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1 EXXON VALDEZ OIL SPILL
2 TRUSTEE COUNCIL
3 TRUSTEE COUNCIL MEETING
4 Wednesday, August 6, 1997
5 10:30 o'clock a.m.
6 Fourth Floor Conference Room
7 645 G Street
8 Anchorage, Alaska
9 TRUSTEE COUNCIL MEMBERS PRESENT:
10 U.S. DEPARTMENT OF INTERIOR: MS. DEBORAH WILLIAMS
11 (Chair)
12 STATE OF ALASKA - MR. CRAIG TILLERY
13 DEPARTMENT OF LAW: Trustee Representative
14 STATE OF ALASKA - DEPARTMENT MR. FRANK RUE
15 OF FISH AND GAME: Commissioner
16 (Telephonically)
17 U.S. DEPARTMENT OF AGRICULTURE - MR. JIM WOLFE for
18 U.S. FOREST SERVICE PHIL JANIK
19 U.S. DEPARTMENT OF COMMERCE - NMFS: MR. STEVE PENNOYER
20 (Telephonically) Director, Alaska Region
21 STATE OF ALASKA - DEPARTMENT MS. MICHELE BROWN
22 OF ENVIRONMENTAL CONSERVATION: Commissioner
23 (Telephonically)
24 Proceedings electronically recorded then transcribed by:
25 Computer Matrix, 3520 Knik Ave., Anchorage, AK - 243-0668

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1 TRUSTEE COUNCIL STAFF PRESENT:

2 MS. MOLLY McCAMMON Executive Director
3 EVOS Trustee Council
4 MS. TRACI CRAMER Director of Administration
5 EVOS Trustee Council
6 MS. REBECCA WILLIAMS Executive Secretary
7 EVOS Trustee Council
8 MS. GINA BELT Department of Law
9 DR. BOB SPIES Chief Scientist
10 MR. STAN SENNER Science Coordinator
11 MR. ALEX SWIDERSKI AK Department of Law
12 MR. BUD RICE National Park Service
13 MS. MARIE LISOWSKI U.S. Forest Service
14 MR. STEVE SHUCK USF&W Service
15 MR. JOE HUNT Communications Coordinator
16 EVOS Trustee Council
17 MS. CLAUDIA SLATER ADF&G
18 MS. SANDRA SCHUBERT EVOS Staff
19 MR. BILL HOUSER ADF&G
20 MR. KEN HOLBROOK U.S. Forest Service
21 MS. VERONICA CHRISTMAN EVOS Staff
22 MR. DOUG MUTTER Department of Interior
23 MR. MARK KUWADA ADF&G
24 MR. ROB BOSWORTH ADF&G
25 (Telephonically)

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1 TRUSTEE COUNCIL STAFF PRESENT (Continued)

2 MR. DAN MOORE Alaska Department of Fish

3 and Game

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1 PUBLIC TESTIMONY

PAGE:

2 Ms. Nina Cornett

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3 Mr. Charles Brooks

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4 Ms. Sheri Buretta

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1 P R O C E E D I N G S

2 (On record - 10:39 a.m.)

3 CHAIRWOMAN D. WILLIAMS: Good morning. I would
4 like to call to order the August 6th, 1997 of the Exxon Valdez
5 Oil Spill Trustee Council. We have with us today the following
6 six trustees. Here in Anchorage we have Jim Wolfe representing
7 the Forest Service. We have Craig Tillery representing the
8 Department of Law. I am Deborah Williams representing the
9 Department of Interior. We also have with us in Juneau, fogged
10 in or they would be here physically, Steve Pennoyer
11 representing NOAA/NMFS; Frank Rue representing the Alaska
12 Department of Fish and Game; and Michele Brown representing the
13 Alaska Department of Environmental Conservation. Thank you all
14 very much, Trustee Council members, for joining use this
15 morning.

16 I'd also like to welcome and thank the members of the
17 public and staff members who are with us today.

18 The first item of business is the approval of the
19 agenda. Are there any recommended additions or corrections to
20 the agenda? Ms. McCammon.

21 MS. McCAMMON: Madam Chair, I have two changes
22 to the agenda. First of all for the Public Advisory Group
23 report, I'll be giving that report. Mr. Andrews has just
24 returned from a vacation. And then secondly, Item Number 8,
25 the discussion on investments, I will briefly touch on this

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1 during my Executive Director's Report, but at this time we're
2 not prepared to do this until probably September.

3 CHAIRWOMAN D. WILLIAMS: All right.

4 MS. McCAMMON: And then also under Item 7, the
5 discussion on archaeology, this will include a presentation on
6 proposal that's being submitted by Chugach Alaska Corporation
7 at that time.

8 CHAIRWOMAN D. WILLIAMS: All right. Any
9 additional corrections other than those submitted by Molly
10 McCammon?

11 (No audible responses)

12 CHAIRWOMAN D. WILLIAMS: Do I hear a motion to
13 approve the agenda?

14 MR. TILLERY: So moved.

15 MR. PENNOYER: So moved.

16 CHAIRWOMAN D. WILLIAMS: I'll take yours as a
17 second, Steve, since Craig beat you. It's been moved by
18 Mr. Tillery, seconded by Mr. Pennoyer to approve the agenda as
19 modified. Are there any objections?

20 (No audible responses)

21 CHAIRWOMAN D. WILLIAMS: Hearing none, the
22 motion passes. Second of item of business is the approval of
23 the July 2nd, 1997 meeting notes.

24 MR. RUE: Deborah, before we move to that, can
25 I note one issue on the agenda?

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1 CHAIRWOMAN D. WILLIAMS: Yes, please, Frank.

2 MR. RUE: I've got a meeting at 11:45 that I
3 can't miss, so if the executive session that's scheduled for
4 noon needs someone to sit in on it, I'll have Rob Bosworth
5 replace me.

6 CHAIRWOMAN D. WILLIAMS: Good, we would
7 appreciate having Mr. Bosworth there in your place.

8 MR. RUE: All right, I'll make sure that's
9 possible.

10 CHAIRWOMAN D. WILLIAMS: Thank you, Frank.
11 Okay. Are there any recommended additions or corrections to
12 the meeting minutes of July 2nd?

13 (No audible responses)

14 CHAIRWOMAN D. WILLIAMS: Do I hear a motion to
15 approve the minutes?

16 MR. WOLFE: So moved.

17 CHAIRWOMAN D. WILLIAMS: Do I hear a second?

18 MS. BROWN: Second.

19 CHAIRWOMAN D. WILLIAMS: It's been moved by
20 Mr. Wolfe, seconded by Michele Brown to approve the meeting
21 minutes of July 2nd, 1997 as written. Are there any objections
22 to the motion?

23 (No audible responses)

24 CHAIRWOMAN D. WILLIAMS: Hearing none, the
25 minutes are passed.

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1 The next item of business is the Executive Director's
2 Report. Molly.

3 MS. McCAMMON: Thank you, Madam Chair. In the
4 packet in the red binder you will find a copy of the latest
5 financial report as of June 30th giving the balances in both
6 the liquidity account and in the restoration reserve. I had
7 hoped today to have a report to submit to you from the Alaska
8 State Department of Revenue with some suggested proposals for
9 your consideration about other alternatives for investing both
10 the liquidity account and the reserve account. That report, I
11 received a draft late last week and it needs some modifications
12 still, so I don't think it will be ready until September.

13 However, I would like just to bring you up to speed on
14 what we are doing. The State is very interested in having the
15 Council consider using the State as the investor of both the
16 liquidity account and the reserve account. They have a number
17 of funds that they do similar kinds of investment strategies
18 for. They have an excellent record in terms of their rate of
19 return. They have a wide variety of investment scenarios to
20 meet different issues, such as the amount of risks the Council
21 wants to have, what kind of liquidity the account needs and
22 various things. And I will be presenting that to you for
23 further discussion in September.

24 CHAIRWOMAN D. WILLIAMS: Molly, have you been
25 coordinating with the Department of Justice on this issue at

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1 this preliminary stage in order to find out what our
2 flexibility is given the court order?

3 MS. McCAMMON: Given our court order it would
4 require -- to do something different than what we're doing now
5 would require a change in Federal law. And the indications
6 from the Department of Justice from Bill Brighton has been to
7 go ahead and look at various alternatives and that he would be
8 supportive of changing Federal law to allow for this.

9 CHAIRWOMAN D. WILLIAMS: Okay, very good. Any
10 other questions for Molly on this item?

11 MS. McCAMMON: I should mention with this
12 though that I would like to see what it would take in terms of
13 changing Federal law and what kind of a provision we need to
14 add, and I'm sure that we could get either Senator Stevens or
15 Senator Murkowski's staff to help us with that. But I think
16 this is something that if we could do in the next six months it
17 would be really to our advantage to get these funds into
18 something -- into some kind of an account that doesn't charge
19 such high fees especially.

20 MR. PENNOYER: Deborah.

21 CHAIRWOMAN D. WILLIAMS: Yes, Steve.

22 MR. PENNOYER: Yeah, Molly, I'm sorry I missed
23 the question because both what we're going to do with the
24 decision and then after that change in Federal law may take
25 some time, did you have a forecast (indiscernible - phone cut

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1 out).....

2 MS. McCAMMON: For the time change?

3 MR. PENNOYER: No, when we would get this all
4 done, potentially?

5 MS. McCAMMON: My goal would be to try to have
6 this accomplished by January.

7 MR. PENNOYER: Okay, thank you.

8 CHAIRWOMAN D. WILLIAMS: Okay, any other
9 questions or comments?

10 (No audible responses)

11 CHAIRWOMAN D. WILLIAMS: Okay. Molly.

12 MS. McCAMMON: I'd also like to bring you up to
13 date on the public information activities that the Council has
14 undertaken this summer, especially with the assistance of Joe
15 Hunt, our Communications Director. Alaska Coastal Currents,
16 the radio program, has been renewed for the next six months.
17 It's now playing statewide from Juneau to Dillingham. We'll be
18 reviewing kind of the results of this effort after this next
19 six month period and seeing whether it should be continued
20 again. At that time, I believe, we'll have 18 months worth of
21 radio programs and it may be time where we can recycle those
22 and use them for the next year and a half. It's unclear
23 whether we need to do another show -- another series after
24 this, but it will be on for the next six months.

25 And in conjunction with the radio show we're also doing

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1 newspaper columns that Jody Seitz who produces the radio series
2 has also done, edited by Joe Hunt here on our staff. And those
3 have appeared in the Peninsula Clarion, the Eagle River/Chugiak
4 Star, the Valdez Vanguard, the Cordova Times and the Valdez
5 Star. And you have copies under news clips of where those
6 articles have appeared. And I think this has been another way
7 of getting information about the Restoration Program and the
8 research activities out into the general public. And again
9 we'll be checking on those as time goes by to see what the
10 response is and to see whether this is a worthwhile effort.

11 As most of you can tell we're being filmed right now by
12 the documentary crew which is doing the documentary for the
13 Trustee Council.

14 CHAIRWOMAN D. WILLIAMS: The Juneau people look
15 good.

16 MR. RUE: I have two cameras in my office.

17 MS. McCAMMON: I've been told that you're going
18 to be morphed in.

19 But they've been out in the field extensively this
20 summer and fortunately we've had a fabulous summer, so they're
21 on schedule, on track. They've been able to film all of the
22 research projects and the habitat acquisitions that have been
23 scheduled thus far. I think they have one major field trip
24 left to go this summer. The source reel which is a reel for
25 use by commercial stations or non-profit groups or the agencies

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1 themselves will be available September 30th and this will be
2 approximately three hours of raw footage for folks to use for
3 various purposes.

4 As well as a smaller one to be used for supplementing
5 news stories. If CBS News, for example, wants some back up
6 film for a news story then we would have the video to provide
7 to them for that. And in addition we'll have still photographs
8 also for all these areas. We've had both a videographer and a
9 still photographer going on all of these trips so we should
10 have it in both mediums.

11 The promotional video talking about the Council and the
12 purpose of the Council and describing what the Council's
13 efforts are is due December 31st. And then the full
14 documentary is due September 30th, 1998. And so this winter
15 we'll be working a lot on a script and getting that pulled
16 together.

17 But the good news is that so far it's going very well.
18 The filming has been exactly on time, they've been able to get
19 everywhere. They've gotten great shots of Kenai Fjords, of
20 Jackpot, Eshamy, the Chenega lands. They've been to Shuyak
21 Island, to Afognak, Kodiak. I think they've got the eastern
22 portion of Sound still to do, Eyak, Tatitlek.

23 In addition Joe has been working on developing a major
24 exhibit at the SeaLife Center about the Council's restoration
25 efforts and that exhibit would open next May when the full

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1 facility opens and be there probably until about January of
2 '99. At that time we're trying to find a place for it to come
3 and be in Anchorage, perhaps the museum here, some other
4 location. And that would be through the 10th anniversary. And
5 then following that we have to make a decision about whether
6 it's worthwhile to send the display traveling elsewhere through
7 the country or what to do with it after that.

8 In addition Joe is putting together and developing
9 small traveling exhibits for the spill area communities,
10 focusing on the restoration, research, the results of the
11 Council's efforts, the Habitat Acquisition Program, and things
12 of that nature, so that's being put together too.

13 Another kind of new event is that a private commercial
14 manufacturer is creating a puzzle from the Council's ecosystem
15 poster, and I know we don't have a copy of the poster here, but
16 it will be used as an educational poster and there will be
17 information that the Council provides in the box describing the
18 resources and the status of those resources.

19 CHAIRWOMAN D. WILLIAMS: Do we get any proceeds
20 from that?

21 MS. McCAMMON: No. That's a private contractor
22 who's doing that and he's working with the creator, the artist,
23 who did the poster on that. But the Council will be
24 acknowledged in it and recognized.

25 And then finally we're working on a book for the 10th

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1 anniversary, and as you know we've discussed this in the past,
2 how the book would look and how extensive it would be. It's
3 coming down, I think, to being a more extensive, full color
4 annual report, so instead of maybe 40 or 50 pages it would
5 probably be something like 100-110 pages, bound, using nice
6 glossy paper, four color photographs and reporting on the
7 Council's efforts to date, not just the results for the past
8 year. And we'll be passing around to all the agencies and the
9 work force for review in the next month or so various outlines
10 of that and different ways of going about that. We're looking
11 at -- one of the options is having -- hiring a private writer
12 to do some essays in it, to bring it more as feature -- to give
13 it more of a feature style. Another option would be making it
14 more of a report style, so we're going back and forth with
15 different options there.

16 And then finally you're probably seen the newsletter,
17 it's an ongoing project, it goes out approximately every six to
18 eight weeks and we have another one coming out probably next
19 week is the next newsletter and so.....

20 CHAIRWOMAN D. WILLIAMS: Any questions or
21 comments for Molly on the public outreach efforts?

22 MR. PENNOYER: Molly, on the book itself, Bruce
23 is here with me, I understand you are, at some point, get
24 around to us kind of an in depth outline for discussion?

25 MS. McCAMMON: Yes.

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1 MR. PENNOYER: Great. Thank you.

2 MS. McCAMMON: Yes. And this is a book that
3 would used -- most likely it would go to all of the
4 participants in the 10th anniversary symposium and then
5 possibly be available and we haven't decided whether it's
6 something that should be sold or just handed out, it depends on
7 what the final cost is.

8 MR. PENNOYER: Great, thank you.

9 CHAIRWOMAN D. WILLIAMS: Any other questions or
10 comments?

11 (No audible responses)

12 CHAIRWOMAN D. WILLIAMS: Okay, Molly.

13 MS. McCAMMON: Restoration reserve planning.
14 Somewhere in all the materials, supplemental materials that
15 you've received, you should have both a time line and a draft
16 issue paper that was put together for the Public Advisory
17 Group. And I just wanted to note for your attention here that
18 we have embarked on a major planning effort for the restoration
19 reserve. We had our first discussion with the Public Advisory
20 Group in July. That wasn't a very extensive discussion,
21 however, we plan a more lengthy one to two day meeting on this.
22 I think it should be in this part here. There it is.

23 CHAIRWOMAN D. WILLIAMS: Oh. Do the Council
24 members in Juneau have this? It's entitled "Scheduled for
25 Restoration Reserve Planning".

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1 MR. PENNOYER: Yes.

2 MR. RUE: Yes, I do.

3 CHAIRWOMAN D. WILLIAMS: Okay. Did you find it
4 Council members here? Okay, very good. Go ahead.

5 MS. McCAMMON: But just to go through the time
6 line real briefly with you, the next couple of months we plan
7 on, and we have already started this meeting with various
8 groups, with the Public Advisory Group. The PAG especially ask
9 that we contact the University of Alaska and ask them to
10 appoint a representative, a contact person, during this
11 planning process, so they're more closely involved in the
12 planning effort with the community facilitators and with others
13 discussing the various options for use of the reserve. The PAG
14 intends to conduct a work session, probably one to two days, in
15 early November, approximately November 5th and 6th. The staff
16 by that time would have put together a draft options paper and
17 they'll be commenting on that and responding.

18 In December the Council itself would decide which
19 options to consider further and actually go out for further
20 discussion and further review. After that staff would prepare
21 a brochure similar to the brochure that was done for the
22 restoration planning effort nearly five years ago now.

23 These options -- this would also be a topic of
24 discussion at the workshop on January 29th and 30th. And then
25 in February and March we would hold public workshops and

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1 meetings on the various options in the spill area communities
2 and also in Fairbanks, Anchorage and Juneau. And it would be
3 our goal to go to all of the communities in the spill area, so
4 this would be a very intensive -- we'd probably have several
5 teams going out so that we could make sure we covered all of
6 the communities.

7 The close of the comment period on those options would
8 be in May, after that we would prepare a report on those
9 comments, the Public Advisory Group would review them and make
10 a recommendation in July. Following that recommendation the
11 Council would make a preliminary decision on the reserve and
12 distribute that for public comment. The Public Advisory Group
13 would again, following additional public comment, would have a
14 chance to review and comment with the final decision by the
15 Council in October of 1998.

16 So if anyone has -- this kind of a schedule is
17 definitely a working document as we go through, and if there
18 are any suggestions in terms of additional groups to contact or
19 comments in terms of the time line here just let me know at any
20 time.

21 CHAIRWOMAN D. WILLIAMS: Molly, I have one
22 question and I would anticipate other Council members do also.
23 I noticed down here May '98 it says close of public comment
24 period. I don't see where the comment period is officially
25 opened and so when does this activity agenda suggest that the

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1 comment period would be officially opened?

2 MS. McCAMMON: It would be in December of '97
3 with the brochure and that would be distributed to our entire
4 mailing list and the opening of the public comment period.

5 CHAIRWOMAN D. WILLIAMS: Okay. And so in terms
6 of getting public comment before a December meeting on which
7 options to consider further, we are not soliciting --
8 officially soliciting public comment on that?

9 MS. McCAMMON: We'll have comment from the
10 Public Advisory Group on which options. And the idea of this,
11 and maybe the Council would like to do it differently, but the
12 idea was rather than having it completely open ended, actually
13 trying to put a few parameters or sideboards in terms of what
14 possibilities the Council is really seriously considering
15 instead of having it completely wide open at that time.

16 CHAIRWOMAN D. WILLIAMS: Let me -- I have a gut
17 reaction right now, and I'll be anxious to hear other people's
18 comments. This is, you know, just an inclination, rebuttable
19 presumption, but that is to ask the public some time in maybe
20 early October to just present options and not have to go into
21 great detail on the options, but I would like -- maybe there
22 are options out there we're not considering that the PAG would
23 like to be aware of, that we would like before us in September,
24 but with the idea that there would be a call for public
25 comments on options in early October and then when PAG meets in

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1 November they could have that public input which I think would
2 assist them in developing their recommendations and then would
3 assist us. That's just a.....

4 MR. PENNOYER: Madam Chair.

5 CHAIRWOMAN D. WILLIAMS: Yes, Steve.

6 MR. PENNOYER: Yeah, you got -- I guess that's
7 sort of like what happens in 1998, and I guess the December '97
8 sideboards are what of most concerns here. It looks to me like
9 staff and university and PAG are doing some scoping before we
10 get to that point and then that what we send out ought to be
11 broad enough to garner public comment without people thinking
12 this is sort of an already done deal, which in my mind it
13 certainly not, and then that public response in some detail,
14 maybe including additional options, is what comes into us by
15 mid-'98, so I think have you not sort of moved that '98 spring
16 focus back to this fall and Molly's really allowing for more
17 time than that then this, or am I missing something?

18 MS. McCAMMON: Mr. Pennoyer, yes, we are --
19 this is similar to a scoping process. I guess my fear about
20 just going out with "anybody with your idea come forward", is
21 we could get a whole gambit of -- it may give people the
22 feeling that it is totally open and that basically there's a
23 pot of money out there that could be used for any purpose.

24 MR. PENNOYER: Madam Chair, I guess -- my point
25 was, what I remember options as sort of categories of options

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1 that would be considered, like we're not going to consider
2 anything out of the spill area; we're not going to have to tie
3 it to restored species; we got to provide for certain
4 monitoring requirement; things like that, rather than us very
5 specifically getting down to this pot of money for this and
6 this pot of money for that. I thought that's what you
7 intended, Molly.

8 MS. McCAMMON: That's correct.

9 CHAIRWOMAN D. WILLIAMS: And the only thing I
10 was suggesting, Steve, was if we were to ask for public comment
11 on options in October, we make it very clear the kind of types
12 or categories of options we're interested in soliciting public
13 comment on, so it would be completely an open-ended call for
14 public comment on options. We'd say somewhat similar, and
15 hopefully you have the restoration reserve fund PAG issue
16 paper, revised. It has issues. It has a series of questions,
17 purpose of fund, financial management, and so we could ask the
18 public to give comment on those questions. We could specify a
19 series of questions that we're really seeking public comment
20 on.

21 MR. PENNOYER: Madam Chair, is not the intent
22 that the PAG do that for us. I'm not -- maybe I don't
23 understand what the PAG is proposing to do here.

24 CHAIRWOMAN D. WILLIAMS: I guess that's one
25 question, whether the PAG would like to solicit those public

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1 comments so that they would have greater comfort, that they
2 had, you know, the full spectrum of options in front of them
3 that they would then recommend to us.

4 MS. McCAMMON: Madam Chair, what we could do is
5 we're planning to have this as one of the articles in our next
6 newsletter and we could do something a little more expansive in
7 that and actually call for public comments in the newsletter
8 regarding this issue. And actually have it as a formal comment
9 period with get your comments in by a certain deadline and the
10 Public Advisory Group will take these into account when they
11 formulate their recommendations. And that this won't be the
12 first opportunity but the initial at the very beginning of the
13 planning process.

14 CHAIRWOMAN D. WILLIAMS: Right.

15 MS. McCAMMON: So we can easily incorporate
16 that into the newsletter and then have a public comment period
17 in that fashion.

18 CHAIRWOMAN D. WILLIAMS: Right. I would
19 recommend and endorse that.

20 Any other Trustee comment?

21 MR. WOLFE: Yes.

22 CHAIRWOMAN D. WILLIAMS: Jim.

23 MR. WOLFE: Just an observation. To me this
24 needs to tier to the Restoration Plan some how or other because
25 we do have a plan on the table and this needs to step down or

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1 go one step further or supplement the plan to some degree. So
2 if we build that into your newsletter or whatever it is that
3 you're putting together to start kicking this off, I think it
4 might help focus some of what Deborah is talking about.

5 MR. RUE: I think that that was one of the
6 questions, wasn't it, Madam Chair? This is Frank.

7 MS. McCAMMON: Well it is one of the questions
8 as to whether this actually does require revision of the
9 Restoration Plan, whether it's just basically another form of
10 implementation, a supplement or whichever, but that is a big
11 question.

12 MR. RUE: Right. I thought it was good to have
13 the question out there, Jim, rather than predisposing folks,
14 you know, are we still following the Restoration Plan; would
15 you propose that we do or could this be used for a different or
16 a narrower purpose.

17 MR. WOLFE: Yeah, I....

18 CHAIRWOMAN D. WILLIAMS: And, Jim, that is one
19 of the questions that is raised here as you may know.

20 CHAIRWOMAN D. WILLIAMS: Yeah. And I was
21 taking a position, I was just saying does it tier or does it
22 supplement.....

23 CHAIRWOMAN D. WILLIAMS: Right.

24 MR. RUE: But different from.

25 CHAIRWOMAN D. WILLIAMS: Right.

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1 MS. McCAMMON: I think some of it depends on
2 what the Council ends up actually wanting to do with the
3 Restoration Plan. It could be just a -- basically a further
4 implementation of the existing plan.

5 CHAIRWOMAN D. WILLIAMS: Yes.

6 MR. RUE: Right.

7 MR. WOLFE: So it would tier.

8 CHAIRWOMAN D. WILLIAMS: Right. I think we
9 could certainly recommend that commenters reacquaint themselves
10 with the Restoration Plan so they can answer that question more
11 thoughtfully.

12 MR. RUE: Okay, as long as we're not taking a
13 position at this point.

14 CHAIRWOMAN D. WILLIAMS: That's right.

15 MR. RUE: Good.

16 CHAIRWOMAN D. WILLIAMS: I think that's
17 absolutely right. I do think that's appropriate to leave that
18 open-ended.

19 MR. RUE: Good.

20 CHAIRWOMAN D. WILLIAMS: Any other questions or
21 comments on the proposed plan -- on the proposed schedule?

22 (No audible responses)

23 MS. McCAMMON: And, Madam Chair, we'll be
24 working real closely with the Trustee agencies and with the
25 Public Advisory Group and the attorneys as we go through

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1 developing the various options here and the information that's
2 given to everyone for consideration.

3 CHAIRWOMAN D. WILLIAMS: Good. And who made
4 the trip to the Anchorage Daily News Editorial Board?

5 MS. McCAMMON: This was months ago giving a
6 status report on the program. It was surprising.

7 CHAIRWOMAN D. WILLIAMS: All right. Molly,
8 next issue.

9 MS. McCAMMON: The next issue is habitat
10 protection and in your packet are two updated reports on the
11 Small Parcel Program and the Large Parcel Program. We continue
12 to make progress on the acquisitions in the Small Parcel
13 Program, those acquisitions that are currently under
14 consideration. The number that we're currently working on is
15 actually fairly small. The Kenai Native Association package is
16 still not complete. Overlook Park and Ninilchik have some
17 final details to be done before those can be complete
18 acquisitions. KAP 91, the Adonga Parcel, I've been told is
19 complete and ready to go to the court for funds and we'll be
20 doing that shortly.

21 Other than that the Salamatof Parcels in the Kenai
22 Refuge are being reappraised. There's some issues regarding
23 the Homer Spit Parcels that require some additional title work
24 and probably some additional survey work, so those are probably
25 a couple of weeks away. Those in particular do have a time

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1 constraint attached to them because they have options that will
2 be expiring and I believe they've already expired once and have
3 had to be renewed. So the proposers of those parcels, once
4 the appraisals have gone through all the various reviews and if
5 they do get approved would like the Council to consider them in
6 a fairly timely fashion just because of those options expiring.

7 And then in addition Valdez Duck Flats and Jack Bay are
8 still on the table and we're trying to get those completed.

9 But if you look at the number of parcels that have been
10 under consideration there's been a lot of movement made in
11 terms of cleaning these up and getting them completed.

12 MR. PENNOYER: Madam Chair.

13 CHAIRWOMAN D. WILLIAMS: Yes.

14 MR. PENNOYER: Molly, I forget, when do the
15 Homer Spit options expire?

16 MS. McCAMMON: Well a number of them have
17 already expired and they've had to renew them.

18 MR. PENNOYER: I was wondering when the next
19 option expires.

20 MS. McCAMMON: I believe it expires in early
21 September. What they are hoping is if the title work and the
22 survey work gets done in the next two weeks that the Council
23 could consider it in early to mid-September. So if it's
24 acceptable to the Council what we would probably do is have a
25 teleconference meeting if there were some other items to

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1 discuss at that time.

2 CHAIRWOMAN D. WILLIAMS: Any other questions or
3 comments on small parcels?

4 (No audible responses)

5 CHAIRWOMAN D. WILLIAMS: Molly.

6 MS. McCAMMON: Large Parcel Program, there's
7 not too much new to report. We do have an executive session
8 scheduled at noon, there are some issues regarding the Tatitlek
9 acquisition and Afognak Joint Venture that we'll be discussing
10 in executive session. And the only other thing I guess I have
11 to report is that there will be a meeting with Koniag later in
12 August, but otherwise there's nothing new to report there.

13 CHAIRWOMAN D. WILLIAMS: Okay. Any questions
14 or comments on Large Parcel Acquisition Program?

15 (No audible responses)

16 CHAIRWOMAN D. WILLIAMS: Okay. Molly.

17 MS. McCAMMON: The next item I wanted to bring
18 to your attention was the project status report and again this
19 was in a packet that was sent down to Juneau last night and the
20 Council members should have it here as part of their separate
21 packet. As of June 30th, 1997 a total of 170 project reports
22 have been peer reviewed and accepted by the Chief Scientist.
23 Of these, 129 are available to the public through OSPIC and
24 other libraries around the state. And as you can see there's
25 about 40-41 project reports that although they've been approved

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1 they haven't been finalized, and that's our next task is to
2 make sure that once all the final approvals get done that these
3 get a fairly quick turnaround so that they can be available to
4 the public.

5 A couple of months ago, probably more than a couple of
6 months ago, you asked for a recommendation on what to do with
7 the NRDA reports, those that had not been completed or in some
8 cases never done. We're still in the process of developing a
9 recommendation and budget for finalizing these. We're very
10 close to finishing that, there's just some final information we
11 need to get from Fish and Game in order to do that. We did
12 include some additional funds in the administration budget to
13 allow for some additional staff time to finalize these project
14 reports and also for copying and printing costs. And I'll go
15 through that when we go through the 100 budget.

16 In addition we've been working with the Chief Scientist
17 because not only do the PIs have a responsibility for the
18 reporting process but the Chief Scientist does too in terms of
19 coordinating peer review. And the backlog of reports that are
20 undergoing peer review has been substantially improved and
21 we're down now to only about eight reports that are on the
22 Chief Scientist backlog and it's our goal to get these done in
23 the next few months so that those are also caught up.

24 So I think overall we've made good progress on the
25 reports. I do have some concern with those reports that are in

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1 Attachment B, these are the reports that we consider to be
2 egregiously overdue. In many cases they were never submitted.
3 In some cases the PI is no longer there and in some cases the
4 work has been undertaken by someone else in the agency, but
5 someone who is not funded to do this work, so they're doing
6 these kinds of reports in addition to their other duties, kind
7 of on any extra time that they have. And I do have concern
8 about trying to get these additional reports completed and any
9 assistance from the Trustees in doing so would be greatly
10 appreciated.

11 MR. PENNOYER: Madam Chair.

12 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

13 MR. PENNOYER: A lot of things here in (phone
14 cut out). In general you're going to tie this into the '98
15 project request at some point then? And I forget, some of
16 these that obviously are not ongoing, the project ended, the
17 people left, they're obviously not seeking new funds for '98.
18 How do we deal with that?

19 MS. McCAMMON: Mr. Pennoyer, that is the
20 problem. I think we've been pretty successful at making sure
21 that no new funds are given to those PIs who have late reports
22 or who have not made arrangements for turning in late reports.
23 In some cases there's data that's missing or it's contingent on
24 getting some sample analysis from another lab and they've been
25 having problems getting that and so these are understandable

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1 acceptable justifications for a delay in a report.

2 The ones in B, for the most part, we've just had a real
3 problem getting them. And if they aren't seeking additional
4 funds we don't have much of a hammer over these individuals.

5 MR. PENNOYER: Are the agencies in these cases
6 seeking funds for similar work though, do you know if somebody
7 else is doing it?

8 MS. McCAMMON: Well the agencies are seeking
9 funds for other kinds of research work, often somewhat related.

10 CHAIRWOMAN D. WILLIAMS: Trustee Council
11 members, I can say this because DOI has, unfortunately, two
12 projects on here. How about if we all commit, the Trustee
13 Council members who have projects on Attachment B commit to
14 having either ourselves or the primary PI report to Molly on
15 the status of the report in let's say the next month?

16 MR. PENNOYER: Yeah, NOAA's got one on there
17 too. I can do that. I'm not -- and maybe that then tells you
18 something about where we need to go from there.

19 CHAIRWOMAN D. WILLIAMS: Right.

20 MR. PENNOYER: It's an update status type thing
21 and then (phone cut off) better idea. Thank you. Sure.

22 CHAIRWOMAN D. WILLIAMS: Frank, you.....

23 MR. RUE: Madam Chair, I missed Steve's
24 comments, the phone just sort of blanks out sometime.

25 CHAIRWOMAN D. WILLIAMS: I think Steve was in

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1 general concurrence.

2 MR. RUE: Where we would have the individual
3 staff members who are tardy tell us why?

4 CHAIRWOMAN D. WILLIAMS: Yes, and either report
5 directly to Molly or through us.

6 MR. RUE: All right. I don't have a problem
7 with that.

8 CHAIRWOMAN D. WILLIAMS: So that by the end of
9 -- well, let's say by the end of August unless there is some
10 field reason they can't do so. Molly would have explanations
11 and hopefully time lines for each of these projects.

12 MR. PENNOYER: Madam Chair, I guess the
13 decision on what do about that should be based on some better
14 information (phone cut out) reasons (phone cut out) we may have
15 a lot of this already but maybe we do need just a summary
16 discussion of some form.

17 CHAIRWOMAN D. WILLIAMS: Yes. And then I think
18 Molly at the next meeting could bring back any information that
19 she's gotten from the primary PIs or from us on each of these
20 projects.

21 MR. RUE: Actually, Madam Chair, if I could add
22 something. I think that it would be useful for each of the
23 agencies to sit down with Molly and go over these projects so
24 that we understand what the problem is individually and still
25 give the report you're suggesting, but I think we also -- I

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1 need to sit down since ADF&G has the large majority of the
2 reports I plan to sit down with Molly and go through these and
3 find out from her perspective what's been going on and then
4 I'll have to meet with individuals within the Department.

5 CHAIRWOMAN D. WILLIAMS: Yes, that would be
6 fine. I'm just trying to get a commitment that we'll try and
7 do this this month.

8 MR. RUE: Yeah.

9 CHAIRWOMAN D. WILLIAMS: Okay, do all the
10 Trustee Council members, there's just DOI, ADF&G, DEC and NOAA,
11 do the four of us concur with that?

12 MS. BROWN: Yes, Madam Chair.

13 CHAIRWOMAN D. WILLIAMS: Okay. All right,
14 thank you.

15 MS. McCAMMON: Thank you, I think that will be
16 helpful.

17 CHAIRWOMAN D. WILLIAMS: Any other questions or
18 comments on the progress report?

19 (No audible responses)

20 CHAIRWOMAN D. WILLIAMS: Okay, Molly.

21 MS. McCAMMON: Madam Chair, the only other item
22 that I did want to bring up today was just real briefly on the
23 Chenega Clean Up Project. Just to let you know that the
24 project did end, the workers, clean up workers, are out of the
25 field as of July 18th, I believe. Following the completion of

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1 the clean up the NOAA team was back in the Sound taking samples
2 from those sites that had been cleaned. They were there in May
3 before the clean up occurred. They went again in July after
4 the clean up had been undertaken and then they will go back
5 again a year from now, I think next May or June, and also do
6 samples at that time.

7 And they are taking samples for two purposes. One is
8 to test the biological effects of the clean up. From their
9 observations and early analysis of some of the samples they
10 believe that the biological effects are subtle if at all, so
11 they believe that basically just from their preliminary look at
12 things that there was not biological effect from the clean up.

13 They'll also be testing for the effectiveness of the
14 clean up, taking a look at before and after sites to see how
15 much oil they thought was picked up and the effectiveness of
16 the use of the treatment procedure.

17 And I do have some photos here, and those in Juneau
18 won't be able to see them, but there are some photos taken in
19 May and July of before and after sites of both the oiling and
20 also of the vegetation and I think they're pretty informative.
21 And there's additional ones in the packet there. And we can
22 make sure that those of you in Juneau get a chance to look at
23 these too.

24 MR. WOLFE: Madam Chair.

25 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

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1 MR. WOLFE: There was a pretty rigorous
2 monitoring plan put together for this. Is there going to be
3 follow-up report of some sort that comes out for us?

4 MS. McCAMMON: Yes, they will have a more
5 extensive report, I think, for the December meeting on the
6 results of the monitoring for this year. But what NOAA has
7 told me is that really the truth will be a year from now with
8 the monitoring that they do in a year. But we would have a
9 preliminary report by the December meeting.

10 MR. WOLFE: Okay. And one final question then.
11 This was a two phase, started out as a two phase but I
12 understand that they finished all of the work in the first
13 phase, all the clean up work in the first phase.

14 MS. McCAMMON: There were eight beach segments
15 that were determined to be high priority. Because of how much
16 funding was available and just getting into the field a couple
17 of days late they were able to complete clean up on five of
18 those segments. However, it was satisfactory to the community
19 of Chenega that the other three were not cleaned.

20 MR. WOLFE: Okay.

21 MS. McCAMMON: There was one that they couldn't
22 get to, the landing craft couldn't get to because of reef-type
23 shelf opposite the beach so they weren't able to actually
24 physically get on to that portion of the beach. And the other
25 two had very small amounts of oil and people felt comfortable

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1 with the fact that they didn't get to those.

2 CHAIRWOMAN D. WILLIAMS: Any other questions or
3 comments about the Chenega beach clean up?

4 (No audible responses)

5 CHAIRWOMAN D. WILLIAMS: Okay. Molly.

6 MS. McCAMMON: Madam Chair, that concludes my
7 report for today.

8 CHAIRWOMAN D. WILLIAMS: Thank you very much.
9 Any other questions or comments of Molly at this time?

10 (No audible responses)

11 CHAIRWOMAN D. WILLIAMS: Okay, we'll then move
12 into the next agenda item which is the Public Advisory Report
13 and as Molly informed us previously she'll be giving the
14 report.

15 MS. McCAMMON: The Public Advisory Group met
16 here in Anchorage on July 16th, we had excellent
17 representation, there were only a couple of members of the
18 Advisory Group who were not able to attend. The primary
19 purpose of the meeting was to review the draft Work Plan and
20 provide comments to the Council on the draft Work Plan.

21 We did have the opportunity though to discuss a number
22 of other items. One was the restoration reserve and we did
23 have some preliminary discussion on that. The PAG is very
24 interested in actively participating in the planning process in
25 this and they would like to schedule a one to two day work

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1 session in November to really focus on this. They've already
2 been spending a lot of time thinking about it and I think have
3 some good ideas.

4 In addition we talked a little bit about the
5 archaeology planning project and there was some discussion
6 among the PAG members about that. I talk to them about the
7 fact that we hadn't received any new information from the
8 villages concerning their plans for individual repositories.
9 There were various views expressed about the importance of
10 either having communities have their own repositories or of
11 looking further at the possibility of a regional repository
12 just given the difficulty in financing them.

13 The actual recommendation concerning the Work Plan was
14 to approve the draft recommendations that were submitted to
15 them for their review with a few exceptions. And these
16 exceptions were on an individual basis, they were not done by
17 the entire PAG. So overall the entire PAG supported the draft
18 Work Plan. Torie Baker did not approve of not funding the
19 herring spawn deposition study. Stacy Studebaker asked for
20 more information on the handling of live otters at the Alaska
21 SeaLife Center. Chip Dennerlein wanted immediate funding for
22 the human use wildlife study project. And Pam Brodie also
23 wanted the Mariner Park Project funded as soon as possible.

24 In addition they did have some discussion, and this is
25 back to the reserve, about asking the University of Alaska to

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1 prepare a plan for how they would spend the reserve funds. And
2 after much discussion the PAG not to -- they did not vote on
3 that, but they asked I contact the university and have them
4 identify a contact so that they were actively involved in our
5 planning discussions.

6 And the only final item on the Public Advisory Group is
7 that we do have a field trip to Kodiak scheduled for September
8 10th and 11th. We plan on going the morning of the 10th flying
9 over Shuyak Island and Afognak Island, touring the Alutiiq
10 Museum, the fisheries, Tech Center, Near Island, seeing
11 Termination Point and Long Island and doing all that and having
12 a public meeting all on the first day. And then the second day
13 splitting up into three separate groups, going out to three of
14 the villages, having meetings in those communities, visiting
15 with folks in those communities and then on the way back flying
16 over the Southern Kodiak lands. So this is all weather
17 permitting of course.

18 But that is planned and as in the past we've had a
19 number of agencies participate in it. We're trying not to have
20 a boat trip planned for this one because we have bad luck with
21 boat trips. We seem to get bad weather with them so we'll try
22 to stay in the air this time and on foot.

23 And that, I think, pretty much concludes their report.

24 CHAIRWOMAN D. WILLIAMS: Any questions or
25 comments on the PAG report?

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1 (No audible responses)

2 CHAIRWOMAN D. WILLIAMS: Okay, hearing none, I
3 believe we're ready to begin our public comment period. Could
4 we start by identifying what remote sites are on line.

5 MR. MEACHAM: Juneau is on line.

6 CHAIRWOMAN D. WILLIAMS: All right.

7 REPRESENTATIVE HODGINS: Kenai is on line.

8 CHAIRWOMAN D. WILLIAMS: And Juneau and Kenai,
9 do you have anyone there who wishes to testify?

10 MR. MEACHAM: This is Chuck Meacham and there's
11 nobody here other than myself. I do have one request though
12 and that is that the time line for restoration reserve fund
13 planning be faxed to the Juneau LIO, please.

14 CHAIRWOMAN D. WILLIAMS: Okay, we will do that.
15 Rebecca.

16 MS. R. WILLIAMS: Yes.

17 CHAIRWOMAN D. WILLIAMS: Okay. And, Chuck, do
18 you wish to testify any further?

19 MR. MEACHAM: No, I don't, thank you.

20 CHAIRWOMAN D. WILLIAMS: Okay, thank you. Do
21 we have anyone at Kenai that wishes to testify?

22 REPRESENTATIVE HODGINS: This is Representative
23 Mark Hodgins and we have one other person here but they don't
24 wish to testify at this time, thank you.

25 CHAIRWOMAN D. WILLIAMS: Representative, do you

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1 wish to testify yourself?

2 REPRESENTATIVE HODGINS: No, I do not.

3 CHAIRWOMAN D. WILLIAMS: Okay, thank you very
4 much. Do we have any other remote sites on?

5 HOMER LIO: Homer is on, Pamela Brodie,
6 however, she doesn't wish to testify but she would like a copy
7 of that time line.

8 CHAIRWOMAN D. WILLIAMS: Very good. We'll sent
9 that to Homer also. And we'll send it to Kenai also. And
10 there's no one then at Homer that wishes to testify?

11 HOMER LIO: Right.

12 CHAIRWOMAN D. WILLIAMS: Okay, I will check --
13 we're a little early, we announced that this would start at
14 11:30 so I'll check back with each of the remote sites before
15 we close the public comment period.

16 Any other remote sites?

17 COOPER LANDING LIO: Yes, Cooper Landing is on.

18 CHAIRWOMAN D. WILLIAMS: Very good. And is
19 there anyone in Cooper Landing that wishes to testify?

20 COOPER LANDING LIO: There are two people, Nina
21 Cornett and Charles Brooks.

22 CHAIRWOMAN D. WILLIAMS: Excellent. All right.
23 I'm just trying to take assessment right now of what we have.

24 Any other remote sites. All right, it looks like we have

25 several public members here in Anchorage, but it's unclear

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1 whether any of them wish to testify. Could you just raise your
2 hand a little bit if you wish to testify here in Anchorage?

3 Does anyone in Anchorage wish to testify? Okay, again, I'll
4 ask that question before I close comment period.

5 Let us begin then with Cooper Landing and either Nina
6 or Charles, if you would like to begin.

7 MS. CORNETT: I'd like to thank you very much
8 for giving us time to talk about the Russian River Angler Trail
9 Project. My name as you will get is Nina Cornett, I believe
10 most of you are familiar with the concerns that my husband and
11 I have expressed about the river. I'd like to make three
12 points today.

13 First, most of you are aware that we have asked the
14 Council to delay their vote on the Russian River part of the
15 Larger Kenai River Project. We did that because this is a bad
16 project that will harm the Russian River and it should not be
17 funded in its present form. You may recall that when we came
18 before the Council last spring Ms. Williams asked the Forest
19 Service to provide answers to our concerns by the next meeting.
20 To date there have been no answers. No provisions have been
21 made for accommodating the wild animal passage. The light
22 penetrating boardwalk which was supposed to provide for
23 vegetation growth is not working. The early installed portions
24 of the project have confirmed our fears that the project is
25 going to exacerbate the overuse and the habitat damage. The

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1 very large intrusive nature of the project has not been reduced
2 and the design will, in fact, block disabled people from
3 fishing the river. That was my first point.

4 Concerning the second point. We were told Monday that
5 we were the only people who object to the project. Many of you
6 may have been told that in fact. We think it's important to
7 dissuade you of this notion, so Monday afternoon we spent two
8 or three hours collecting signatures here in Cooper Landing and
9 we got about 25 signatures in that time. And that number may
10 not seem like a lot to you but as a percentage of population
11 that's like collecting 10,000 signatures in Anchorage. I
12 wanted to mention to you, too, that the signers have two things
13 in common. First of all they have been involved, lived in or
14 being involved with Cooper Landing for a very long time and
15 they all know the Russian River very well.

16 My third point has to do with the Alaska Fish and Game
17 involvement. We understand that their role in the project has
18 been curtailed. We were told Monday that the funding route is
19 being revised to exclude Fish and Game and that Alaska Statute
20 16 is not applicable. The rationale on Statute 16 was that the
21 Forest Service has only two metal gratings into river under
22 this plan and if they were removed Fish and Game would have no
23 jurisdiction. Now there are already more than two gratings in
24 the river, but anyway, that argument completely misses the
25 point.

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1 The Forest Service is going to funnel all the fishermen
2 into the river through 25 entry points, just 25. That
3 funneling process will totally change fishermen traffic
4 patterns on the actual bed of the river for more than a mile up
5 and down the river. That, along with the rest of the project,
6 is going to have an impact that of a lot more important than
7 two metal gratings. You know this is the Russian River we're
8 talking about here and we think it's really at risk and
9 whatever the issues, the merits of funding pads or Statute 16
10 applicability, we think it's just absolutely essential that
11 Fish and Game have an oversight role in this.

12 I'd like to recap those three points. And this first
13 one, and we can't emphasize it too much, is it's important to
14 have full Fish and Game involvement. Secondly, there is
15 significant opposition to this project, we are really not the
16 only people who are concerned. And finally and most important,
17 the project is just bad for the river. None of the concerns
18 have been accommodated and we strongly recommend that you not
19 fund the project in its present form.

20 CHAIRWOMAN D. WILLIAMS: Thank you very much
21 for your testimony, Ms. Cornett. Are there any Council
22 questions?

23 (No audible responses)

24 CHAIRWOMAN D. WILLIAMS: I do have one. We did
25 receive a fax copy of your testimony, thank you for sending

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1 that. I do not believe that we have received a copy of your
2 petition and signatures. Can you tell us, Ms. Cornett, what
3 the preface on the petition stated?

4 MS. CORNETT: Yes. Just a moment while I get
5 that.

6 CHAIRWOMAN D. WILLIAMS: Thank you.

7 MS. CORNETT: We would certainly be happy to
8 fax that later, but the preface says: The undersigned request
9 that the Russian River Angler Trail Project be reduced to
10 essential erosion control and habitat restoration work and that
11 the following parts of the project be eliminated. The electric
12 tram, the toilet on the river flood plain, the widening and
13 graveling of the fisherman's trail, much of the board (phone
14 cut out) and the wide trail from the bluff to the river which
15 (phone cut out) such all terrain vehicles and snowmachines.
16 And then what we have is signatures and addresses and in a few
17 cases phone numbers.

18 CHAIRWOMAN D. WILLIAMS: Thank you. Are there
19 other questions and comments?

20 MR. RUE: Yeah, this is Frank, I think I have a
21 question.

22 CHAIRWOMAN D. WILLIAMS: Yes, Frank.

23 MR. RUE: Ms. Cornett, have you discussed an
24 alternative that you think would work both physically and
25 beyond sort of the minimum restoration and access, and/or a

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1 process that you think could bring people together and perhaps
2 come up with a project that folks felt maintained the values of
3 the river but also allowed for public access?

4 MS. CORNETT: Well, first of all let me -- yes,
5 to some extent we have done that. And I'd like to come back to
6 the public access thing. We met with the project manager,
7 Deidra Saint-Louis, down on the river and we walked the river.
8 And we had the opportunity not only to look at what she wanted
9 to show us but also to show her the very great habitat damage
10 that was caused this year by the Forest Service's installation
11 of what they call the White Trail, which is in fact the not yet
12 finished but in place version of a trail from the bluff down to
13 the river, and we sent pictures to the Council. And she told
14 us that she would reconvene a working group and that she had
15 some ideas about how to change things. And we in turn made
16 some suggestions about places where they might use flat rubber
17 matting, which they have in one place on the river now, instead
18 of the intrusive boardwalk, and some things like that.

19 And we hope and anticipate that we'll be a part of this
20 working group but so far we have heard informally that there
21 may be a meeting on the 18th of August, but we haven't been
22 formally contacted or invited to come. We think that it would
23 be -- we think that it's likely that we could work very well
24 with Ms. Saint-Louis and that we probably could get together
25 and do something for the good of the river. And, you know, we

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1 would certainly like the opportunity to do that, but
2 unfortunately if, you know, if the vote is over today, you
3 know, that opportunity may be lost, so we're worry about that.

4 I'd like to come back to access to the river, too. One
5 of the things that we're really worried about is the fact that
6 the basic problem with the river already is too much access.
7 You know we watched it since '62 and as each new access comes
8 in, all the facilities on the top of the bluff and then the
9 boardwalks that kept people from having to wade through sloughs
10 or detour around them, that kind of a thing, that this traffic
11 has gotten heavier and heavier along the river and, of course,
12 that's the major part of the reason for the damage for the
13 river so when we say permit access I guess I would say that we
14 would want to be extremely cautious about increasing access
15 because I think we would increase the problems for the river.
16 But within those parameters, yes, we think that probably we
17 could work together to work something out. We have some other
18 people who are interested in that.

19 MR. RUE: Thank you.

20 CHAIRWOMAN D. WILLIAMS: Are there any other
21 questions or comments from the Council?

22 MR. PENNOYER: Madam Chair.

23 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

24 MR. PENNOYER: Molly, would you key us
25 specifically to this project and the action required on it?

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1 MS. McCAMMON: Madam Chair, that's Project
2 98180 and it's in the Work Plan under Habitat Improvements.

3 CHAIRWOMAN D. WILLIAMS: Mr. Pennoyer, would
4 you like any further explanation?

5 MR. PENNOYER: Perhaps when we get to it, yes.

6 MS. McCAMMON: We'll have further discussion
7 once we get to it in the discussion this afternoon.

8 CHAIRWOMAN D. WILLIAMS: Yes.

9 MR. PENNOYER: Thank you.

10 CHAIRWOMAN D. WILLIAMS: Any other questions or
11 comments?

12 (No audible responses)

13 CHAIRWOMAN D. WILLIAMS: Ms. Cornett, thank you
14 very much.

15 MS. CORNETT: I appreciate the opportunity.
16 And I have some additional statement. If you'll permit me
17 another 30 seconds there is one thing that I'd like to add.

18 CHAIRWOMAN D. WILLIAMS: Certainly.

19 MS. CORNETT: On Monday we were told that
20 basically whether the EVOS Council funds this or not the Forest
21 Service has plenty of money, it'll go forward. And I just have
22 two comments on that one. One is that because someone else
23 might be willing to fund a bad project it doesn't mean I think
24 that the EVOS Council would necessarily want to. And the
25 second one it that the question comes up in my mind that if the

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1 Forest Service indeed has all kinds of money, as I think the
2 phrase was to us on Monday, I wonder why they are asking for
3 Council money when there are so very many good causes that need
4 that money and that don't have other sources for funding.

5 And with having said that then I'm going to turn the
6 phone over to Mr. Brooks and let him await his turn.

7 CHAIRWOMAN D. WILLIAMS: Ms. Cornett, I usually
8 don't ask witnesses to name names but who made that statement
9 on Monday?

10 MS. CORNETT: In each of these references in
11 the testimony to being informed on Monday, all those refer to a
12 phone call we had with Ms. McCammon.

13 MS. McCAMMON: Well, I would like to correct
14 the record on a lot the things that she said here.

15 CHAIRWOMAN D. WILLIAMS: Please, Ms. McCammon.

16 MS. McCAMMON: First of all, what I stated was
17 that I'd been told that this was a small portion of the project
18 and that if the Council did not fund this portion that the
19 other portions of the project were going to go ahead anyway
20 because the substantial funding, the majority of the funding,
21 came from other sources.

22 MS. CORNETT: And indeed I agree with you. You
23 would be funding about one-third of that and that's correct.
24 But you did also mention, I believe, that the Forest Service
25 had lots and lots of money as a result of the -- you said flood

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1 money and I assume that's a result of the '95 flood, but I
2 don't really want to state that as a fact because I'm not sure
3 what was referred to when you.....

4 MS. McCAMMON: I'm not sure I said lots and
5 lots of money but I know that they did receive funding as a
6 result of damage to the various systems from the flood and I
7 assume it was in 1995. I don't think I called it lots and lots
8 of money but that that was the primary source of their
9 additional funding for it.

10 In addition what I had said is that thus far you had
11 been the only people that we had heard from with the exception
12 of one other individual regarding the project.

13 MS. CORNETT: Actually what you said was.....

14 MS. McCAMMON: I don't really think we need to
15 get into this.....

16 CHAIRWOMAN D. WILLIAMS: Ms. Cornett, I do not
17 want to debate this back and forth.

18 MS. CORNETT: Of course not.

19 CHAIRWOMAN D. WILLIAMS: Thank you.

20 MS. McCAMMON: And the only other item that I
21 would like to clarify on though is on Fish and Game's role.
22 And again what I had told her is that there were two views of
23 this issue that I had been hearing from both Fish and Game and
24 the Forest Service and I was trying to give her a little bit of
25 the discussion that I had heard from the Forest Service as well

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1 as from Fish and Game. And that I was hearing two different
2 perspectives on the whole issues of Title XVI.

3 MS. CORNETT: And I appreciate that and I tried
4 to make that clear. And you had, in fact, given the Forest
5 Service rationale for that, why it was felt that that was not
6 applicable. And the thing that I am trying to do here is to
7 say whatever the individual pros and cons of either of those
8 two issues, this is a very important river and it's probably
9 the premier salmon river in terms of usage in Alaska. And it's
10 very important that Fish and Game have a role in this thing.
11 And that is not meant as a criticism. You and I had, in fact,
12 you know, did not (phone cut out) by mentioning your name to
13 suggest that in a pejorative way, I just simply wanted to
14 counter what seemed to be some prevalent beliefs and comments
15 out there.

16 CHAIRWOMAN D. WILLIAMS: Thank you,
17 Ms. Cornett. Any.....

18 MR. WOLFE: Madam Chair.

19 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

20 MS. McCAMMON: You want to correct the record
21 too?

22 MR. WOLFE: I normally try not to react to some
23 of these, but I think I also need to state our position on the
24 record also and that's that any substantive requirements that
25 Fish and Game has we, the Forest Service, would do our best to

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1 try to comply with those, so I don't think that is an issue.
2 There are some administrative procedures which we have
3 differing opinions on but substantive requirements we will try
4 to comply with to the extent that we can.

5 The other thing is, is this project did go through an
6 extensive public involvement, NEPA process, an EA was prepared,
7 a decision was made and the whole project was not appealed
8 during the appeal process, and so all of these positions that
9 are coming up at this point in time are inconsistent with all
10 the comments that were gathered during the NEPA process.

11 The one thing that we do know is that this process is
12 considered to be consistent with the Kenai River Management
13 Plan, which includes some things, particularly as it relates to
14 the boardwalks, that we feel is probably over-designed for that
15 particular site. But to be consistent with the plan the Forest
16 Service is trying to incorporate that into and has incorporated
17 that into the their design, so while we don't totally disagree
18 with Ms. Cornett over some portions of it, there are some
19 portions of it where a boardwalk of some sort is appropriate.

20 I guess as far as the access is concerned, we didn't
21 change the access, all we're trying to do is to improve the
22 access that is already there. The ability for people to get to
23 the river is outside of our control to a great extent, but once
24 we get to the river we want to be able to minimize and provide
25 facilities, a trail primarily, and limit the areas where they

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1 can go into the river to minimize the damage to the stream
2 banks. So the access issue, I have a hard time understanding
3 that concern.

4 The toilet, you know, there's some comment about the
5 toilet that's being included in this. We're talking about
6 several thousand people along the river with no access to
7 restroom facilities without walking, in some cases, about a
8 half a mile. We find that as totally unacceptable and it was a
9 consensus and one of the highest priorities for the folks that
10 were involved in the scoping process and directing -- this is
11 public people, that were directing the Forest Service and
12 providing us with advise and counsel during the project. So
13 while the Cornetts may disagree with it, the majority of the
14 folks that worked with the Forest Service during the NEPA
15 process in developing this project felt that it was an
16 extremely high priority item of work.

17 And to accommodate that does require a lift, it's
18 called a tram, it's a very small lift is what really is and it
19 provides us with the ability to manage or maintain that toilet
20 facility given the isolated location it's in. Without that it
21 wouldn't be possible.

22 And then there's reference to widening the trail, what
23 we're talking about is a four foot wide trail for the most
24 part, so this is not a road as it has been referred to by
25 Ms. Cornett in some of her discussions previously.

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1 So I will just stop at that point, but we are extremely
2 concerned about public involvement. We have done a significant
3 amount of public involvement in the process of going through
4 the NEPA process. So I guess we have a differing opinion over
5 how we should proceed at this point.

6 CHAIRWOMAN D. WILLIAMS: Thank you, Mr. Wolfe.

7 MR. RUE: Madam Chair.

8 CHAIRWOMAN D. WILLIAMS: Yes, Commissioner.

9 Now bearing in mind that I anticipate that when we get to this
10 project in the Work Plan we will as a Trustee Council discuss
11 it further.

12 MR. RUE: Have discussion, absolutely. That's
13 what I was going to say.

14 CHAIRWOMAN D. WILLIAMS: Very good. All right.

15 MR. RUE: I have to leave right now, but I'm
16 going to be having Rob Bosworth take my place and I'll be back
17 after about 1:00 o'clock. But I do want to discuss this, it
18 isn't a simple one, we've had some very difficult discussions
19 about the whole Russian River issue.

20 CHAIRWOMAN D. WILLIAMS: Yes.

21 MR. RUE: Talk to you later.

22 CHAIRWOMAN D. WILLIAMS: Thank you.

23 MR. RUE: Rob is here.

24 CHAIRWOMAN D. WILLIAMS: Thank you,
25 Commissioner, return leisurely.

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1 Okay, I believe we're ready for our next witness and
2 that is Mr. Charles Brooks. Mr. Brooks.

3 MR. BROOKS: My name is Charles Brooks and I
4 appreciate you giving me the opportunity to speak to you today
5 about the Russian River Anglers Trail Project. There are many
6 parts of the project I oppose but I am here to talk to
7 primarily today about the impact it will have on disabled or
8 handicapped persons fishing the river. I have a mobility
9 handicap, but I've worked out ways to fish the river on -- in
10 specific -- in spite of that. But they are dependent on
11 fishing at specific places and I have -- so I have direct
12 access to the river in those places.

13 If the Forest Service is able to proceed with their
14 plan to restrict entry to the river to only 25 entry points,
15 some 100 feet apart, they would require fishermen to enter the
16 river at one of those specific points and wade up or down the
17 river from those points. The bottom of the river is very rocky
18 and unstable and I and other people with my limitations will
19 not be able to wade the river for long distance except in
20 specific areas. And if the Forest Service is able to proceed
21 with their plans they will effectively block me and other
22 persons to be able to fish the river in the future. And I
23 request that you not fund the project unless other problems are
24 fixed and -- so essentially that's my statement and I
25 appreciate you giving me the opportunity. Thank you.

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1 CHAIRWOMAN D. WILLIAMS: Mr. Brooks, thank you
2 very much. Are there any questions or comments from the
3 Trustee Council for Mr. Brooks?

4 MR. WOLFE: Madam Chair.

5 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

6 MR. WOLFE: Mr. Brooks, you know, I would
7 encourage you to visit with the project leader for this project
8 because they are trying to accommodate to some degree people
9 with disabilities and we don't want to preclude that. So I
10 would encourage you to visit with them, maybe there's some way
11 that it could be accommodated in the design later.

12 MR. BROOKS: In regards to that statement, I'm
13 talking primarily -- I do not want to be limited to a boardwalk
14 or some area, like on the Kenai -- like they done on the Kenai
15 River, I want to be able to fish the Russian River. I fish
16 nothing but the Russian River and I know you can't make
17 specific plans for a given group of people but I think we
18 should have access to the Russian River and be able to fish it,
19 that's all I'm trying to say.

20 CHAIRWOMAN D. WILLIAMS: Thank you, Mr. Brooks.
21 Any other questions or comments?

22 (No audible responses)

23 CHAIRWOMAN D. WILLIAMS: We greatly appreciate
24 your testimony.

25 MR. BROOKS: Thank you.

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1 CHAIRWOMAN D. WILLIAMS: The next person that
2 has indicated an interest in testifying is Sheri Buretta, and
3 the Trustee Council members know, Sheri is a member of the
4 Public Advisory Group. Sheri, please come to the microphone.

5 MS. BURETTA: Hello. I'd just like to make a
6 statement regarding the archaeological repository. I work for
7 Chugachmiut and I'm a tribal development coordinator, I work
8 with the tribes in the region. And we've been working with
9 them regarding this over the last year, two years.

10 MR. PENNOYER: Madam Chair, that testimony is
11 cutting very badly here.

12 MS. McCAMMON: You need to turn on that mic
13 down there, Craig. Yes, thank you.

14 MS. BURETTA: I'm also a Tatitlek shareholder
15 and Native land owner. And I just wrote a brief letter here to
16 the Chugach Tribal Councils and the local community
17 facilitators dated July 15th, after the Public Advisory Group
18 meeting that was held the last time. And I'd just like to read
19 it to you.

20 At the Public Advisory Group meeting held July 16th at
21 the EVOS offices in Anchorage the following issues were
22 discussed:

23 The archaeological repository issue was discussed
24 during Executive Director's Molly McCammon's report. Molly
25 noted that she was disappointed at the vagueness of the recent

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1 letter she received from the communities. I reminded her of a
2 letter dated April 2nd requesting a brief letter describing the
3 project in general terms and that if she wanted something more
4 in depth that that communities would accommodate.

5 At present the communities only replied to what was
6 requested. I also noted that the communities were still
7 interested in local repositories which was discussed in a local
8 community facilitators' meeting held at CRRC July 9th, 1997.
9 Chuck Totemoff stated that he felt the Trustee Council would
10 not fund local repositories and that Chenega Corporation along
11 with Chugach Alaska Corporation had begun writing a proposal
12 for a regional repository. He also stated that they have
13 support from other communities within the region.

14 I asked if he had talked to any tribal councils and he
15 said no. He went on to address the profitability of a regional
16 repository and stated that local repositories would cost money
17 to operate and maintain. I noted that the reason that local
18 repositories are so important to the communities has nothing to
19 do with corporations and profitability, although they are well
20 aware of the need for secure operations and management.

21 Molly noted that the Alutiiq Museum in Kodiak, funded
22 by EVOS, has difficulty operating a regional repository. I
23 replied that local facilities with closer ties to the
24 communities would have more local support and reduce this
25 problem. I continued to stress that the most important reason

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1 for local repositories is to plant a seed in each community and
2 build upon the idea that the archaeological remains are a key
3 to the heritage and history that belong to the Native peoples
4 of the region. I noted that I would be interested in looking
5 at Chenega COC's proposal.

6 Molly added that the Trustees want a regional
7 repository. I said that it was obvious that the EVOS staff
8 supported this idea but that the spill affected communities do
9 not. The Trustees have not publicly decided whether they will
10 fund any repository, local or regional.

11 The other issue that was discussed at the meeting was
12 the restoration reserve. I have attached a copy of a letter
13 that I read to the PAG regarding the issue. Veronica Christman
14 handed out a five page memo describing in detail what the
15 reserve is about, see attached.

16 Molly said the Council is interested in any ideas or
17 proposals and welcomes them from anyone.

18 So I just wanted to bring that to your attention that
19 as far as I can see where I've been working with the
20 communities and the tribal councils, they are still strongly in
21 support of repositories in their communities, local
22 repositories, and I just wanted to make that point.

23 CHAIRWOMAN D. WILLIAMS: Thank you very much,
24 Ms. Buretta. Any questions or comments from the Trustee
25 Council?

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1 (No audible responses)

2 CHAIRWOMAN D. WILLIAMS: Ms. Buretta, we do
3 have in our package the Chugach Alaska proposal. Have the
4 tribal organizations had a chance to review that?

5 MS. BURETTA: No.

6 CHAIRWOMAN D. WILLIAMS: Okay. All right. Any
7 other questions or comments?

8 (No audible responses)

9 CHAIRWOMAN D. WILLIAMS: Thank you very much
10 for your testimony.

11 MS. BURETTA: Thank you.

12 CHAIRWOMAN D. WILLIAMS: All right. Let us go
13 around the remote sites to see if there are any additional
14 public members who would like to testify. Is there anyone in
15 Juneau who would like to testify?

16 MR. MEACHAM: No, there's not.

17 CHAIRWOMAN D. WILLIAMS: Thank you, Juneau.
18 Anyone in Kenai who would like to testify?

19 KENAI LIO: Not at this time, thank you.

20 CHAIRWOMAN D. WILLIAMS: Thank you. Anyone in
21 Homer who would like to testify?

22 HOMER LIO: No, thank you.

23 CHAIRWOMAN D. WILLIAMS: Thank you very much.
24 Anyone else in Cooper Landing that would like to testify?

25 (No audible responses)

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1 CHAIRWOMAN D. WILLIAMS: Are there any other
2 remote sites that have joined us?

3 (No audible responses)

4 CHAIRWOMAN D. WILLIAMS: Thank you very much.
5 Is there anyone else in Anchorage who would like to testify?

6 (No audible responses)

7 CHAIRWOMAN D. WILLIAMS: Hearing none, the
8 public testimony component of the meeting will be closed.

9 Thank you all very much for those who testified and took the
10 time and effort. It's always very helpful for the Trustee
11 Council to hear your comments.

12 All right, it is 10 minutes to 12:00. I think it makes
13 more sense to go into executive session at this time as opposed
14 to start the next component of the public meeting. I would
15 entertain a motion to go into executive session. Mr. Tillery.

16 MR. TILLERY: Yes, Madam Chair, I would move to
17 go into executive session for the purposes of discussing the
18 habitat acquisition issues and I believe that's the only issue
19 on the agenda.

20 CHAIRWOMAN D. WILLIAMS: All right. It's been
21 moved by Mr. Tillery, do I hear a second?

22 MS. BROWN: Second.

23 MR. PENNOYER: Second.

24 CHAIRWOMAN D. WILLIAMS: Second by I think,
25 Michele, you won by an eyelash.

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1 MR. PENNOYER: I concede.

2 CHAIRWOMAN D. WILLIAMS: Seconded by Michele
3 Brown that we go into executive session for purposes of
4 discussing habitat acquisition issues. Do I hear any objection
5 to that?

6 (No audible responses)

7 CHAIRWOMAN D. WILLIAMS: Hearing none, the
8 motion passes and we will now go into executive session.

9 (Off record comments - lunch brought in)

10 (Off record - 11:57 a.m.)

11 (On record - 1:20 p.m.)

12 CHAIRWOMAN D. WILLIAMS: Good afternoon, I
13 would like to reconvene the public portion of the August 6th
14 Exxon Valdez Oil Spill Council Meeting. The Trustee Council
15 did meet in executive session and we confined our discussion
16 solely to habitat acquisition issues. We are now back in
17 public session.

18 The next item of business is to review the fiscal year
19 '98 draft Work Plan. Molly.

20 MS. McCAMMON: Madam Chair, first of all I
21 wanted to kind of refresh your memories on the process that we
22 used to get to this point. It begins in January with our three
23 day workshop, bringing in all the principal investigators into
24 Anchorage for a workshop where they share their results from
25 their prior field season. We have all of the core peer

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1 reviewers present, they comment on these and have an
2 interaction at that time.

3 We also have detailed more technical review sessions on
4 specific areas, specific projects. For example, all of the
5 ecosystem projects have very detailed technical review
6 sessions. And on this basis, from this, we develop the
7 invitation to submit restoration proposals. And this was a
8 yellow document that was sent out in mid-February, February
9 15th. That invitation describes for each resource cluster the
10 various strategies that the Council is using for restoration
11 for these resources. In essence this is our ongoing science
12 plan that gets modified on a very frequent basis.

13 It also identifies any new projects that the Council is
14 looking for, any obvious information gaps. And then, of
15 course, invites other proposals that anyone is able to submit
16 that they feel meets some kind of a restoration need.

17 So from this was generated a large number of project
18 proposals. These proposals then go through various reviews.
19 They're reviewed by the Chief Scientist and the core peer
20 reviewers in an intensive session in May. They're reviewed by
21 staff for various budget issues and also to see how they adhere
22 to the Council's policies and also to the Restoration Plan.
23 They receive legal review. It goes through a number of
24 reviews.

25 The Public Advisory Group met in late May and helped

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1 develop the draft plan. The draft plan then was put together
2 in mid-June of '97, it went out for public comment. Following
3 this the Public Advisory Group in mid-July also met to develop
4 their final recommendations on the draft plan. In addition you
5 have copies in your packet of all of the public comment
6 received to date. And I know we received a number of letters
7 this morning, we received some yesterday. And so they've been
8 coming in, kind of dribbling in, and I hope everyone has copies
9 of all of the letters received. And we go through the
10 individual project I'll try to note those that we've received
11 public comment on because they didn't all get into on packet
12 there.

13 But the kinds of materials that you have before you to
14 look at today is, first of all, two spreadsheets. There is a
15 number spreadsheet and you should have a revised version of
16 that dated 8/5/97.

17 CHAIRWOMAN D. WILLIAMS: That was passed out
18 this morning?

19 MS. McCAMMON: Yes, that was passed out this
20 morning and that should be over here in this part.

21 MR. TILLERY: Is that the same though?

22 MS. McCAMMON: It's the same spreadsheet but it
23 has a few revisions to it.

24 CHAIRWOMAN D. WILLIAMS: Do the Trustee Council
25 members in Juneau have that revised spreadsheet?

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1 MR. PENNOYER: Yes, we do. I do.

2 MR. BOSWORTH: Yes.

3 MS. McCAMMON: Okay, it was sent down yesterday

4 so it's dated 8/5, so there's the numbers only spreadsheet.

5 There is also -- and this is by resource cluster. There is

6 also the text spreadsheet and that one is dated 7/28/97. And

7 there are a couple of revisions to that text and it's primarily

8 some of the fund contingents are now funds, are the primary

9 changes. But any changes in the text or any additional

10 restrictions on the funding or issues that you would like to

11 add to it will be added to the text and modified as part of

12 your overall motion. So these are the two spreadsheets that

13 we'll be working from. The text spreadsheet, and this is based

14 on a request from last year, is in numerical order, so you

15 should be able to find it just by the number of the project.

16 The numbers only one is by resource cluster.

17 In addition we also have -- and then we have all of the

18 public comments received on.....

19 CHAIRWOMAN D. WILLIAMS: Ms. McCammon,

20 Mr. Tillery has a question.

21 MS. McCAMMON: Yes.

22 MR. TILLERY: I'm confused. You passed out

23 this morning six pages, five pages.

24 MS. McCAMMON: Yes, those are the actual

25 revisions so far that we made into the spreadsheet. And most

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1 of them are just a change from fund contingent to fund.

2 MR. TILLERY: These should be substituted in
3 for specific pages, but otherwise this is still valid?

4 MS. McCAMMON: Yes.

5 MR. TILLERY: Okay.

6 MS. McCAMMON: Yes, that's correct. In
7 addition there's a request for some additional information. It
8 was requested for a break down of the subprojects of the three
9 major ecosystem projects, Nearshore Vertebrate Predator, the
10 SEA Project and the APEX Project. So you should have some
11 additional information on the subprojects of those three.

12 In addition there was a request for the history of
13 project costs for individual projects and resource clusters.
14 And so there's also a spreadsheet that was passed out that
15 should be on your table with information, for example, that
16 shows the total spent on pink salmon, as well as the total
17 spent on the otolith project, the coded-wire tagging project
18 since FY92, since the Council's inception. So there's that
19 information for you.

20 In addition, in the public comment section we included
21 a transcript of the public meeting that was held in July. Any
22 phone calls that have been received on any projects, we
23 included those, any responses to letters about any projects
24 we've attached those in that section. So it should be fairly
25 inclusive, although things have been -- we've been getting

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1 comments even up until this morning.

2 But the two major documents that we're working on would
3 be the numbers spreadsheet and the text spreadsheet. And as
4 you'll recall our target for the Work Plan this year is
5 \$14,000,000.00 in projects. And the recommendations, and these
6 numbers are probably a little bit changed here, is
7 approximately \$13,000,000.00 in the fund contingent category
8 with approximately 900,000 deferred pending the fall review of
9 the awaiting a review of this summer's field results. And then
10 an addition \$321,700.00 deferring a decision depending the
11 availability of funds. And that brings the total to
12 approximately 14.3 million. So somehow between now and
13 December we will whittle that down and hopefully some of the
14 questions that are still out there will be answered and we will
15 definitely be able to get to our \$14,000,000.00 target.

16 In addition there are three other projects that the
17 Council needs to take action on today. One is the 98100 budget
18 which is the admin budget. The second one is the habitat
19 support costs, 98126. And the third is the deposit into the
20 restoration reserve. So those all three also need action.

21 Dr. Spies and Stan Senner are here now to go through,
22 cluster-by-cluster, and do a quick overview of what new
23 projects are there, what continuing projects and answer any
24 questions on individual projects.

25 CHAIRWOMAN D. WILLIAMS: Very good. Any

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1 questions or comments before we proceed with Dr. Spies and
2 Stan's presentation?

3 MR. PENNOYER: Madam Chair, no. Molly, I just
4 want to express my appreciation, you turned out particularly a
5 lot of information on this historical funding by project and
6 the breakdown of the major ecosystem projects very quickly and
7 that -- thank you.

8 MS. McCAMMON: You're welcome.

9 CHAIRWOMAN D. WILLIAMS: Thank you,
10 Mr. Pennoyer. All right, Dr. Spies.

11 I did emphasize with Dr. Spies that we don't have very
12 much time and that the Trustee Council members and I believe
13 the public are really pretty familiar with most of these
14 projects since most of them are in their second, third or
15 fourth year of funding, and so we'd ask you to be as brief as
16 appropriate.

17 DR. SPIES: Thank you. Well, I'm not known as
18 terribly loquacious, so this may work out. Let me just open
19 with just a couple of comments about the state of the
20 ecosystem, things that are new and then some observations that
21 are coming in from the field. It's kind of an unusual season
22 in a way in the field and the Trustees might find and other
23 people here might find that of interest.

24 As many of you know there was a herring fishery in
25 Prince William Sound this spring, both the sac roe and a pound

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1 fishery for eggs on kelp. The biomass based on a preseason
2 estimate by hydroacoustics was about 37,000 tons and the
3 fisheries harvested approximately a little less than 5,000 tons
4 of that. So it was nice to see the herring season open again
5 after several years.

6 Also in relation to herring this year there's been
7 quite a bit of growth compared to last year. We're measuring
8 these 0+H class herring trying to understand the conditions
9 that allow their survival and growth and successful
10 recruitment. And last year in June the herring were about 30
11 to 40 millimeters long, this year they're 60 to 80 millimeters
12 long, so they're growing very fast. Whether this is due to an
13 increased food supply or whether the El Nino which is now very
14 apparent in terms of warm water is accelerating their growth is
15 another question. But an interesting observation nonetheless.

16 The pollock stocks that were discovered during the SEA
17 Program hydroacoustic work, particularly in Northern Prince
18 William Sound, in surprising large numbers, first in '94,
19 persisted in '95 and began to decline recently and that trend
20 continues so that the pollock that's been fished on fairly
21 aggressively by fishermen in the Sound are apparently
22 declining.

23 Also the sand lance, another forage fish that we're
24 very interested in because of its importance to some seabirds,
25 has been very plentiful around Naked Island. If you'll

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1 remember the success of the pigeon guillemots back in the '70s
2 and early '80s, the nesting success on Naked Island appeared to
3 be due to the abundance of sand lance. And they have returned
4 locally to Naked Island and so we'll be interested to what the
5 birds in that area are doing in terms of productivity this
6 season.

7 And also in terms of pink salmon, a very prominent part
8 of our program in Prince William Sound. We're now looking this
9 fall at the fourth of four successive years of surveys of the
10 egg mortality and oil versus unoiled streams and, of course,
11 for the last three years we haven't seen any differences and
12 we're hoping that this is the fourth year and this will, in
13 fact, be the last piece of the puzzle in terms of recovery of
14 that species.

15 The seabirds are having kind of a mixed season in
16 Prince William Sound, the kittiwakes and gulls, which are
17 surface feeders, are probably having, you know, average or
18 below average success. They're tending to fly long distances
19 down into Montague Strait to find their food, so we'll have to
20 see what that all means, but I thought that you'd be at least
21 interested in hearing some of those highlights in Prince
22 William Sound.

23 Kind of in a broader picture in the Gulf of Alaska the
24 large El Nino that the oceanographers have been tracking for
25 some time which has been building unusually early in the season

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1 has made its presence felt in Alaska and we got surface water
2 temperatures a degree centigrade above normal on the surface.
3 And Tom Winegardener and the University of Alaska-Fairbanks
4 station, oceanographic station, in the mouth of Resurrection
5 Bay shows at 200 meeter about a half a degree centigrade
6 elevation. So this is very significant. If you remember in
7 1978 changes of that magnitude were associated with large
8 changes in the ecosystem. Now whether this will result in
9 anything like that is purely speculation at this point, but an
10 interesting trend.

11 I was talking to John Piatt last week about the general
12 situation in the Gulf of Alaska, he's been tracking some of the
13 surface water infrared data from the satellites and you can see
14 the warmer water moving up and then kind of disappearing kind
15 of in the central/outer Cook Inlet where the Barren Islands
16 are, so we continue to have very strong upwelling cold water
17 there bringing nutrients and maybe it explains the millions of
18 seabirds that we see out in the Barren Islands. It's a
19 continually productive area and it has been for quite some time
20 irrespective of other things that have kind of changed around
21 it.

22 So this is just a few highlights from kind of the news
23 from the ecosystem, if you will, and why don't we move on then
24 to clusters of the different projects that we have. Stan
25 Senner is going to help me here and Stan and the staff may jump

00069

1 in at appropriate points. There's been a tremendous amount of
2 staff work that's gone on.....

3 MS. McCAMMON: Bob, you're to far away, you're
4 going to have to talk to this box here because that's our
5 teleconference box.

6 DR. SPIES: Okay, I don't have a.....

7 CHAIRWOMAN D. WILLIAMS: And, Trustee Council
8 members, I propose we do what we've done the last several years
9 and after each cluster we take questions.

10 DR. SPIES: Okay?

11 (Off record comments - getting microphone and speaker
12 phone, et cetera situated)

13 DR. SPIES: Let me just talk, just briefly
14 about -- make most of my comment relevant to the new projects.
15 We have this whole series of research that's under -- that
16 has.....

17 CHAIRWOMAN D. WILLIAMS: You know, Bob, I hate
18 say it, but what might work is if you sort of stood here
19 because when you're looking at that then your voice would be
20 caught here.

21 DR. SPIES: Okay.

22 (Off record comments - further arranging speaker and
23 equipment)

24 DR. SPIES: Okay. Under pink salmon we've got
25 a number of strategies. And we have been, of course, as I

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1 mentioned earlier, tracking under 191 the oil related
2 mortality. And there are some other projects here that
3 continue, such as 076, the affects on straying and survival, as
4 well as 194, which is closing out this year. And there's a
5 whole series of studies, of course, that Exxon has done. And
6 so what we would like to do, and this has been submitted by
7 NOAA Auke Bay Laboratory, is to synthesize all this
8 toxicological work for the 10th anniversary of the spill. So
9 Project 329 is being recommended to carry out that function.

10 In the next cluster, which is to provide more managing
11 information for pink salmon, particularly in Prince William
12 Sound, we're closing out the coded-wire tag recovery program a
13 year early. PISWAC, because of the economic constraints, it
14 hasn't enabled them to participate. But we will be continuing
15 for another year the otolith thermal mass marking program which
16 the Trustees -- this is our recommendation, the Trustees have
17 funded up to this time and we have a plan that phases that
18 ADF&G funding out.

19 And continue 190, which is a genetic linkage map. And
20 that project's making good progress in its first full year, and
21 also the genetic stock structure. We've had some review of
22 that project and we're satisfied that that is making good
23 progress.

24 Finally, under supplementation, closing out 139A,
25 Little Waterfall Barrier Bypass and continuing the Port Dick

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1 spawning channel work. So that is the pink salmon cluster.

2 CHAIRWOMAN D. WILLIAMS: Any questions about
3 the pink salmon cluster from the Trustee Council?

4 MR. PENNOYER: Madam Chair, just one. Bob,
5 your comment on 188, the otolith thermal mass marking is
6 "routine." I guess basically it's not routine exactly because
7 at some point we expect this to change. This (phone cut out)
8 evaluation of that is a technique, is that correct?

9 DR. SPIES: I didn't hear your full comment,
10 Steve, but I take it that it goes to the point of transitioning
11 this to the Agency as a completed technique that the Trustee
12 Council has funded?

13 MR. PENNOYER: Yeah, that was my question.
14 That's what that -- when you said routine, it's not really
15 routine. This is just the last part of the evaluation,
16 correct?

17 DR. SPIES: Right, it is. And I probably
18 misspoke. And we're very optimistic that this is working very
19 well now and we've committed to this another year. I think we
20 need just to make sure that everything is working well, is this
21 final year would be appropriate.

22 CHAIRWOMAN D. WILLIAMS: Any other questions
23 from the Trustee Council?

24 MR TILLERY: Yeah.

25 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Tillery.

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1 MR. TILLERY: The problem I have is that I've
2 made notes on these things in their order and so I'm having to
3 go through and sort of search back and forth through here to
4 try to find my notes. And so it's going to take a second.

5 CHAIRWOMAN D. WILLIAMS: Yes. Okay.

6 UNIDENTIFIED VOICE: You want the text in
7 clusters next year?

8 CHAIRWOMAN D. WILLIAMS: I went right to 188.
9 I liked it. But we'll give Mr. Tillery a moment. Any other
10 questions or comments?

11 (No audible responses)

12 CHAIRWOMAN D. WILLIAMS: Okay. We'll give
13 Mr. Tillery just a few moments to see if he has any additional
14 comments.

15 MR. TILLERY: I do have some -- I have some
16 comments, but.....

17 CHAIRWOMAN D. WILLIAMS: No, go right ahead.
18 We always have plenty of time for Trustee Council comments and
19 questions.

20 MR. TILLERY: Okay. I have a couple of
21 questions. On the 076, in your recommendation, Dr. Spies, you
22 talk about how it's possible the high variance in estimates of
23 straying will limit the utility of the measures, but the risk
24 was known when it was initiated. And it kind of sounds like
25 you're saying that we started it and since then we found out

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1 we're really not going to learn very much out of this, but we
2 knew that there was a chance we might not learn much out of
3 this. But it seems to me -- is it possible we should just cut
4 off funding at this point?

5 DR. SPIES: Well, we're just saying is that we
6 don't know the straying rate before we actually measure it, but
7 we think we have a fairly good sampling program in place, given
8 the resources that are available to do the sampling on the
9 returning fish. We're just saying there's a chance that it may
10 not give us the full power that we hoped, but I'm sure it'll be
11 a very, very good study and the results will be useful.

12 MR. TILLERY: But this is the fourth year and
13 we still don't know whether it's worth continuing?

14 DR. SPIES: Well, the real telltale year
15 is.....

16 MR. TILLERY: Is this year?

17 DR. SPIES:the return this summer and
18 early fall.

19 MR. TILLERY: Okay. On -- what was the other
20 one, 188, who is going to pay for this in the future? What is
21 the plan for -- is this going to keep going after we stop
22 funding it? What is the plan?

23 CHAIRWOMAN D. WILLIAMS: Commissioner Rue, do
24 you know the answer to that?

25 MR. BOSWORTH: Deborah, Frank's not here. This

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1 is Rob Bosworth and I don't know the answer to that.

2 CHAIRWOMAN D. WILLIAMS: Okay. Molly or Stan?

3 MS. McCAMMON: It's a combination of funding by
4 the Aquaculture Association and the Department of Fish and
5 Game. So it's matched funding between those two. And they
6 have agreed to fund it in the future. So the main part of the
7 Council's contribution early on, the most expensive part, was
8 for the equipment, and that's already in place. It's being
9 used by the hatcheries, so it's relatively inexpensive to
10 actually do the marking itself. The big expense is in the
11 recovery and the use of it in their management. And the
12 Department is committed to doing that.

13 MR. TILLERY: And what we're paying for right
14 now is this proving time while we still have both of them going
15 to confirm that otolith works?

16 DR. SPIES: Right. And they've overlapped for
17 a year and the coded-wire is a good back-up for the otolith
18 thermal mass marking, but the first year of returns show that
19 the marks that they put in the otoliths are very, very distinct
20 and it's working extremely well. So, you know, the second year
21 of overlap we don't feel is necessary.

22 MR. TILLERY: And then we'll do proposals to do
23 otolith this summer and the following summer?

24 MS. McCAMMON: Yes.

25 DR. SPIES: It's going to be this summer and

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1 let me see, I think Stan's looking at '99.

2 MR. SENNER: The FY99 is the last year of
3 funding on the otolith project. And that would include all the
4 close-out and report writing of that project. So it'd be we
5 would propose to support that. Or I should say the Department
6 proposes that the Trustees support it through FY98 and '99.
7 But the overlap with the coded-wire tag, that will end a year
8 early.

9 MR. TILLERY: That's all I had.

10 CHAIRWOMAN D. WILLIAMS: Okay.

11 MR. PENNOYER: Madam Chair.

12 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

13 MR. PENNOYER: I think Craig raises an
14 excellent point. I think, Molly, we've talked about this
15 before. There are a whole lot of areas here. For example, as
16 we get down to the sockeye salmon, all of a sudden there are
17 very few projects worth not much money when it used to be a
18 very big item in both the Sound, Cook Inlet and Kodiak.

19 And the question of what actually happened here
20 relative to sort of the discussions we had early on with all of
21 our various agencies as to the utility of some of these methods
22 and whether they would be carried on or not, and whether they
23 actually were effective in improving management should be part
24 of our retrospective we're doing in our book or whatever.

25 So I think this is a -- without going back into it in

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1 detail, for example, on sockeye, what is actually being done in
2 Kodiak, Cook Inlet and the Sound; different now or improved now
3 or continuing now compared to what it was after we've done this
4 work and spent this funding? What type of impact has it had?
5 So it's an excellent question, both in terms of what people
6 think is going to be done now and then actually looking back
7 and deciding whether some of these things have paid off.

8 CHAIRWOMAN D. WILLIAMS: Okay. Any other
9 questions or comments on pink salmon?

10 (No audible responses)

11 CHAIRWOMAN D. WILLIAMS: Dr. Spies, let's
12 proceed to the herring.

13 DR. SPIES: Okay. We have one new start in the
14 herring, which is Project 311, which is a project that grew out
15 of the SEA Project that is now kind of winding down. This has
16 been proposed to be carried on and the reviewers feel that this
17 is a very important project. What it is doing essentially is
18 looking at the stable isotope ratios of carbon and nitrogen in
19 plankton and young herring and adult herring as well in and
20 outside of the Sound. And it provides kind of information
21 that's not easily obtainable in any other way that shows where
22 the carbon is coming from that's in the herring. Since the
23 herring is a key part of the ecosystem, this provides insight
24 into the interlink between Gulf oceanographic conditions and
25 the Sound, and for that reason it is recommended.

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1 Under the cause of the crash, we're going to recommend
2 continuing 162, the disease factor is a very successful
3 program. And for those of you who were at the annual meeting,
4 a very nice presentation there and there's also that project.
5 Under providing managing information, we're closing out two
6 projects, 165, the genetic project and I understand it's making
7 quite good progress in '97. I had a conversation with Paul
8 Benson who's doing some of the mondacondral (ph) DNA work and
9 it's looking fairly promising. And also closing out 166, the
10 herring natal habitat. And that is a close-out that's a year
11 early. The Trustees have helped develop the hydroacoustics and
12 the Department has funded that. And there was a question of
13 whether we should also fund herring natal habitats and the
14 reviewers felt that this was of a lower priority. So it's
15 being recommended for close-out a year early.

16 And that's the herring package.

17 CHAIRWOMAN D. WILLIAMS: Questions and comments
18 from the Trustee Council on herring?

19 MR. PENNOYER: Madam Chair.

20 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

21 MR. PENNOYER: On the spawn deposition that
22 Torie wanted and apparently everybody voted down in the PAG; is
23 that 166?

24 MS. McCAMMON: That's correct. Yes.

25 CHAIRWOMAN D. WILLIAMS: Mr. Pennoyer, did you

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1 have a question?

2 MR. PENNOYER: Well, I just was sort of -- the
3 comment was people thought it should be closed out. I just
4 wanted to get Bob's comments on why, relative to the
5 presentation we had on it being continued.

6 DR. SPIES: Yeah. Basically the reviewers felt
7 that there are two things that were being proposed by Fish and
8 Game at one time or another. One was the hydroacoustic
9 assessment as usually done in the fall, and then the spawn
10 deposition that's done in the spring at the time of spawning it
11 helps forecasts, along with some other measures that the
12 Department does with miles of spawn and the test fishery helps
13 forecasts the subsequent years spawning biomass.

14 The reviewers felt that the hydroacoustics is probably
15 the better of the two projects. And since the Department was
16 funding that and was coming to the Trustee Council only for the
17 spawn deposition, it was not felt that the spawn deposition is
18 really that valuable in terms of some of the other priorities
19 that we have. Not that it isn't necessarily a good program on
20 its own merits. But that was the basis of their
21 recommendation.

22 MR. PENNOYER: Bob, I guess your comments say
23 as well that there's probably little likelihood of Fish and
24 Game getting the funding and I guess they agree with that, to
25 continue that project in the future, the spawn deposition.

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1 DR. SPIES: Yeah. That was one of the reasons
2 also that from an administrative standpoint, going back to the
3 question of whether the management tool would be used, in
4 conversations with the Commissioner, he'd indicated that due to
5 the fiscal situation of the Department, that it was going to be
6 very difficult for the Department to pick that up on its own
7 and fund it once the Trustee Council had completed its part of
8 the work here.

9 MR. PENNOYER: Thank you.

10 CHAIRWOMAN D. WILLIAMS: Any other questions or
11 comments on herring?

12 (No audible responses)

13 CHAIRWOMAN D. WILLIAMS: All right. Let's
14 proceed to the SEA and related projects.

15 DR. SPIES: Under the Sound ecosystem
16 assessment of course we have the main project, Project 320.
17 It's now kind of been winding down in '97 and it's got a
18 reduced field season in '98. It's mainly data analysis and
19 report writing and publications. So we're recommending that
20 the herring TEK portion of this is deferred, pending a little
21 bit further review, but we're recommending that the bulk of the
22 320 go forward.

23 Project 297 is being recommended as a new start. This
24 is the oceanography of Prince William Sound's bays and fjords.
25 This is integral to supporting the herring work that's started

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1 under the Sound ecosystem assessment and it goes directly to
2 assessing what about the oceanography of these bays and fjords
3 that might relate to retention of the larvae and provide the
4 conditions under which larval growth and metamorphosis takes
5 place into juvenile herring.

6 And the other start that's being recommended is Project
7 98340, which is the long term oceanographic monitoring. This
8 is a project that's based on that oceanographic station off
9 Seward that University of Alaska-Fairbanks, has maintained for
10 approximately 35 years. And they came to us and asked for
11 partial funding for this. They also have applied and
12 subsequently received money from the National Science
13 Foundation GLOBEC Program. We consider if we're going to do
14 any kind of long term monitoring as a follow-up on the science
15 program that we're maintaining now, that this oceanographic
16 buoy that really takes the pulse of the Alaska coastal current
17 is going to be basic to that program. So we saw an opportunity
18 to help support this ongoing great database that's there and
19 help take the pulse of the ocean out there, and at the same
20 time we get the advantage of a partnership with GLOBEC, which I
21 think is a very valuable partnership to develop in the future
22 for a number of different reasons.

23 And then under developing monitoring techniques, the
24 pristine monitoring and mussels, which also is likely to be
25 something that we will be looking at very carefully in terms of

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1 any long term monitoring, will continue -- is being recommended
2 for continuation.

3 CHAIRWOMAN D. WILLIAMS: Any questions or
4 comments from the Trustee Council on this cluster?

5 MR. PENNOYER: Yes, Deborah, if I might.

6 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

7 MR. PENNOYER: Coming back to the 340 Project,
8 Bob, is this funding the entire oceanographic buoy or what
9 percent are we funding, or how is that going to work out over
10 time?

11 DR. SPIES: It's essentially matching funds.
12 Stan has been working closely with representatives from GLOBEC
13 and also Dr. Winegardener from the University of Alaska.
14 Perhaps he comment a little further on it.

15 MR. SENNER: Mr. Pennoyer, this would pick up
16 half of the visits, half of 12 monthly visits to service the
17 buoy in Resurrection Bay. The other half of those visits would
18 be picked up by NSF and NOAA through the GLOBEC program. In
19 addition, it would assist with the upgrading of some of the
20 equipment that's on that buoy and follow through with the data
21 analysis of the data from the buoy.

22 The GLOBEC project that Bob is referring to is a
23 project that's on what's called I guess the Seward
24 Transect.....

25 DR. SPIES: Line.

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1 MR. SENNER:or Seward Line, which is
2 something that will be done from a vessel in the Gulf of Alaska
3 and they'll stop at the buoy on their way, you know, on these
4 cruises and gather the data. So this ties the buoy into the
5 GLOBEC Oceanography Project.

6 I think the other thing to say, just to add to what
7 Dr. Spies said, is that the data from this buoy are
8 complimentary data to what is being gathered by the SEA Project
9 in Prince William Sound. And it's between what we're doing in
10 the SEA Project and the data set from Resurrection Bay. It is
11 giving us a real good picture of the Gulf of Alaska
12 oceanography.

13 MR. PENNOYER: Thank you, Stan. And then one
14 other question. And, believe me, I like this and this might be
15 one of those things (phone cut out) a long term restoration
16 monitoring proposal when we come up with one. I notice that
17 you have funding on the proposal for '99 and 2000, 2001 and
18 2002. So I presume that's sort of (phone cut out) I don't know
19 where this thing cuts off.

20 MR. SENNER: The proposers, of course, always
21 ask for multiple years of support. And we have shown those
22 numbers here so that you would be aware of what the possible
23 out-year commitments would be. Certainly the Trustees make
24 their decisions year by year. And if this does not work out
25 that there's a transition into a longer term monitoring

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1 program, whether or not the Trustees would want to continue
2 supporting this particular buoy is a decision you'd have the
3 opportunity to make.

4 MR. PENNOYER: Thank you. One other question,
5 Madam Chair.

6 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

7 MR. PENNOYER: One of the projects in this
8 cluster is the SEA Project, and of course it's a 2.3 million
9 dollar cluster and represents a total project of \$20,000,000.00
10 or something on. And that's actually a composite of about
11 what, eight, nine separate projects. Bob, did you want to
12 comment just briefly on that? I know we (phone cut out) and
13 your views on this. And we had separate discussions, but it
14 might be (phone cut out) for us to mention what's in here and
15 the fact that we have the table that was sent out to us.

16 DR. SPIES: Right. There's I believe 16
17 different projects that constitutes the SEA Program, and they
18 include such things as salmon growth and mortality, predation,
19 salmon predation, phytoplankton and nutrients, zooplankton,
20 stable isotopes, information systems. And, by the way, the
21 stable isotopes project here would not overlap what's being
22 proposed under 311. Fry release, physical oceanography. And
23 again this is, as Stan mentioned, complimentary to what we
24 might be supporting to the University of Alaska's effort on the
25 buoy in the mouth of Resurrection Bay. Necton (ph) and

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1 plankton acoustics, avian predation on spawn herring, on the
2 herring spawn trophodynamic modeling, juvenile herring growth
3 and habitat, the herring TEK, which I mentioned is recommended
4 deferred, somatic energetics, predation rates on hatchery fry
5 and synthesis and integration. So you're correct, it is quite
6 a large and comprehensive program.

7 MR. PENNOYER: My other question, Bob, on it is
8 the zero/zero estimate shows funding in FY '99 and it going
9 away in the year 2000. My presumption is that at that point
10 we're going to have something that we can say about all of
11 this. And do you have any feeling from the way it's going on
12 whether we really are closing this whole thing out in '99 and
13 what happens at that point?

14 DR. SPIES: Yes. That's a good question. And
15 I think there's a couple of concepts floating around. One is
16 that some of the things that have been measured in SEA may well
17 be worth continuing. We may be able to recommend a limited
18 number of measurements based on the outcome of SEA and its
19 application to management not only in the Sound, but in the
20 Gulf of Alaska. And there's this whole question of whether the
21 Trustee Council might undertake an area wide monitoring program
22 at that time. It's a little unclear exactly what direction
23 this whole thing will head, but I'm sure there are lots of
24 people interested in pursuing some of these questions in a
25 coordinated form.

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1 MR. PENNOYER: And, Madam Chair, generally in
2 the ecosystem related type of studies and the overall kind of
3 all agency, everyone evaluation of the general global warming
4 trends and indeed El Nino, this will also fit in in the
5 discussions we have this next spring and what not and there
6 will be I presume an (phone cut out).

7 DR. SPIES: Yeah. I think we're trying to cast
8 our net as widely as possible and we're doing such things as
9 attending the GLOBEC coordination meetings and we plan to talk
10 to quite a few different scientists about their ideas about
11 where this whole thing should head in the future. So we're
12 very opened to all other efforts that are going on.

13 And I think where the Trustees may fit in is trying to
14 understand what happens to the fisheries on shore and close to
15 shore where a lot of the damage was done. I think that that
16 may be the interface, but I don't want to kind of pre-guess
17 where this whole thing is going to go.

18 MR. PENNOYER: Madam Chair, I would assume then
19 since this shows cut-off in '99 on our chart anyway, next year
20 you'll probably be able to give us a better summary of where
21 this stands?

22 DR. SPIES: Absolutely.

23 MR. PENNOYER: Thank you.

24 CHAIRWOMAN D. WILLIAMS: Okay. Any other
25 questions? Mr. Tillery.

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1 MR. TILLERY: Dr. Spies, the Executive
2 Director's description of the 340 describes it as a project
3 will continue in the existing 27 year time series of studies.
4 Normal agency management, it's a hard to define term and you
5 don't always know it when you see it, but I actually when I
6 read this thought I knew -- normal agency management when I saw
7 it. I mean 27 years of doing something -- we're going to
8 continue what's been done for 27 years. Why isn't this
9 something somebody's -- is it going to not happen if we don't
10 fund it? Why are we involved in this after 27 years?

11 DR. SPIES: Well, this has been funded from a
12 variety of sources, including internal funds, the University of
13 Alaska, NOAA and now to some extent NSF. And they have
14 provided kind of -- they've kind of patched this thing
15 together, but I think there is no particular agency that's
16 behind this and committed to it. And our judgment was that it
17 would form something I think that the Trustees would be very
18 interested in supporting. It doesn't really fulfill the goals
19 of any particular management agency. I think it probably comes
20 closest to NOAA, but still they don't have a commitment to take
21 this kind of basic oceanographic data at that particular spot.

22 MR. TILLERY: Is the idea just kind of it's our
23 turn to chip in? I mean why now? And what happens after four
24 years?

25 MR. SENNER: In fact, Mr. Tillery, that was the

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1 problem, is that they really had no funds identified to
2 continue this work beyond the end of the current fiscal year.
3 And what attracted us was the importance and the opportunity to
4 help sustain something that we thought was going to be
5 contributing a really valuable piece of the puzzle to what El
6 Nino, for example, is doing in the Gulf of Alaska ecosystem and
7 how that bears on recovery from the oil spill. And that if the
8 Trustees chose not to step in, that in fact there was a chance
9 that the data gathering would cease all together.

10 CHAIRWOMAN D. WILLIAMS: Have we used this data
11 in the past in any of our projects?

12 MR. SENNER: Yes. Ted Cooney at University of
13 Alaska as part of the SEA Program. Dave Eslinger and others
14 are making use of these data and it is providing a comparative
15 database that compliments what we're doing in Prince William
16 Sound with the SEA Project.

17 CHAIRWOMAN D. WILLIAMS: That may be the
18 answer, Mr. Tillery.

19 MR. TILLERY: It is our turn.

20 CHAIRWOMAN D. WILLIAMS: Um-hum. If we've been
21 using this data, then it's probably our turn.

22 MR. WOLFE: Madam Chair.

23 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

24 MR. WOLFE: This must be the project that we
25 all focused on because that's the project I had my comments on.

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1 MR. SENNER: You've been waiting your turn over
2 there.

3 MR. WOLFE: Yeah. And I've been waiting my
4 turn, and most of the questions have been answered. But if we
5 do another year or up to four years of additional data, that's
6 only 10 percent additional data to what's already on the table.
7 Is that significant and would we be better off if we defer this
8 decision to fund this project or a portion of this project for
9 discussion for long term recovery monitoring efforts and make
10 that decision in a bigger context, rather than just as a very
11 small portion of it?

12 DR. SPIES: Well, Mr. Wolfe, there in fact is
13 no other source of funding for this particular project next
14 year. I think the deadlines have passed for the NOAA funding
15 for this particular project. And in my opinion it's likely
16 that they'll miss a year of data during what I consider a
17 fairly crucial time in the series of ecosystem projects that we
18 have.

19 MR. SENNER: If I could just add, the other
20 issue here -- and we've been asking this of our PIs in other
21 projects, like APEX, and that is are we positioned with our
22 projects in the Gulf and in Prince William Sound to detect what
23 El Nino is doing in the ecosystem that we've been working on
24 now for a decade. And it's data from buoys like this one that
25 are really a crucial piece of that.

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1 And so were we to back off and not do it, say for a
2 couple of years, and then decide again, we'll miss two of the
3 most important years in the life of the ecosystem that we're
4 interested in.

5 MR. WOLFE: Madam Chair.

6 CHAIRWOMAN D. WILLIAMS: Mr. Wolfe.

7 MR. WOLFE: I recognize the El Nino
8 significance here, but beyond that I have some concern that
9 we're going to have 28 years of one year's worth of
10 information. But I'll let it go at that for now.

11 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Tillery.

12 MR. TILLERY: My other question was I read
13 somewhere, and I don't think it's right here in this stuff, but
14 also somebody alluded to the fact that we're to some extent
15 buying some new equipment to go on the buoy. Is that related
16 to some specific project we're doing?

17 MR. SENNER: What it is, Mr. Tillery, is that
18 the equipment on the buoy now is rather old in terms of the
19 technological changes and improvements that are being made in
20 this kind of equipment and it is, my understanding, like 20
21 year old equipment. And so there's a one time purchase here
22 and I don't have the figure in my head but it's about 25,000
23 out of I think an \$80,000.00 budget. I'm rounding here. That
24 is, it's not outfitting the buoy all over again, but it is
25 upgrading some of the equipment on the buoy that would allow

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1 better measurements and more frequent measurements, add
2 multiple depths. And so it is a request to increase the
3 capability and the data gathering from that buoy.

4 CHAIRWOMAN D. WILLIAMS: Okay.

5 MR. WOLFE: Madam Chair.

6 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Wolfe.

7 MS. McCAMMON: Related to our projects.

8 MR. SENNER: Well, yes, it is related. I'm

9 sorry, I missed the.....

10 CHAIRWOMAN D. WILLIAMS: Punch line.

11 Mr. Wolfe.

12 MR. WOLFE: I think we're going along with this
13 project but just a point that I had earlier and thought I'd
14 drop it, now I'll bring it up since Craig brought the point up.
15 And that's the cost projected for '99 and out years goes up,
16 not down. And so does this mean that we're going to buy new
17 equipment -- I don't want all the answers, but we need to look
18 at the costs in out years because if this year's is high
19 because of equipment, then the out years should go down
20 somewhat.

21 MR. SENNER: Yes. And there is at least a
22 partial answer to that that I think will help you, and that is
23 that those out year projections were made without the
24 assumption of any of this shared support from GLOBEC. So now
25 that they know they've got shared support from GLOBEC, you

00091

1 should see those numbers come down somewhat in those out years.

2 MR. WOLFE: Thank you.

3 CHAIRWOMAN D. WILLIAMS: Any other questions on
4 this project cluster?

5 (No audible responses)

6 CHAIRWOMAN D. WILLIAMS: All right. Dr. Spies,
7 sockeye salmon.

8 DR. SPIES: As you recall, Delight and Desire
9 Lakes restoration is a feasibility study to see about whether
10 it's feasible to fertilize these lakes. And the '98 close-out
11 would, in fact, just close out this project. It's not a
12 commitment by the Trustee Council to go ahead with the
13 fertilization, only just to complete the feasibility study.
14 And that's all that's left on the sockeye of what was a little
15 bit more robust cluster in past years.

16 CHAIRWOMAN D. WILLIAMS: I have one quick
17 question on this perhaps to Molly. Did we not expect last year
18 that the amount of money we allocated to this project would
19 cover the close-out report or did we anticipate that we would
20 have to fund the close-out report in this upcoming fiscal year?

21 MS. McCAMMON: We anticipated that we'd have to
22 fund the close-out, yes.

23 CHAIRWOMAN D. WILLIAMS: All right. Any
24 other questions on sockeye salmon?

25 MR. PENNOYER: Madam Chair, no. Just one

00092

1 observation again. As brought up by Craig earlier on another
2 project, this is an area where we've spent seven or
3 \$8,000,000.00 over this process and we're down to the last
4 12,000. And, Bob, I don't know where do we get the
5 (indiscernible - music). My comments weren't worth quite that
6 musical interlude. Anyway, Bob, at some point it seems that
7 some of these clusters the time is approaching to do that sort
8 of retrospective summary of where we're at and what's being
9 done now.

10 DR. SPIES: I think we would agree and we were
11 actually considering and starting to make plans as to how that
12 process would proceed and what sort of steps would be
13 appropriate.

14 MR. PENNOYER: Thank you.

15 CHAIRWOMAN D. WILLIAMS: Any other questions or
16 comments on sockeye salmon?

17 (No audible responses)

18 CHAIRWOMAN D. WILLIAMS: Dr. Spies, cutthroat
19 trout, Dolly Varden, rockfish and pollock.

20 MR. PENNOYER: I think, Madam Chairmanship,
21 this next cluster is interesting from an ecosystem or a
22 taxonomic (ph) standpoint.

23 CHAIRWOMAN D. WILLIAMS: Yes.

24 MS. McCAMMON: It's called other fish.

25 CHAIRWOMAN D. WILLIAMS: Right.

00093

1 DR. SPIES: These are non-salmon. Let's see,
2 under research of marine populations there's a close-out of 145
3 which is the study of the life histories of Dolly Varden and
4 cutthroat trout, anadromous and resident forms, that's
5 progressing well. Project 043, the supplement populations is a
6 continuation being recommended and that's a habitat
7 improvement monitoring. The reviewers were very strong on
8 continuing to monitor for one more year the affect of this
9 habitat improvement because they feel that so often these
10 things are done and we really don't know the outcomes. So that
11 there's a strong recommendation to do another year of
12 monitoring there to see what affect it has on the Dolly Varden,
13 cutthroat trout populations.

14 Under developing restoration strategies there's a
15 close-out of Project 302, which is an inventory of Dolly Varden
16 and cutthroat trout streams in Prince William Sound to be added
17 to the anadromous stream catalog. And finally under providing
18 management information it's recommended to start Project 252,
19 which is genetic investigations of rockfish and pollock to be
20 conducted at the Alaska SeaLife Center.

21 And that is that cluster.

22 CHAIRWOMAN D. WILLIAMS: Yes. Questions,
23 comments. Mr. Tillery.

24 MR. TILLERY: The difference, I think, between
25 the previous version of this and the current version in the

00094

1 Executive Director's recommendation is the first one noted
2 funds would be contingent upon further review of the funds
3 requested for purchasing equipment for use at the Alaska
4 SeaLife Center. Has that issue been resolved? What is the
5 issue and has it....

6 MS. McCAMMON: The issue was how much the bench
7 fees for use of the SeaLife Center would be and that issue has
8 been resolved. When it was first -- I think the original, the
9 first number that we were working with was approximately
10 250,000, and I think now for the total of the suite of projects
11 there's a total of 94,000/95,000.

12 MR. TILLERY: Yeah. The original notes 26,400
13 for bench fees, and now it's 13,200. So we got a 50 percent
14 break or something, or we're using less equipment or what?

15 MS. McCAMMON: No.

16 MR. SENNER: Through continued discussions with
17 the PI's and the SeaLife Center we were able to refine
18 everyone's understanding of exactly what spaces and services
19 were required. And so we were able to reduce that cost. The
20 other item here, specifically in regard to equipment, is that
21 when the Trustee Council approved the, what, 724,000 in
22 equipment purchases for the SeaLife Center, part of your
23 guidance was that equipment and durable goods for FY98 projects
24 needed to be paid for out of that sum of money, rather than in
25 the projects themselves. So we were able to remove, oh, 13 --

00095

1 I'm looking at Sandra, sort of 13,000 or so dollars in
2 equipment that was in 252, and that that will now be picked up
3 by the SeaLife Center through their equipment purchase.

4 MR. TILLERY: I think that's what I wanted to
5 know.

6 MR. SENNER: Yes. And so your guidance on that
7 was helpful in us bringing down the project costs here.

8 CHAIRWOMAN D. WILLIAMS: Other questions or
9 comments?

10 (No audible responses)

11 CHAIRWOMAN D. WILLIAMS: Clearly 252 represents
12 one of the most significant commitments to out year funding or
13 expected commitments to out year funding in terms of a new
14 project or any project. And when you read particularly,
15 Dr. Spies, your notes on this, your recommendation, you talk
16 about, you know, basic information on their stock structures,
17 meaning, of course, rockfish and pollock is lacking.

18 I guess I'll go back to the question that Craig raised
19 with respect to the buoy monitoring project. This appears a
20 little bit like normal agency activity. Why should EVOS fund
21 this project? Why wouldn't this be something we would normally
22 expect State fish managers to do?

23 DR. SPIES: Well, I can answer at least for the
24 rockfish. The rockfish is one of the species that the Trustee
25 Council has indicated was injured by the spill. There were

00096

1 some dead rockfish found after the spill and we have some
2 evidence for some tissue damage in some of the rockfish, it's
3 not rock solid. But we've not been able to do much for them
4 since the damage assessment. And so this is an opportunity to
5 do something for the rockfish resource that not only probably
6 suffered some damage, but was also fished on fairly heavily as
7 a replacement fishery after the spill when the pink salmon
8 weren't available in Prince William Sound.

9 CHAIRWOMAN D. WILLIAMS: And how will this
10 translate into doing something for the species?

11 DR. SPIES: I think that the rockfish are
12 thought to be fairly long-lived and have high fidelity to a
13 particular reef and so forth. So the question is, you know,
14 what is a stock here? Is it just one reef as an area, is it a
15 larger area? So those questions of the structure of the stock
16 and how the population in the spill area is put together is a
17 complete unknown. And those are the basic questions when it
18 comes to how are you going to manage the species.

19 MR. RUE: Madam Chair, this is Frank Rue.

20 CHAIRWOMAN D. WILLIAMS: Yes, go ahead, Frank.

21 MR. RUE: I'm sorry, I didn't hear you.

22 CHAIRWOMAN D. WILLIAMS: Commissioner, did you
23 wish to say something?

24 MR. RUE: Well, actually, I just rejoined you
25 and so you're catching me cold. But I would just suggest if

00097

1 Bill Houser or Claudia Slater are in the audience they might be
2 able to speak to the issue, if you have more questions.

3 MR. SENNER: Commissioner Rue, this is Stan, I
4 can also add here that the Department of Fish and Games does
5 not, I think, by its own acknowledgement does not have a strong
6 management program for rockfish. And one of the difficulties
7 with the fact that it's been considered an injured species is
8 that short of spending millions and millions of dollars
9 reinventing the wheel for rockfish, we have not found kind of a
10 cost effective opportunity for the Trustees to contribute to
11 rockfish recovery and management.

12 This genetics work, although it's not inexpensive, is a
13 cost effective way to gather some information that should have
14 an immediate payoff for their management programs. And I want
15 to be clear that the Trustee's money would not enable Fish and
16 Game to prepare a management plan, for example. That is their
17 job, that's normal agency management. But this genetics
18 research would provide a basis for them to, on their own,
19 proceed with development of that plan.

20 The other thing here is as we alluded to on the
21 oceanography project where the PIs might envision multi-year
22 funding at a rather substantial level, this project in its
23 first two years, FY98 and '99, would basically allow for work
24 on pollock and two species of rockfish. And the PIs envision a
25 series of work on other species. Perhaps there are a number of

00098

1 species of rockfish, they'd like to go on to herring and
2 others. It would be entirely appropriate for the Trustees to
3 review this of course annually and decide whether you continue
4 to find the kind of, you know, investment that you're looking
5 for.

6 CHAIRWOMAN D. WILLIAMS: Commissioner, I'm
7 satisfied with those answers.

8 MR. RUE: Okay. Thank you.

9 MR. PENNOYER: Madam Chair.

10 CHAIRWOMAN D. WILLIAMS: Yes.

11 MR. PENNOYER: I think what Stan said is
12 clearly correct. There are literally -- rockfish was "an
13 injured species." There are dozens of species of rockfish we
14 manage in the various embayments and off the Coast of Alaska
15 that vary dramatically in ecosystem relationships from rock
16 pile fish to pelagic stocks that school out in the Gulf. So
17 it's going to be interesting to follow this and particularly on
18 some of the rockfish species in the Sound, if that's what's
19 intended. And then perhaps in the pollock species stock as
20 well because it's not just a question of embayments within the
21 Sound, there's a major question as to whether the pollock stock
22 in the Sound is separate from the pollock in the Gulf of Alaska
23 or simply a transitory oceanographic feature. So if this
24 helps get some of those answers that will be helpful, but we
25 want to look at it as we (phone cut out). Thank you.

00099

1 CHAIRWOMAN D. WILLIAMS: Thank you. Any other
2 questions or comments on miscellaneous fish?

3 (No audible responses)

4 CHAIRWOMAN D. WILLIAMS: All right. Marine
5 mammals.

6 DR. SPIES: Okay. All the marine mammals work
7 comes under research and monitor populations. Includes the
8 close-out of 001, the harbor seal condition; continuation of
9 the killer whale investigations, 012; recommendation for the
10 continuation of 064, the Harbor Seal monitoring; habitat
11 tropics and defer some of the broader objectives of the PI
12 proposed until we can have a review this fall of the Harbor
13 Seal work to date and understand what Cathy Frost has done and
14 Mike Castellini with the population and health studies
15 respectively.

16 And then the next project 170, is the close-out of the
17 work that Don Schell, University of Alaska, has done on the
18 isotope ratio studies and marine mammals. And there is one
19 start here, Project 341. That project would feed harbor seals
20 under control conditions different diets of pollock, herring or
21 salmon and look at some of the blood parameters that have been
22 looked at in the field and seem to indicate some changes that
23 might be related to diet.

24 And this is a test of that hypothesis under controlled
25 conditions at the Alaska SeaLife Center, but also has the

00100

1 opportunity using the animals that are in rehabilitation there
2 that are picked up off the beach to kind of define what the
3 levels of health -- what the blood panels look like for healthy
4 and sick harbor seals. So we think that that is a component,
5 feeds back in our general understanding of what's happening
6 with the harbor seal populations in the Sound, which we know
7 are continuing to experience problems.

8 And that's the marine mammal cluster.

9 CHAIRWOMAN D. WILLIAMS: Any questions or
10 comments on the marine mammal cluster?

11 (No audible responses)

12 CHAIRWOMAN D. WILLIAMS: Very good. Let's
13 proceed to nearshore ecosystem.

14 DR. SPIES: Okay. This includes the NVP
15 project, the third of the large ecosystems projects that will
16 be in its fourth year in '98. The first year being just kind
17 of a development period. The next project is 161, the
18 differentiation interchange of harlequin ducks. Project 290,
19 the continuation of the hydrocarbon database. And this needs
20 to be reviewed as well. And finally the start of Project 348
21 which is again another project where animals that have been
22 noted to have some potential indicators of contaminant effects
23 from the spill would be brought into the SeaLife Center and
24 looked at under controlled conditions. This we don't expect to
25 result in any sick or to have to sacrifice otters or space

00101

1 strictly on blood sampling. River otters exposed to low levels
2 of oil contamination and we expect them to fully recover from
3 this sort of thing.

4 We did get a project last year that included some
5 lethal sacrifice and we rejected it before it got to this
6 stage. So that's kind of the sub-culture under research into
7 the mechanisms living in recovery.

8 And then in the research and monitoring sub-category
9 there is a project that we're recommending at this time for
10 deferral that we think we want to eventually do, and this is to
11 bring us up to date on the status of the black oystercatchers,
12 which is one of the species that was injured after the spill.
13 There were some reproductive problems with that, as well as
14 some dead birds found. So there was an effect on
15 oystercatchers and this is to revisit that species now eight
16 years after the spill to see where it is.

17 And finally the start of Project 325 which would simply
18 be an effort to draw together the tremendous amount of
19 information that we gathered on intertidal and subtidal
20 communities. It's been put mostly into reports now, but this
21 is to support for manuscript preparation from all those
22 studies. And we think it's a very worthwhile thing to get all
23 this information a little bit further analyzed, greater
24 interpretation and get it into the opened scientific
25 literature.

00102

1 And then the last project here is 427, which is a
2 close-out of the harlequin duck monitoring project. A really
3 fine project that is contributing to our understanding of
4 harlequin ducks in Prince William Sound.

5 CHAIRWOMAN D. WILLIAMS: Okay. Questions by
6 the Council members on nearshore ecosystem cluster?

7 MR. PENNOYER: Madam Chair.

8 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

9 MR. PENNOYER: Again, Bob, out of this total of
10 \$2,000,000.00, 1.7 million is in one area, nearshore vertebrate
11 predators, and that has been the subject of separate reviews, I
12 understand, but it's also a cluster of really about eight
13 projects, any one of which is probably more costly, or most are
14 more costly than any of the ones you've reviewed. And the
15 total amount spent in this area is about \$18,000,000.00 by the
16 time we get done with it and it shows a complete phase out of
17 the Nearshore Vertebrate Predator Project in the year 2000,
18 with funding for '99. Do you have any comment on the
19 composition of this and where it's going relative to its
20 close-out concept or any other observations on it?

21 DR. SPIES: Yes. This is reviewed in detail
22 along with the SEA Project and the APEX Project earlier in the
23 year. Some of the components of this project include the work
24 on sea otter populations, what's limiting their recovery and
25 their health, indications of any possible continuing oil

00103

1 exposure, a similar project with river otters and pigeon
2 guillemots, harlequin duck study, and then those are all the
3 nearshore vertebrate predators that are included here. And
4 then looking at some of their prey items in terms of the is it
5 food hypothesis, the clams, muscles, sea urchins and then the
6 avian cove predators, which is a project to look at cove
7 predators, that this needed to be done to assess the food
8 hypothesis. And finally there's a project management composite
9 to this.

10 The project came out of the review quite well. It's
11 very well organized, a series of very clear hypothesis. It's
12 being managed extremely well by Leslie Holland-Bartels and her
13 staff at the Department of Interior, and the project is on
14 track for meeting its goals within the projected time.

15 CHAIRWOMAN D. WILLIAMS: All right. Are there
16 any additional questions?

17 (No audible responses)

18 CHAIRWOMAN D. WILLIAMS: Dr. Spies, clearly
19 we've received several comments about 348. And one thing I
20 would like the public to know is that several of us have had
21 extensive discussions with you and others about 348, that we
22 have given it a great deal of attention, given the public
23 concern that was reached.

24 I think it bears having you state on the public record
25 a little bit more about why you think it is necessary to

00104

1 proceed with 348 as proposed.

2 DR. SPIES: Certainly. I'd be happy to do
3 that. The story goes back a few years when the Trustees were
4 in the damage assessment phase and looking at the possible
5 impact of the spill on river otters. And at that time river
6 otters were studied in a number of different aspects and one of
7 those was some sort of indicator of health. And samples of
8 blood were analyzed for some compounds called haptoglobin. And
9 haptoglobin are what are called acute phase proteins that
10 respond to insult to organs and essentially prevent the loss of
11 important components from the body at the time of injury.

12 And they do respond to toxic insult. The problem was
13 in interpretation of that data, is that we don't have any
14 laboratory -- very little laboratory information as to what
15 exactly can induce these markers that we're seeing respond in
16 the river otters, neither in the river otters, nor in similar
17 species. So in order to really understand if the spill had an
18 effect in terms of induction of these haptoglobin, which by the
19 way are still induced, we need to be able to expose river
20 otters to low levels of hydrocarbons which they may be
21 experiencing in the field right now and to see if we get these
22 being induced in the laboratory.

23 And, again, I re-emphasize that this does not involve
24 any sacrifice of animals. We're giving them low doses and it's
25 proposed to give them low doses in the SeaLife Center, take

00105

1 blood samples and we expect that they will fully recover from
2 that treatment.

3 CHAIRWOMAN D. WILLIAMS: Okay. Any further
4 questions or comments on nearshore ecosystems cluster?

5 (No audible responses)

6 CHAIRWOMAN D. WILLIAMS: All right. Let's move
7 on then to seabird, forage fish and related projects.

8 DR. SPIES: Two sub-clusters here. First
9 research of the mechanisms that may be limiting recovery. And
10 again this includes the large APEX predator experiment. This
11 the third of the large ecosystem projects that we'll be
12 discussing today that the Trustees have started back in '95 and
13 are continuing support this year in the field. That is a
14 sizeable cluster. I'll come back to the sub-components to that
15 because I know that Dr. Pennoyer will want to get the details
16 on that. Well, here they are.

17 We have actual forage fish assessment as one component.
18 Some of the bird/fish interactions is a second component. Fish
19 diet overlap that looks at the overlap of diet of various
20 forage fish species. Puffins as samplers, black wicker --
21 kittiwake studies, pigeon guillemot studies, which are by the
22 way different than the pigeon guillemot studies and have
23 different objectives than those that are being covered by NVP.

24 Energetic studies on the energetics of the food, use of
25 food and requirements for reproduction, proximate composition

00106

1 of the forage fish in terms of lipid protein and carbohydrate
2 content, support for the project leader, Dave Duffy, who
3 manages this whole complex investigation, and finally some work
4 on murre and kittiwakes in the Barren Islands. So that is
5 Project 163, which is being recommended for continuation.

6 Project 169, which the Trustees are funding in 1997, is
7 studies of seabird genetics, including common and thick billed
8 murre, pigeon guillemots and murrelets, both marbled and I
9 believe there are some ancient murrelets and Kittlitz's
10 murrelets in here maybe.

11 Project 306, which is a general study of sand lance
12 ecology in outer Cook Inlet, it's being undertaken by a
13 graduate student. A very important forage fish and they are
14 contributing to our basic knowledge of its ecology. Not much
15 is known about this. And in terms of its importance, that's
16 definitely a gap in our understanding of forage fish and the
17 reliance on forage fish by seabirds and marine mammals for that
18 as well.

19 Project 327 is the pigeon guillemot research, it's a
20 new start that's being proposed to the Alaska SeaLife Center.
21 This is another example of a species for which we're trying to
22 understand the effects of oil. So part of this project is
23 directed towards understanding the response particularly in the
24 blood of pigeon guillemots that are exposed to low levels of
25 petroleum. This will also have components that will be

00107

1 establishing an experimental pigeon guillemot colony near the
2 SeaLife Center on the sea wall and old pier out in front of the
3 SeaLife Center, provide a good source of animals for this sort
4 of research in the future. There was a colony, as a matter of
5 fact, the Monterey Aquarium, so they take quite well to this
6 sort of situation, we think.

7 A recommendation for deferral of 338, which is the
8 adult murre and kittiwake survival study. Two new starts,
9 Project 346, which is a small request for money to publish a
10 bibliography on the sand lance. It's separate from this effort
11 here at 306. I think this is only like \$5,000.00. And then
12 Project 347, which is a very interesting project growing out of
13 some of the harbor seal work that's been done in the several
14 years and indicates that fatty acids in the blubber of harbor
15 seals are in fact good tracers of diet if they're analyzed in a
16 very sophisticated way. And so this is an effort to extend
17 this analysis to understand how forage fish populations,
18 particularly in Prince William Sound, vary from season to
19 season and year to year, and this would start out looking at
20 the herring in particular.

21 The second part of this cluster is the research and
22 monitoring. This includes continuation of Projects 142 on the
23 status and ecology of Kittlitz's murrelets that the Trustees
24 are currently sponsoring and Project 144 which is the common
25 murre population monitoring. And this would be going back to

00108

1 the Chiswell Islands, which we haven't visited for some time,
2 and looking at a little wider picture on the common murre
3 population monitoring.

4 The common murre -- Molly and I and Craig all visited
5 the Barren Islands a couple of weeks ago and the murre are
6 definitely on the come-back at the Barrens Islands. There's
7 maybe 10 or 20 percent increase in many of the plots this year.
8 We've got to analyze the data in detail but the murre are on
9 their way back both in terms of the total population and the
10 breeding phenology at the Barrens Islands. And this is an
11 attempt to go back and take a wider perspective and include the
12 Chiswell Islands and see if, in fact, those have a wider basis
13 through the Gulf of Alaska.

14 And finally Project 159, which is the marine bird
15 surveys, which is our basic survey of how the seabirds are
16 doing in Prince William Sound, this combines looking at sea
17 otters and seabirds from boats.

18 And that's the seabird/forage fish package.

19 CHAIRWOMAN D. WILLIAMS: Any questions or
20 comments from the Trustee Council on this cluster?

21 MR. PENNOYER: Madam Chair. Only one, Bob.
22 Thank you for presenting some of the detail on the APEX
23 Project. There was actually a second page that contained some
24 projects on jellyfish in the ecosystem, which I think is fairly
25 innovative and new, looking at the total ecosystem out there

00109

1 and also the model.

2 DR. SPIES: I was quite aware of those. I'm
3 just trying to move along. Deborah wanted to get through this.

4 CHAIRWOMAN D. WILLIAMS: Thank you, Dr. Spies.

5 DR. SPIES: Okay.

6 MR. PENNOYER: Thank you, Dr. Spies.

7 CHAIRWOMAN D. WILLIAMS: Mr. Tillery.

8 MR. TILLERY: Yeah. Dr. Spies, on 144A and B,
9 I'm trying to understand the chart here, but 144B talks about
10 it being a two year project, this being the first year. It has
11 \$12,000.00 for this year and then nothing for any succeeding
12 years, which, of course, would be a very cheap project. The
13 recommendation is that it be combined. I would notice that A
14 started out at 50 and then was revised to 57. Is the 12,000 in
15 B combined with that 57? Is it in there?

16 MR. SENNER: Yes.

17 MS. McCAMMON: Yes.

18 DR. SPIES: I'm going to have to defer to Stan.

19 MS. McCAMMON: Yes.

20 MR. SENNER: Yes.

21 MS. McCAMMON: Yes.

22 CHAIRWOMAN D. WILLIAMS: Well, the answer
23 appears to be yes, Mr. Tillery.

24 MR. TILLERY: And there is a second year
25 funding component also that's included in that 23 in FY99 for

00110

1 B?

2 MR. SENNER: Yes. And that's a very small
3 piece. Really what it amounts to is the work gets done in '98
4 on that manuscript, the page charges probably show up in '99
5 and that's like a thousand or so dollars.

6 MR. TILLERY: Okay.

7 CHAIRWOMAN D. WILLIAMS: Very good. Any other
8 questions?

9 (No audible responses)

10 CHAIRWOMAN D. WILLIAMS: All right. Thank you,
11 Dr. Spies. I assume Molly or someone else will be doing
12 archaeology or, Dr. Spies, are you doing archaeology?

13 MS. McCAMMON: He'll start it and the next
14 clusters, actually since we all kind of work on them, we'll be
15 chiming in as appropriate.

16 CHAIRWOMAN D. WILLIAMS: Okay. Very good.
17 Archaeological resources.

18 DR. SPIES: Project 007A under monitoring, this
19 is the site index monitoring that the Trustees have been doing
20 for some time. It's being recommended for continuation. There
21 was a separate proposal for another monitoring of some sites on
22 newly acquired land and that was recommended that combine these
23 two things together, 007C and 007A. And then a recommendation
24 to continue Project 149, the Archaeological Site Stewardship
25 Program.

00111

1 CHAIRWOMAN D. WILLIAMS: Are there any
2 questions? Yes, Mr. Tillery.

3 MR. TILLERY: On A, this is the fourth year of
4 an eight year project. It says the project will end in '99 if
5 monitoring shows no continuing injury. What has it shown to
6 date? Has it shown injury to date?

7 DR. SPIES: There has been some evidence of
8 vandalism but my understanding is in recent years that that has
9 decreased and perhaps there have been very few if any
10 indications.

11 MR. TILLERY: Is there any thought that it
12 would be appropriate just to close it out now and not do
13 another year of it?

14 CHAIRWOMAN D. WILLIAMS: As in not fund this
15 year in '98?

16 MR. TILLERY: This year.

17 CHAIRWOMAN D. WILLIAMS: Okay.

18 MS. McCAMMON: Yeah. I think it wasn't the
19 agency's desire just to get one year with no vandalism, but
20 also to get a couple of years. And what they do with the index
21 site monitoring is actually alternate. They rotate through a
22 series of sites. So not every site is visited every year. So
23 perhaps you visit it one year and then not visit it again for
24 two or three years. So the idea is to go back after a couple
25 of years to see if any vandalism had occurred in the interim.

00112

1 And the idea with the new sites, there were, oh, I
2 think 30 or so sites that were proposed by the agencies to do
3 some additional monitoring on lands that would be recently
4 acquired by the Council. We narrowed that down to those sites
5 that were actually discovered or affected by the spill. And
6 these were all sites that had been discovered basically during
7 the clean-up phase. They are not oiled sites. They are sites
8 that were discovered primarily by clean-up workers. And those
9 new sites are on the Chenega Lands, on Shuyak Island and then
10 near Old Harbor and Sitkalidak Island. So there's 15 new sites
11 that would be rolled into that index monitoring.

12 So these would be looked at over a sequential period of
13 time. Their index is to see if in that general location there
14 seems to be evidence of vandalism. And then also if there's
15 any indication of additional erosion.

16 MR. TILLERY: But we.....

17 MS. McCAMMON: But then after two to three
18 years then those sites would be pulled off and then as you go
19 through the whole list of sites the program would be phased
20 out.

21 MR. TILLERY: But we currently anticipate only
22 this year and next year, and then the project is over, unless
23 there is some showing of injury?

24 MS. McCAMMON: Veronica, do you want to respond
25 to that? You probably need

00113

1 MR. SENNER: You probably need to come up here.

2 MS. McCAMMON: Yeah, I don't know if you can
3 come up there. Veronica Christman has been working most
4 closely with the archaeologists of the agencies on this.

5 MS. CHRISTMAN: Actually in FY96 there was some
6 evidence of damage that was discovered. And had I known that
7 you were going to ask the question I would know exactly which
8 sites, but I'm afraid I can't tell you that, but it is in their
9 annual report. So there was some evidence of additional damage
10 which raises concerns.

11 But the plan was to -- the recommendation of Don
12 Dumont, who is the peer reviewer, was to monitor these sites
13 for 10 years to get evidence of what occurs to those sites both
14 in terms of vandalism, new damage, as well as migration of oil
15 into the cultural materials over a 10 year period because one
16 year isn't sufficient. And what the agency, DNR, has
17 recommended is that after five years of finding very little
18 damage it may be sufficient to just terminate the program. And
19 five years would be in 1999.

20 MR. TILLERY: And these new sites, it sounds
21 like we're probably only going to look at them one time.

22 MS. CHRISTMAN: The plan was to look at them
23 and have this first year be, oh, they had a term for it, like a
24 recordation. You would actually record the extent of the
25 damage, et cetera. And then at that point decide whether or

00114

1 not it warranted incorporating into the monitoring program. It
2 may be as a result of what we find out this coming year that
3 few if any of these sites would need future monitoring.
4 Depends on what's found this first year. So this is like an
5 assessment year.

6 MS. McCAMMON: And to keep costs down, what we
7 did was combine it with the site monitoring rather than fund an
8 additional assessment of all of those sites in one year to keep
9 costs down. We said go back and choose a few of those sites to
10 visit this year, incorporate it into your monitoring just to
11 keep the overall cost reduced.

12 CHAIRWOMAN D. WILLIAMS: Any other questions or
13 comments?

14 (No audible responses)

15 CHAIRWOMAN D. WILLIAMS: Okay. Subsistence.

16 DR. SPIES: Just let me focus your attention on
17 some of the new starts and defers. Under enhancing and
18 replacing injured resources, Project 131, which is the Clam
19 Restoration Project which the Trustees have been sponsoring for
20 some time, those are recommended for deferral, possibly provide
21 some interim funding. The Department of Fish and Game, the
22 Chugach Regional Resources Commission and the City of Seward
23 are continuing to have discussions about this project and
24 what's possible in terms of getting into the new hatchery,
25 which is key in the reviewer's opinion into really achieving a

00115

1 successful and established program for aquaculture of clams.
2 It has been pursued with some limited success up to this time
3 in the program.

4 Moving on to Project 263, the Port Graham Stream
5 improvements, this is being recommended for deferral until we
6 can get the results from '97 to see what's been uncovered in
7 the first year of this project. Project 273, which is
8 recommended for a start, is responding to concerns of the
9 village that harlequin ducks which we've studied because of a
10 number of different reasons was something that they don't put a
11 lot of value on in terms of a source of food, that they're more
12 interested in ducks like the sea ducks, like the surf scoter.
13 It's an attempt to respond to that. So it's a project to look
14 at the life history and ecology of surf scoters. And although
15 this is not on our injured species list, there were definitely
16 scoters injured by spill and we had carcasses in the morgue to
17 show that.

18 The second sub-cluster here is to increase involvement
19 of subsistence users in the project. And I just might drop
20 down to 274, which is the herring nearshore documentary. As
21 you recall the Trustee Council sponsored development of a video
22 on the harbor seal. It was based out of Tatitlek. I think it
23 was very successful and very popular with the communities and
24 definitely a good tool for trying to re-establish the cultural
25 values of foods in those communities and achieve some sort of

00116

1 restoration of subsistence uses in that way. And it is
2 recommended for a start.

3 And Project 286, the Elder/Youth Conference, is being
4 suggested for deferral until a revised DPD can be submitted and
5 considered by staff and reviewers.

6 MS. McCAMMON: Madam Chair.

7 CHAIRWOMAN D. WILLIAMS: Yes.

8 MS. McCAMMON: If I could just add two
9 additions to Dr. Spies' comments. First of all, on the clam
10 project, Project 98131, I hope those in Juneau were able to
11 receive this, but we did receive comments today from the
12 project proposer, Patty Brown-Schwalenberg, and I think
13 everyone here should have a copy of it from Chugach Regional
14 Resources Commission. And just to summarize I think real
15 briefly, she is relating some of the results from the field
16 season this year that we have not had the opportunity to review
17 and won't until this fall.

18 And what I think she is asking for here is that if they
19 do not get into the new hatchery, that the Council not
20 completely terminate the project. They believe that they have
21 had success in the grow-out phase of the project and that they
22 would like to be able to continue doing that with Trustee
23 Council funding. At this point -- I think in our
24 recommendation we had to terminate the project completely if
25 they do not get into the new hatchery. But at this point just

00117

1 to recommend funding for the next three months until some of
2 these issues get worked out, who will be the contractor for the
3 new hatchery and to review the results of this year's field
4 season with the grow-out phase of it and then come back in
5 December with a recommendation on what to do in the future with
6 this project. But I did want to note that.

7 CHAIRWOMAN D. WILLIAMS: Okay.

8 MS. McCAMMON: And then also on the herring
9 video, I wanted to just mention a couple of things on that one
10 in terms of its restoration value. And I know there's been
11 some questions about it. The video actually is only the
12 product of what will end up being a year's worth of ongoing
13 effort, collecting local knowledge and involving subsistence
14 users in developing how they use the herring resources and also
15 other intertidal nearshore resources. That information is then
16 used by Fish and Game as part of their overall herring
17 management efforts and will also be passed on to the Nearshore
18 Vertebrate Predator Project, to the Harlequin Duck Project, the
19 Black Oystercatcher Project, if it were to get funded, and
20 others.

21 And I think one of the major benefits that you can see
22 in a project like this, and I think it comes from the Harbor
23 Seal Project too, is that it promotes greater awareness,
24 understanding and appreciation of the value of these resources
25 for subsistence use, which hopefully over the long term

00118

1 translates into a greater appreciation and stewardship of those
2 resources and actually restoration over the long term. So I
3 just wanted to make those two points.

4 CHAIRWOMAN D. WILLIAMS: Thank you. Are there
5 any other questions or comments?

6 (No audible responses)

7 CHAIRWOMAN D. WILLIAMS: I'm trying to find the
8 letter from Eyak. Was that....

9 MS. McCAMMON: That came in, there was a
10 question. There were two letters from Eyak.

11 CHAIRWOMAN D. WILLIAMS: Yeah, they're two.

12 MS. McCAMMON: One was about the Harbor Seal
13 Commission.

14 CHAIRWOMAN D. WILLIAMS: Right.

15 MS. McCAMMON: There it is right there.

16 CHAIRWOMAN D. WILLIAMS: And what is our
17 response to some of the concerns they raised about the Harbor
18 Seal Commission?

19 MS. McCAMMON: The major question about the
20 Harbor Seal Commission, this is a letter from Bob Henrichs from
21 Eyak Village Council was objecting to -- was a statement that
22 it was not representative of the tribes, that the way the
23 membership was elected was not -- they were not elected by the
24 tribes.

25 And I guess how I'd respond to that is that this

00119

1 project does have a lot -- substantial village support. Many
2 of the members on the Harbor Seal Commission are nominated,
3 elected by the tribes and appointed to the council that way.
4 Not in a hundred percent all cases, but it does receive, I
5 think, significant support locally. I think it's been a very
6 effective tool in working with managers and with local people.
7 And I'd recommend that the Council continue to fund it. I
8 think there are some local internal issues that need to be
9 resolved, that the Harbor Seal Commission itself needs to
10 resolve, but I don't think it's necessarily the purview of the
11 Council to resolve those for them. And I don't know, the
12 Commissioner may want to.....

13 CHAIRWOMAN D. WILLIAMS: Could you though ask
14 the Harbor Seal Commission or at least send us a cc of their
15 response to this letter or.....

16 MS. McCAMMON: Yes.

17 MR. PENNOYER: Madam Chair.

18 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

19 MR. PENNOYER: One other project. Bob, would
20 you spend about -- Spies, maybe you should do this, but the
21 Port Graham Pink Salmon Subsistence Project, 225. Reading the
22 explanation and the recommendation, would you give me just
23 about two (phone cut out) Bob, you can have three words for
24 that. The strategies or increased management surveillance and
25 increasing (phone cut out) hatchery produced pink salmon.

00120

1 Those sound like very typical things we sort of do every where.

2 I'm not clear what the difference is here versus other places.

3 DR. SPIES: This is I think more of a

4 enhancement or replacement action than anything else in that

5 they've got some depressed salmon runs around Port Graham,

6 which I think they view as a result of the spill. And this is

7 an attempt to provide more salmon locally in terms of pink runs

8 and of course the hatchery out of Port Graham plays a role in

9 that. I don't know if that answers your question or not.

10 MR. PENNOYER: Well, Bob, it sort of does and

11 then again (phone cut out) by Craig, it doesn't exactly because

12 these are two strategies that are probably common in any salmon

13 fishery, methods to increase hatchery survival of salmon

14 releases and increasing surveillance, which I presume is some

15 type of (phone cut out) activity. And I wasn't exactly (phone

16 cut out) this project from normal agency or (phone cut out)

17 activity. I mean I understand the difference between (phone

18 cut out) I understand the depressed nature of the stocks in

19 outer Cook Inlet. So the resource ties of something that

20 happened is not so much the question as whether what we're

21 doing is different or deserving a special project status under

22 the spill funding.

23 MS. McCAMMON: I think, just to sum up, the

24 question is the way we have reviewed and considered this

25 project is as a replacement project for a subsistence fishery.

00121

1 However, in the project abstract as proposed by the proposer,
2 there is indication of two additional strategies. And so
3 Mr. Pennoyer would like clarification on those two strategies
4 as described in the project abstract.

5 MR. RUE: Molly.....

6 MS. McCAMMON: As I'm looking towards the back
7 of the room.

8 MR. RUE: Who is in the back of the room?

9 MS. McCAMMON: Bill, Joe and Dan.

10 MR. RUE: Okay. Bill, who wants to do it?

11 CHAIRWOMAN D. WILLIAMS: They're all pointing
12 their fingers at the other guy.

13 MR. RUE: Oh, okay. Well, one of you pick.

14 DR. SPIES: We got three chairs in the corner.

15 CHAIRWOMAN D. WILLIAMS: No one's jumping up,
16 Commissioner.

17 MR. RUE: All right. Well if we don't have an
18 explanation we should probably defer the funding.

19 CHAIRWOMAN D. WILLIAMS: No, here we go.

20 MR. MOORE: This is Dan Moore. I'll give you a
21 shot at this. The abstract defines the two strategies as being
22 increasing management surveillance. And what that means is
23 that the people in Port Graham are actually going out into the
24 Port Graham River and counting fish as they go up the stream.
25 Fish and Game is not doing that. And increasing the marine

00122

1 survival is what Mr. Pennoyer referred to, and they are raising
2 the fish to a larger size to increase the marine survival and
3 get more adults back in a shorter period of time.

4 CHAIRWOMAN D. WILLIAMS: Mr. Pennoyer.

5 MR. PENNOYER: Yeah, I understand that. So
6 it's just a normal activity that we would -- it's funding an
7 actual process, not just looking at methodology. And, yeah, I
8 understand that. That's fine. Thank you.

9 CHAIRWOMAN D. WILLIAMS: Sure. Any other
10 questions on subsistence?

11 (No audible responses)

12 CHAIRWOMAN D. WILLIAMS: All right. Let's move
13 to habitat improvement.

14 DR. SPIES: There are three projects in this.
15 Project 180, which recently got a fairly intensive review. And
16 I think that we're satisfied now that we understand exactly
17 what's proposed in '98 in a little bit more detail and appears
18 to be a satisfactory expenditure of funds to assist in the
19 Kenai habitat restoration area.

20 And two deferrals, Project 314, Homer Mariner Park and
21 Project 339, human use and the wildlife disturbance model. I
22 haven't been involved directly in the Homer park issue, but I
23 can say for Project 339 that the reviewers felt that the human
24 use and wildlife disturbance model, at least in a preliminary
25 review of this proposal this year was a real opportunity for

00123

1 the Trustee Council to do something in terms of contributing to
2 management of resources other than fish.

3 And that with the development of the road to Whittier,
4 that we're going to see a tremendous increase in human usage
5 and this is an attempt to deal with that before it happens in
6 terms of modeling what that usage might be and identifying
7 particular resources or areas that we may need to protect or
8 control the use of in advance of what we consider a pretty big
9 influx of people into Prince William Sound, where we've put so
10 much of our effort over the last eight or 10 years.

11 CHAIRWOMAN D. WILLIAMS: All right. Questions
12 on this cluster? Commissioner Rue?

13 MR. RUE: You're asking me if I have a
14 question, is that right?

15 CHAIRWOMAN D. WILLIAMS: Questions or comments,
16 yeah. You told us you were going to on 180.

17 MR. RUE: Right. Okay.

18 CHAIRWOMAN D. WILLIAMS: By the way, Rebecca is
19 just faxing to you a letter we just received from the Alaska
20 Center for the Environment on 180, specific to the Russian
21 River component?

22 MS. McCAMMON: Yeah.

23 CHAIRWOMAN D. WILLIAMS: Specific to the
24 Russian River Angler Trail Project.

25 MR. RUE: Actually, perhaps before I ask a

00124

1 question, if the executive director could perhaps describe her
2 recommendation and what new points that were raised in the
3 executive director's recommendation to looks like defer part of
4 it or something. Could you explain that a little bit, Molly?

5 MS. McCAMMON: Yes. We had received -- just to
6 put this in kind of a historical perspective, the Council
7 funded the first year of this project in '96 with basically
8 overall planning effort and a solicitation for projects. These
9 were rated and reviewed by an interdisciplinary team which
10 included Department of Fish and Game, Fish and Wildlife
11 Service, Department of Natural Resources and the U.S. Forest
12 Service.

13 A number of project then were selected to go forward.
14 Once there projects were selected to go forward, then they went
15 to the design phase. And a number of the projects when they
16 were approved initially were approved at a very conceptual
17 stage. And once they started working with the engineers at
18 actually designing them, a number of them changed substantially
19 from their original concept.

20 And so part of kind of the discussion that we've had is
21 these changes that have occurred from when a project was first
22 proposed, to what it actually was looking like once the
23 engineers and design folks went to work over it. But since the
24 Council originally did the funding without approving specific
25 projects, and since the annual report that was received in the

00125

1 spring was lacking in significant detail on a number of these,
2 we did hold a review session on this project in July and we did
3 have staff here, we had an outside peer reviewer at that
4 session, we had all of the agency folks and basically we had
5 presentations on the project.

6 And based on our discussions there, we did recommend
7 that the project go forward, but that it have several caveats
8 with that funding. And basically that the funding for each
9 individual project, once it came down to the individual project
10 stage, be funded contingent on, one, formal endorsement of the
11 project design by the Kenai River Advisory Board. And we felt
12 that this was important because we were hearing from a number
13 of members of the public disagreeing with various projects and
14 it seemed important to us that there be some public group that
15 formally endorsed the individual projects. And I think thereby
16 having an indication that there was substantial public support
17 for these.

18 Now, these projects all went through a NEPA process and
19 environmental assessment, which includes all of the public
20 involvement aspects of that, but this was just one additional
21 layer of ensuring that there was public support from a group
22 that has heavy involvement with management of these areas. And
23 in addition that we at the staff office here receive a detail
24 budget specifying the design, engineering, labor, equipment and
25 materials costs so that we could actually review each project

00126

1 on an individual basis. And these recommendations were
2 consistent with the two scientists review memo.

3 MR. RUE: Does this change the process of all
4 the past ones so that any agency or any entity proposing a
5 project under this thing does not need to necessarily get
6 ADF&G, DNR, Parks, Forest Service, whatever the group was that
7 approved it before; it won't have to go to those folks but
8 instead will go to the Advisory Board?

9 MS. McCAMMON: No. They would have to do both.

10 MR. RUE: Okay.

11 MS. McCAMMON: So in essence it keeps the same
12 kind of oversight or cooperation among all the agencies in
13 terms of reviewing all of the projects, but it adds an
14 additional layer of oversight from the Kenai River Advisory
15 Group.

16 MR. PENNOYER: Madam Chair. Molly, do.....

17 MS. McCAMMON: It also would allow, since one
18 of the projects is being done by a Trustee agency, rather than
19 having the funding go through a State agency with additional
20 general administration, it would have the funding for that
21 particular project go directly to that agency. But the project
22 design would still be reviewed by the Department of Fish and
23 Game and the Department of Natural Resources who are the
24 project leaders and it would still be required to have an
25 endorsement from the Kenai River Advisory Group.

00127

1 MR. RUE: Can that go for all the Trustee
2 agencies, or if -- so if Department of Interior has the
3 project, or if Fish and Game has the project, can we do it that
4 way?

5 MS. McCAMMON: Well Fish and Game is currently
6 doing it that way. The money now currently all goes to Fish
7 and Game.

8 MR. RUE: Not to DNR?

9 MS. McCAMMON: Not to DNR.

10 MR. RUE: Okay.

11 MR. PENNOYER: Madam Chair.

12 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Pennoyer.

13 MR. PENNOYER: Molly, in both (phone cut out)
14 the Chief Scientist and yours, you talk over several places
15 about the individual projects being designed and carried out,
16 and monitoring plan for each individual project. Do we have
17 lists of these projects somewhere, their relative costs to this
18 total packet?

19 MS. McCAMMON: Yes. And we received this --
20 actually, Department of Natural Resources put this together and
21 we received it and we just got it about a half an hour ago and
22 have not been able to send it down to you. But there are a
23 number of projects and we can go through those individually
24 right now, or we can just send this down to you, Mr. Pennoyer.

25 MR. PENNOYER: So the approval of a place

00128

1 holder contingent on further evaluation and coming back to us?

2 I'm not sure what we're looking at here.

3 MS. McCAMMON: Well, the recommendation would
4 be to go ahead and fund, but with these contingencies. And in
5 all cases once the Council takes action on funding, the
6 authorization to spend doesn't occur until a letter is received
7 from our office saying that all of the preconditions have been
8 met. And so the approval to actually spend would be dependent
9 on meeting these caveats.

10 MR. PENNOYER: For example, what part of this
11 project is the contro (phone cut out) at least the thing we
12 received public testimony on the Russian River? What part of
13 the total for 91 as composed is that?

14 MS. McCAMMON: It's about \$68,000.00.

15 MR. RUE: Does the Advisory Board want to do
16 this? Have they said they would do this?

17 MS. McCAMMON: Well, in our discussion in the
18 review session we asked if they'd been involved in this process
19 and we were told by the project managers that they were briefed
20 on a regular basis and were very supportive of the project.

21 MR. RUE: Right. I'm just.....

22 MS. McCAMMON: So we haven't asked them whether
23 they would do this. No, we haven't.

24 MR. RUE: It could be sort of a headache. I'm
25 not sure they want it. But maybe they do. I mean I don't have

00129

1 a problem if they've said they would shoulder the burden, I
2 guess I don't have a problem with it.

3 MR. SENNER: Mr. Rue, this is Stan. Our
4 information from people who were involved directly in the
5 Advisory Group is that they thought that the group would
6 welcome this opportunity and it would not be an additional
7 burden on them. But Molly is right, we have not formally asked
8 the Advisory Group if they're willing to do this and we
9 certainly can make that request of them.

10 MR. RUE: And if they turn us down then we
11 would just do it as we do now?

12 MR. SENNER: Well, or we'd have to come back to
13 you for additional guidance. Yeah, an alternative
14 recommendation.

15 MS. McCAMMON: With another recommendation.

16 MR. SENNER: Yeah. An alternative
17 recommendation. We did feel and the reason this came out of
18 the review was probably one of the central points that although
19 there's been public participation in settling on the various
20 projects, especially through the preparation of environmental
21 assessments, we were all leery of and concerned about the fact
22 that some of these get to the implementation phase and then
23 questions still arise from members of the public. And so the
24 idea was that the Advisory Board, it's a 17 member board, it
25 has stakeholders from public agencies and private landowners

00130

1 and fishing interests and others, and that that would be a good
2 forum to take these to. So that was the logic there.

3 CHAIRMAN D. WILLIAMS: Okay, I have two
4 comments. I had the opportunity with Mr. Wolfe yesterday to go
5 down to the Russian River and look at the site and I was
6 impressed by several things. One, is some of the substantial
7 differences between the Russian River and the Kenai River. So
8 the significant difference we saw in terms of stream hydrology,
9 stream bank physiology between the Kenai and the Russian. And
10 I was impressed with how well the Forest Service has managed
11 the Russian and, you know, what good shape much of the Russian
12 River vegetation and bank was in. They've really done some
13 excellent management, public education and other activities.

14 I was also impressed in talking with Deidra on the way
15 down at the extensive public process they had. Nonetheless,
16 there are two issues that I think need further clarification on
17 the Russian River Project, and one is, particularly given, you
18 know, our restoration responsibilities. One is the impact of
19 the proposal on wild animal passage, particularly, with the
20 railings on the boardwalks. And I would just like more
21 confidence that the proposal either should be modified to
22 better address wild animal passage or that there is not going
23 to be an impact, and an examination of other possible, either
24 boardwalk decking options or other trail treatment options.

25 We did see an example of fiberglass perforated decking.

00131

1 I did not see any vegetation particularly under that decking.
2 There has been public testimony that that doesn't promote
3 vegetation growth. And Forest Service did contend that this
4 type of decking was literally required by ADF&G. I think we
5 all need to step back and say, is this really the best and most
6 appropriate trail treatment for this area? Does this best
7 advance our restoration goals, taking into account some of the
8 other goals that have been addressed.

9 So I would be interested, Mr. Wolfe, assuming you don't
10 object to those two further inquiries.....

11 MR. WOLFE: One minor correction.

12 CHAIRMAN D. WILLIAMS: Yes, please.

13 MR. WOLFE: One is the grid, the geo grid was
14 light penetrating, it was a part of.....

15 MR. RUE: I can't hear Mr. Wolfe.

16 MR. WOLFE: Oh, I'm sorry. We had muted my
17 microphone. In either case my concern was Deborah related that
18 Fish and Game required the grid, the light penetrating grid and
19 my understanding from yesterday was that that was required by
20 the Kenai River Management Plan for trails within 25 foot of
21 the stream bank. So I'm not sure it's totally a Fish and Game
22 requirement.

23 CHAIRMAN D. WILLIAMS: Okay. I may have
24 misspoken. But whoever requires it, you know, step back.....

25 MR. WOLFE: Okay.

00132

1 CHAIRMAN D. WILLIAMS:and look at whether
2 that really is.....

3 MR. WOLFE: That's correct.

4 CHAIRMAN D. WILLIAMS:in the best
5 restoration interest of this area to use that material.

6 MR. WOLFE: Okay.

7 MR. RUE: Yeah, if I might, I think the key
8 there is to look at the situation, whether it's been designed
9 to allow enough light through it. I know it has -- I've seen
10 it work where it literally looks like a flattop, vegetation
11 growing through the boardwalk and your feet trimming it. Say
12 it's a matter of case by case designing it correctly.

13 CHAIRMAN D. WILLIAMS: And that may be it.

14 MR. WOLFE: That's right.

15 CHAIRMAN D. WILLIAMS: It may be that this
16 might work in some places, but where you have this kind of
17 elevation it may not be.....

18 MR. RUE: Oh, no, you got to look at it, you're
19 right.

20 CHAIRMAN D. WILLIAMS: Yes. I really think we
21 have to look a little more carefully to see whether a couple
22 aspects of this are, particularly, the wildlife passage and the
23 deck treatment are in the best interest of our restoration
24 objectives.

25 MR. RUE: Madam Chair, I have one other

00133

1 question.

2 CHAIRMAN D. WILLIAMS: Yes, please,
3 Commissioner.

4 MR. RUE: Yeah, just very quickly. I guess I
5 would be interested in the reaction of the project applicants
6 to -- or what their plans are for another group of folks to
7 work on this project as a perhaps a subset of the advisory
8 board or the advisory board itself or another public working
9 group that seem to be in the making and that seemed like a
10 fairly positive approach. Is that the intent?

11 CHAIRMAN D. WILLIAMS: Mr. Wolfe.

12 MR. WOLFE: I don't know is there was any
13 intent, but I suspect that's what will develop, Frank.

14 CHAIRMAN D. WILLIAMS: But are you comfortable
15 with that, Mr. Wolfe?

16 MR. WOLFE: Oh yes.

17 CHAIRMAN D. WILLIAMS: Yes. Mr. Wolfe's
18 comfortable with that, Frank.

19 MS. McCAMMON: But apparently there is a
20 steering group that was developed during the environmental
21 assessment.....

22 MR. WOLFE: That's correct.

23 MS. McCAMMON:part of the project that
24 included a number of public members that met fairly frequently
25 and the idea is that they may be brought together again in the

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1 near future to talk about the next phase of this project?

2 MR. WOLFE: That's correct.

3 MS. McCAMMON: Okay.

4 CHAIRMAN D. WILLIAMS: And that's.....

5 MR. WOLFE: And it's -- Madam Chair.....

6 CHAIRMAN D. WILLIAMS: No, no, please,
7 Mr. Wolfe.

8 MR. WOLFE: And a lot of what they're working
9 on right now is the prioritization of what we work on next on
10 the Russian River. But, yes, the group is still intact and
11 still meeting periodically.

12 MR. RUE: I guess I have one final question and
13 this might be -- if that's all right?

14 CHAIRMAN D. WILLIAMS: Yes, Commissioner.

15 MR. RUE: Yes. Jim, when you did the EIS and
16 you looked at the overall project, have you looked at an
17 assessment of the carrying capacity of that area and whether --
18 at some point, I think we all acknowledge the Kenai River, the
19 Russian River is going to -- is or has reached capacity, and
20 where do we want to go? Did you all look at that sort of more
21 global question as you thought about the project?

22 MR. WOLFE: And, Frank, I can't answer that
23 question for you. I suspect they looked at it to some degree,
24 but I don't know the answer. We can get you an answer.

25 MR. RUE: Well, I don't know, maybe it's

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1 something we need to think about in the future.

2 MR. WOLFE: Madam Chair.

3 CHAIRMAN D. WILLIAMS: Yes, Mr. Wolfe.

4 MR. WOLFE: We'd be happy to do that, although,
5 I could see it presenting a lot of management problems down the
6 line if we start having to try to control the use of that area
7 for those short periods. But that's another question.

8 CHAIRMAN D. WILLIAMS: Are there any other
9 questions or comments?

10 MR TILLERY: Madam Chair.

11 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Tillery.

12 MR. TILLERY: I was most concerned with the
13 implication that the Department of Fish and Game rules may not
14 be being followed. The Council has, on a number of occasions,
15 imposed conditions that certain requirements be followed even
16 though they may not be sort of required by law. So I guess my
17 question is for Commissioner Rue, whether he is satisfied that
18 the Department of Fish and Game has all the tools it needs to
19 make sure that what it feels needs to be done on these projects
20 is being done or whether it would be helpful to have the
21 Council impose a condition, for example, that no funds may be
22 expended unless Title XVI has been complied with or something
23 like that? Do you have any comments on that?

24 MR. RUE: Mr. Tillery, thanks for putting me on
25 the spot, I'm sure.

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1 CHAIRMAN D. WILLIAMS: That's what lawyers are
2 for.

3 MR. RUE: Oh, I have no problem discussing that
4 the Forest Service and the Department have disagreed on the
5 extent of the Department's statutory authority over the Forest
6 Service. And actually I think the Russian River is navigable,
7 so it's probably State anyway, so it's maybe a moot point. I
8 don't know if that official declaration is made by BLM.

9 But anyway, I think, you know, our jurisdiction -- my
10 sense is our jurisdiction for Title XVI, there shouldn't be an
11 argument. It's ordinary high water and below on the Russian
12 River, and I believe it's navigable. And if that's the case,
13 then I don't think we need anything in particular to make our
14 statutory responsibilities apply to this project.

15 The other question is the debate we've had over the
16 year or years about the individual merits of the projects and
17 the disagreements the Department's had and the Forest Service
18 has had and the negotiations and discussions that have gone on
19 there. I guess I can't tell on that front whether we've lost
20 any ability to influence the final designs, depending on how
21 the board interacts. I've heard Jim Wolfe say we'd be getting
22 the plans and would be -- they'd try and -- I can't remember
23 the exact words, try and accommodate all our major concerns or
24 something like that. It sounded like no veto.

25 I guess at this point, I'm probably and I think the

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1 Staff, who reviewed this were willing to segregate this project
2 from the other batch of them partly out of frustration to be
3 honest with you, and just let it go. So I'm not sure if I want
4 a veto on this one.

5 MR. TILLERY: Well, again, I guess my question
6 was not only for this one, but for this whole group of
7 projects, is there any merit to putting any conditions upon the
8 use of the funding? That it comply with any particular laws or
9 policies?

10 MR. RUE: Well, I personally think they should
11 comply with restoration and/or maintenance or, you know, words
12 to that effect of fish habitat. That we shouldn't work counter
13 to the interests of the injured species and/or the fish and
14 wildlife in the area. And I think some of Deborah's concerns
15 were very good in that area.

16 MR. WOLFE: Madam Chair.

17 CHAIRMAN D. WILLIAMS: Are you done
18 Commissioner?

19 MR. RUE: Yep.

20 CHAIRMAN D. WILLIAMS: Okay, Mr. Wolfe.

21 MR. WOLFE: Maybe I can bring this to closure.
22 The Forest Service and the Department of Fish and Game, Frank
23 and his folks, are working right now on an MOU dealing with
24 this whole Title XVI issue. So I think that we're in the
25 process. We even have a draft MOU that was put together by

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1 Fish and Game about a week and a half ago and we are working on
2 it. So I think we're coming to closure aren't we, Frank?

3 MR. RUE: Yeah. The for the last -- yeah, for
4 a long time we.....

5 MR. WOLFE: Yes.

6 CHAIRMAN D. WILLIAMS: Asmatotically (sic),
7 right?

8 MR. WOLFE: Yes.

9 CHAIRMAN D. WILLIAMS: All right. Okay, well,
10 Mr. Wolfe, if you would feel comfortable, I would then like to
11 add the two conditions with respect to the wild animal passage
12 and taking another look at the most appropriate trail treatment
13 and decking. That you would do, you know, additional review
14 and then report to the executive director, perhaps, on those
15 two issues so that you're satisfied that we're achieving our
16 restoration goals with the design that is selected, if you feel
17 comfortable with that.

18 MR. WOLFE: I certainly feel comfortable with
19 that, except that what I heard yesterday from our project
20 leader is that we're trying to comply with the Kenai River
21 Management Plan requirements and that part of what you're
22 referring to is a part of those requirements. And so this is a
23 bigger issue than just us, the Forest Service, looking at it
24 for our portion of it, this would apply on all the Kenai River
25 projects.

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1 CHAIRMAN D. WILLIAMS: Right. But we obviously
2 have to be satisfied that those requirements make restoration
3 sense.

4 MR. WOLFE: Right.

5 CHAIRMAN D. WILLIAMS: And if they don't, then
6 to, you know, work with that group in modifying them.

7 MR. WOLFE: I concur wholly.

8 CHAIRMAN D. WILLIAMS: Okay.

9 MR. WOLFE: The concern that I'm expressing
10 here though is our reluctance, maybe not concern. Reluctance
11 is that this could be a major issue to get all of the parties
12 involved in the Kenai River Management Plan to address those
13 issues and bring to closure that, you know, whatever is an
14 acceptable approach. But let us look at it, explore it, and
15 see if we can come back to the Council and/or at least to Molly
16 and get the information to all of you and how we can proceed
17 with meeting your objectives.

18 CHAIRMAN D. WILLIAMS: Right, thank you.

19 MR. WOLFE: Okay.

20 MR. RUE: I guess one thing I would add, Madam
21 Chair, is I was only somewhat facetious when I made my previous
22 comment. I think there are things the Department -- parts of
23 this that the Department would like to be assured of. One is,
24 I think the wildlife passage issue is a very good one that you
25 raised. And I think our endorsement that it's been designed to

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1 maximum wildlife passage would be an endorsement the Forest
2 Service should get from the Department. And I guess the only
3 other piece is, I wouldn't want to necessarily be -- have some
4 special status or have any kind of a measure review on whether
5 you need X numbers of roads or access points above the river.
6 But I think it would be important for the Department to speak
7 to the issue of the habitat, whether or not the habitat has
8 been maintained or put into a productive state with the
9 project, the fish habitat. And not necessarily speak to the
10 issues of adequate access, whether, you know, some of the other
11 questions that may be involved with this project. But I think
12 those two questions would be ones that the Department, as
13 Mr. Tillery and/or others have suggested in public comment,
14 that the Department should be required to sign off on. And I'd
15 be wondering -- I wonder if Mr. Wolfe could respond to that?

16 CHAIRMAN D. WILLIAMS: Mr. Wolfe.

17 MR. RUE: What do you feel, would that be all
18 right? Would that work?

19 MR. TILLERY: Mr. Wolfe, one way to perhaps do
20 that would be to have some kind of a condition that this MOU,
21 which I assume, would take that into account needs to be
22 completed before this goes forward.

23 MR. RUE: I think that might be tough, Craig.
24 I think that actually is a statewide issue and that's kind of
25 the in-stream work.

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1 MR. TILLERY: Oh, okay.

2 MR. RUE: I wouldn't want to hang it on that.

3 I think it's more.....

4 MR. WOLFE: I guess, Frank, philosophically we
5 don't have any problem with what you're proposing, we agree.
6 Our objectives and your objectives are not counter in this --
7 in my opinion in this whole effort. So I would say that we
8 should be able to work that out between us.

9 CHAIRMAN D. WILLIAMS: Very good. Mark, did
10 you want to say something?

11 MR. KUWADA: Yes, just a brief comment.

12 CHAIRMAN D. WILLIAMS: Yes.

13 MR. KUWADA: I just wanted to respond to your
14 one issue about the boardwalks at Russian River. One of the
15 reasons that they appear the way they do or the problem that
16 we're having designing them sort of a function of three
17 different factors. One is the Forest Service has certain
18 safety requirements that they have to adhere to. Those safety
19 requirements are that you have to have fairly sturdy boardwalks
20 for the amount of traffic you're going to get. The other is
21 that we have ADA compliance. And that requires that the
22 separation, the distance between the slats on the boardwalk can
23 only be a certain distance. And then the third factor we have
24 is the habitat benefits, the elevated walkway is supposed to
25 provide. So trying to integrate all three of those components

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1 is sort of the art involved in how these things are designed
2 and decided.

3 CHAIRMAN D. WILLIAMS: Right.

4 MR. KUWADA: So.....

5 CHAIRMAN D. WILLIAMS: Good. And I am
6 encouraged by one thing and I'll make one more comment and then
7 hopefully I'm done with 180. I am very encouraged by the fact
8 the Forest Service is intending to continue with the public
9 dialogue and public process and will be continuing to talk with
10 the Cornetts, and of course, Mr. Wolfe, you encouraged Charles
11 Brooks to participate in the process. And I think that will
12 assist a great deal in implementing this then and Forest
13 Service's willingness to keep the public involved and to
14 respond to public comments that come up is very encouraging.

15 With respect to the boardwalks, as I said earlier, I
16 was very impressed with the public education that is going on
17 down there; the stream watch program and the impacts. I think
18 in designing, for example, the boardwalks and making the
19 decision on whether you need railings on the boardwalks so that
20 the public won't jump off the boardwalks every five feet and
21 make paths down to the trail, I think you can, you know, maybe
22 try no railings and public education and see if it works, if in
23 fact, the railings would pose a problem for habitat. I really
24 do believe in the power of public education and an occasional
25 well placed sign, please do not, you know, leave boardwalks,

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1 and let's give the public a chance to show that they can act
2 responsibly if, in fact, something like a railing would pose an
3 animal passage problem. So let's give the public the benefit
4 of the doubt, at least, going into this.

5 MR. KUWADA: I guess I have less optimism than
6 you do. But I agree in the sense that we can probably and we
7 should design some of those boardwalks without railings. And
8 in fact, talking to Deidra a couple of weeks ago when we were
9 on the site, we thought as the trail is rerouted and the
10 boardwalking is rerouted, you could take down railings in areas
11 where it goes through heavily wooded sections of the river,
12 just the fact that they're dense and wooded are going to
13 prevent people from trying to crash through them. Anyway,
14 that's one solution.

15 CHAIRMAN D. WILLIAMS: Okay. Mr. Wolfe.

16 MR. WOLFE: (Indiscernible)

17 CHAIRWOMAN D. WILLIAMS: Okay. Yes, Molly.

18 MS. McCAMMON: Madam Chair, some clarification
19 here then. Would it be, and I know you're not voting yet, but
20 would it be the Council's intent that the funding for this
21 project be approved today with these caveats, so that
22 authorization to spend are subject to these conditions?

23 CHAIRMAN D. WILLIAMS: Yes, I believe that's
24 where we are.

25 MS. McCAMMON: But it also should be noted that

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1 the FY97 money has already been approved and authorization to
2 spend has already been given. And so that includes \$85,000.00
3 for Phase I of the Russian River. And in our discussion, since
4 that's already been approved, in our discussion with the
5 Department it was our intent to go ahead and transfer those
6 funds to the Forest Service and they would go ahead with that.
7 So those funds do not have these conditions upon them. So I
8 guess I would ask for some additional clarification and how to
9 proceed with that.

10 CHAIRMAN D. WILLIAMS: Well, Mr. Wolfe, I ask
11 you a very hard question, are you willing to put those
12 conditions, *ex post facto*, on the funds that have already been
13 approved?

14 MR. WOLFE: Yeah. I don't think that there's
15 any problem with that. The one question mark I would have
16 would be whether or not we can get the Advisory Board, at this
17 stage, to buy in on it. And especially since we haven't even
18 asked them if they're willing to do it at this point in time.

19 CHAIRMAN D. WILLIAMS: Okay.

20 MR. WOLFE: But I would say that we would
21 certainly be willing to go to them and present our case and see
22 what kind of reactions they have. And my guess is that they
23 probably won't have any different reactions than you have had
24 at this point in time.

25 CHAIRMAN D. WILLIAMS: Thank you, very much,

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1 Mr. Wolfe. That's really very helpful on the part of the
2 Forest Service.

3 MR. RUE: Madam Chair, one final question for a
4 second.

5 CHAIRMAN D. WILLIAMS: Yes, Mr. Rue.

6 MR. RUE: What were the conditions that are now
7 on it?

8 CHAIRMAN D. WILLIAMS: We have the two
9 conditions that are specified in executive director's
10 recommendation. And then we have the two additional conditions
11 that I recommended, that this be reexamined for wild animal
12 passage repercussions and modifications made as necessary and
13 that the decking treatment and general trail treatment be
14 reexamined to see if it is in the best -- if we do have a
15 proposal that is in the best interest of restoration or whether
16 there might be an alternative proposal that would have better
17 restoration implications. And we had -- and then did we pickup
18 what the Commissioner and/or you said, Craig?

19 MR. TILLERY: I think we just ended up with a
20 vague promise from the Forest Service that they will work with
21 Fish and Game; is that correct?

22 MR. WOLFE: Oh, we are working on a formal MOU
23 and we do intend, it's not a vague promise, we do intend to
24 work with Fish and Game.

25 CHAIRMAN D. WILLIAMS: Commissioner, did you

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1 think you had a condition?

2 MR. RUE: Well, I think the MOU is -- I don't
3 think we need to deal with that issue, I think that's sort of
4 taking care of itself. The only one I guess I would ask is,
5 that the habitat values be confirmed, you know, habitat --
6 that, in fact, the restoration functions as good fish habitat
7 or useful fish habitat, I don't know, pick the term of art,
8 ought to be confirmed by the Department.

9 MR. TILLERY: So that the -- to go ahead with
10 the project it would be a condition that the Department of Fish
11 and Game would have to confirm that it is consistent with
12 restoration goals and objectives; is that kind of what I'm
13 hearing?

14 MR. RUE: Yeah.

15 CHAIRMAN D. WILLIAMS: Mr. Wolfe, was that your
16 understanding?

17 MR. WOLFE: Yeah. That's kind of an awkward
18 position that we put on it but.....

19 MR. TILLERY: It would certainly be difficult
20 to argue against it being consistent with restoration goals.

21 MR. WOLFE: But we're not going to be -- right,
22 yeah.

23 MR. RUE: I'll tell you what, here's -- I can
24 maybe make it simpler and I don't want to belabor it.

25 MR. WOLFE: Yeah.

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1 MR. RUE: But there's a tax exemption bill on
2 the Kenai River that allows you to apply for a tax credit or a
3 tax exemption if you're doing a project that maintains habitat
4 or restores habitat on the river. To get that tax exemption,
5 the Department has to say, yep, you're project is friendly to
6 fish, they don't use the word, friendly to fish. And so I'm
7 thinking of something along those lines. I don't want to give
8 an overall approval of this is good access or this, you know,
9 et cetera, et cetera, but are the restoration of the banks of
10 the river, do they, in fact, function as fish habitat and are
11 therefore good fish habitat, that's what I'm talking about.

12 MR. WOLFE: And it is always the Forest
13 Service's intent to maintain and enhance habitat.

14 CHAIRMAN D. WILLIAMS: Okay.

15 MR. RUE: Okay.

16 CHAIRMAN D. WILLIAMS: Okay, it sounds like
17 then we have five conditions. Ms. McCammon.

18 MS. McCAMMON: Madam Chair, there's actually
19 more. I hate to say this, but what we didn't do -- what -- we
20 referenced the Chief Scientist's review memo that the project
21 should be implemented consistent with that, and there were a
22 number of other little things in there such as showing how you
23 would monitor this over time using your regular agency
24 management functions to see that it was working. And that in
25 the case of the Forest Service project that, even though the

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1 funds would be provided directly to the Forest Service, the
2 Forest Service should consult and coordinate with the project
3 managers, Fish and Game and DNR, in regard to their detailed
4 project designs and seek the endorsement of the Advisory Board.
5 And then we go into administrative and accounting procedures
6 and some other things like that. So this would be considered
7 additional conditions.

8 CHAIRMAN D. WILLIAMS: Mr. Wolfe.

9 MR. SENNER: Not just on the Forest Service,
10 though?

11 MS. McCAMMON: On all of the projects.

12 MR. SENNER: Right.

13 CHAIRMAN D. WILLIAMS: Right, all of the
14 projects.

15 MS. McCAMMON: Right.

16 MR. WOLFE: That's what I was fixing to say,
17 it's fine if it applies to everybody on every project.

18 MS. McCAMMON: It applies to every project,
19 yes.

20 CHAIRMAN D. WILLIAMS: Yes.

21 MR. WOLFE: Yes.

22 CHAIRMAN D. WILLIAMS: Yes.

23 MR. WOLFE: All right.

24 DR. SPIES: Not being singled out.

25 CHAIRMAN D. WILLIAMS: Okay. Thank you,

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1 Mr. Wolfe. Anything else?

2 (No audible responses)

3 CHAIRMAN D. WILLIAMS: Very good. And when we
4 make the motion on this package, let us assume that that will
5 be part of the motion.

6 MS. McCAMMON: Done.

7 CHAIRMAN D. WILLIAMS: Okay.

8 DR. SPIES: Which should come up soon.

9 CHAIRMAN D. WILLIAMS: Let me see, anything
10 else on habitat improvement?

11 (No audible responses)

12 CHAIRMAN D. WILLIAMS: Let's move to ecosystem
13 synthesis then.

14 DR. SPIES: Two projects here that are related.

15 As you recall, under 97300 that's been instituted this year by
16 the Trustee Council, this is to look at synthesis scientific
17 findings. Part of this effort, a major part of the effort this
18 year, has been to, in fact, hold a workshop to look at the
19 application of certain kinds of ecological models to
20 synthesizing information available through the large amount of
21 studies the Trustee Council implemented over the last -- since
22 late 1989 after the spill.

23 So we, in fact, had a workshop and started to implement
24 some of the ideas and get participation by many PIs that are
25 going to have to cooperate, that was a successful workshop held

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1 this spring. And the start that's recommended here for Project
2 98330 would be the implementation of a mass balance model of
3 trophic fluxes that would be a collaboration between Stewart
4 Pimm of the University of Tennessee and Daniel Pauly at the
5 University of British Columbia Fisheries Institute, two of the
6 leading modelers for this sort of modeling in marine ecosystems
7 in the world. And so those -- that's how these two are related
8 and how the start is related to what's happening in 97300.

9 CHAIRMAN D. WILLIAMS: Any questions on
10 ecosystems synthesis cluster?

11 (No audible responses)

12 CHAIRMAN D. WILLIAMS: All right.

13 MR. WOLFE: Madam Chair.

14 CHAIRMAN D. WILLIAMS: Yes, Mr. Wolfe.

15 MR. WOLFE: I hate to do this, but I need to go
16 back to the habitat improvement to make a comment.

17 CHAIRMAN D. WILLIAMS: Certainly.

18 MR. WOLFE: And it has nothing to do with the
19 Russian River terrain.

20 CHAIRMAN D. WILLIAMS: Very good.

21 MR. WOLFE: That one is done and then some.
22 Given all the work that you've added to our plate, even with
23 the Kenai Habitat Restoration Project. We do have one project,
24 Human Use and Wildlife Disturbance Model that was proposed and
25 it's been deferred. It had significant support in the Public

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1 Advisory Group and we think has a lot of value, particularly
2 given the potential impacts that may be coming to the Sound in
3 the very near future, particularly when the road to Whittier is
4 completed and would be -- the model would be a benefit to all
5 of us. And I guess our question is that we would like to see
6 the funding for that model proceed as quickly as possible. And
7 so that was my only point at this point in time.

8 CHAIRMAN D. WILLIAMS: Ms. McCammon, do you
9 want to talk about your deferral recommendation?

10 MS. McCAMMON: Thank you, Madam Chair. There
11 were actually two projects that received very favorable
12 reviews, one, was the Homer Mariner Park, Project 98314 and
13 then also 98339, the Human Use and Wildlife Disturbance Model.
14 These received very favorable reviews and, in fact, I think in
15 our draft work plan we had recommended a fund. But when we
16 started putting together the package of projects, trying to
17 reach the 14,000,000 target, it became -- it seems like we
18 needed some more flexibility during the December meeting among
19 the suite of projects, and these two seemed to be ones that
20 could be deferred. That they weren't absolutely critical to be
21 done this year.

22 MR. SENNER: Same for the oystercatcher.

23 MS. McCAMMON: Yeah, that's the same for the
24 Black Oystercatcher Project also. But in order to give the
25 Council more flexibility, there are some projects that we're

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1 waiting results from the field season that may or may not go
2 forward, and we hope to have those answers by then. And so
3 these were just two that we chose as either lower priority or
4 ones that could be done in other years. But they were both
5 very favorably reviewed.

6 CHAIRMAN D. WILLIAMS: Mr. Wolfe, I will say my
7 reaction to this was based on two reactions. Those of us who
8 were at the annual conference heard from several speakers the
9 need to have the restoration efforts focus a little bit more on
10 human impact, and I think those comments were well taken. When
11 I read this proposal, my reaction was this seemed more like a
12 road impact than a general spill area human use impact
13 analysis. And what I would hope could happen between now and
14 December is that people at DOI, DNR, and anyone else who wishes
15 to, can talk with your project proposers to see if it would
16 make sense to broaden the review. So for example, should Kenai
17 Fjords be part of this human impact analysis and I would offer
18 Bud Rice to you to talk about the appropriateness of including
19 that, should Kodiak be included, and if not, how could we
20 design this to help us most with those other areas, to make it
21 maybe a little less pure road impact as opposed to the broader
22 characterization of increased human use and human impact. So
23 we look forward to working with your proposers in the next
24 several months to see if that makes sense.

25 But I certainly agree with the premise that, I think,

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1 with a properly designed proposal, Trustee Council money could
2 be well spent to look at impacts of increased human use.

3 MR. WOLFE: That's fine.

4 CHAIRMAN D. WILLIAMS: Okay. Any other
5 questions or comments?

6 (No audible responses)

7 CHAIRMAN D. WILLIAMS: Thank you. And thank
8 you again, Mr. Wolfe. Any questions about ecosystem synthesis?

9 (No audible responses)

10 CHAIRMAN D. WILLIAMS: All right, that brings
11 us to project management.

12 MS. McCAMMON: Madam Chair, this is a request
13 for \$560,100.00 for project management. This is basically the
14 additional work done by the agencies to support all of the
15 individual projects. It is, I think, we always recognize that
16 we ask more from the agencies in terms of their oversight of
17 EVOS projects than of other kinds of projects with other
18 sources of funding in terms of accountability to the public,
19 reporting requirements, and things of that nature. And this
20 budget reflects the cost that the agencies would incur for
21 implementing these projects.

22 CHAIRMAN D. WILLIAMS: Any questions about
23 project management budget?

24 (No audible responses)

25 CHAIRMAN D. WILLIAMS: All right.

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1 Ms. McCammon, should we go forward with habitat protection at
2 this time?

3 MS. McCAMMON: Unless you wanted a short break?

4 CHAIRMAN D. WILLIAMS: Do the Trustee Council
5 members want a short break? Short break?

6 MR. WOLFE: Yes.

7 CHAIRMAN D. WILLIAMS: Okay. Let's take a five
8 minute break.

9 MS. McCAMMON: Okay, we won't hang up, but we
10 will mute the Juneau participants.

11 (Off record - 3:40 p.m.)

12 (On record - 3:50 p.m.)

13 CHAIRMAN D. WILLIAMS: Let's begin by going
14 through the admin budget. Molly.

15 MS. McCAMMON: Okay. Madam Chair, in your
16 packet you have a copy of Project 98100, which is the
17 Administration Science Management and Public Information
18 Budget. The total requested for this year is \$2,796,300.00.
19 This is a reduction of five percent from below the fiscal year
20 '97 budget, and consistent with our target of \$2.8 million.
21 The main difference is largely attributable to reductions in
22 the contractual line within the operations component, although
23 these have been offset somewhat because of the increase in
24 personnel costs due to primarily the State health care costs.
25 Total travel costs are comparable to last year,

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1 although there have been reductions in several areas. But then
2 these were offset by an increase due to the changes in the PAG
3 membership. We now have more members from Juneau and Kodiak,
4 which means our PAG costs are much higher. And in addition, we
5 included funds for all of the community meetings for the
6 restoration reserve planning of that.

7 On the OSPIC portion of the budget, the OSPIC budget
8 has been reconfigured to reflect the merger with ARLIS.
9 Although total costs attributable to the OSPIC/ARLIS component
10 are down nearly \$120,000.00, these reflect savings as a result
11 of the transition, and also a transfer of the microcomputer
12 technician position to the operations component. So right now
13 in OSPIC we have three people, two librarians and one library
14 technician. Jeff Lawrence's position has been upgraded to a
15 microcomputer technician. He is the person who is responsible
16 for the local area network in this office. He's doing all of
17 the work with all of the accessing over the Internet,
18 responding to all of the Internet requests for information.
19 His position will stay here, he'll actually move upstairs when
20 OSPIC merges with ARLIS and moves out of the building. This is
21 anticipated to happen during the month of September with the
22 final transition by October 1st.

23 In addition, the Information Management Project
24 initiated by the Department of Natural Resources has concluded
25 this fiscal year and there is no anticipated additional cost

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1 for the next fiscal year. This included development of both
2 the CD-Rom that includes the geographic information from all of
3 the research projects, and then also includes the bibliography
4 that's currently on the Internet.

5 The operations budget includes funds for planning
6 meetings for the 10th anniversary effort, which is scheduled
7 for March of '99. It includes funds to complete the NRDA
8 reports, and includes the funds for the reserve planning
9 effort.

10 I guess my only comment about the budget overall is
11 that as we get further along in the process and approach the
12 10th anniversary, the demands for additional publications,
13 outreach to the public, synthesis documents, things of that
14 nature, where we had thought we would see reduction in costs,
15 as those requests for additional information, additional
16 documents, additional synthesizing of the information that's
17 being gathered over time is making it increasingly difficult to
18 reduce our costs.

19 But I'd be happy to answer any questions about this
20 particular budget.

21 CHAIRMAN D. WILLIAMS: Are there any questions
22 from Trustee Council members? And I understand, Steve, you've
23 joined us?

24 MR. PENNOYER: Yes, I have been listening for a
25 while, Deborah, thank you.

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1 CHAIRMAN D. WILLIAMS: Okay, thank you. Any
2 questions about administration?

3 (No audible responses)

4 CHAIRMAN D. WILLIAMS: Molly, should I make my
5 very quick motion, OSPIC motion, now?

6 MR. WOLFE: Can I ask a question, Madam Chair?

7 CHAIRMAN D. WILLIAMS: Yes, Mr. Wolfe.

8 MR. WOLFE: And it has to do with the OSPIC,
9 and that's, it looks like we've got things moving towards
10 resolution of the OSPIC. And what I wasn't sure about was the
11 two people that we're sending over.....

12 MR. RUE: Jim, I'm sorry, I can't hear you. I
13 don't know if you muted your mic, sorry.

14 MR. WOLFE: Craig keeps muting me over here.

15 MR. RUE: Thank you, Craig.

16 MR. WOLFE: Pay him later, huh. Anyway, the
17 two people that would be going over with the OSPIC material,
18 what time frame -- do we continue to pay this indefinitely or
19 -- that wasn't clear in here?

20 MS. McCAMMON: Well, the Council is funding
21 certainly on an annual basis. But the indications that we've
22 given to them is that it would be appropriate for the Council
23 to consider paying for two full-time librarians for the next
24 two fiscal years.

25 MR. WOLFE: Okay.

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1 MS. McCAMMON: And for one librarian after that
2 through fiscal year 2001.

3 MR. WOLFE: Okay.

4 MS. McCAMMON: Through the last payment from
5 Exxon. And after that it would be an open question.

6 MR. WOLFE: That's fine. Very good.

7 CHAIRMAN D. WILLIAMS: Do the Trustee Council
8 members in Juneau have this resolution?

9 MS. McCAMMON: They may not.

10 CHAIRMAN D. WILLIAMS: All right. We'll wait
11 for a moment then. Are there any other questions about the
12 administration budget?

13 (No audible responses)

14 CHAIRMAN D. WILLIAMS: All right. Let's move
15 ahead and discuss the restoration reserve.

16 MS. McCAMMON: Do you want to do 126 first?

17 CHAIRMAN D. WILLIAMS: Oh, yes.

18 MS. McCAMMON: Okay. The 126 budget, 98126,
19 and let me get to it, is a request for \$781,400.00. And this
20 provides all of the support costs for the Habitat Protection
21 and Acquisition Project. It includes funding for services such
22 as title reports, appraisals, hazardous materials surveys,
23 timber cruises, reviews, all of the logistical support to
24 ensure that the acquisitions go forward.

25 These costs are substantially reduced from this year's

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1 funding level, and the way these budgets are put together, they
2 are charged off of as needed. So if, for example, a certain
3 acquisition does not go forward then these funds would be
4 lapsed for that acquisition. And the only major -- there were
5 no major changes, I think, from prior budgets. Department of
6 Natural Resources, their prior responsibility at this point is
7 for the Afognak acquisition and for small parcels. And then
8 also completing the State's participation in the Eyak and
9 Tatitlek acquisitions. The Department of Fish and Game has
10 some funding, two months biologists funding, to provide
11 information on Kenai River projects, on Afognak projects and
12 others that require information on habitat and restoration
13 value of those areas. The Department of Interior, National
14 Park Service has two months of personnel time to provide
15 information on potential protection of park lands in the spill
16 area. Fish and Wildlife Service's highest priorities now are
17 completing the Kenai Native Association's acquisition,
18 completing the last, I believe it's Akhiok-Kaguyak portion of
19 that acquisition, the Sitkalidak land exchange, and then also
20 some small parcels.

21 CHAIRMAN D. WILLIAMS: And Koniag Phase II?

22 MS. McCAMMON: And Koniag Phase II. Department
23 of Agriculture Forest Service's priorities now are to complete
24 the Tatitlek and Eyak acquisitions and in addition a couple of
25 small parcels.

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1 And I'd be happy to answer any questions about this
2 project.

3 CHAIRMAN D. WILLIAMS: Okay. Any questions
4 from Trustee Council members on habitat acquisition
5 expenditures?

6 (No audible responses)

7 CHAIRMAN D. WILLIAMS: All right.

8 MS. McCAMMON: And then the last project
9 proposal is the restoration reserve, and I do have a motion for
10 that, too, when we get to a motion. But again, the issue
11 before the Council is whether or not to put into to approve the
12 transfer of \$12,000,000.00 from the liquidity account to the
13 reserve fund. As happened last year, I'm asking that if the
14 transfer is not completed by September 15th, because we need
15 those funds for ongoing restoration activities, that the
16 interest -- that these funds, plus the interest against these
17 funds shall also be transferred. And this actually happened
18 this year because we didn't know when the -- if the Afognak
19 acquisition would be completed this year and we needed those
20 funds. The actual transfer to the reserve didn't occur until,
21 I believe June or early July, and so it was approximately
22 \$450,000.00 of additional interest that was transferred with
23 that \$12,000,000.00 to reserve fund. I'm also asking because
24 we're currently looking at the investment policy for both the
25 liquidity account and the reserve fund that they be invested

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1 pursuant to the investment policy for the reserve fund, and I
2 would anticipate that by the time it's actually transferred
3 that we will have looked at that and come up with a new
4 investment policy for the reserve fund.

5 So I do have a draft motion on that also, and this
6 should have gone to the -- the Juneau folks should have a copy
7 of this, it should have been in your packet yesterday.

8 CHAIRMAN D. WILLIAMS: Very good. Any
9 questions or comments about the restoration reserve? And do
10 the Trustees in Juneau have the resolution -- or motion?

11 MR. PENNOYER: Yeah, we've got it.

12 CHAIRMAN D. WILLIAMS: Okay.

13 MR TILLERY: Madam Chair.

14 CHAIRWOMAN D. WILLIAMS: Yes, Mr. Tillery.

15 MR. TILLERY: I guess what I'm most concerned
16 about is that this resolution is sufficient for me to go to the
17 court and to get a transfer. As I understand this, the concept
18 is that the investment method is not fixed right now. In the
19 past we've usually specified lettered strip securities and so
20 forth?

21 MS. McCAMMON: That's right.

22 MR. TILLERY: What we're saying is we're not
23 going to do that now, it's going to be whatever is certified by
24 the executive director?

25 MS. McCAMMON: It's whatever the Council has as

00162

1 policy at the time the transfer is made.

2 MR. TILLERY: Based on this discussion, we're
3 not going to have the date, we're probably going to have a
4 September or something?

5 MS. McCAMMON: If it were to be September 15th,
6 which I don't anticipate, because I think we're going to have
7 to do it later in the year, but if it were to be September
8 15th, it would be under the current policy of the latterd
9 strip securities.

10 MR. TILLERY: Okay. So if it's going to be
11 different we'll probably have to have a Council meeting, I'll
12 probably have to have supplemental resolution, I suspect?

13 MS. McCAMMON: Well, it would be -- the
14 investment policy would have been changed, so it's whatever
15 investment policy is currently in place.

16 MR. TILLERY: Right. Okay.

17 MS. McCAMMON: Unless you would like to clarify
18 this further?

19 MR. TILLERY: No, I think that that explanation
20 is adequate.

21 CHAIRMAN D. WILLIAMS: Very good. Any other
22 questions or comments?

23 (No audible responses)

24 CHAIRMAN D. WILLIAMS: And Trustee Council
25 members, we have passed out, and hopefully in Juneau you have

00163

1 received by fax, a resolution regarding OSPIC. It is something
2 that our attorneys say we need to do just to clarify that the
3 money will be designated to the BLM -- or that BLM will be
4 designated as the lead agency for purposes of administration,
5 management and contracting. And so I will read the resolution
6 -- now -- yeah, I'll read the resolution and then I think after
7 we vote on the Work Plan, we will do a vote on both this
8 resolution and on the restoration reserve resolution.

9 This resolution says: In order to effectuate the
10 consolidation of the Oil Spill Public Information Center into
11 the Alaska Research Library and Information Services Center, we
12 hereby designate the U.S. Department of the Interior, Bureau of
13 Land Management, as lead agency for purposes of administration,
14 management and contracting pursuant to Oil Spill Public
15 Information Center effective September 1, 1997. We hereby
16 authorize that in accordance with the annual budget the sum of
17 \$51,400.00 be withdrawn from the registry of the district court
18 and transferred to the U.S. Department of the Interior, Bureau
19 of Land Management to be used for this purpose. This
20 resolution does not effect the lead agency for purposes of
21 employment of staff to the Oil Spill Public Information Center.

22 All right. I think then we have three motions or are
23 to have three motions in front of us. I will now entertain a
24 motion on the Work Plan.

25 MS. McCAMMON: And there is, Madam Chair, a

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1 draft motion in your packet that looks like that and it is in
2 Juneau.

3 CHAIRMAN D. WILLIAMS: Okay. I'll read the
4 draft motion. Move the Trustee Council adopt the
5 recommendations for fiscal year '98 projects as outlined in
6 Spreadsheet A, the date is August 5, 1997, and Spreadsheet B,
7 dated August 28th, 1997, in addition to today's changes with
8 the following conditions: One, if the principal investigator
9 has an overdue report from a previous year, no funds may be
10 expended on a project involving the principal investigator
11 unless the report is submitted or scheduled for submission as
12 approved by the executive director. And two, a projects lead
13 agency must demonstrate to the executive director the
14 requirements of NEPA are met before any project funds may be
15 expended, with the exception of funds spent to prepare NEPA
16 documentation. The funds approved for Project 98180, Kenai
17 Habitat Restoration and Recreation Enhancement for capital
18 projects and do not lapse on September 30th, 1998.

19 MR. PENNOYER: So moved.

20 CHAIRMAN D. WILLIAMS: Yes, thank you,
21 Mr. Pennoyer, is there a second?

22 MS. BROWN: Second.

23 CHAIRMAN D. WILLIAMS: Okay, it's been moved by
24 Mr. Pennoyer and seconded by Commissioner Brown that the motion
25 as read be presented to the Council. Is there any discussion

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1 of the motion?

2 MR. RUE: Madam Chair.

3 CHAIRMAN D. WILLIAMS: Yes, Commissioner Rue.

4 MR. RUE: I assume what we mean here is if

5 otherwise required NEPA review. I mean we aren't now required

6 to do a NEPA because of this resolution, right?

7 CHAIRMAN D. WILLIAMS: That's correct.

8 MR. RUE: Good, thank you.

9 MS. McCAMMON: Well, NEPA is required on all

10 projects funded by the Council.

11 MR. RUE: It is? On every one? I'm talking on

12 every single one?

13 MS. McCAMMON: Yes.

14 MR. RUE: Right. I stand corrected. I don't

15 worry anymore.

16 CHAIRMAN D. WILLIAMS: All right. Any other

17 questions or comments on the motion?

18 (No audible responses)

19 CHAIRMAN D. WILLIAMS: Okay. I will then take

20 a vote on the motion. All those who approve the motion

21 indicate by saying aye.

22 IN UNISON: Aye.

23 CHAIRMAN D. WILLIAMS: Those opposed indicate

24 by saying nay.

25 (No opposing responses)

00166

1 CHAIRMAN D. WILLIAMS: Hearing none, the motion
2 passes unanimously. I would now like to take the second
3 resolution, which is the OSPIC resolution.

4 MS. McCAMMON: We also need a motion on the 100
5 budget.

6 CHAIRMAN D. WILLIAMS: Oh, we need a separate
7 motion on the 100 budget?

8 MS. McCAMMON: Yes.

9 CHAIRMAN D. WILLIAMS: Do we have a motion on
10 the 100 budget?

11 MS. McCAMMON: It's just to move.

12 CHAIRMAN D. WILLIAMS: Okay. Well, let's do
13 OSPIC next since we have that in front of us. Do I hear anyone
14 willing to make a motion as previously stated?

15 MR. PENNOYER: Madam Chair, I move the motion
16 as you previously read into the record regarding OSPIC.

17 CHAIRMAN D. WILLIAMS: Thank you. Is there a
18 second?

19 MR. WOLFE: Second.

20 CHAIRMAN D. WILLIAMS: It's been moved by
21 Mr. Pennoyer and seconded by Mr. Wolfe that the Trustee Council
22 adopt the resolution regarding OSPIC. Is there any discussion?

23 (No audible responses)

24 CHAIRMAN D. WILLIAMS: Is there any opposition?

25 (No audible responses)

00167

1 CHAIRMAN D. WILLIAMS: Hearing none, the
2 resolution passes. Let us do the restoration reserve.

3 Mr. Tillery.

4 MR. TILLERY: Yes, thank you, Madam Chair. I
5 would move that the Trustee Council approve the transfer of
6 \$12,000,000.00 from the liquidity account to the Exxon Valdez
7 Oil Spill settlement account, to its reserve fund. In the
8 event the transfer is not completed by September 15th, 1997,
9 interest against these funds shall also be transferred.

10 Interest shall be accrued from September 15, 1997 until the
11 time it transfers from the liquidity account, interest shall be
12 calculated at the rate of five percent. These funds shall be
13 invested pursuant to the investment policy of the reserve fund.
14 The executive director shall certify when funds are available
15 for transfer and the applicable investment policy approved by
16 the Trustee Council. That's slightly different from what was
17 written.

18 CHAIRMAN D. WILLIAMS: Okay.

19 MR. TILLERY: It is just intended to make it
20 clearer to the court that this is what we intend.

21 CHAIRMAN D. WILLIAMS: Very good. Is there a
22 second on that motion?

23 MS. BROWN: Second.

24 CHAIRMAN D. WILLIAMS: It's been moved by
25 Mr. Tillery and seconded by Ms. Brown. Is there any discussion

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1 of the motion?

2 (No audible responses)

3 CHAIRMAN D. WILLIAMS: Would anyone like
4 Mr. Tillery to read his modification again or does everyone
5 feel comfortable with that?

6 MR. PENNOYER: Comfortable with it.

7 CHAIRMAN D. WILLIAMS: Okay. All those in
8 favor of the motion indicate by saying aye.

9 IN UNISON: Aye.

10 CHAIRMAN D. WILLIAMS: Those opposed indicate
11 by saying nay.

12 (No opposing responses)

13 CHAIRMAN D. WILLIAMS: The motion passes
14 unanimously. Ms. McCammon, would you like to give the Trustee
15 Council wording on a motion regarding 98100?

16 MS. McCAMMON: Madam Chair, I think the motion
17 would be to approve \$2,796,300.00 for Project 98100, the admin
18 and science management and public information budget.

19 CHAIRMAN D. WILLIAMS: Is it so moved?

20 MR. WOLFE: So moved.

21 CHAIRMAN D. WILLIAMS: It's been moved by
22 Mr. Wolfe, do I hear a second?

23 MR. PENNOYER: Second.

24 CHAIRMAN D. WILLIAMS: Seconded by Mr. Pennoyer
25 to approve the 98100 budget. Is there any discussion of the

00169

1 motion?

2 (No audible responses)

3 CHAIRMAN D. WILLIAMS: I'll just simply say
4 that I believe the money we spend on administration for the
5 Trustee Council is money well spent. Any further discussion?

6 (No audible responses)

7 CHAIRMAN D. WILLIAMS: Hearing none, all those
8 in favor indicate by saying aye.

9 IN UNISON: Aye.

10 CHAIRMAN D. WILLIAMS: Opposed?

11 (No opposing responses)

12 CHAIRMAN D. WILLIAMS: The motion passes
13 unanimously.

14 MS. McCAMMON: And one last motion on the 126
15 budget.

16 CHAIRMAN D. WILLIAMS: Okay, Ms. McCammon.

17 MS. McCAMMON: Project 98126, a motion for
18 \$781,400.00 for habitat protection and acquisition support.

19 CHAIRMAN D. WILLIAMS: Is anyone willing to
20 make that motion?

21 MR. PENNOYER: So moved.

22 CHAIRMAN D. WILLIAMS: It's been moved by
23 Mr. Pennoyer, is there a second?

24 MR. WOLFE: Second.

25 MS. BROWN: Second.

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1 CHAIRMAN D. WILLIAMS: Second by Mr. Wolfe that
2 we approve the 98126 budget at \$781,400.00. Any discussion of
3 the motion?

4 (No audible responses)

5 CHAIRMAN D. WILLIAMS: All those who agree with
6 the motion indicate by saying aye.

7 IN UNISON: Aye.

8 CHAIRMAN D. WILLIAMS: Opposed indicate by
9 saying nay.

10 (No opposing responses)

11 CHAIRMAN D. WILLIAMS: The motion passes
12 unanimously. Ms. McCammon, is there any additional actions
13 that we need to take at this time?

14 MS. McCAMMON: No.

15 CHAIRMAN D. WILLIAMS: Trustee Council members
16 any addition discussion or any additional action you believe we
17 need to take at this time before we go into our last agenda
18 item?

19 (No audible responses)

20 CHAIRMAN D. WILLIAMS: Hearing none, we are
21 ready to proceed with our last agenda item, which is discussion
22 on archaeology.

23 MR. RUE: Madam Chair, while folks are getting
24 ready to do that, can I just say one quick thing?

25 CHAIRMAN D. WILLIAMS: Please, Commissioner

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1 Rue.

2 MR. RUE: I'd like to thank the Staff, not only
3 my own, but the staff there in Molly's office for all the good
4 work they did in putting this whole thing together, it's great.
5 And the support you gave to the tough questions I couldn't
6 answer.

7 CHAIRMAN D. WILLIAMS: Thank you. Any
8 additional accolades that Trustee Council members would like to
9 spread forth.

10 MR. RUE: I was on the spot more than they
11 were.

12 MR. PENNOYER: I'll second that motion.

13 CHAIRMAN D. WILLIAMS: And I particularly
14 commend the excellent work of the staff. And I'm very pleased
15 that you put the projects in numerical order, I found that an
16 excellent way to proceed. Outstanding work as always.

17 Ms. McCammon, would you like to introduce the
18 discussion on archaeology, please.

19 MS. McCAMMON: Yes. Madam Chair, in your
20 packet under the archaeology tab, you have a copy of one of the
21 letters that I sent out at your request and at the request of
22 the Public Advisory Group to the communities who have expressed
23 interest in developing individual repositories in the eight
24 communities within the spill area that we've been working with
25 on this project. And the letter is actually a copy of one sent

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1 to Mr. Gary Kompkoff, president of the Tatitlek IRA Council.
2 And in that letter we asked for additional information in terms
3 of what kind of facility and program they would envision for
4 their individual community and how that would restore
5 archaeological resources injured by the spill. What kind of
6 artifacts that are currently part of the public collection they
7 would expect to be transferred to the community. The estimated
8 cost of construction of whatever facility they have planned and
9 how they would plan to secure the necessary funds. A
10 description of their vision of a regional repository
11 organization. Estimated cost of operations and how they would
12 plan to secure the necessary funds for long-term operation and
13 maintenance. I also have included following that letter the
14 responses that we have received to date as a result of that
15 request.

16 And as, I think Sheri Buretta relayed in her testimony
17 to you earlier today, in looking at the responses I had to
18 admit that I was disappointed in the level of information that
19 was requested even though we had required brief letters, I
20 think we've been pretty specific in asking for fairly detailed
21 information. And I think actually with the exception of the
22 response from Qutekcak, the responses were fairly general.

23 All through this planning process, I think, from day
24 one, the Council has indicated to me and I have indicated to
25 those that we have been working with that it would be the

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1 Council's preference to work with some kind of a regional
2 solution to this issue for Prince William Sound and the Lower
3 Kenai Peninsula similar to what was done with the Alutiiq
4 Museum in Kodiak. The communities have responded with a very
5 strong statement that they strongly support individual
6 repositories in the community, and they have not wavered from
7 that position. It's been very strongly put forward.

8 Since that time, just yesterday, in fact, Chugach
9 Alaska Corporation has submitted formally to the Council for
10 their consideration a regional facility. And since this is the
11 only regional proposal that we've received, they have asked to
12 make a short presentation to the Council on their proposal.
13 Following that, there would be some time for questions and
14 discussion. At that time, since the Public Advisory Group, the
15 community facilitators, really no one has -- the staff here, no
16 one has had an opportunity to review it, I would hope that we
17 would have over the next month or so to review that proposal
18 and get feedback from the various parties involved and then be
19 able to make a recommendation to the Council on that. And so
20 with your permission, what I would recommend is that we have
21 Jim Hutton with Chugach Alaska Corporation and if you need
22 assistance, describe the proposal that they have. And I
23 believe that they have actual copies of the proposal to
24 distribute.

25 CHAIRMAN D. WILLIAMS: Are there any Trustee

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1 questions or comments before we proceed with Mr. Hutton's
2 presentation? Yes, Mr. Tillery.

3 MR. TILLERY: I think it's just based on
4 comments I heard earlier that suggested that the Council had
5 already sort of decided that they want a regional one, and the
6 comment was made but they haven't publicly voted on that. And
7 I think I want to make clear that, at least, from my
8 perspective, not only have we not publicly voted on it, but we
9 have not privately voted on it, and I have not publicly or
10 privately or any other way made up my mind about whether it's
11 going to be regional or local. And I think the implication
12 that there is some kind of a decision, even on an individual
13 basis, at least, as far as I'm concerned is incorrect.

14 CHAIRMAN D. WILLIAMS: Are there any other
15 questions or comments?

16 (No audible responses)

17 CHAIRMAN D. WILLIAMS: All right. Then
18 Mr. Hutton, if you're ready, we would be pleased to hear your
19 presentation.

20 MR. HUTTON: Thank you. First of all I'd like
21 to thank you for hearing us on such short notice. But we'd
22 like to begin construction yet this year and we thought it was
23 important to get in here and talk to you briefly on this
24 project as quickly as possible. So we asked Molly if we could
25 make a short presentation, and I'll try to keep it as brief as

00175

1 possible.

2 We are aware of.....

3 CHAIRMAN D. WILLIAMS: Juneau, can you hear
4 Mr. Hutton fine?

5 MR. RUE: Yes, we can now.

6 CHAIRMAN D. WILLIAMS: Okay, one moment.

7 COURT REPORTER: There's a microphone there
8 that you can clip right on, if you would Mr. Hutton.

9 MR. HUTTON: All right.

10 COURT REPORTER: Thank you.

11 MR. HUTTON: How's that, any better?

12 COURT REPORTER: That's great, thank you.

13 MR. HUTTON: Okay. As Molly indicated Chugach
14 Alaska Corporation is a regional corporation and they are aware
15 that the individual villages have requested individual
16 repositories. However, the regional corporation has decided
17 they should take the lead on this since it seems to be going
18 nowhere fast and we're proposing kind of a compromise to both
19 the regional and the individual approach and that's what I'd
20 like to talk to you about today.

21 If I could, I'd like to just use the overhead here. I
22 guess I better get on the other side of the table. I'd also
23 like to send Michael Brown's regrets, he's the President and
24 CEO of Chugach Alaska Corporation, he's out of town on business
25 and he asked me to stand in for him today. I'm acting as the

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1 project manager on this project and I actually work for Chugach
2 Engineering, which is a subsidiary of the regional corporation.

3 This might be a little hard to read. This is just
4 briefly a slide on Chugach Alaska Corporation. Chugach Alaska
5 Regional Corporation has over 1,900 shareholders, their land
6 encompasses all the way from Port Graham up beyond Cordova and
7 it's basically the land -- these are the peoples whose land and
8 lifestyles were most affected by the spill. So it's basically
9 the tribal village council of Eyak, Valdez, Tatitlek, Chenega,
10 English Bay, Nanwalek, Qutekcak and Seldovia.

11 As I said earlier, we are proposing a regional
12 repository located in Seward. And Seward was selected
13 primarily for a couple of reasons. Number one it's accessible
14 by land, by rail, by air and by water, so it's accessible by
15 ferry system from all the villages and we feel it's in a very
16 central location. But one of the big drawing cards that Seward
17 has is as you all are aware of, painfully, I'm sure, the
18 SeaLife Center. SeaLife Center is going to attract, in the
19 first year, they're projecting 275,000 visitors. And this we
20 feel is a good tourism base that we can also take advantage of,
21 so that will make our archaeological repository self-
22 sustaining.

23 Some time ago the City of Seward asked for proposals
24 for the renovation of the old railroad depot building. Chugach
25 Alaska Corporation in conjunction with Qutekcak submitted a

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1 proposal which was accepted by the City of Seward and we're now
2 negotiating a lease on that. What we propose to do is utilize
3 the old Seward depot building. It's listed on the National
4 Historical Register. We intend to maintain it as a historic
5 building, to totally renovate it and restore it. And then add
6 a repository that will meet the required standards for the
7 transfer of artifacts. The property is directly adjacent to
8 SeaLife Center. We've been talking extensively with SeaLife
9 Center about combined educational programs and things of that
10 nature, they're very receptive to that. We do, as I said
11 earlier, believe that we can generate enough tourist revenue to
12 completely self-sustain the program once we have it in place.

13 In addition to the central repository, we are also
14 proposing to have traveling displays that will be made
15 available to all the villages that have a facility within the
16 village. And as part of our proposal, we're including
17 \$100,000.00 for each village that can meet the qualifications.
18 We would regrant that back to them through either a Federal or
19 a State agency, and that would permit them to provide facility
20 upgrades within their individual villages which will house
21 these traveling displays. As part of the regional center, we
22 would have a full-time curator who would be in charge of the
23 traveling displays and also come up with educational programs.
24 And of course, all the facilities would meet the Federal
25 standards that are required for artifacts.

00178

1 CHAIRMAN D. WILLIAMS: Mr. Hutton, I've not
2 really had a chance to look at the proposal. Of the \$2.3
3 million, how much of that would be devoted to village facility
4 upgrades?

5 MR. HUTTON: \$100,000.00 per village, 700,000.

6 CHAIRMAN D. WILLIAMS: Okay.

7 MR. HUTTON: The actual -- the regional center
8 would be slightly over a million dollars and then \$700,000 for
9 the villages and the rest is in educational programs,
10 repository furnishings and things of that nature.

11 CHAIRMAN D. WILLIAMS: Okay.

12 MR. HUTTON: As I said, we believe that because
13 of its location adjacent to SeaLife Center, the revenue
14 generated from admission fees, both to our cultural center and
15 a gift shop that we're proposing would make the repository
16 self-sustaining after the initial funding. Included in your
17 proposal are financial models that are based on both the Alaska
18 SeaLife Center and also demographics from Federal and State
19 agencies.

20 Any profits which would be generated from the center
21 would be used for a continuing long-term care of artifacts for
22 educational outreach programs within the villages, for
23 additional archaeological digs throughout Prince William Sound
24 and for a heritage program, such as the Nuuciq Island Spirit
25 Camp. For those of you who don't know about Nuuciq Island,

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1 it's an island that's adjacent to -- I just drew a blank here.

2 Help me out ladies.

3 UNIDENTIFIED VOICE: Hinchinbrook Island.

4 MR. HUTTON: Hinchinbrook, right adjacent to
5 Hinchinbrook Island. It's a very old archaeological site. At
6 one time they thought there may have been a Native settlement
7 there close to seven or 8,000 people.

8 Chugach Alaska Corporation has taken the initiative
9 here in the last couple of years. They've been holding a
10 spirit camp there for their children, any child within Chugach
11 Alaska Corporation is eligible. They go there, they learn
12 about the cultural ways. They learn subsistence living. They
13 learn things of this nature to maintain the culture of the
14 Chugach people.

15 The regional repository itself will be responsible for
16 cataloging, inventory, recording and displaying new finds. It
17 would create a professional environment for both shareholders
18 and researchers to study the collection that Chugach has. It
19 would present an opportunity to transfer the various Chugach
20 artifacts that are now housed in various locations around the
21 State into one central location. And again, it would provide
22 an ongoing heritage program.

23 The regional repository has obtained wide community
24 support from the individual agencies that you can see here,
25 including the City of Seward, Department of Interior,

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1 Department of Agriculture, SeaLife Center and so on. It's been
2 very well received everywhere we've talked to about it,
3 including the villages. The villages of Chenega and Tatitlek
4 have expressed a very high interest in it. We are currently
5 talking with the other villages about it. All the villages, by
6 the way, would have the opportunity to participate in this
7 through -- I'll show you on the floor plans here, what we plan
8 to do is have a demonstration area for artisans to come and
9 display their crafts and to sell them in addition to the
10 archaeological repository.

11 So we see the benefits for funding this proposal would
12 be, number one, create a regional repository that would house
13 centrally all the archaeological finds. And additionally, to
14 provide traveling displays to the various seven villages and
15 that would hopefully fulfill the requirements of scenario one.
16 And lastly, it would provide public information about the
17 progress of the restoration efforts that have been ongoing for
18 the last number of years, since 1989.

19 And if I could, I'd like to just very briefly show you
20 some plans that we have. We're about 95 percent complete on
21 our design at this present time.

22 MR. TILLERY: Mr. Hutton.

23 MR. HUTTON: Yes.

24 MR. TILLERY: On those villages, is Eyak,
25 Cordova -- they were not listed among the villages?

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1 MR. HUTTON: Yes.

2 UNIDENTIFIED VOICE: Cordova and Eyak?

3 MR. HUTTON: Yes.

4 MS. McCAMMON: Eyak and Cordova was listed.

5 UNIDENTIFIED VOICE: They're the same.

6 MR. TILLERY: I know, but are they in there?

7 MS. McCAMMON: Yes.

8 MR. HUTTON: This is going to be real hard to
9 see for you folks, maybe just holding it might be the easiest,
10 rather than using the easel.

11 MS. McCAMMON: Especially for the folks in
12 Juneau.

13 MR. HUTTON: Yeah, I'm sorry about the folks in
14 Juneau, I guess they won't see it.

15 This is the old Seward railroad depot. Some of you may
16 or may not recognize it. We don't propose to do anything -- we
17 can't do anything to maintain its place on the Historic
18 Register, we can't do anything to the exterior other than to
19 restore it to its original condition, which we intend to do.

20 But the first floor plan, the building basically has
21 two main areas inside it. On this side is the, what was the
22 old waiting room for the trains and what we've proposed to do
23 in there is turn that into an artisan center where artisans can
24 come in from the village and practice their crafts and
25 demonstrate to visitors how they perform their crafts. And

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1 then there's a sales area in the center here where their crafts
2 could be sold. There's a central administrative area. And
3 then the other portion, the big room at the end over here which
4 used to be the old baggage room, will be turned into a -- I
5 don't want to call it a theater, but it would be a small
6 performing room where it'd hold up to 40 people. We have a
7 stage area where we would have performers come in and maybe
8 dance or drum or tell stories, tell about the people of
9 Chugach. That's basically the first floor. It's very, very
10 simple.

11 And then down in the lower area, the lower level, the
12 basement, would be where the repository would be. And it's
13 down in the lower area because it's more private down there and
14 it's not open to the public. But we're limited in the amount
15 of size we can put down there because of fire codes so it would
16 take up the central portion of the basement and it would be a
17 repository, everything would be stored in fireproof files and
18 storage cabinets. Now, this -- the artifacts that would be
19 down here would be rotated out to the villages or stored there
20 permanently or -- I forgot to mention on the first floor here,
21 in the exhibit performance room, we have exhibit cases on the
22 perimeter walls here that would also house the artifacts.

23 And that about summarizes it.

24 CHAIRMAN D. WILLIAMS: Okay. Questions,
25 comments from Trustee Council members?

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1 (No audible responses)

2 CHAIRWOMAN D. WILLIAMS: I have several.

3 Mr. Hutton, looking at your proposed budget, I'd just like to

4 walk through that a little bit.

5 MR. HUTTON: All right.

6 CHAIRMAN D. WILLIAMS: I don't know if you want

7 it in front of you or whether you have it memorized.

8 MR. HUTTON: No, I don't. Actually that's why

9 I have the ladies who actually wrote this grant proposal for us

10 here. But let me get a copy and I'll try to struggle through

11 it.

12 CHAIRMAN D. WILLIAMS: Okay. It's on Page 11

13 of my copy.

14 MR. HUTTON: All right.

15 CHAIRMAN D. WILLIAMS: Many of my questions are

16 going to be the same and that is, what percentage contribution

17 for the total effort are you seeking from the Trustee Council?

18 So in terms of purchase of the building, what is the purchase

19 price of the building, in other words, what percentage does

20 \$275,000.00 represent?

21 MR. HUTTON: We don't know at this time. We

22 had an appraisal done. Right now we have only been talking

23 with the city about leasing the building, that was the original

24 proposal that the city put out was for a lease. All right? We

25 believe that this should be a permanent structure and so we

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1 went and had an appraisal done. But right now it only
2 appraises at \$275,000.00.

3 CHAIRMAN D. WILLIAMS: So you're asking that
4 the Trustee Council pay for the entire building?

5 MR. HUTTON: That's correct.

6 CHAIRMAN D. WILLIAMS: Okay. What percentage
7 of your total construction costs are you asking for from the
8 Trustee Council?

9 MR. HUTTON: I guess all of your questions
10 would probably be the same, Madam Chairman, and basically this
11 is the total amount, these are the amounts and we're asking for
12 anything that the Council would be willing to contribute.

13 CHAIRMAN D. WILLIAMS: Okay.

14 MS. McCAMMON: Madam Chair.

15 CHAIRMAN D. WILLIAMS: Yes.

16 MS. McCAMMON: Does this include the funds that
17 CAC has already invested in the project in terms of design?

18 MR. HUTTON: Well, those are included in the
19 design. But it's my understanding that any funds expended up
20 to the point where a contribution would be made by the Council
21 would not be recoverable. So we are probably \$100,000.00 into
22 it at this time, which probably are not recoverable. So I
23 guess to backtrack and answer your question, Madam Chair, that
24 \$100,000.00 is probably of the total design and construction is
25 the regional corporation's share at this point if my

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1 understanding is correct, I think as Molly indicated that at
2 one time.

3 CHAIRMAN D. WILLIAMS: Um-hum. And so the
4 amount in the far right column represents 100 percent of your
5 future costs for this effort?

6 MR. HUTTON: That's correct. That's total cost
7 of the entire project.

8 CHAIRMAN D. WILLIAMS: Okay. Did you discuss
9 among yourself whether that was appropriate to ask for 100
10 percent funding from the Trustee Council for this effort?

11 MR. HUTTON: I've not really been involved, and
12 I'm not trying to dance around this, I've been involved more in
13 the day-to-day management of this and Mr. Brown would probably
14 be more appropriate to talk to about that.

15 CHAIRMAN D. WILLIAMS: Okay. What is your plan
16 for working with Chugachmiut from today forward in coming to an
17 agreement on this approach or a modification of this approach?

18 MR. HUTTON: With Chugachmiut?

19 CHAIRMAN D. WILLIAMS: Yeah.

20 MR. HUTTON: I know that -- well, let me just
21 say that the regional board of directors had a meeting last
22 week and unanimously approved this, or not unanimously, I'm
23 sorry, it was overwhelmingly approved, 8 to 1, approved our
24 proposal. I know that they are also talking to Chugachmiut as
25 well as the villages. I don't know the outcome of any of that

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1 at this point, we're still in the preliminary stages there.

2 CHAIRMAN D. WILLIAMS: When do you think you'd
3 be prepared to report back to us on your discussions?

4 MR. HUTTON: I would hope by your next meeting,
5 by the public meeting, which is in September; is that correct?

6 MS. McCAMMON: There's no meeting scheduled at
7 this point, but whenever the Council wanted to have the next
8 meeting.

9 MR. HUTTON: I see.

10 CHAIRMAN D. WILLIAMS: But you think in
11 September?

12 MR. HUTTON: Sure.

13 CHAIRMAN D. WILLIAMS: Okay. Other Trustee
14 Council questions? Yes, Mr. Tillery.

15 MR. TILLERY: Okay. So on your operating
16 expenses, as I understand it you're projecting, say expenses of
17 865,000, then that is basically paid for by your revenues.
18 Those operating expenses, do they include money going out to
19 the villages, money for the spirit camps and those sorts of
20 things?

21 MR. HUTTON: Yes, yes.

22 MR. TILLERY: Okay. So you would be paying for
23 those sort of cultural programs out of the proceeds?

24 MR. HUTTON: That's correct.

25 MR. TILLERY: Okay. And what kind of

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1 commitment, I guess I'd be curious to know, in terms of time,
2 would you intend to fund that? Is that something you intend to
3 fund sort of in the indefinite future?

4 MR. HUTTON: Oh, yes, yes. We're only asking
5 for a one-time commitment by the Council, and after that we
6 anticipate this would be a self-sustaining.

7 MR. TILLERY: So what you're basically saying
8 is for -- if we will invest in the capital expenses, then you
9 will, over the years going.....

10 MR. HUTTON: That's correct.

11 MR. TILLERY:well, in the future will be
12 committing a whole lot of money to these kinds of programs?

13 MR. HUTTON: That's correct.

14 MR. TILLERY: What about the total profits
15 line, that's outside of the 865, which would include spirit
16 camps and stuff; would that also be reinvested in the cultural
17 programs or is that something.....

18 MR. HUTTON: That's correct.

19 MR. TILLERY: Well, what kind of things will
20 that go for?

21 MR. HUTTON: Well, that would still involve the
22 spirit camps, that would involve the educational outreach
23 programs, that kind of thing.

24 MR. TILLERY: Okay. So none of the sort of
25 profit component of this would actually go back into

00188

1 shareholder dividends or.....

2 MR. HUTTON: No, sir.

3 MR. TILLERY:other kinds of things?

4 MR. HUTTON: That's not the intent, no.

5 MR. TILLERY: Okay.

6 CHAIRMAN D. WILLIAMS: Anything else

7 Mr. Tillery?

8 MR. TILLERY: No.

9 CHAIRMAN D. WILLIAMS: Mr. Wolfe, do you have
10 questions?

11 MR. WOLFE: Not at this point.

12 CHAIRMAN D. WILLIAMS: Did you want to talk
13 about the Alutiiq Museum situation?

14 MR. WOLFE: Well, I'm not sure this is the time
15 to talk about it, but we could, Madam Chair.

16 CHAIRMAN D. WILLIAMS: Yes.

17 MR. WOLFE: Some of the questions that have
18 come out is, you know, what artifacts would go into the site,
19 where would they come from, you know, if they come off of the
20 State or public lands and that would be appropriate. But if
21 they come off of private lands, then it's viewed that that
22 should be your share of the cost. And what I'm hearing you say
23 is that you didn't talk about that at all.

24 MR. HUTTON: No, that really has not been
25 addressed.

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1 MR. WOLFE: Part of this whole discussion about
2 Alutiiq facility down at Kodiak is they, we thought, were going
3 to house the artifacts that were at Fairbanks, University at
4 Alaska-Fairbanks at this point and apparently that hasn't
5 happened. So that raises a whole new question about what do we
6 do with those if we can't put them down there.

7 MR. HUTTON: Our intent was to try to recover
8 the Chugach artifacts from like I know that the Park Service
9 has some in Portage, for example, places of that nature. To
10 bring them all into one central repository.

11 CHAIRMAN D. WILLIAMS: Artifacts that were
12 recovered during the oil spill or any artifacts that have been
13 recovered?

14 MR. HUTTON: Both actually, but preferably
15 during the oil spill.

16 CHAIRMAN D. WILLIAMS: Ms. McCammon, this is
17 something that I have heard indirectly and that is, is the
18 Alutiiq Museum storing and displaying the spill related
19 artifacts from the Kodiak area?

20 MS. McCAMMON: The short answer is no. This
21 was not written in as a precondition or a condition of their
22 grant for whatever reason. And I wasn't working at the Council
23 at that time, but it was not written as a condition of the
24 grant. After the museum was constructed, I know that -- and I
25 don't know if Veronica's still here or she's left -- I know

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1 that there was contact made with the University and there was
2 some efforts made to get the artifacts to the Alutiiq Museum at
3 that time. I think there was some conflicts and I know part of
4 it was because of accreditation, you know, whether it was
5 accredited at the time. I think there were also some
6 personality problems. There was also some questions about
7 splitting up the collection, there were a number of items. I
8 believe, it was pursued for a short time and not successfully
9 and they made no further efforts. Frankly, I don't think the
10 museum really wants the artifacts. They aren't from -- for the
11 most part, from the Kodiak region, they're not interested in
12 them, they have more interesting artifacts on the island that
13 they would rather display. And since it wasn't a condition of
14 the funding, they don't have them there.

15 CHAIRMAN D. WILLIAMS: Okay. Juneau, do you
16 have questions?

17 (No audible responses)

18 CHAIRMAN D. WILLIAMS: Frank, Michele, Steve?

19 MR. PENNOYER: We're here. I'm listening

20 Deborah, but no I don't have any questions.

21 CHAIRMAN D. WILLIAMS: Very good.

22 MR. PENNOYER: Thank you.

23 CHAIRMAN D. WILLIAMS: Thank you, Steve. I

24 actually have a couple additional questions. Going back to

25 Mr. Tillery's inquiry about ongoing expenses and Chugach

00191

1 Alaska's commitment to paying those. It looks, to me, from
2 page 13, that you're not anticipating that Chugach Alaska is
3 going to have to make any contributions to revenues in the
4 future, rather that admission fees and retail sales will cover
5 all expenses. Am I correctly interpreting?

6 MR. HUTTON: Yes, we're hoping that, yes.

7 CHAIRMAN D. WILLIAMS: Okay.

8 MR. HUTTON: There's no guarantee, of course.

9 CHAIRMAN D. WILLIAMS: Right.

10 MR. HUTTON: But we're hoping with SeaLife
11 Center right adjacent to it.

12 CHAIRMAN D. WILLIAMS: Right. Would you be
13 prepared to obtain and display the spill related artifacts from
14 the Chugach area in this center?

15 MR. HUTTON: Oh, absolutely.

16 MR. TILLERY: Assuming you can get them, I
17 assume?

18 CHAIRMAN D. WILLIAMS: Right. Can you describe
19 a little further how the \$100,000.00 per community would be
20 expended?

21 MR. HUTTON: Well, that would be -- every
22 community would have the opportunity to, as I say, apply for
23 this regrant of \$100,000.00 to upgrade a facility. Obviously
24 we don't -- we wouldn't like to have these -- these artifacts
25 will be sent out in special cases that we would have

00192

1 constructed, and they would require a certain amount of support
2 for these cases. So we would have to have facilities in the
3 villages that would be capable of supporting the cases, you
4 know, power, air conditioning, whatever. And so that's how
5 that money would be intended to be spent, either taking an
6 existing facility they have and upgrading it or perhaps adding
7 on to an existing community center or a school or something of
8 that nature. That's what we would see that for. But what we
9 would.....

10 CHAIRMAN D. WILLIAMS: Mr.....

11 MR. HUTTON: Excuse me, let me continue there.
12 What we would do is we would ask each village to submit a
13 proposal to like I say, either a State or Federal agency with a
14 cost estimate and that State or Federal agency would decide if
15 it was appropriate or not. And if it was then we would do the
16 regrant through that State or Federal agency.

17 MR. TILLERY: You had talked about curators in
18 the village -- were you talking about sending a curator out to
19 the villages or actually employing someone in the village?

20 MR. HUTTON: No. What we intend would be the
21 central repository would have a curator.

22 MR. TILLERY: Okay.

23 MR. HUTTON: And they would setup some type of
24 a rotational display in the villages or whatever, educational
25 programs. They would actually go out to the village. But they

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1 would not be in the village all the time.

2 MR. TILLERY: And there wouldn't be anybody
3 employed in the village through this program.....

4 MR. HUTTON: No.

5 MR. TILLERY:to interpret or curate or
6 anything like that?

7 MR. HUTTON: No. I just don't think there are
8 that many people available that have this kind of knowledge.

9 CHAIRMAN D. WILLIAMS: Is Chugach Alaska
10 committed to going forward with this project, perhaps a
11 slightly different configure, but going forward with a cultural
12 center even if the Trustee Council does not contribute to the
13 effort?

14 MR. HUTTON: Yes.

15 CHAIRMAN D. WILLIAMS: Yes, Mr. Wolfe.

16 MR. WOLFE: Madam Chair, you may have gotten to
17 what I was after, and that's that the portion that we would
18 probably have some interest in would be the repository, not the
19 display area or those kinds of things. So my question was, you
20 know, did you all do any discussion or could you, at least,
21 before we get together next time discuss what portion of the
22 cost that would represent?

23 MR. HUTTON: Sure, we can do that. That would
24 be the curator probably and there are certain requirements for,
25 as you're probably aware, for Federal artifact repositories

00194

1 that we have to meet, including staffing and that type of
2 thing.

3 MR. TILLERY: When you say, display, are you
4 talking about the performance areas? Are you talking about
5 those display cases and the traveling village displays?

6 MR. WOLFE: Madam Chair.

7 CHAIRMAN D. WILLIAMS: Yes, Mr. Wolfe.

8 MR. WOLFE: I was thinking of the areas where
9 they would display their arts and crafts.

10 MR. TILLERY: Right, okay. You're -- talking
11 about the repository displays?

12 MR. WOLFE: No, no, no, I separate that.

13 MR. TILLERY: All right.

14 CHAIRMAN D. WILLIAMS: Okay, are there any
15 other questions or comments for Mr. Hutton? Juneau?

16 MR. PENNOYER: No Deborah, thank you.

17 CHAIRMAN D. WILLIAMS: Yes. Mr. Hutton, thank
18 you very much for presenting this to us. And we'll look
19 forward to reviewing this with greater care. We'll also very
20 much look forward to your report on your discussions with
21 Chugachmiut, the village tribal councils and the village
22 corporations.

23 MR. HUTTON: I thank you for the opportunity.

24 CHAIRMAN D. WILLIAMS: Thank you.

25 All right. Is there any additional business that the

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1 Trustee Council should bring forward at this time?

2 (No audible responses)

3 CHAIRMAN D. WILLIAMS: Hearing none, I would
4 entertain a motion to adjourn.

5 MR TILLERY: (Inaudible)

6 MR. WOLFE: I second.

7 CHAIRMAN D. WILLIAMS: It's been moved by
8 Mr. Tillery and seconded by Mr. Wolfe that the Trustee Council
9 adjourn at this time. Is there any objection?

10 (No audible responses)

11 CHAIRMAN D. WILLIAMS: Hearing none, the
12 meeting is adjourned. Thank you very much.

13 (Off record - 4:47 p.m.)

14 (MEETING ADJOURNED)

