropriate for that area, and I think it -- although Chugach Alaska Corporation has not, as I understand it, expressed much interest in this process in the past, they have gone through various changes, and perhaps if the Trustee Council sends them a letter saying that the Council is still interested, there might be more interest on the corporation's part. Fourth, I'd like to encourage you to go ahead with the small parcel project and to listen to the public about the things that the public most wants. We support Termination Point in Kodiak and Overlook Park in Homer, particularly because there is so much public support for these. We are somewhat concerned about balancing the small parcels and large parcels, because undoubtedly the small parcels will be more expensive per acre than the large parcels. So, I hope that the Trustees can look at the overall cost of these lands and benefits of particular parcels. Although the small parcels may be more expensive, they can also -- I'm sure in some areas, provide more benefit per acres than the large parcels, so it's just a matter of looking at them on a case-by-case basis to get -- to make the best use of the funds, and for the best interest of restoration, certainly we hope you will make the necessary funds available for both the large and small parcel processes. Finally, regarding the

Public Advisory Group, could I ask a question, are the Trustees planning to actually appoint Public Advisory Group members today?

MS. WILLIAMS: Yes, we will be making the recommendations as a Trustee Council today, Ms. Brodie.

MS. BRODIE: I have been very pleased and grateful to have been able to serve as a representative of the environmental interest group, and I hope to be able to continue to do that. I hope the Trustees will consider certain things when you make your decisions. One is to think about the size of the Public Advisory Group, and whether you want to continue it at the current size, which has certain advantages, but it's -- it's also hard for a group that large to make decisions. I also think that you might think about attendance. Now, I'm going to try to take off my environmental hat for a minute and speak for myself. I do not personally believe in support of gender affirmative action, and it does not bother me that there are only two women on the Public Advisory Group. I think the most important thing is to get the most appropriate people, but I do think it's a little amusing that very often the men who are on the Public Advisory Group don't show up and they send their women alternates who actually do the work. So, I think it that in -- in a matter of fairness and justice, it would be nice if you could actually appoint the women who are showing up and doing the work. But, as I say, that's -- I'm not representing the environmentalists when I say that. I also think it would be helpful if you could give us some guidance about the degree to which we are expected to report to and represent our groups.

I think some members of the Public Advisory Group take it very seriously in terms of communicating with organizations in our

interest group and members in our interest group, and representing what they want. Some others of the Public Advisory Group have expressed that they would very much like to do that, but that they don't have the phone budgets to do so, and I hope that the Trustees -- I don't think that will be very expensive. I would not ask it for my interest group, I do it anyway, but I think that those who cannot do it because of the costs of phone calls, should be able to get reimbursed for that. And, then there are some members of the Public Advisory Group who have not seen that as their role, who believe we are chosen to make the decisions ourselves, and don't think that they need to communicate with a representative of other organizations, of other interest groups, and I hope you think about that and give us some guidance on that. Thank you very much.

MS. WILLIAMS: Thank you very much, Ms. Brodie, for your comprehensive testimony. Are there any questions or comments for Ms. Brodie? I have one, which do you think is the better model. Do you think the better model is to have the PAG members do active outreach to trying to represent the group, or do you think the alternative is better?

MS. BRODIE: I certainly believe that Public Advisory Group members should do active outreach and represent their group.

MS. WILLIAMS: Okay, thank you. Any other questions or comments for Ms. Brodie? Thank you very much. Let us return to Seward. Are there any

additional people who would like to testify in Seward?

SEWARD LIO: No. Everybody's had a chance to speak.

Thanks.

MS. WILLIAMS: Thank you very much Seward. Let us return to Kodiak then, Kodiak, please.

MS. MARY FORBES: Hi, my name is Mary Forbes. I'm speaking on behalf of the Kodiak Audubon Society. We're a local conservation and environmental education of about eighty members. We strongly support acquisition of Termination Point, small parcel on the Kodiak Island Borough. This small parcel acquisition would fulfill many of the objectives of the small parcel program. The Termination Point area provides habitat for a number of wildlife species injured by the Exxon Valdez oil spill: sea otter, harbor seals hearing, black oystercatchers, harlequin ducks, marbled murrelets and pink salmon. There is one known archeological site which was oiled in 1989 and which clean up crews worked there. Recreational activities that normally occur in the area were interrupted or curtailed by the presence of oil and of clean up crews. Recreational improvements to the Kodiak Island Borough land adjacent to the Termination Point parcel, which you've heard about, were submitted by the Borough to the marine recreation project, administered by the Alaska. The Borough's proposal ranked number one after review by a local citizen's advisory group, and by a technical review committee. The Borough's land includes the area where the Termination Point trails begin. The project includes improving the parking area, putting in

picnic tables, fire pits and providing restroom facilities. It will greatly improve the quality of the area and the experience for residents who often use the

area. All of the residents of Kodiak would benefit from this acquisition, and we thank you for the opportunity to comment.

MS. WILLIAMS: Thank you, and could you please spell your last name for the record?

MS. FORBES: Okay, it's Forbes, F-O-R-B-E-S.

MS. WILLIAMS: Thank you, Ms. Forbes. Are there any questions or comments for Ms. Forbes? Hearing none, we do appreciate your testifying today. Anchorage, please.

STAFF: Eric, would you like to come and testify?.

MR. ERIC COUFAL: Hi, my name is Eric Coufal. My last name is spelled C-O-U-F as in father, A-L. I'm representative for Adventures and Delights, which is a eco-tourism operation. We currently run sea kayaking expeditions into the Kenai Fiords, and we're asking to have some monies to buy back the land which is being turned over to the Native corporation. I'd like to touch on two reasons why we are asking for this. One is for the habitat restoration and the research that could go in this area. The Council has already appropriated the money for the marine research center that is being built in Seward, and we just feel that it's appropriate if you have a research center have some place to conduct the research, so we'd (indiscernible) the money to us. The other thing that we'd like to touch on is that, should it become private land, it

could possibly be opened up for development of wilderness lodges, whatever it might be. If that should happen, one area that is being looked at very seriously is the Pedersen Lagoon area. There are spawning streams there, which could, if

human interaction and human encroachment takes place there, could push back bear population, seal population, sea otter populations, etc. We would ask that money be appropriated for the buy-back for these reasons. There you go.

MS. WILLIAMS: Thank you very much, Mr. Coufal. Any questions or comments for Mr. Coufal? We appreciate your comments greatly, today, thank you.

CORDOVA LIO: This is the Cordova monitor, we have an additional participant -- I mean, participant who would like to testify.

MS. WILLIAMS: Thank you very much, please go ahead.

MR. DAVE WERNER: My names Dave Werner, I lived here in Cordova, I'm a commercial pilot. First, I'd just like to say that I'm adamantly opposed to buying out land anything -- maybe a few hundred yards above shoreline. The money was supposed to have been used for the restoration of the town from the oil spill and anything above a couple hundred yards of the shoreline has nothing to do with the actual oil spill. And, I have talked to a lot of old-timers in town here, and they are very upset with the number of sea otters that we have in this area, literally in the thousands, and how they wiped out the clam beds, especially after the earthquake when they really started populating this area heavily. And, they were put under the Endangered Species List, and there has been absolutely nothing to do -- or nothing that they've been able to do to curtail their populations, and they are just wiping out the rest of the clam beds, and also the

crabs are just not

(indiscernible) right in the local Cordova area where at one time they were -- it was a very large crabbing industry here. Once I talked over -- talked it over and heard these comments from a lot of the old-timers who said, why don't we do something about restoring the -- they're taking our older populated areas, and repopulation -- and restoring the areas that were affected by the oil spill, and so, it was estimated between three and five thousand otters just in the immediate Copper River, Cordova area, and if they could -- so, anyway, they made a proposal -- I wrote up a proposal (indiscernible) and I had a number of these gentlemen look it over, and they thought it was a decent proposals, and basically it stated that we should transport all but about three or four hundred of our local otters into the oil-affected areas to repopulate those areas, primarily, or more likely around Knight Island. And, also, to pay fishermen to go down here to say the Yakutaga area and catch dungeness crab and transplant them in the local Cordova area, and then also to do the same thing with -- with clams. They could be flying clams from -- from the Anchorage area over to our area, and try to restore some of these clam beds. Anyway, I've got a list of the oiled spill Trustee Council members, and I wasn't able to get a hold of everybody, but I was able to get a hold of two or three of them, and both of those -- or a couple of the gentlemen are -- are with the Forest Service, and they thought that was a decent proposal, and it was submitted, and they said they would get back to me, and

nobody ever has. And, the proposal was signed by the old-timers of Cordova, and
I would like to remind

them and ask them if that is still a viable concern, and, if so, why haven't we been notified. That's all I have to say. Thanks.

MS. WILLIAMS: Thank you, Mr. Werner. Could you please spell your last name for the record?

MR. WERNER: W-E-R-N-E-R.

MS. WILLIAMS: Very good. Are there any questions or comments for Mr. Werner? Forest Service? Mr. Gibbons is not familiar with your proposal. Mr. Werner, if I could recommend that you send a copy of your proposal to the Executive Director, Molly McCammon, and work with her in terms of getting your proposal into the process that we have established.

MR. WERNER: Well, I believe I did so, and I can't remember -- I don't have a list of the people that I did notify, or that I actually was able to make contact with, but Mr. Janik was one of them, and I don't remember who the one or two others were, but -- I don't know if I have that original, I'll have to try and find, but they have copies of it, and they said that they would -- they would like to meet with me and also some of these old-timers and I mentioned that I'd pass it onto them, and they said they were -- they were more than willing to meet with them also, but we never heard a thing about it.

MS. WILLIAMS: Mr. Werner, unfortunately Ms. McCammon is not familiar with your proposal. She will try and work with Mr. Janik, but -- Molly,

can you give Mr. Werner your telephone number, and then -- I don't know if your prepared to give your telephone number to Molly over the teleconference network, but let's -- let's

make sure your proposal gets in the process, Mr. Werner.

MS. McCAMMON: Mr. Werner, you can call us at 278-8012 in Anchorage, or you can leave your address and phone number with the LIO person in -- there, and we'll get them when I return to Anchorage.

MS. WILLIAMS: Thank you, are there any further questions or comments for Mr. Werner? Thank you for testifying today, Mr. Werner. Let us return to Kodiak, please.

MS. RAGINE VLASCHKA: Hello, my name is Ragine (ph) Vlaschka, V-L-A-S-C-H-K-A. I'd like to thank you for your previous consideration for protecting the remote parcels of the Kodiak archipelago. I'm a thirteen year resident of Kodiak, and I'm here to testify to the beauty and the accessibility of the Termination Point parcel. Kodiak has a large immigrant population who work in the local canneries. Termination Point provides a window to the wilderness for these who may not be able to afford to travel to the remote areas that you've already protected. Thank you.

MS. WILLIAMS: Thank you, Ms. Vlaschka. Anyone have any questions or comments? Thank you, we appreciate your participation today. Anchorage, please.

MS. KENDRA RUSSELL: Hello, my name is Kendra Russell, the last name is spelled R-U-S-S-E-L-L. I'm here to strongly encourage the members of the

Trustee Council to allocate funds to purchase back properties on the Kenai Fiords National Park. I think -- I feel very strongly that this is a very sensitive wildlife area ecosystem, that right now has great potentials for recovery. It

also has great potential for ongoing wildlife studies. The marine research center based in Seward is something that I feel strongly should be allowed to continue in its research and this is a public area, of course. One of the reasons it's a parks area is because it's so easily accessible. It has been very -- the impact on it so far has been minimal, and that is why I think it has such a great chance for recovery. Kenai Fjords National Park is also a major attraction for visitors to the state, and I think that's another point. It has gained both international and national recognition both, in recent years, and this can be seen in the growth that's -- the economy in Seward has boomed, and I think other parts of the state have also benefited. I am -- work with a sea kayak company called Adventures and Delights, and our business has -- has increased dramatically over the last several years, as, I'm sure, others businesses in Seward that visit the Kenai Fjords National Park. Kenai Fjords is very accessible. People can visit it without creating a very much impact, and I think that's very important -- valid point to make. Kenai Fjords offers all that Alaska has to offer. People come to Alaska to see everything they can that tours offer: glaciers, wildlife, beautiful scenery. It's a wonderful area. I think it should be protected as much as possible. Thank you.

MS. WILLIAMS: Thank you, Ms. Russell. Any questions or comments for Ms. Russell? We do appreciate your participation today. Thank you. Is

there anyone else in Kodiak that would like to testify? All right, is there anyone else in Anchorage that

would like to testify.

ANCHORAGE STAFF: We have two more, Madam Chair.

MS. WILLIAMS: Thank you very much. You may proceed.

MS. TABATHA GREGORY: Good afternoon. My name is Tabatha Gregory, and I work with the Alaska Center for the Environment. Today I'm representing myself though. I'm speaking today to encourage you all to continue negotiations with both English Bay and also Graham Corporations for their selections on the coastline of Kenai Fiords National Park. Kenai Fiords is one of the premiere natural areas along the coast of Southcentral Alaska. We continue to find out how forest the islands, the rocky outcrops and forest (indiscernible) in the Fiords, are for the species of birds and wildlife that were damaged by the oil spill. Most of Kenai Fiords are presently undeveloped and relatively free of traffic. In the future, as traffic increased throughout the rest of the oil spill area, the undisturbed nature of the Fiords will become more important in the complete recovery of these populations. The fiords also provide for the restoration of human activities that were degraded by the oil spill. Low impact recreation and tourism drive in the pristine fiords and bring a reliable source of jobs and business opportunities to Seward. These activities have so far been compatible with the help of the plant and animal communities that live in the fiords. Last November I was encouraged to see the Trustees make a strong support

-- statement of commitment to the protection of this important habitat. We passed a resolution to continue negotiations with the

English Bay and Pt. Graham Corporations. As I understand, you have thus far, honored the commitment, and today I just want to re-emphasize the extent of my concern for the Fiords and encourage you all to see these deals through to completion. I believe that habitat protection in the oil spill area would be incomplete if the Fiords do not remain intact. Please set the table -- at work to see that the Fiords are protected. Thank you.

MS. WILLIAMS: Thank you, Ms. Gregory. Could you please spell your last name for the record?

MS. GREGORY: Yes, it's spelled G-R-E-G-O-R-Y.

MS. WILLIAMS: Thank you. Are there any questions or comments for Ms. Gregory? We do appreciate your testifying today, thank you. Before we call our last witness in Anchorage, is there anyone else on the network or here in Juneau who would like to testify? Fine, if we could have our last witness in Anchorage, please.

MR. DAVE DEANS: Good afternoon. My name is Dave Deans, the last name is spelled D-E-A-N-S. I represent a small parcel owner in Prince William Sound, and I would like to speak to relative to the small parcel process and selection. I believe clearly that from the observations and comments made by other speakers today, we can all agree that Alaska is a fantastic state, and the beauty and splendor speaks for itself. However, with respect to your task in

identifying and nominating and further authorizing acquisition parcels for protection, I believe that you need to not address necessarily the squeaky wheel, but get back to

the basis for those decisions as presented in your earlier authorities and outlines. I would like to compliment the scientists that were involved in reviewing the parcels that were nominated against the criteria established. I believe they have done a very fine job, and now, of course, it's your job to follow up on those nominations and make some selections. The technical data speaks for itself, but I believe there is an important element missing, which you should consider, and that is an overview -- and an observation that I would have is, that it would seem by perception that a small parcel on the Kenai River being much more highly visible than some remote parcel on Prince William Sound, might be a higher priority, but I would ask you to look at, not only the existing potential for damage, but for future potential for damage, and relative to that, I would submit the actual damage that may occur by having a 7-Eleven on a small parcel on the banks of the Kenai River would be less of a potential threat, than having 140 separate homeowners on Horseshoe Bay and LaTouche Island. Both parcels that I represent are on LaTouche Island and Horseshoe Bay is currently subdivided and all legally tenable by owners to build cabins, wilderness lodges and other form of development that may occur there. Secondly, this particular parcel bisects an existing state marine park, and it appears that the value in future use of that park could be substantially jeopardized by having development occur in this small parcel. Again, I think that the perception sometimes is more

meaningful than what actually exists and we're all very familiar with the Kenai River. It's a wonderfully,

fantastic resource. I utilize it myself, and if there is an opportunity to do some protection there, it's great, but rate it against, even though it may be less visible, some other parcels that have some substantially greater potential.

For impact I think you should look thoroughly at that. Thank you for your time today.

MS. WILLIAMS: Thank you very much, Mr. Deans. Are there any questions or comments for Mr. Deans? Hearing none, we do want to thank you for testifying today.

ANCHORAGE STAFF: Madam Chair.

MS. WILLIAMS: Yes.

LIO OPERATOR: We have one late-comer arrived who would like to make a few comments if you would have the time to hear from Mr. McKee.

MS. WILLIAMS: Yes, that is fine.

MR. McKEE: Yes, my name is Charles McKee. The spelling is M-C-K-E-E. I have to voice my sentiments with Mr. Werner as testified earlier, and I'd like to ask a question of the Council. I'd like to know the name of the Congressional committee that's going to review the last purchases because of the appraisal rating -- well, the purchase price is three times higher than the appraisal rating that -- been given on the parcels that they propose to purchase, and that's what I've been told by someone working for the Trustee Council, and --

so, if I could find out the name of that of that Congressional committee, then I would be able to tell that committee my tour of concerns rather than the thought that is being conducted at the time. There seems to be no concern

for food source for the salmon and the rest of the injured wildlife that resides within the Prince William Sound, and the other aspect of it. And, the reason why I'd like to contact the Congressional committee is because, well, first of all, our economy in Alaska is based on oil, and for those who resent the concept of thinking about OPEC and their price, how it affects our economy, and, of course, oil is the primary element of contamination for the Prince William Sound, Kenai Fjords, and so on, and, of course, we have to take into affect, and into account the fact that OPEC is primarily a Muslim and Islamic country, and they've actually contained control of oil economy-base in Alaska, as well as have a very big impact on what Congress does for the rest of American people. And, why we have to adjust ourselves to this type of economic activity, and in my attempt to bring resolution to this process, I've been attempting to sue the state, simply because you can't sue insurance company in question, you have to sue the policyholder. I learned when I was commercial fishing and I was injured, and that process in Kodiak, and I had to sue the owner involved, which happen to my brother, that the company in question that filled in the policy and they were embezzling money at the time with the aid of the state.

MS. WILLIAMS: Mr. McKee, if you could finish up in just a few seconds, please.

MR. McKEE: Yes, my experience is really broad-based, and I seem to

be able to put all of this in one consideration whereas people like to narrow it down and focus on just one thing, really to get the problem.

MS. WILLIAMS: Thank you very much, Mr. McKee. Is Barry Roth on the phone? No. Mr. McKee what we would like to do is respond to your question with something very short in writing. Barry Roth is the one who has been working most closely with the -- with Congress, and so if you can give your address to the Anchorage office there, we will respond to your question in writing, if we could.

MR. McKEE: Thank you.

MS. WILLIAMS: Thank you very much.

KODIAK LIO: Okay, Kodiak has one more to testify if it's possible?

MS. WILLIAMS: Yes, it is possible, please proceed.

MR. BRIAN JOHNSON: Yeah, my name is Brian Johnson, I'm a commercial fisherman. I'm sorry for being late here, but I want to thank you for the work you've done on Afognak there. A lot of people really appreciate that, and I'd also like to have you think about Termination Point area. It's one of the few places on the road system where people that are bound to the road system can go and still have it sort of it untouched. The log trucks are rolling from the other end of the road system daily as that place is being cleared off, and I would just like you to consider Termination Point area for one of the small acquisitions. Thank you.

MS. WILLIAMS: Thank you, Mr. Johnson. If you could spell your

name for the record, please.

MR. JOHNSON: B-R-I-A-N J-O-H-N-S-O-N.

MS. WILLIAMS: Thank you very much. Are there any

questions or comments from Mr. Johnson? Well, thank you for testifying today. Is there any other member of the public who would like to testify before the Trustee Council today? Hearing none, we do want to thank all of you for coming to testify, we do appreciate your testimony very much, and we also thank people who write to the Trustee Council. We receive copies of all letters that come into the Trustee Council, and we review them before every meeting. We do know how busy you are, and we thank you all again for sharing your thoughts and views with us. What I would like to propose at this time is that we take a break, and that after our break we go into executive session. I do need to announce for the purpose of the public what the executive session will consist of, and I will do that now. During executive session we will discuss habitat protection negotiation strategies. We will also discuss the Public Advisory Group appointments. Both of those matters are appropriately addressed in executive session. We'll also have the Executive Director's report continued in executive session as it applies to the habitat acquisition status reports for the large parcel negotiation status, and the small parcel protection process. I propose that we go into executive session at 1:15. Will that give all the Trustee Council members time enough to get lunch now? Ms. McCammon.

MS. McCAMMON: Madam Chair, it's my understanding that Buff Bowlen (PH) is only available from approximately 1:00 to 1:20, so if we could start at

1:00, if we could grab a sandwich and bring it back.

MS. WILLIAMS: Yes, okay, let us do that. If the Trustee Council members could grab a sandwich -- get some sunshine. For those of you not in Juneau, it is an exquisite day in Juneau, so we'll get a few rays and come back here at 1:00 o'clock. Yes, Mr. Tillery.

MR. TILLERY: Can I put that in the form of a motion that we go into executive session for the purposes you listed.

MR. PENNOYER: Second.

MS. WILLIAMS: Please, is there any opposition to the motion to go into executive session for the reasons I listed as seconded by Mr. Pennoyer? Hearing none, that motion carries. And, I don't know if we can a prediction on how long the executive session will last, does anyone care to, or do we just notify everyone when we're done. Two hours?

MS. McCAMMON: An hour, an hour and a half.

MS. WILLIAMS: An hour and a half -- hour to two hours. Very good, well we look forward to rejoining the network after the executive sessions is over, and, of course, the items that we will be addressing when we get back on the network and back in public session will be the Public Advisory Group appointments, the small parcel protection process, and supplemental funding for Project 95191A, and any other items, and the continuation of the discussion we had before we went into public testimony. Thank you very much for joining us,

we' ll talk to you later.

(Off Record 12:36 p.m.)

(Executive Session 1:00 p.m. to 3:50 p.m.)

(On Record 3:50 p.m.)

(Mr. Alex Swiderski was seated in place of Mr. Craig Tillery for the Alaska Department of Law for the remainder of the public portion of the meeting. Mr. Wolfe took over representation of the U.S. Forest Service-Agriculture from Dave Gibbons, via teleconference, shortly after the afternoon session was called back to order.)

MS. WILLIAMS: Is Anchorage on yet? Are we expecting anyone besides Anchorage.

ANCHORAGE OPERATOR: Anchorage is on line.

MS. WILLIAMS: Thank you very much. Is Soldotna on line?

SOLDOTNA LIO: Soldotna is on line.

MS. WILLIAMS: Thank you. Is Jim Wolfe on line?

BRIDGE OPERATOR: No, he hasn't called in yet.

MS. WILLIAMS: Okay, let's begin. I would like to call the meeting of the Trustee Council back to public session and in order. We have completed the bulk of our executive session, we're prepared to go back into public session. The people who will be representing the agencies in this part of the Trustee Council are as follows: Steve Pennoyer will continue to represent NOAA, Alex Swiderski will be representing the Attorney General's office, Michelle Brown will continue to represent the Alaska Department of Environmental

Conservation, Frank Rue will continue to represent the Alaska Department of Fish and Game, I as chair, Deborah Williams, will represent the Department of Interior, and Jim Wolfe, as soon as he comes on, will be representing the Department of

Agriculture and Forest Service. Until he comes on, we'll continue to have Dave Gibbons represent the Forest Service and the Department of Agriculture. We have two action items to address, and I'd like to do those first, and then complete our discussion that we interrupted to go into the public hearing scheduled, but for the members of the public who are listening, I would like to do our action items first, and thank you for being patient while we were in executive session.

The first action item we have is the Public Advisory Group appointments, and what I would like to do in this regard is to go category by category, accept nominations for the category, and seconds, and then discussion on that category, and then proceed to the next category, but I would like to go ahead and vote category by category. And, let us begin alphabetically with aquaculture, do I have any nomination for the PAG representative for aquaculture.

MR. PENNOYER: Madam Chair, I nominate Karl Becker for the aquaculture seat.

MS. WILLIAMS: Thank you, Mr. Pennoyer. Karl Becker has been nominated, is there a second?

MR. RUE: Second.

MS. WILLIAMS: I will take the second from Frank Rue, and is there discussion about Mr. Becker and any other of the candidates?

MR. PENNOYER: Madam Chair, I might just say that we have many

excellent candidates here, including a number -- number that have surfaced before
in this regard, and have done a good job in

the past. It was a difficult decision. I notice Mr. Becker dealing with Prince William Sound Aquaculture Corporation and many of our dealings have been with that corporation in the past, and they've represented themselves with the Council on several occasions, so that maybe -- feel that he was the best one to represent them at this time.

MS. WILLIAMS: Thank you, Mr. Pennoyer. Any other comments about Mr. Becker and any of the other candidates for this position? Hearing none, is there any objection to appointing Karl Becker or recommending the appointment of Karl Becker for the aquaculture position? Hearing none, Karl Becker will be the Trustee Council's recommendation.

The next two categories of commercial fishing and commercial tourism have one candidate each, and I think we can take those together. The commercial fishing candidate is Thea Thomas and the commercial tourism candidate is Nancy Lethcoe. We'll entertain a motion to recommend the appointment of those two for each of their respective categories.

MS. BROWN: Madam Chair, I recommend appointment of these two for commercial fishing ...

MR. PENNOYER: Second.

MS. WILLIAMS: So moved by Michelle Brown, seconded by Steve Pennoyer. Is there any discussion of these two candidates? Is there any

opposition to recommending that these two candidates be appointed to the PAG to their respective positions? Hearing none, we will be recommending these two candidates. Thank you.

The next category is conservation. I will entertain a motion for the representative for the PAG conservation category.

MR. RUE: Madam Chair, I move that we recommend Chip Dennerlein for that category.

MS. WILLIAMS: Thank you. Do I hear a second?

MS. BROWN: Second.

MS. WILLIAMS: It's been moved by Commissioner Rue and seconded by Michelle Brown that the conservation candidate be Chip Dennerlein. Is there any discussion of this motion? Yes, Molly McCammon.

MS. McCAMMON: Madam Chair, if this motion gets approved, I would suggest that Jim King be considered under the public-at-large seat.

MS. WILLIAMS: Thank you.

MR. PENNOYER: Madam Chair, it was felt that Mr. Dennerlein is a member of the National Parks and Conservation Association, and one of our guidelines -- that was recommended as an example of the type of person to fill this person, and I know him that he supports the same.

MS. WILLIAMS: Thank you, Mr. Pennoyer. Any further discussion in this category? Is there any opposition to appointing Chip Dennerlein as the conservation representative for the PAG? Hearing none, Mr. Dennerlein will be our recommended appointee. Again, the next two categories have since

nominations, let's take those both together. The nominee for the environmental position is Pamela Brodie and the nominee for the forest products position is

Kim Benton. Mr. Sturgeon has withdrawn his name, and Kim Benton has been recommended in his place. Do I have a motion to approve the -- recommend the nominations of these two individuals for their respective categories?

MR. PENNOYER: So moved.

MR. RUE: Second.

MS. WILLIAMS: Move by Mr. Pennoyer, seconded by Mr. Rue, is there any discussion of these two nominees?

MR. SWIDERSKI: Madam Chairman, I have worked extensively with Pamela Brodie over the last few years, I know she's been very active in the process, and as a citizen, as a member of the environmental community and as a PAG member. I've also worked with Kim Benton. I understand she's attended many of the PAG meetings. In addition to being a consultant for Koncor, she has also worked as a consultant for at least two of the landowners with whom we've dealt, the Chenega Corporation and the Seldovia Native Association, and I believe that she would also be a strong candidate.

MS. WILLIAMS: Thank you, Mr. Swiderski. Any additional comments on these two nominees. Is there any opposition to these two nominees. Hearing none, the board will -- the Council will recommend Pamela Brodie for the environmental position and Kim Benton for the forest products position. Our next category is local government, we have two nominees. Do I hear a motion for this

position?

MR. PENNOYER: Move that we nominate or recommend Dave Cobb for the position.

MS. WILLIAMS: Is there a second?

MR. GIBBONS: Second.

MS. WILLIAMS: It has been moved by Mr. Pennoyer and seconded by Mr. Gibbons that Dave Cobb be appointed to the position of local government. Is there discussion on this motion?

MR. PENNOYER: Madam Chairman, my reason for supporting that is this is a local government and both these individuals are of the City of Valdez, and yet the City of Valdez recommends Mr. Cobb (indiscernible).

MS. WILLIAMS: Thank you, Mr. Pennoyer. Any further discussion? Is there any opposition to appointing or to recommending the appointment of Dave Cobb to the local government position? Hearing none, Mr. Cobb will be our recommended appointment. What I would like to do is take the Native landowners position, recreation position next, and we will momentarily jump over the public-at-large and do that last. The sole nominee for the Native landowners category is Charles Totemoff and for recreation users is Jim Diehl. Do I have a nomination regarding those two individuals?

MR. WOLFE: So moved.

MS. BROWN: Second.

MS. WILLIAMS: Thank you for joining us, Jim. We already announced that you would be joining us and representing Forest Service when you

did, so thank you. Is -- there's been a lot of enthusiasm about this appointment. I will go ahead and say it's moved by Jim Wolfe and seconded by Michelle Brown that Charles

Totemoff and Jim Diehl be recommended for appointment to the PAG. Any discussion of these two individuals? Is there any opposition to our recommending them for appointment? Hearing none, they will be so recommended. The next category is science academic. We did receive today what we believe to be a second nomination for this position, a Dr. Laura Johnson, and therefore we have two candidates. Do I hear a motion with respect to this category?

MR. PENNOYER: I move we recommend John French, who is currently in this position for the PAG.

MS. WILLIAMS: Do I hear a second?

MR. RUE: Second.

MS. WILLIAMS: It's been moved by Mr. Pennoyer and seconded by Mr. Rue that the -- well, excuse me, I'm sorry -- I don't know why I want to do that -- yes -- by Commissioner Rue that John French be appointed for the science academic category. Any discussion?

MR. PENNOYER: The only discussion I might have is that John has served on the PAG and he has attended nearly all the meetings, has been an active participant by contributing to the discussions with us and various working groups, and I believe I'd like to see him back on the PAG.

MS. WILLIAMS: Very good. Any further discussion on the science academic category? Is there any opposition to recommending the appointment of

John French to that category? Hearing none, we will do so. The next two categories I think we can also say have just one nominee -- and for sport hunting and fishing, we have

Rupert Andrews, and for subsistence we have Brenda Schwantez (ph). Let me simply also note that we did receive a nomination from -- for Martha Vlasoff, but we're going to interpret her nomination as going into the public-at-large, since it was not specified. So, I will interpret that we just have one nominee for sport hunting and fishing and one for subsistence. Do I hear a motion regarding Rupert Andrews and Brenda Schwantes?

MS. BROWN: So moved.

MS. WILLIAMS: Moved by Ms. Brown, is there a second?

MR. PENNOYER: Second.

MR. WOLFE: Second.

MS. WILLIAMS: Seconded by Mr. Pennoyer. He beat you, Jim. Is there any discussion about either of these nominees? Is there any opposition to the appointment -- to the recommending the appointment of either of these nominees? Hearing none, they will be so recommended. That then leaves us with the public-at-large, and let me for purposes of informing the public of the number of the nominees that we have, go ahead and list the nominees that we have.

We did receive the recommendation that Jim King be moved to the public-at-large category for consideration, and we also have Chris Beck, Dave Cloud, Mary McBurney, Janice McCarthy, Vern McCorkle, Kelley Weaverling, Lew Williams. Did Lew withdraw his name, Molly? Okay, Lew Williams, Ruth Wood, Martha Vlasoff and

two were not specified, Karen Holser (ph) and Donna Platt, and for purposes of this discussion we'll consider them as the public-at-large category. Is there anyone else that should be moved into the

public-at-large category?

MR. RUE: I would recommend, Madam Chair, that Gordon Zerbetz be moved over.

MS. WILLIAMS: Very good, we will move Gordon Zerbetz into the public-at-large category. Do I hear recommendation as to -- let's go ahead and take one nominee at a time. Do I hear any motions with regard to anyone we would recommend in public-at-large. Yes, Mr. Rue.

MR. RUE: Yes, I would recommend Chris Beck as a public-at-large nominee. He is very energetic, hard-working individual, has a broad background and perspective, and I think would be very good at bringing people together to agreement on issues. He has been successful at doing that in the past, in my association with him. I've worked with him and I would -- I think he's a good nominee.

MS. WILLIAMS: Excellent. Is there a second for Mr. Beck?

MS. BROWN: Seconded.

MS. WILLIAMS: It's been moved by Mr. Rue and seconded by Ms. Brown that Chris Beck be a public-at-large nominee. Do I hear any other nominations. Yes, Mr. Swiderski.

MR. SWIDERSKI: Madam Chair, I would nominate Martha Vlasoff. I've had experience over the past year or so working with her on a variety of projects

relating to work of the Trustee Council and restoration, and have observed her to be well prepared, thoughtful, hard working, confident, and knowledgeable. She's from

the Village of Tatitlek, although I believe she lives in Anchorage at this time, and she'd be excellent addition to the PAG.

MS. WILLIAMS: Thank you, is there a second to Mr. Swiderski's motion?

MR. PENNOYER: Second.

MS. WILLIAMS: Seconded by Mr. Pennoyer. Do I hear any more nominees?

MR. PENNOYER: Madam Chair, I'd like to nominate Jim King to the Public Advisory Group.

MR. RUE: Second.

MS. WILLIAMS: It's been moved by Mr. Pennoyer and seconded by Mr. Rue that Jim King be a nominee for the public-at-large category. Any discussion on Mr. King?

MR. PENNOYER: Jim has been a past active member of the PAG group. He has contributed ideas and shown interest. He has written correspondence and I think he would be an excellent PAG member.

MS. WILLIAMS: Very good, any further nominees?

MR. WOLFE: I would -- Madam Chairman.

MS. WILLIAMS: Yes.

MR. WOLFE: I would nominate Vern McCorkle for member of the public-

at-large group.

MS. WILLIAMS: Thank you, Mr. Wolfe. Is there a second to Mr. Wolfe's motion?

MR. PENNOYER: Second.

MS. WILLIAMS: Seconded by Mr. Pennoyer. Any discussion

on Mr. McCorkle?

MR. WOLFE: I would just add, Madam Chairman -- I would just add that Vern has been a very active member of the Public Advisory Group in the past also, and I think is -- is a good contribution to make to the PAG, just that we consider him for the next couple of years also.

MS. WILLIAMS: Thank you, Mr. Wolfe. We have four nominees. Is anyone prepare to make a fifth nomination? Yes, Mr. Rue.

MR. RUE: I would nominate Gordon Zerbetz.

MS. WILLIAMS: Is there a second to that motion?

MS. BROWN: Second.

MS. WILLIAMS: Nominated by Mr. Rue, seconded by Ms. Brown that Gordon Zerbetz be a nominee. Is there any discussion of that motion?

MR. RUE: I simply feel he might bring a -- he would bring a useful perspective to the PAG.

MS. WILLIAMS: Thank you. Are there any additional nominations? We have five nominees for five positions, and let me repeat them. The are Chris Beck, Martha Vlasoff, Jim King, Vern McCorkle and Gordon Zerbetz. Any additional discussion of these nominees, which have been moved and seconded. Are there any objections to have these be our four -- or five -- recommendations for the public-at-large slot for the PAG. Hearing none, these will be our five

recommended Public Advisory nominees. Thank you very much. We will proceed to the small parcel protection action item.

Ms. McCammon if you will lead the discussion, please.

MS. McCAMMON: Madam Chair, more than a year ago, on January 31st, 1994, the Trustee Council directed staff to go forward with a small parcel acquisition and protection process. As a result of that, a parcel was established last spring, a public nomination and solicitation was held last summer, and as a result more than 240 parcels were nominated for consideration. At this time I would like, Art Wiener with the Habitat Work Group to give a very brief synopsis of that process, and the results of that, and the results of the initial evaluation ranking of those parcels.

MS. WILLIAMS: Thank you. Mr. Wiener.

MR. WEINER: Madam Chairman, members of the Council, the small parcel process is the third element of the comprehensive habitat protection process that has been developed by the Habitat Work Group. The process was found to be necessary to fill gaps that were not included in either the large parcel or the imminent threat elements of the comprehensive process because it was our belief, and the Trustee Council concurred, that small parcels had very important strategic value for restoration, and those values may have been missed in the evaluation that we had done for the large parcel element, which was biased towards the large areas of land such as watersheds. And, so we went forward on that basis, that need, and evaluated a -- the small parcels that were nominated

by the public during the 60-day nomination period that took place last summer.
We developed a paradigm and evaluation method that was very similar to that --
that which we developed for the large

parcel process, and included at first five threshold criteria, which were the same as those that were developed for the large parcel process. Those five threshold criteria are found on page five of volume three of the document. In addition, we determined linkage to the 19 injured resources services that we determined to be important to the recovery of the resources and services that were injured by the oil spill that were linked to upland and nearshore systems. The 19 linked services and resources were factored against 10 criteria that were themselves broken into three categories: the resource value, the management value, and the threat that was determined to occur for these parcels. The result of this evaluation was that each element received -- each of these parcels were subject to an analysis on 192 different variables. The result of all of this resulting in a score. The score, in turn, for each parcel was then analyzed and placed into a rank of high, moderate and low based upon the distribution of the scores. We received 242 nominations, 117 of them, 48 percent, made it through threshold, and it's those 117 that you see before you as ranked parcels. The total acreage for this group of parcels that made it into the high and moderate rank is approximately 3,400 acres. There is 340 acres that were ranked as high and 3,078 acres that are ranked as moderate. There are four highs and there are ten moderates. This essential is the result of the first round of this analysis based upon the nominations that we received during the summer, and this is what

you have before you.

MS. WILLIAMS: Thank you. Ms. McCammon.

MS. McCAMMON: Madam Chair, there is a -- a draft resolution before you entitled "Small Parcel Protection and Acquisition Program" and with your permission, I could read through it with you, very briefly. The proposed resolution, "the Exxon Valdez Oil Trustee Council unanimously agrees that, one, small parcels protection and acquisition should be continued as an integral part of the overall habitat protection and acquisition program. Two, the Executive Director shall provide overall management of the small parcel protection and acquisition program, including preliminary negotiations, appraisals, as needed to provide additional information and consistent with the standardized process, and further evaluation of small parcels ranked high or moderate in a comprehensive habitat protection process, small parcel evaluation and ranking, volume three. At the direction of the Trustee Council, the Executive Director shall also authorize preliminary negotiations, appraisals and further evaluation of parcels that meet the threshold criteria and have been identified by the Trustee Council as otherwise having unique or outstanding restoration value for injured, natural resources or services. Three, as a second phase of the small parcel protection process, Phase II, agencies and the public may nominate additional parcels for evaluation and ranking by a multi-agency small parcel review team consistent with the procedures used in the Phase I analysis. This review shall be coordinated by the Executive Director. Parcels nominated in this supplementary process must

receive agency sponsorship. The Executive Director shall promptly notify the

public of the Phase II process. Four, as new parcels are nominated and evaluated under the Phase II process, the Executive Director may authorize appropriate agencies to start preliminary negotiations, including appraisals as deemed appropriate with the landowners of parcels that meet threshold criteria and are ranked high or moderate, or are identified by the Council as otherwise having unique or outstanding restoration value for injured natural resources or services. Five, negotiations shall be conducted by the federal and/or state agency for the purpose of providing the Trustee Council with proposed terms and conditions for acquisition of a parcel or portion of a parcel. Agreement to terms and conditions of a negotiation are reserved to the Trustee Council and no promises or representations to the landowners to the contrary shall be made. Six, the Executive Director shall provide for public review, including review by the Public Advisory Group, and the comprehensive habitat protection process, small parcel evaluation and ranking, volume three, as well as other parcels that may be evaluated under Phase II of the small parcel process. Number seven, by June 15th, 1995, the Executive Director is directed to provide the Trustee Council with an initial recommendation regarding those small parcels that should be protected using joint settlement funds. The Executive Director's recommendation regarding these parcels shall include analysis of the restoration benefits resulting from protection of the parcels, take into account the terms

and conditions of the landowner, reflect consideration of public comment received regarding the

parcels, address the management strategy proposed for the parcels, and include any additional information that may be pertinent to the Trustee Council's decision to proceed with acquisition of the parcels, including the availability of joint settlement funds for this restoration purpose, and the availability of other funding sources."

Madam Chair, I would suggest that as part of -- as a further step of the Trustee Council's direction, add a small parcel evaluation process and to include that as part of the overall habitat protection program. I think this kind of process would provide that check step.

MS. WILLIAMS: Thank you very much. Do I hear a motion to adopt this resolution?

MR. RUE: So moved.

MR. PENNOYER: Second.

MS. WILLIAMS: It's been moved by Commissioner Rue, seconded by Mr. Pennoyer to adopt this resolution. Is there any discussion?

MR. RUE: I would simply say that I think the Executive Director has done a good job of putting together a comprehensive resolution. I wouldn't change one word.

(Aside Comments)

MS. WILLIAMS: Any other discussion. Okay, it's been moved and

seconded that the Trustee Council adopt this resolution. All in favor?

ALL TRUSTEES: Ayes.

MS. WILLIAMS: Opposed? (No response) Jim, that was an aye?

MR. WOLFE: That was an aye.

MS. WILLIAMS: Okay, thank you very much. The resolution has been adopted by the Trustee Council. Next we have -- here is an action item that we have is supplemental funding for Project 95191-A.

MS. McCAMMON: Madam Chair.

MS. WILLIAMS: Yes.

MS. McCAMMON: Can I interrupt for one moment?

MS. WILLIAMS: Yes.

MS. McCAMMON: As part of this process ...

MS. WILLIAMS: You don't want to leave small parcels yet? Okay, back to the small parcels. Very fine.

MS. McCammon: As part of this process, I will be moving forward with the parcel that have been evaluated as high and moderate. I would also like to bring to your attention that there are five parcels that, in reviewing the preliminary evaluation and ranking, that I would like to bring to the attention of the Trustee Council, as having -- otherwise having unique or outstanding restoration value for injured natural resources or services. I believe that these parcels, although through the evaluation and ranking process was scored as low, are parcels that merit special consideration and would ask your

consideration of these five parcels for going through the further evaluation, preliminary negotiations and appraisal, if necessary.

MS. WILLIAMS: Ms. McCammon, could you tell us briefly what five parcels you are referring to?

MS. McCAMMON: Those five parcels are Parcel Kenai 12 Baycrest, 90 acre parcel, with the agency sponsor of the Department of Resources; Parcel Kenai 29, referred to as the Toulin (ph) parcel, 220 acres, agency sponsor Department of Natural Resources; Parcel Kodiak 22, "the Triplets", agency sponsor is U.S. Fish and Wildlife Service, these are three islands north of Kodiak Island, within Marmot Bay; Parcel KAP 220, which is at the mouth of the Aikulik (ph) River, which provides access to the Fish and Game weir sites, this is a 56 acre parcel, sponsored by the Department of Fish and Game; and a combination parcel, KAP 105 and 142, also known as Three Saints Bay, which is a total of 88 acres located within Three Saints Bay in Kodiak Island. I believe that all five of these parcels have outstanding merit, and unique and outstanding merit that warrant their being given further consideration as part of this process.

MS. WILLIAMS: Very good. Do I hear a motion to place these five parcels which were ranked low into the further consideration category as specified in the resolution which we just adopted?

MR. PENNOYER: Madam Chair, so move.

MS. BROWN: Second.

MS. WILLIAMS; It has been moved by Mr. Pennoyer, seconded by Ms.

Brown. Is there further discussion? Do we think that it is necessary to describe in further detail why we think

these parcels should be elevated?

MR. SWIDERSKI: Madam Chairman.

MR. WOLFE: Madam Chair.

MS. WILLIAMS: Yeah, well Mr. Swiderski and then Mr. Wolfe. Mr. Swiderski.

MR. SWIDERSKI: I don't feel a need to have further discussion at this time. I would view this as we would still have to come back to the Council to make the decision whether or not to proceed to purchase all. We're simply -- doing now is -- is entering these into the process for ongoing negotiations.

MS. WILLIAMS: Mr. Wolfe.

MR. WOLFE: That was exactly the point I wanted to emphasize. No further discussion on my part.

MS. WILLIAMS: Very good. Is there any further discussion on anyone's part? Hearing none, it's been moved and seconded that we place these five parcels into the further consideration category as specified in the resolution. All in favor say aye.

ALL TRUSTEES: Ayes.

MS. WILLIAMS: Opposed? (No response) Motion has been adopted. Thank you. Now we'll move on to the action item, supplemental funding for Project 95191-A. Ms. McCammon if you could elaborate.

MS. McCAMMON: Madam Chair, when the Trustee Council took action on both the interim funding and the remainder of the funding for Project 95191-A, the egg and alevin mortality study, there was

an error, an inadvertent error in the budget numbers that were recorded for that project. This error was only caught within -- just about a week ago, and was brought to our attention. It totals \$210,100. The Department of Fish and Game is requesting additional Trustee Council support for this work. There is corresponding back-up attached to this. As most of you know, this has been a very important project authorized by the Council and the PAG. This incremental funding brings the project up to the total, approximately that it was funded for in FY '94, so it is not going beyond what was funded in '94. It was an inadvertent error, and both myself and the Chief Scientist would recommend that you support this incremental funding.

MS. WILLIAMS: I will entertain an motion.

MR. RUE: So moved.

MS. BROWN: Second.

MS. WILLIAMS: It's been moved by Mr. Rue, seconded by Ms. Brown to supplement the funding for Project 95191-A by the amount of \$210,100. Discussion, Mr. Pennoyer.

MR. PENNOYER: Madam Chair, not to draw the discussion out, you state it was an error, this is -- where -- same purposes for the project are expected? It's just an error in computing salaries, or what? We're not buying any big new piece of equipment we didn't know about or something?

MS. McCAMMON: No, Mr. Pennoyer, what happened is that a budget for another project was substituted for the budget for this project, and it wasn't caught until just recently. So, it's the

same original funding. The same original budget, it's the same original project.

MR. PENNOYER: Fine (indiscernible).

MS. WILLIAMS: Any further discussion on this motion? Is there any objection to this motion? Hearing none, the motion is approved. I believe that finishes the action items. As you recall, Council, we did break from our discussion of long-range planning, and I think we should resume that, and we may also want Ms. McCammon to give a brief update on large parcel acquisition for Tatitlek. Bob, would you like to remind us where we were?

MR. LOEFFLER: I guess, I had finished the description of how we were going to use the long-range planning and roll it into the work plan process, so that what we would have is a long-range view of restoration that we could make implied commitments, multi-year implied commitments and review them and update them every year. This is during the active management process. And, I broke ready for questions.

MS. WILLIAMS: Do the Trustee Council members have any questions of Mr. Loeffler? Mr. Pennoyer, yes - no.

(Aside comments)

MS. WILLIAMS: Mr. Pennoyer.

MR. PENNOYER: Not so much in the annotation of the question, but I believe, Molly, you'd indicated that a draft is coming to us then at some

point?

MS. McCAMMON: That's correct.

MR. PENNOYER: We'll get a chance to look at.

MS. McCAMMON: A draft of this plan is in progress right now. We should have a draft back to the agencies next week.

MR. LOEFFLER: Probably the week after.

MS. McCAMMON: The week after.

MR. LOEFFLER: I think this is correct, Molly, Madam Chair, Mr. Pennoyer. I think that we would like to go to publication with you checking it through your staff, so we've built in time for -- for you to look at and for staff review, but we had not anticipated bring in the draft back to the Council meeting before we go out with a rough as part of the invitation.

MS. McCAMMON: Madam Chair, what we'd be looking for is basically the informed consent of all of the Council members in this process, and we built in enough time where all of the members have the opportunity to review it and comment. If there does appear to be -- do appear to be any particular problems that we need to elevate to the level of actually having a formal meeting or discussion on it, then we will definitely do that.

MS. WILLIAMS: Okay.

MR. PENNOYER: Thank you.

MR. RUE: Will there be a chance to discuss this issue, the budget whatever is (indiscernible). I'm anxious about understanding all the budget concerns, discussions that have gone past, so I'd like to at least have an

opportunity to see how the budgeting fits in with the plan, and what kind of commitments we're making (indiscernible), and if we can simplify the budget process. I hear an awful lot of complaints within staff. Every year we have

to submit these budgets and it takes us tons of time and seems kind of crazy when we have a project, we know we need to ... So, at least that -- I'd like to have that discussion, if others feel it's appropriate, as perhaps part of this.

MR. PENNOYER: I think that's entirely appropriate. I think you have to recognize in the past we've been playing catch up, and we only now approved these things until just -- with interim budgets. We didn't know what the cash flow was, and so when someone here says three or four year project, often we would look at that and say, well, okay, but you better come back and show us the results in the first year before we decide to continue that. I'm not sure some of that will continue because you have to prove it out, but nevertheless that before-knowledge, you've probably committed yourself to successive (indiscernible). I think if the expenditure knowledge is planned, I presume we can do that. I hope this enables us to look at ...

MR. RUE: I would think so, and I can almost guarantee the budget process. It's (indiscernible) would be a lot simpler.

MS. McCAMMON: But I will report back and provide some further additional information on some of the budget options.

MS. WILLIAMS: Any further questions of Mr. Loeffler? Any further discussion about long-range planning, or any items associated? Okay, thank you very much, Mr. Loeffler. Ms. McCammon would you like to give a brief overview of

large parcel progress?

MS. McCAMMON: Madam Chair, really briefly, because I know the hour is getting late, and the meeting has run longer than

we had estimated. I just wanted to mention for the record here that the Eyak subparcel, 2,000 acres, was completed. This is the purchase of commercial timber rights for the Orca Narrows subparcels. It was completed in mid-January for a total price of \$3.45 million. The additional offers that were made on November 3rd and December 2nd are in various stages of appraisal review, negotiation. Details of the purchase agreements, I believe, they, for the most part, are all on track in terms of following along with the process. And, just for the record, also, we did have -- following along with the Trustee Council's resolution in December to continue negotiations with Point Graham and English Bay corporations. We did have preliminary discussions with both of those corporations in late January, and at this point there is no offer that is being put forth, but we are hopeful that at some point discussions will continue.

MS. WILLIAMS: Any further discussion by the Trustee Council regarding large parcels? All right, is there any further matter to bring to the Trustee Council, today? If not, we will need to recess as opposed to adjourn. We -- the Trustee Council does intend to have an executive session within the week to discuss primarily Eyak land acquisition issues, and so we will need to recess until that executive session. Do I need any motion regarding what I just said.

MS. McCAMMON: Motion to recess.

MS. WILLIAMS: Do I do a motion to recess. Okay. I will accept a motion to recess.

MR. PENNOYER: So moved.

MS. BROWN: Second.

MS. WILLIAMS: So moved, moved by Mr. Pennoyer, seconded by Ms. Brown, all in favor?

ALL TRUSTEES: Aye.

MS. WILLIAMS: Opposed? (No response) Thank you very much.

We'll look forward to seeing you later this week.

(Off Record 4:30 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 105 contain a full, true, and correct transcript of the Exxon Valdez Oil Spill Settlement Trustees Council meeting taken electronically by me on February 13, 1995, commencing at the hour of 10:00 a.m. at the Regional Forester's Conference, Federal Building, Juneau, Alaska;

That the transcript is a true and correct transcript requested to be transcribed and thereafter transcribed by me and Sandra L. Yates 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 17th day of February, 1995.

Linda J. Durr, Certified PLS
Notary Public for Alaska
My commission expires: 10/19/97