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EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
TRUSTEE COUNCIL MEETING

November 8, 1996
2:00 o'clock p.m.

Fourth Floor Conference Room
654 G Street
Anchorage, Alaska

TRUSTEE COUNCIL MEMBERS PRESENT:

U.S. DEPARTMENT OF AGRICULTURE -	MR. JIM WOLFE (Chair)
U.S. FOREST SERVICE	
STATE OF ALASKA -	MR. CRAIG TILLERY
DEPARTMENT OF LAW:	
STATE OF ALASKA - DEPARTMENT	MR. ROB BOSWORTH
OF FISH AND GAME:	for Commissioner Frank Rue
U.S. DEPARTMENT OF INTERIOR:	MR. BARRY ROTH
U.S. DEPARTMENT OF COMMERCE -	MR. BILL HINES
NMFS:	for Mr. Steve Pennoyer
STATE OF ALASKA - DEPARTMENT	MR. AL EWING
OF ENVIRONMENTAL CONSERVATION:	MS. MICHELE BROWN
	Commissioner

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1 TRUSTEE COUNCIL STAFF PRESENT:

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3 MS. MOLLY McCAMMON

Executive Director
EVOS Trustee Council

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6 MS. TRACI CRAMER

Director of Administration
EVOS Trustee Council

7 (Telephonically from Juneau)

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9 MS. REBECCA WILLIAMS

Executive Secretary
EVOS Trustee Council

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12 MR. BUD RICE

National Park Service

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14 MR. ALEX SWIDERSKI

State of Alaska
Department of Law

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17 MR. JOE SULLIVAN

State of Alaska
Department of Fish and Game

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20 MR. STEVE SHUCK

U.S. Fish and Wildlife
Service

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P R O C E E D I N G S

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3 (On record - 2:06 p.m.)

4 CHAIRMAN WOLFE: Okay. I guess we'll call the
5 meeting to order, I believe we got a full quorum. We got Bill
6 Hines sitting in for NOWA (sic) National Marine Fisheries.
7 We've got Rob Bosworth for ADF&G, we've got Al Ewing for
8 Michele Brown for ADEC. We have Craig Tillery for the State
9 Department of Law and we have Barry Roth for the Department of
10 Interior, George Frampton.

11 Okay. I guess the first order of business is the
12 agenda. Everybody has a copy of the agenda, I assume. Any
13 questions or changes? Hearing no changes, do we have a motion
14 to approve?

15 MR. EWING: So moved.

16 CHAIRMAN WOLFE: Moved and seconded by -- moved
17 by Al Ewing, seconded by Bill Hines, so it's approved. Meeting
18 notes, have you had a chance to read the meeting notes, any
19 comments or -- on the notes from last meeting?

20 (Telephone cut out)

21 CHAIRMAN WOLFE: They look fine to me, Bill.
22 Do we have a motion on that.

23 MR. ROTH: I move that we approved the meeting
24 notes of the last meeting.

25 CHAIRMAN WOLFE: Moved.

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1 MR. HINES: Seconded, again.

2 CHAIRMAN WOLFE: Bill Hines seconded. Okay.

3 So the meeting notes for the last meeting -- or the October
4 15th meeting is approved.

5 Okay, Madam Executive Director, it's your chance now to
6 talk about the financial report if you're ready.

7 MS. McCAMMON: Mr. Chairman, in your packet
8 there is a copy of the most recent financial report as of
9 September 30th, 1996, which is the end of the fiscal year. And
10 I think the only thing I wanted to call your attention to is
11 the fact that we have now begun preparations for the audit of
12 FY96 and so all of the agencies by now, I believe, have been
13 contacted by Elgee, Rehfeld and will be responding to their
14 request for information. That audit is due to the Trustees by
15 March 1st so we should be expecting it about that time.

16 We're also doing -- putting together plans for the
17 December 6th meeting here in Anchorage, which is anticipated to
18 be a major, probably all day meeting. At that time we will
19 have the remainder if the FY97 projects, the deferred projects.
20 We'll also be having a discussion on a data ownership and
21 archiving policy. We'll also have the traditional ecological
22 knowledge protocols before the Trustees and further discussion
23 about habitat protection. So I'll be getting a draft agenda
24 around to folks early next week so you can have an idea what's
25 coming up on that one.

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1 The two major items that are before you today are
2 nominations to the Public Advisory Group. The Public Advisory
3 Group is chartered on a two year basis, all 17 members are up
4 for renewal or for new nominations. When the Trustees make
5 recommendations these then go to Secretary of the Interior
6 Babbitt who makes the final appointments.

7 In addition Fish and Wildlife Service has one small
8 parcel that was approved at the last meeting, on October 15th,
9 as a parcel meriting special consideration. Since that time
10 the appraisal has been reviewed and approved by both the state
11 and federal review appraisers and that's before the Council for
12 action today.

13 We do have, I believe, some people who would like to
14 comment, members of the public who would like to testify today.

15 CHAIRMAN WOLFE: Okay. Does that conclude your
16 report, Molly?

17 MS. McCAMMON: Yes.

18 CHAIRMAN WOLFE: Well, if we're ready to
19 proceed with the public comment, do we have people who would
20 like to make comment in Juneau today?

21 MS. CRAMER: No comments in Juneau.

22 CHAIRMAN WOLFE: What other sites do we have on
23 line? Do we have Kodiak?

24 MS. McCAMMON: We have Seward and Cordova.

25 CHAIRMAN WOLFE: Okay. Do we have anyone in

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1 Seward that would like to give public comment?

2 SEWARD LIO OPERATOR: Mr. Chairman, I have a
3 written fax testimony here in Seward that I'd like to read into
4 the record.

5 CHAIRMAN WOLFE: Very good, go ahead.

6 UNIDENTIFIED FEMALE VOICE: It's from Molly
7 Burton, EVOS Community Facilitator of the Qutekcak Native
8 Tribe, P.O. Box 1467, Seward, Alaska. I would like to make a
9 comment on the Public Advisory Group. I strongly support the
10 nomination of Nancy Yeaton from Nanwalek and Paul Panamarioff
11 from Ouzinkie. We need more representation and advice from the
12 villages. Thank you for your time.

13 CHAIRMAN WOLFE: Very good, thank you.

14 SEWARD LIO OPERATOR: And we also have Maranda
15 Barrier here.

16 CHAIRMAN WOLFE: How many people -- is Maranda
17 the only other person in Seward at this time?

18 SEWARD LIO OPERATOR: At this time, yes.

19 CHAIRMAN WOLFE: Well, then let's go ahead with
20 Maranda then.

21 MS. BARRIER: I support more Native people on
22 the Board, I also would like Nancy Yeaton from Nanwalek and
23 Gail Evanoff from Chenega and Charles Totemoff from Chenega. I
24 support those people. Thank you.

25 CHAIRMAN WOLFE: Would you spell your last name

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1 for the record, please?

2 MS. BARRIER: B-a-r-r-i-e-r, Barrier. Maranda,
3 M-a-r-a-n-d-a and I'm the environmental health promoter for
4 Qutekcak Tribe in Seward and Chenega Bay.

5 CHAIRMAN WOLFE: Very good, thank you. Any
6 comments for Maranda? Okay. How about Anchorage?

7 MS. McCAMMON: Is there anyone in Anchorage?
8 Did you? No one in Anchorage.

9 CHAIRMAN WOLFE: How about Cordova then?

10 CORDOVA LIO OPERATOR: We had one person who
11 called to say she's on her way. Other than that there's no one
12 else here to testify.

13 CHAIRMAN WOLFE: That could be what, a couple a
14 minutes?

15 CORDOVA LIO OPERATOR: Probably about three
16 minutes.

17 CHAIRMAN WOLFE: Do we have anything that we
18 can deal with or shall we pick her up (telephone cuts out)
19 later?

20 MS. McCAMMON: Mr. Chairman, we could go ahead
21 with the Fish and Wildlife Service request on the small parcel.

22 CHAIRMAN WOLFE: Okay. I'm agreeable to that.
23 Okay.

24 MS. McCAMMON: You all should have received a
25 memo from me dated November 4th. Fish and Wildlife Service has

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1 completed the appraisal for the 160 acre parcel KAP-1055 on
2 Uyak Bay referred to as the Abston parcel. The approved fair
3 market value is \$281,300.00. This appraisal has been reviewed
4 and approved by both the federal and state review appraisers.
5 This is located -- this parcel is located on Chief Cove, it is
6 well known to Kodiak boaters as a sheltered anchorage just
7 inside the entrance to Uyak and Spiridon Bays. It offers
8 protection from Shelikof Strait for marine birds and mammals.
9 This area was among the few documented beaches on Kodiak Island
10 that was hit with oil from the 1989 spill.

11 The Abston parcel has a number of features that
12 compliment our restoration goals, the accessible shoreline and
13 new shore waters are used for subsistence purposes, primarily
14 by residents of Larsen Bay. Residents harvest salmon,
15 waterfowl, shellfish, deer and pick berries on or adjacent to
16 this parcel. It provides key marine access for subsistence and
17 recreational uses on the surrounding public lands.

18 A documented cultural resource site is located near the
19 parcel and evidence of historic and prehistoric use of the site
20 is likely to exist. The area also has notable wilderness
21 qualities and the Abston parcel is only one of the few private
22 sections left in that area. The Kodiak Refuge maintains a
23 public use on the parcel and it's Fish and Wildlife Service's
24 intent to continue to maintain that cabin for public use.

25 And we do have Steve Shuck here from Fish and Wildlife

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1 Service to answer any questions if anyone has any about this
2 particular parcel.

3 CHAIRMAN WOLFE: I guess I have one just brief
4 question and I'm not sure it's an issue or not. And that has
5 to do with if it's a documented cultural site nearby -- or
6 there is a documented cultural site nearby, is that going to
7 have any effect on how we manage the site in the future?

8 MS. McCAMMON: Steve Shuck is here to answer
9 that question.

10 MR. SHUCK: I am Steve Shuck with Fish and
11 Wildlife Service, Region 7, in Anchorage and I just checked the
12 master title plat within the last few minutes, it's a master
13 title plat dated in August of '96 and dated when the property
14 was certificated to Mrs. Abston. There is no mention of any
15 historical site nomination or application on the plat.

16 CHAIRMAN WOLFE: Very good. Sounds like it has
17 a lot of positive attributes. Do we have a motion.

18 MR. TILLERY: Mr. Chair.....

19 CHAIRMAN WOLFE: Go ahead.

20 MR. TILLERY: Yeah, Mr. Chairman, I would move
21 to approve the authorization to purchase.

22 MR. ROTH: Second.

23 CHAIRMAN WOLFE: Motion to approve and a
24 second. Any objections.

25 MR. TILLERY: Mr. Chairman, I have a question

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1 first.

2 CHAIRMAN WOLFE: Okay.

3 MR. TILLERY: Some discussion. What is the
4 status of the evaluation of this parcel? Does it -- how did it
5 rank and that sort of thing? I don't see that in here.

6 MS. McCAMMON: This parcel was reviewed and
7 approved and I believe it ranked low through the evaluation
8 process.

9 CHAIRMAN WOLFE: And then the Council at its
10 last meeting (telephone cuts out) as one of several special
11 merit parcels?

12 MS. McCAMMON: That's correct.

13 MR. TILLERY: Okay.

14 MS. McCAMMON: So this evaluation of the
15 restoration benefits was developed as a result of our review
16 process.

17 MR. TILLERY: Okay.

18 MR. ROTH: Madam Chairman, I have provided you
19 with a proposed resolution which the Council members have
20 available or that can be circulated but in the meantime -- I
21 guess we asked for any objections, but the final vote wasn't
22 called yet, so assuming that it's voted then the resolution
23 would be proposed to implement that vote.

24 CHAIRMAN WOLFE: Right. And so I guess are we
25 -- are there any objections to this parcel moving ahead at this

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1 -- and the motion that was made? Hearing no objection, it's
2 approved. I guess, Molly or Traci, you will get a clean copy
3 of the resolution and route it for signatures?

4 MS. McCAMMON: Mr. Chairman, I have the
5 original resolution right here and we'll start circulating here
6 and then send it down to Juneau for signature.

7 CHAIRMAN WOLFE: Okay. Very good. Any other
8 small parcel discussion? (Telephone cuts out) back to the
9 public comment then (telephone cuts out). Okay. Is the person
10 in Cordova that would like to have some public comment or give
11 public comment on line at this point?

12 MS. SHAW: Yes, this is Sherri Shaw from
13 Cordova District Fishermen United. I apologize for my lateness
14 and thank you for waiting. The public comment that I have is
15 in support for the nomination of Victoria Baker for the PAG.
16 Victoria has a great background in (telephone cuts out)
17 communities, she is a commercial fisherperson. She has also
18 co-chaired the Prince William Sound Ecosystem Research Group.
19 She is on the board of directors for CDFU and she's been on the
20 Prince William Sound Economic Development Council. And I just
21 would like to say that we fully support her as a candidate and
22 we would like to have you consider her as -- to be appointed
23 for the PAG.

24 CHAIRMAN WOLFE: Very good. Any questions for
25 (telephone cuts out) Okay. Thank you very much. Are there

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1 any last minute folks that have come in that would like to give
2 public comment at any of the sites? Juneau, Seward, Anchorage,
3 I guess. Okay. All right. We're completed -- hearing no
4 further public comments I guess we would close the public
5 comment period now officially.

6 Moving on to the next item on the agenda, we have set
7 up some time for an executive session, do we still feel the
8 need for an executive session? Any comments from the Trustee
9 Council members?

10 MR. TILLERY: Mr. Chairman, this is Craig
11 Tillery, I understand the purpose of the executive session will
12 be to discuss nominations for Public Advisory Group and I feel
13 that would be important to have that.

14 MS. McCAMMON: And also to discuss several
15 habitat protection issues.

16 CHAIRMAN WOLFE: Both habitat protection and
17 Public Advisory Group nominations. Okay. Do I hear a motion
18 to adjourn to an executive session?

19 MR. TILLERY: Mr. Chairman, I would move that
20 we go into executive session for the purposes of discussing
21 nominations for the Public Advisory Group and habitat
22 protection issues.

23 MR. ROTH: I'll second that.

24 CHAIRMAN WOLFE: Made and seconded. Any
25 objections? Okay. I guess at this point we hang up and you

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1 will call us back, Molly?

2 MS. McCAMMON: That's correct.

3 CHAIRMAN WOLFE: Okay. So we'll talk to you in
4 a minute.

5 MS. McCAMMON: Thank you.

6 (Off record - 2:26)

7 (On record - 3:33)

8 CHAIRMAN WOLFE: We got our quorum here.

9 MS. McCAMMON: Okay. We're back in public
10 session here in Anchorage.

11 CHAIRMAN WOLFE: Okay. Well, we'll reconvene
12 in public session. Is Rob on for Fish and Game?

13 (No audible answer)

14 CHAIRMAN WOLFE: We're missing one. How about
15 Barry?

16 MR. ROTH: I'm here.

17 CHAIRMAN WOLFE: Okay. How about Al?

18 (No audible answer)

19 CHAIRMAN WOLFE: We got a couple to go, Molly.

20 (Off record comments - getting parties on line)

21 CHAIRMAN WOLFE: Well, we'll go back into
22 official public session at this point. In the, of course, the
23 executive session we did discuss habitat protection activities
24 that are going on at this point in time, particularly the small
25 parcels land. And we also discussed the PAG nominations for

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1 this next session or next group, for the '97 through '98 PAG
2 and at this point it's the wishes of the Council to defer any
3 further action on the PAG nominations during this meeting. And
4 so we will reconvene at a later point, at our next Trustee
5 Council meeting, either -- at some point in the future and try
6 to wrap up the PAG nominations.

7 And to wrap up, I guess, at this point we would like to
8 maybe to talk a little bit more about the small parcels. And I
9 believe, Alex, you did give a presentation in public session
10 earlier on the Schilling's parcel? No?

11 MR. SWIDERSKI: No.

12 MS. McCAMMON: No.

13 MR. SWIDERSKI: Mr. Chairman, I did discuss it
14 briefly in executive session and essentially the Schilling
15 parcel is a proposed small parcel that is adjacent to the Kenai
16 River where it passes under the Sterling Highway, it's also
17 bounded by Kalifornsky Beach Road. It's been appraised,
18 pursuant to the small parcel appraisal process. It consists of
19 two lots. The one that's adjacent to the river is a little
20 over three acres in size and appraised at \$939,000.00. The
21 second lot, three -- is a little over an acre and that
22 appraised at \$365,000.00 for a total of \$1,304,000.00 for this
23 parcel that's in some -- just a bit under five acres.

24 It's subject to an easement along the riverbank which
25 easement provides for public access and there's a boardwalk

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1 that has been placed on the easement. The easement has -- can
2 be terminated after -- I believe it's four or five years.
3 There's also another inholding on the property. Following
4 various discussions with Council members I talked with and
5 exchanged correspondence with the real estate agent who
6 represents the owner and the parcel has recently been sold from
7 -- by Louis Schilling to another party, a Mr. and Mrs. Daniel
8 Roberts, also known as D. Roberts, LTD. Nevertheless, the same
9 real estate agent continues to represent them and indicates
10 that it is for sale at the fair market appraised value. They
11 would be willing to sell either one or both of the lots for the
12 appraised value of those -- of either one or both of them.

13 I have also approached the agent -- asked the agent
14 whether they would be willing to sell an extension in time of
15 the easement, the public access easement, because that seemed
16 to be a -- one of the components of this parcel that would be
17 most important to the Council and I -- there is some response
18 to it, although the response isn't really clear enough to
19 identify exactly what the seller is currently proposing with
20 respect to that and I would certainly be willing to follow up
21 and try to clarify whether or not an extension of the easement
22 is for sale. I have suggested in correspondence that it seemed
23 unlikely that the Council would -- this is based on discussions
24 with the various Council members, was willing to -- would be
25 willing to pay the appraised value of the property and have

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1 suggested that if the owner were willing to operate -- offer it
2 at a lower price that the Council would more likely be
3 interested in purchasing it.

4 The latest correspondence I have from the owner is a
5 letter dated November 4th and to summarize that letter, offers
6 the parcel, once again, at the appraised value and -- which is
7 somewhat of a reduction, actually, the last time the one lot
8 was offered at higher than appraised value.

9 If there are any questions, Mr. Chairman.

10 CHAIRMAN WOLFE: Okay. I had some comments I
11 was interested at this point. I was part of the group that
12 went out and looked at the property, along with other
13 properties on the Kenai, back in the fall and I think all of us
14 were extremely interested in some type of protection for all or
15 part of this property, and we still are interested in that. It
16 would be interesting to know what the effect of the sale has --
17 what effect the sale has on the appraisal of the property and I
18 think that it would be good, from my view, if you could go back
19 to your appraisers or to whoever is necessary to find out more
20 about what effect that would be.

21 We are still interested in a permanent easement as a
22 minimum out there and if that's what we can achieve in a buy
23 that would probably be very desirable. Overall, I guess, our
24 reaction is the price still seems very high and -- but we are
25 still interested in the property and particularly in a

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1 permanent easement along the waterfront there.

2 Does any of the other Council members have any other
3 comments to make?

4 MR. ROTH: Mr. Chairman, let me just kind of
5 underscore again, I think, your comments, you know, it looks
6 like we're talking from the sellers and the appraisal, we're
7 still talking the range of \$300,000.00 an acre. That would
8 probably be the most expensive property the Council would have
9 ever bought at that price and certainly it does seem high to us
10 and looking at both alternatives or the -- with the easement or
11 if the seller is interested in negotiating something else, you
12 know, we maintain that interest, but certainly would need to
13 justify, otherwise, a price in this neighborhood and compare to
14 alternatives the Council may well have available to it. So
15 that's our concern at Interior.

16 CHAIRMAN WOLFE: Yes. Mr. Swiderski, if you
17 could maybe take some of our concerns back to the -- those new
18 land owners and visit the issue of the effect on the appraisal
19 and see what you can come up with for us at our next meeting or
20 as soon as possible, we'd appreciate it.

21 MR. SWIDERSKI: Thank you, Mr. Chairman, I will
22 -- I think I understand your directive and I will pursue those
23 avenues.

24 CHAIRMAN WOLFE: Okay. Very good, thank you.
25 This concludes our agenda at this point in time. Are there any

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1 last items that we want to discuss or need to discuss before we
2 adjourn?

3 MS. McCAMMON: Mr. Chairman, do you want to do
4 a recess instead of an adjournment, in case the Council wishes
5 to meet in the next week?

6 CHAIRMAN WOLFE: What is the wishes of the
7 Council, the Trustee Council?

8 MR. TILLERY: Mr. Chairman, I would move to
9 recess the meeting.

10 CHAIRMAN WOLFE: Have a motion to recess, do we
11 have a second?

12 MR. ROTH: Second.

13 CHAIRMAN WOLFE: Okay. We have a second. All
14 right. Do we have any objections? Hear any objections?
15 Hearing none, I guess, motion approved -- passes and we are
16 recessed until -- or we are adjourned.

17 MS. McCAMMON: Recessed.

18 MR. TILLERY: Recessed.

19 CHAIRMAN WOLFE: Yeah.

20 (Meeting recessed - 3:45 p.m.)

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C E R T I F I C A T E

UNITED STATES OF AMERICA)
) ss.
STATE OF ALASKA)

I, Joseph P. Kolasinski, Notary Public in and for the State of Alaska and Owner of Computer Matrix do hereby certify:

THAT the foregoing pages numbered 4 through 19 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by me on the 8th day of November 1996 and thereafter transcribed by me to the best of my knowledge and ability.

THAT the Transcript has been prepared at the request of:

EXXON VALDEZ TRUSTEE COUNCIL, 645 G Street, Anchorage, Alaska 99501;

DATED at Anchorage, Alaska this 9th day of November 1996.

SIGNED AND CERTIFIED TO BY:

Joseph P. Kolasinski
Notary Public in and for Alaska
My Commission Expires: 04/17/00