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1 EXXON VALDEZ OIL SPILL
2 TRUSTEE COUNCIL
3 TRUSTEE COUNCIL MEETING
4 Monday, November 30, 1998
5 9:30 o'clock a.m.
6 Anchorage, Alaska

7 TRUSTEE COUNCIL MEMBERS PRESENT:

8 U.S. DEPARTMENT OF AGRICULTURE -	MR. JAMES WOLFE
9 U.S. FOREST SERVICE	Trustee Representative
10 Chairman	
11 STATE OF ALASKA -	MR. CRAIG TILLERY
12 DEPARTMENT OF LAW:	Trustee Representative
13	for the Attorney General
14 STATE OF ALASKA - DEPARTMENT	MR. FRANK RUE
15 OF FISH AND GAME:	Commissioner
16 (Telephonically)	
17 U.S. DEPARTMENT OF INTERIOR:	MS. DEBORAH WILLIAMS
18	Special Assistant to the
19	Secretary for Alaska
20 U.S. DEPARTMENT OF COMMERCE - NMFS:	MR. BRUCE WRIGHT
21	for Steve Pennoyer
22	Director, Alaska Region
23 STATE OF ALASKA - DEPARTMENT	MS. MICHELE BROWN
24 OF ENVIRONMENTAL CONSERVATION:	Commissioner
25 (Telephonically)	

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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. VERONICA CHRISTMAN	EVOS Staff
9 MS. SANDRA SCHUBERT	Project Coordinator
10	EVOS Staff
11 MR. JOE HUNT	Communications Coordinator
12	EVOS Staff
13 MR. HUGH SHORT	Community Facilitator
14	EVOS Staff
15 DR. BOB SPIES	Chief Scientist
16 MR. STAN SENNER	Science Coordinator
17 MR. BUD RICE	National Park Service
18 MR. BOB ANDERSON	Department of Interior
19 MR. BARRY ROTH	DOI - Attorney-Advisor
20 MS. MARIA LISKOWSKI	U.S. Forest Service
21 MR. KEN HOLBROOK	U.S. Forest Service
22 MR. ROB BOSWORTH	ADF&G
23 MR. BILL HAUSER	ADF&G
24 MS. CLAUDIA SLATER	ADF&G
25 MR. BILL SIKES	USGS Biological Div., DOI

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1 TRUSTEE COUNCIL STAFF PRESENT (Continued):

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3 MR. DAVE IRONS

U.S. Fish and Wildlife
Service

4
5 Mr. Doug Eggers
6 (Telephonically)

Alaska Department of Fish
and Game

7 Mr. Jack Kelly
8 (Telephonically)

National Marine Fishery
Service

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(Mr. Bosworth sat in for approximately one hour for
Commission Rue of ADF&G)
(On record - 9:37 a.m.)

CHAIRMAN WOLFE: Well, good morning. We will
officially get the meeting underway here. The Trustee Council
members on line or in Anchorage today, we have Craig Tillery
from the Department of Law; Deborah Williams for the Department
of Interior; Bruce Wright for National Marine Fisheries/NOAA;
we have in Juneau Michele Brown for Department of Environmental
Conservation; and Rob Bosworth for State Fish and Game; and
myself, Jim Wolfe, for the Department of Agriculture.

To start the meeting off, we have an agenda. Have we
got any proposed changes or amendments to the agenda?

MS. D. WILLIAMS: Mr. Chairman, I move to
approve the agenda.

CHAIRMAN WOLFE: Motion to approve, do we have
a second?

MR. TILLERY: Second.

CHAIRMAN WOLFE: Have a motion and a second to
approve the agenda as written. Any discussion?

(No audible responses)

CHAIRMAN WOLFE: All in favor say aye.

IN UNISON: Aye.

CHAIRMAN WOLFE: Okay. At this point Deborah

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1 would like to -- oh, wait a minute. We have the approval of
2 the September 29th, October 15th and November 10th meeting
3 notes. Has everyone had a chance to review those and do we
4 have a motion to approve?

5 MS. D. WILLIAMS: Mr. Chairman, I move to
6 approve the minutes from September 29th, October 15th and
7 November 10th as written.

8 MR. TILLERY: Second.

9 CHAIRMAN WOLFE: Motion to approve and second.

10 All in favor say aye.

11 IN UNISON: Aye.

12 CHAIRMAN WOLFE: Okay.

13 MS. McCAMMON: Mr. Chairman.

14 CHAIRMAN WOLFE: Yes.

15 MS. McCAMMON: May I make one comment regarding
16 those meeting notes? I would like to note that the meetings on
17 October 15th and November 10th were called very quickly, they
18 were basically emergency meetings to deal with some minor
19 modifications to the Afognak acquisition. We had a little bit
20 of confusion in terms of our notice requirements of those two
21 meetings in particular. Because they were called at the last
22 minute we weren't able to do newspaper notices. We did put a
23 notice on the outside of the door here and notified those who
24 were involved in the issue. However, there was a confusion as
25 to whether our e-mail notification list and our fax

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1 notification list was -- whether these notices went out.

2 And it turned out for those two meetings that notice
3 did not go out to those who wished to be notified of meetings
4 in the future. I just wanted to make sure for the record here
5 and for those present that we will correct that to make sure
6 that that notification does go out in the future.

7 CHAIRMAN WOLFE: Okay. Thank you,

8 Ms. McCammon.

9 Ms. Williams.

10 MS. D. WILLIAMS: Mr. Chairman, Mr. Tillery,
11 Barry Roth, others, do we think there's any need to reconfirm
12 the action items from those meetings at this time?

13 CHAIRMAN WOLFE: I would defer to Craig.

14 MR. TILLERY: What happened, you didn't.....

15 MS. McCAMMON: The requirement is reasonable
16 public notice and they were meetings that were called at the
17 very last minute, they lasted 10 minutes. The notification was
18 fairly minimal.

19 MR. TILLERY: You typically send an e-mail and
20 a fax list and you sent them but somehow they technically
21 didn't go?

22 MS. McCAMMON: It didn't get sent out, that's
23 correct.

24 MR. TILLERY: It would cure any problems.

25 CHAIRMAN WOLFE: Do we need to, maybe, adjust

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1 the agenda then or at some point before we get out today run
2 through the technical changes that were basically made during
3 those sessions?

4 MR. TILLERY: That might be useful, just to do
5 that before we finish today.

6 CHAIRMAN WOLFE: Okay. So you'll tell us when
7 you're ready or when it fits best?

8 MR. TILLERY: Sure.

9 CHAIRMAN WOLFE: All right. Well, I'm sure you
10 have all the notes with you to.....

11 MR. TILLERY: I don't have any of the notes

12 CHAIRMAN WOLFE: Okay. All right. Thanks. Is
13 this a good time?

14 MS. D. WILLIAMS: Yes. If I could,
15 Mr. Chairman, I'd like to make a special introduction this
16 morning. As most of you know, this will be my last Trustee
17 Council meeting, my last day will be December 4th in my
18 position as Special Assistant to the Secretary. We're very
19 fortunate to have a wonderful Acting Interim Special Assistant
20 for the Secretary and for Alaska, Bob Anderson, who will begin
21 his responsibilities December 7th and will continue in that
22 role until my permanent replacement is named. And so, Bob, if
23 you could stand up so that everyone can see you. Bob will be
24 sitting in this chair for the Exxon Valdez Trustee Council and
25 will be the representative for the Department of Interior

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1 December 15th and any other meetings that occur prior to my
2 permanent replacement being named. But I did want to take this
3 opportunity to introduce Bob to all of you and I'm confident he
4 will do a wonderful job for the Department of Interior. And
5 I'll probably save my good-bye comments to the end of the
6 meeting.

7 CHAIRMAN WOLFE: Okay. All right.

8 MS. D. WILLIAMS: But Bob will have to leave in
9 a little bit because he has a lot of appointments, but thank
10 you for welcoming Bob.

11 CHAIRMAN WOLFE: Well, we welcome Bob and we
12 look forward to seeing you here. I guess our next meeting is
13 the 15th of December, so hopefully you can be there in Juneau
14 for that one.

15 MS. McCAMMON: It's a teleconference meeting
16 actually.

17 CHAIRMAN WOLFE: It is?

18 MS. McCAMMON: Yes.

19 CHAIRMAN WOLFE: Okay. Very good. Moving on
20 then -- and, Deborah, we look forward to your parting comments.
21 In any case, maybe we can move ahead with the Executive
22 Director's report at this time, Molly.

23 MS. McCAMMON: Thank you, Mr. Chairman. In
24 your packet you will have the financial report as of October
25 31st, 1998 and then also the quarterly report for the period

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1 ending September 30th. And you will see that under this latest
2 report, given remaining reimbursements, future Exxon payment,
3 remaining commitments, et cetera, in the Liquidity Account we
4 have an uncommitted fund balance currently of approximately 58
5 million and then, given all the future payments, the total
6 estimated funds available would be approximately 131 million.
7 And then in the Restoration Reserve nearly 80 million. So it's
8 a total of about \$210 million of funds available over the next
9 three years.

10 We've been spending a lot of time discussing how best
11 to manage and invest those funds. We have made some progress
12 in that area, we are now able to electronically transfer funds,
13 thanks to the help of Craig Tillery, Gina Belt, Traci Cramer
14 and others who worked very diligently on that. As a result of
15 this transfer we're already saving thousands of dollars rather
16 than having checks flying through the mail for a week, which
17 seems pretty archaic these days.

18 We're also looking at what to do with the EVOS funds
19 given that our amendment to move the funds out of the court
20 registry investment system did not pass through this Congress.
21 One of the options available to us is to transfer the funds to
22 the Department of Interior's NRDA, Natural Resource Damage and
23 Assessment Fund. We're looking at that right now. It has a
24 number of issues pertaining to it, whether our treasury
25 securities could transfer? Whether they would have to be

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1 liquidated first? What kind of oversight would be held over
2 those funds? What kind of assurances and security would the
3 Trustee Council have in terms of expenditure and oversight of
4 those funds? There's a number of issues.

5 We're not ready yet to bring it to the Council for the
6 Council's consideration, but I did want you to know that we are
7 exploring those issues. The Department of Law and the
8 Department of Justice and Department of Interior are all
9 working very closely on those. And we hope to have some kind
10 of a recommendation to you on that in -- probably in January.

11 One issue that we do have, however, is what to do with
12 some securities in the CRIS Fund, the Court Registry Investment
13 System, that did mature on November 15th. Those funds total
14 \$9,615,000. One of this issues have been how the Court
15 Registry System has been assessing fees when those securities
16 mature. On a cash basis, the fees for these maturing
17 securities should be about \$122,000, and that's what we're
18 currently estimating will be assessed against them. In the
19 past they have done it on an accrual basis, against not only
20 the maturing securities, but also against all of our other
21 securities. And if that were the case, we probably would be
22 charged something like three or \$400,000. So it substantially
23 less if it's done on a cash basis.

24 So the question, I think, before us today is whether to
25 keep those funds in the Liquidity Account, where they are

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1 currently, or to invest them in some longer range securities.
2 And just to answer questions and provide any kind of insight
3 that the Trustees might desire, I do have Bob Storer from the
4 Alaska Department of Revenue on line from Juneau. I've talked
5 with Bob over the last couple of weeks about the various
6 options and what he would recommend that the Council do.

7 Bob, are you there?

8 MR. STORER: Yes, I am. Can you hear me?

9 MS. McCAMMON: Yes, very well. Bob, if you
10 could just give the Council kind of your best estimate on
11 what's happening right now with treasury securities and given
12 the various options, limited options, that the Council has in
13 front of it, what you would recommend.

14 MR. STORER: Well, our evaluation really came
15 down into two areas, one, we looked at what you're offered in
16 the Liquidity Fund and the rate of return there. And then we
17 looked at the spectrum of U.S. Treasury investments and what
18 yields you could capture there. The other piece we looked at
19 was the safety of principal of the assets and felt,
20 particularly with the evaluation of other funds, that safety of
21 principal played an important role.

22 In terms of treasury securities, what we felt was,
23 reinvesting the assets out to November 15th, 2001 in strict
24 securities, captured most of the yield you could expect to
25 capture, yet still protects you from a safety of principal

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1 issue or protects you from market volatility. Having looked at
2 that -- and by the way, we feel that that investment you would
3 expect to earn about four and five-eighths, or slightly less
4 than a quarter percent more than the Liquidity Fund.

5 However, with further discussion in terms of how you
6 will be managing the assets in the future and some questions,
7 for example, the pursuit of this -- or the evaluation of this
8 NRDA Fund. We believe there's a warranted point of view that
9 would say that you would want to ensure that that principal of
10 the securities were protected from market volatility to the
11 degree of giving up modest yield to ensure that you could
12 reinvest those assets without penalty of market impact at a
13 future date. And so in our discussion we evolved away from the
14 November 15th, 01 and really opted, for the time being, putting
15 the assets in the Liquidity Fund might be appropriate,
16 particularly considering that you might be able to use that
17 NRDA Fund after the first of the year.

18 That is the speed version, I'd be happy to answer any
19 questions.

20 CHAIRMAN WOLFE: Okay. Ms. Williams.

21 MS. D. WILLIAMS: Just a point of discussion.
22 I will go ahead, if I could, Mr. Chairman, and make a motion
23 that we do put these monies in the Liquidity Fund.

24 MS. McCAMMON: They are in the Liquidity Fund
25 by default.

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1 MS. D. WILLIAMS: I mean that we retain them in
2 the Liquidity Fund, uh-huh.

3 CHAIRMAN WOLFE: Do we have a second? Is there
4 a question?

5 MR. TILLERY: I think that there probably is no
6 motion needed. That's where they are. We actually had a court
7 entered order moving them to the Liquidity Fund and so if we
8 want to leave them there, I don't believe any action, actually,
9 is necessary.

10 MS. D. WILLIAMS: Do you think that's -- I
11 noticed a little star next to our items.

12 MS. McCAMMON: Well, if you wanted to do
13 something different.

14 MS. D. WILLIAMS: All right.

15 MR. TILLERY: Mr. Storer, can you tell me, what
16 is the current yield in the Liquidity Fund?

17 MR. STORER: My understanding the current yield
18 in the Liquidity Fund is about 4.4 percent. If you were to
19 invest in the securities maturing 11/15/01 you would earn
20 approximately four and five-eighths in today's market, so again,
21 you're going to give up less than a quarter of a percent, but
22 you're going to ensure that you have the safety of principal so
23 you can redirect the assets when you determine what funds would
24 be appropriate.

25 CHAIRMAN WOLFE: Any other questions?

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1 MR. WRIGHT: Mr. Chair.

2 CHAIRMAN WOLFE: Bruce.

3 MR. WRIGHT: Mr. Storer, do you know what
4 percentage we would obtain if we had our funds in the NRDA
5 account?

6 MR. STORER: No, I'm sorry, I'm not familiar
7 with that account. In limited discussions, I'm under the
8 impression that you would have the flexibility to perhaps
9 construct a portfolio you deemed appropriate, which would mean
10 that you could get a -- if that is correct then you should be
11 able to capture, were you to invest it today, similar returns
12 to the treasury strip [sic] that you're earning in the separate
13 account.

14 CHAIRMAN WOLFE: Ms. McCammon.

15 MS. McCAMMON: Mr. Chairman, the NRDA Fund is
16 limited to investment in treasury securities so there's not
17 really an advantage there in terms of flexibility of investment
18 potential. The advantage is that the fees charged would be
19 considerably less than they're charged currently by the court
20 system. So that would be -- the big gain would be in the
21 lessening of the fees. One of the big questions that we had
22 was whether our securities in the court system can be just
23 transferred over to the NRDA Fund without liquidating them.
24 And the initial opinion that we've received from the Department
25 of Treasury is that it's not permissible. In which case we

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1 would have to liquidate them. And I discussed this with
2 Mr. Storer this morning, and he thought that that would be a
3 detriment, that he would recommend against liquidating them and
4 reinvesting them at this time.

5 CHAIRMAN WOLFE: So we don't need a motion or a
6 decision, at this point, on this. This is no change?

7 MR. TILLERY: If we wish to leave it in there,
8 then I don't believe we need a motion.

9 CHAIRMAN WOLFE: What I'm hearing --
10 Ms. Williams.

11 MS. D. WILLIAMS: I'll withdraw my motion.

12 CHAIRMAN WOLFE: Okay. Motion withdrawn. And
13 it sounds like we don't really get any benefit from moving it
14 over to the NRDA account at this point in time. I assume the
15 reason for not moving it out of the Liquidity account is that
16 we would lose some revenues that we are -- maybe that's not the
17 case, but.....

18 MR. STORER: Mr. Chair, this is Bob Storer.
19 What I would suggest is that once you have a complete
20 evaluation of the NRDA Fund, that the Treasury Division would
21 be happy to evaluate the impact of liquidating the securities
22 and comparing them -- versus the options in the NRDA Fund at
23 that time.

24 (Mr. Bob Anderson departs - 9:55 a.m.)

25 CHAIRMAN WOLFE: Okay, very good. Thank you,

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1 Mr. Storer. Anything else on this issue, Molly?

2 MS. McCAMMON: Mr. Chairman, I would just hope
3 by January we could come back to you with a more detailed
4 discussion of the pros and cons of moving to the NRDA Fund and
5 with a recommendation on that. I think that's a target that's
6 realistic. At one point we thought it was a decision that
7 could be made very simply, but it's a lot more complicated than
8 we had originally thought. But I think January is a realistic
9 time. And I would hope that at that time the Council could
10 make a decision whether to do so or not. If the decision is
11 not to move into it, then there could be some other decisions
12 about longer term investment within the court system.

13 CHAIRMAN WOLFE: Okay. And if I read it right,
14 you're going to go ahead and work with Interior to start the
15 ball moving on that end of it.

16 MS. McCAMMON: We have, yes.

17 CHAIRMAN WOLFE: Yes, okay.

18 MS. McCAMMON: Yes.

19 CHAIRMAN WOLFE: Okay. Very good.

20 Ms. Williams.

21 MS. D. WILLIAMS: If I could, Mr. Chairman,
22 just thank Bob Storer for his analytical efforts on this and
23 appreciate his efforts in the past and look forward to him
24 continuing to work on some of these issues in the future.

25 CHAIRMAN WOLFE: Very good.

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1 MR. STORER: We're happy to be of assistance,
2 thank you.

3 CHAIRMAN WOLFE: Thank you, Mr. Storer.
4 Okay, Molly.

5 MS. McCAMMON: I should also mention, too, that
6 not only do we have the maturing securities of 9.6 million, we
7 also have 1998 deposition into the Reserve Fund that is still
8 currently in the Liquidity account accruing interest, and that
9 is now 12,675,000. So the account was put in there until a
10 decision was made to actually transfer it into the reserve, but
11 it's sitting in the Liquidity account being accounted for
12 separately. But that is still there, too. So at some point
13 the Council needs to make a decision on that.

14 Moving on to habitat protection. I'm sure many of you
15 saw the newspaper and radio stories last week, the Afognak
16 Joint Venture acquisition did close last week. Forty-one
17 thousand some-odd acres of land are now being transferred to
18 the State of Alaska and Department of Interior as potential
19 parts of the Afognak Island State Park and then they will
20 become part of the Kodiak Island National Wildlife Refuge. The
21 Governor did use his executive authority to make that
22 transaction possible and it's something we worked long and hard
23 for and are really pleased to see it happen.

24 I want to especially acknowledge all of the work of the
25 attorneys that went into that. Alex Swiderski, who is on a

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1 well-deserved vacation right now, did a excellent job in terms
2 of putting together all of the paperwork, this was a very
3 complex deal, it was done in a relatively short amount of time.
4 He's just done a really great job and I really want to
5 particularly acknowledge his efforts.

6 Barry Roth has been very helpful at the Department of
7 Interior, getting through some of the hoops that we had to go
8 through there. John Schoen with Audubon Society was very
9 instrumental with Mike Weidmer at Fish and Game at putting
10 together the final details of the acquisition and actually
11 developing what areas were most important for habitat
12 protection and what areas could be -- go forward for logging
13 purposes. It was just a great team effort and I just want to
14 recognize everyone's help in this and thank you very much for
15 it. It's a great deal.

16 CHAIRMAN WOLFE: Ms. Williams.

17 MS. D. WILLIAMS: I would like to second
18 Molly's commendations to the team that worked so hard. At
19 Interior we do particularly applaud the work of Alex Swiderski,
20 he did an extraordinary job on what ended up being our most
21 complex acquisition. I would also like to thank Barry Roth and
22 Dennis Hopewell with the Department of Interior for their great
23 efforts. I cannot say enough thank yous to Barry and Dennis
24 for their incredible efforts to allow these habitat
25 acquisitions to go forward. And to thank everyone else, such

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1 as John Schoen and others. This was one of the Trustee
2 Council's most important habitat acquisitions. This is one
3 that is so easy for people to understand, the direct
4 relationship between habitat acquisition and restoration.

5 As we know, we purchased lands on which there was
6 extraordinarily old growth trees. These trees, in all
7 likelihood, would have been cut. The relationship between
8 several injured resources and these trees was clear. Marbled
9 murrelets nest in the trees, these trees provide important
10 buffer habitat for salmon and other species. And so when
11 anyone asks what is the relationship between habitat
12 acquisition and restoration, a wonderful example is Afognak and
13 AJV. Marbled murrelets will not be able to recover without
14 having nesting habitat. Salmon will not be able to recover
15 without having well-buffered streams. And the examples can go
16 on and on.

17 So on behalf of the Department of Interior, I want to
18 commend everyone who worked on it and I want to applaud the
19 acquisition as representing restoration at its best.

20 CHAIRMAN WOLFE: Thank you. Anyone else?

21 (No audible responses)

22 CHAIRMAN WOLFE: I would like to just second
23 both Molly and your comments on this. Alex and the others have
24 put in a lot of hours making those deals happen, we all know
25 how difficult it can be, so it's a significant achievement for

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1 us. Okay.

2 MS. McCAMMON: Mr. Chairman, I also want to
3 acknowledge that Craig Tillery allowed Alex to go on vacation
4 and in doing so meant that for the actual last two days of the
5 acquisition he was there couring [sic] around the final deal to
6 be signed and making sure that, at the last minute, all the
7 last minute glitches were cleaned up and we actually were able
8 to get this thing forward, so thank you, too, Craig. And I'm
9 sure Alex thanks you.

10 The acquisition that we're now working most diligently
11 on is the Eyak acquisition. This one went out to shareholder
12 vote during the summer and fall, it was overwhelmingly approved
13 by the shareholders. We are attempting to do a closing on this
14 by the end of the year. We have some details, some minor
15 issues that will be discussed in executive session at lunch,
16 and we anticipate there will be some minor amendments to the
17 resolution following that discussion.

18 The other acquisition that we're still working on is
19 Koniag, and this is for Phase II, the permanent protection of
20 the Karluk and Sturgeon Rivers. We've been having the
21 discussions with Koniag. At this point our biggest
22 disagreement or dispute is over the value of those lands and we
23 aren't making progress at this point, but we're still
24 continuing to discuss things.

25 And that is it, at this point, for habitat.

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1 MS. D. WILLIAMS: Mr. Chairman.

2 CHAIRMAN WOLFE: Ms. Williams.

3 MS. D. WILLIAMS: I noticed that there's some
4 other public members at the door and I think we have run out of
5 space. I know Joe Hunt is sitting there. And so I don't know
6 if the fire service will allow us to accommodate many more
7 people in here, but at the very least we might put some chairs
8 out there so, Ms. McCammon, if someone could accommodate the
9 public?

10 MS. McCAMMON: Yes.

11 CHAIRMAN WOLFE: Thank you.

12 MS. McCAMMON: Let's see, a couple of other
13 items I wanted to bring to your attention today, too. First of
14 all, on the revision of the injured species list and recovery
15 objectives. As you'll recall, this first list was included in
16 the Restoration Plan adopted by the Council in November of
17 1994, it was amended and updated in the fall of 1996. We're in
18 the process now of reviewing all of the data and information
19 from our various research projects. We have a draft that's now
20 circulating and will soon be ready for agency review. We
21 anticipate that this will go out for public review in January.
22 The Public Advisory Group will be meeting sometime later in
23 January and will be looking at this and having some reaction
24 and comments to it. And then it will come to the full Trustee
25 Council for your consideration in probably late January, early

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1 February.

2 We expect, at this time, that there will be some
3 movement between -- I think last time we declared the bald
4 eagle recovered, in this next go-round I anticipate there will
5 be some further movement of species to the recovered list from
6 those that are not recovering to the recovering list, so that
7 is all currently under drafting and revision right now and
8 you'll be seeing it soon. But I just wanted to give you a
9 heads up on that.

10 We're also beginning to put together the invitation for
11 proposals for FY2000, which is the next fiscal year. And if
12 you'll recall our target for this fiscal year for the Annual
13 Work Plan was 10 to \$12 million. You haven't taken action yet
14 on the last of the deferred projects, that will be on December
15 15th, but by the time the final recommendation is put together
16 on that I think my final recommendation on this year's Work
17 Plan will be around 11 and a half million dollars or so. It
18 came closer to the 12 than to the 10.

19 Now, we've looked through all of those projects and
20 tried to anticipate which ones will be continuing into the next
21 fiscal year and what their anticipated costs and at a very --
22 kind of at the highest amount estimate possible, which is
23 usually what the proposers request, we anticipate that
24 continuing projects will be about \$6 million in FY2000. For
25 that reason what we will be recommending to you is that the

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1 target for FY2000 for the Work Plan be \$8 million. This would
2 be about \$6 million of continuing projects and about \$2 million
3 of new efforts.

4 Originally we had been looking at 10 million for that
5 year if we were to do the two million a year decline, but given
6 where we are in the program, I actually think it would be
7 better to take it down a little bit more dramatically this year
8 and use some of those additional funds, kind of at the tail
9 end, to cushion any transition into the reserve account or
10 depending on what the Council wants to do in the future.

11 So I don't know if you're ready to take action on that
12 or at least give me some feedback or response or if you would
13 rather wait until January. The invitation goes out on February
14 15th to the public.

15 MS. D. WILLIAMS: Mr. Chairman.

16 CHAIRMAN WOLFE: Ms. Williams.

17 MS. D. WILLIAMS: I move that the Trustee
18 Council give the EVOS staff guidance that an \$8 million Annual
19 Work Plan target is a positive one and appropriate.

20 CHAIRMAN WOLFE: Do we have second?

21 (No audible responses)

22 CHAIRMAN WOLFE: I would second but with some
23 discussion because I would like very much to see the updated
24 list or status on the injured species and to hear some of the
25 discussions on what needs to be done in those areas before we

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1 come down to a final number, but I think that for a target I
2 think that maybe the eight would probably be appropriate at
3 this point in time for planning purposes, to give Molly
4 something to work from in the interim and we can adjust that at
5 some later date if we need to.

6 Any other discussions? Craig.

7 MR. TILLERY: Mr. Chairman, it seems to me that
8 the year 2000 Work Plan is about when the Council, if we do
9 determine that the reserve is going to involve a long-term
10 program that our year-to-year program might start to want to
11 start migrating in that direction, and that we might want to
12 start looking at some projects or whatever that tend to take on
13 a longer term cast until we make a decision on what to do with
14 the reserve, that's not something we can do. And until then
15 I'm not sure what that target.....

16 CHAIRMAN WOLFE: Right number ought to be.

17 MR. TILLERY:should be because there
18 might be -- and I don't know if there would be any proposals
19 that would be affected by that short of a shift in research
20 strategy, but we might know more in January than we know now or
21 December.

22 How late can we wait to give you that target?

23 MS. McCAMMON: I believe it goes to the printer
24 February -- I don't know where Sandra is. February.....

25 MS SCHUBERT: February 1st.

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1 MS. McCAMMON: About February 1st. What we
2 could do. I think there's -- well, first of all there would
3 be, even under an \$8 million target there's still \$2 million
4 for new projects and certainly some, if not a lot of that,
5 could include some of these kinds of projects getting
6 transitioned into a longer term program. So I think there's
7 enough flexibility in that target to accommodate that. But
8 certainly what we could do, and when we do bring to you in late
9 January the injured species list, because part of any longer
10 term program also would include continuing work on injury that
11 is still manifesting itself. We could do a presentation at
12 that meeting at that time and kind of go into how we saw the
13 Work Plan over the next three years and kind of what some
14 transition might be. And that would give you a greater comfort
15 level in terms of what might be included in the Work Plan for
16 next year.

17 And if I had any additional feedback on what you'd like
18 to see in a presentation like that, we'd put that together.

19 MR. TILLERY: I think that would sort of be my
20 advice, Mr. Chairman.

21 CHAIRMAN WOLFE: So what I hear you saying is
22 we don't want to move forward with a motion at this time, to
23 defer until January to set some kind of a target ceiling for
24 the funding?

25 MR. TILLERY: Mr. Chairman, that would be my

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1 inclination.

2 CHAIRMAN WOLFE: So we can -- Ms. McCammon, do
3 you need anything from us, though, in the interim to get you
4 going on putting the packet together for the year 2000?

5 MS. McCAMMON: Not really because this is just
6 a draft invitation and we'll still have -- some of the elements
7 of it will still be out circulating for review and you can kind
8 of fuss the amounts.

9 CHAIRMAN WOLFE: Ms. Williams, would you like
10 to reconsider your motion at this point?

11 MS. D. WILLIAMS: Well, since the Trustee
12 Council requires unanimity and we don't have it, I will not
13 force a vote on the motion and I will withdraw it, although I
14 support it.

15 CHAIRMAN WOLFE: Very good. Thank you. All
16 right. You had more on the.....

17 MS. McCAMMON: The only other item that I did
18 want to bring up is the 10 Year Event in March and we're still
19 making progress on that. I have here the registration
20 brochures that went out to our mailing list and thousands of
21 others. It's getting widespread attention and we anticipate a
22 good response. We're getting out, this week, the final
23 invitations to the three Secretaries and hopefully we'll get
24 some response from them early in the year.

25 As far as I know, this is the major event commemorating

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1 the 10 years after the spill, although there's also an event in
2 Valdez the weekend before the Council's symposium that's being
3 sponsored by the Prince William Sound Regional Advisory
4 Committee, the Prince William Sound Community College and the
5 City of Valdez and that symposium is focusing primarily on
6 response and prevention.

7 CHAIRMAN WOLFE: Okay. Ms. Williams.

8 MS. D. WILLIAMS: A couple items. First of
9 all, I commend the staff for not using the word anniversary. I
10 think it was very sensitive and, of course, we received several
11 public comments that it was an inappropriate word, so you have
12 done well in talking about legacy as opposed to anniversary.

13 I did already express this concern to Ms. McCammon, so
14 this will come as not a surprise. I was disappointed that
15 there was very, very little mention or focus of habitat
16 acquisition in here. And I thought it was a pretty substantial
17 oversight and hope that that will be rectified in laying out
18 both the agenda and the discussion of what this retrospective
19 is going to do. I do have comments which I will bring later on
20 with respect to the restoration reserve habitat acquisition
21 description. I, of course, will not be involved in the work
22 between now and March 23rd, but I can say as a five-year
23 Trustee that I hope that that oversight will be substantially
24 rectified.

25 CHAIRMAN WOLFE: Good point, Ms. Williams,

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1 because we put a lot of significant effort into that and it was
2 a significant part of the Restoration Plan, so a point well
3 made.

4 MR. WRIGHT: Mr. Chairman.

5 CHAIRMAN WOLFE: Mr. Bruce.

6 MR. WRIGHT: Actually, Ms. Williams, what this
7 lays out is mostly the technical session, Wednesday through
8 Friday, and those are very science-oriented. The plenary [sic]
9 day we do have an opportunity, and we will have somebody give
10 presentations on our Habitat Protection Program and give it its
11 due credit.

12 MS. D. WILLIAMS: Well, I would certainly hope
13 there could be technical sessions on habitat acquisitions, too.
14 I don't know why that would only be restricted to a small part
15 of one day.

16 MR. WRIGHT: Well, in fact, there wasn't a lot
17 of research associated with -- a lot of peer review type
18 research associated with actually going out and doing our
19 Habitat Protection Program, except there's been an awful lot of
20 research that supported the reasons behind our going out and
21 protecting habitat, marbled murrelets, salmon, harlequin ducks
22 and, in fact, in the technical sessions we'll have substantial
23 amount of research results presented on those topics that do
24 support why we have a Habitat Protection Program. So,
25 indirectly, very much of this program does shed light on why

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1 we're doing habitat protection and that will be reflected at
2 the symposium.

3 MS. D. WILLIAMS: With respect to that, if it
4 is true that this is really only on the technical session, is
5 there going to be another one of these issued which will be
6 more focused on the first day or do we anticipate this is the
7 only mailing?

8 MR. WRIGHT: The Annual Report.

9 MS. McCAMMON: Well, we will have -- there will
10 be other information that goes out on that that will highlight
11 in more detail the first day agenda, which goes into a lot more
12 detail, habitat protection is a major part of our program.

13 CHAIRMAN WOLFE: Ms. Williams, do you have
14 more?

15 MS. D. WILLIAMS: Yeah. Well, I would just ask
16 the organizing group to take another look, both at this and at
17 the program, particularly the technical programs, and see if
18 there could be some specific and direct focus on habitat
19 acquisition. And also bear in mind -- because I could not find
20 the phrase "habitat acquisition" in here. I cannot find it.
21 Bear in mind that that is a critical component of restoration
22 for the reasons I described before and that it be well
23 represented in the program.

24 CHAIRMAN WOLFE: Any other discussion on that?

25 MR. WRIGHT: I do have a comment. If anybody

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1 has had the opportunity to coordinate a symposium they'll know
2 how much work it is and there's one person, our Science
3 Coordinator, Stan Senner, that has been the lead man and I
4 think it takes about 90 percent of his time and he uses the
5 weekends for doing the rest of his job, I guess. But it's a
6 huge task. I kind of ride on the sidelines because I
7 coordinated the one in '93 and I said I would never do it
8 again. And I think Stan will say he will probably never do it
9 again, but I'd like to commend Stan for all of his efforts in
10 that regard. Thanks.

11 CHAIRMAN WOLFE: Any more on the 10 Year
12 Legacy?

13 MS. McCAMMON: That's it, Mr. Chairman.

14 CHAIRMAN WOLFE: At this point we're up to the
15 public comment, we're a little ahead of schedule. Is it
16 appropriate or can we go ahead and start the public comment at
17 this time?

18 MS. McCAMMON: Might as well go.

19 CHAIRMAN WOLFE: All right. I'm not sure who
20 all we have on line at this point, but do we have a list of
21 folks here in Anchorage that would like to comment? Okay.

22 MS. D. WILLIAMS: Oh, big list. Well, I know
23 we have Pam in Homer.

24 CHAIRMAN WOLFE: Yeah. Okay. I have a very
25 extensive list for Anchorage. Maybe I can get some sense for

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1 how many folks are out at the remote sites. Juneau, do we have
2 anyone that would like to testify in Juneau? Or to give
3 comments?

4 (No audible responses)

5 CHAIRMAN WOLFE: No. Anyone at Cordova?

6 (No audible responses)

7 CHAIRMAN WOLFE: How about Homer? Pam? Is
8 anyone at Homer that would.....

9 MS. BRODIE: Pardon me?

10 CHAIRMAN WOLFE: Would you like -- we're
11 getting ready to go into our public comment or have started our
12 public comment session, would you like to make any comments at
13 this time, Pam?

14 MS. BRODIE: I'm sorry, I thought I was on
15 listen only, so I didn't realize that you'd be able to hear me.

16 CHAIRMAN WOLFE: That's fine.

17 MS. BRODIE: I would just say something very
18 briefly. This is Pam Brodie in Homer, B-r-o-d-i-e. And I'd
19 like to encourage the Trustees when the time comes when you
20 make decisions about how to spend the Restoration Reserve or
21 about planning for the Restoration Reserve, I'd like to
22 encourage you to provide for some flexibility in there, because
23 I think we're facing a situation now in which over many years
24 to come there may be tremendous opportunities to acquire new
25 large parcels and there may not be, because prices may not be

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1 right or some other reasons. So I would hope that the Trustees
2 wouldn't look at the situation now and say, well, it looks like
3 it's going to be difficult to do more large parcels so there's
4 no need to have money available, but rather to set up a
5 situation in which future Trustees will be able to take
6 advantage of opportunities that may arise.

7 That's it. Thank you very much.

8 CHAIRMAN WOLFE: Okay. Thank you, Ms. Brodie.

9 Any questions for Ms. Brodie?

10 (No audible responses)

11 CHAIRMAN WOLFE: Okay. Is there anyone else at
12 Homer who would like to testify or comment at this point?

13 MS. BRODIE: I think I'm the only one.

14 CHAIRMAN WOLFE: You're it. Okay. We have
15 Fairbanks on line, is there anyone in Fairbanks that would like
16 to comment?

17 (No audible responses)

18 CHAIRMAN WOLFE: Okay. Are there any other
19 remote sites on line today?

20 (No audible responses)

21 CHAIRMAN WOLFE: Doesn't sound like it. Okay.
22 Well, we're ready to start here in Anchorage. We have quite a
23 long list and we have about an hour set up, plus a little extra
24 time, but I would recommend that we keep our comments to about
25 three minutes, that's what our normal is for these sessions.

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1 So if we could start with the first one on the list, Andy
2 Shangin. Andy, would you like to come up front and just state
3 your name and maybe spell your last name for the record.

4 MR. SHANGIN: Andy Shangin, S-h-a-n-g-i-n, I'm
5 from Perryville. I'd like to thank the Council for Restoration
6 and I'd like to see it build up more.

7 CHAIRMAN WOLFE: Is that the extent of your
8 comments at this point, Andy?

9 MR. SHANGIN: Also I'd like a tagging study on
10 salmon, migration routes, how the water is changing.

11 CHAIRMAN WOLFE: Are there any questions for
12 Mr. Shangin? Mr. Tillery.

13 MR. TILLERY: You're from Perryville?

14 MR. SHANGIN: Yes.

15 MR. TILLERY: And is that -- did we fund a coho
16 study in that area?

17 MR. SHANGIN: Yes.

18 MR. TILLERY: How has that worked out?

19 MR. SHANGIN: It's doing good, but I'd like to
20 see more.

21 MR. TILLERY: Any particular kinds of study?
22 We haven't devoted as much attention to that area as we have
23 some others.

24 MR. SHANGIN: Maybe a larger habitat.

25 MR. TILLERY: Habitat acquisition type thing or

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1 habitat study?

2 MR. SHANGIN: Bigger area so the fish can spawn
3 a little better.

4 MR. TILLERY: Oh, so improve the spawning
5 habitat?

6 MR. SHANGIN: Uh-huh (affirmative).

7 CHAIRMAN WOLFE: Ms. Williams, did you have a
8 question?

9 MS. D. WILLIAMS: I was just going to follow up
10 on the habitat question. You think there's some habitat you
11 think needs to be protected in the peninsula and/or you think
12 that spawning.....

13 MR. SHANGIN: I just want to see it built up.
14 Also mine's to Steve Pennoyer, we got dragging there in the
15 village. I'd like to see it slowed down.

16 MR. WRIGHT: Are they doing some dragging for
17 pollock?

18 MR. SHANGIN: Yes.

19 MR. WRIGHT: Okay. I'll pass that on to
20 Mr. Pennoyer, I'm sitting in for him today.

21 CHAIRMAN WOLFE: Any other comments?

22 (No audible responses)

23 CHAIRMAN WOLFE: Very good. Thank you,
24 Mr. Shangin.

25 MR. SHANGIN: Thanks.

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1 CHAIRMAN WOLFE: Next person on the list is
2 Gerald Kosbruk. May be mispronouncing this. Gerald, if you'd
3 like to come up front. Also from Perryville.

4 MR. KOSBRUK: Good morning.

5 CHAIRMAN WOLFE: Spell your last name.

6 MR. KOSBRUK: K-o-s-b-r-u-k.

7 CHAIRMAN WOLFE: Okay.

8 MR. KOSBRUK: I'm President of our Village
9 Council and I have questions on your public meetings.

10 CHAIRMAN WOLFE: Go ahead.

11 MS. KOSBRUK: I see you got like one day in one
12 village and one day in the next, like one right after the
13 other, so I was thinking that maybe if you guys could spend two
14 or three days in each village or something like that.

15 CHAIRMAN WOLFE: Okay. Ms. McCammon, any
16 comment?

17 MS. McCAMMON: Well, the only reason we were
18 doing that is because we had, I think we had, what, 30 meeting
19 scheduled in a pretty short period of time in the spring, so it
20 just wasn't possible. We'd love to spend two or three days in
21 each village and, in fact, I think we ended up, sometimes due
22 to weather, spending that.

23 MR. KOSBRUK: Sort of like putting on the boots
24 and going out and see what's going on around here?

25 MS. McCAMMON: Yeah, it's hard to get a good

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1 feeling for a community when you just fly in and fly out, but -
2 - I don't know if Hugh has gone -- Hugh, have you gotten to
3 Perryville?

4 MR. SHORT: Actually we were weathered out.

5 MS. McCAMMON: You were weathered out of
6 Perryville.

7 MR. SHORT: Stan and myself to Perryville.

8 MS. McCAMMON: Yeah, they spent the time -- I
9 think they ended up with a little bit longer time in the
10 Chigniks.

11 MR. KOSBRUK: And direction on this guy here,
12 just an emphasis on what Andy said on the dragging area and
13 stuff, I think we need to see you guys out there more often.

14 MR. WRIGHT: You mean enforcement people?

15 MR. KOSBRUK: Yes.

16 MR. WRIGHT: Now, is the drag.....

17 MR. KOSBRUK: Also doing -- like we have sea
18 lion rookeries around the area and you guys know all about the
19 sea lion population going down, so.....

20 MR. WRIGHT: And, of course, the sea lion
21 rookeries have a protected zone around them, including in that
22 area. Are you.....

23 MR. KOSBRUK: I can tell you we have boats
24 that, here's the rookery, the rookery is right there and.....

25 MR. WRIGHT: Okay. I'll have somebody contact

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1 you.

2 MR. KOSBRUK:the reason the sea lions are
3 there is because the fish are there and going by the area.
4 That's the reason the boats are there and stuff like that, so
5 we'd like to see you guys there a lot.

6 MR. WRIGHT: Yeah, it's interesting
7 information, we'll have somebody follow that up, somebody from
8 enforcement. Can I have them contact you?

9 MR. KOSBRUK: And also -- I mean, like, having
10 you guys contacting our village every year or something. See a
11 lot more enforcement.

12 MR. WRIGHT: Yeah, we would like to have a lot
13 more enforcement. It's a big state and they are spread very
14 thin, you're right.

15 MR. KOSBRUK: I could tell you that the drag --
16 there's supposed to be limit, is there a three-mile limit or
17 something? They come right up to our beaches.

18 MR. WRIGHT: Well, I think for pollock the
19 fishery is co-managed by the State and the Federal government
20 and so when they open an area, sometimes the areas are within
21 three miles.

22 MR. KOSBRUK: Well, they're right in front of
23 our village at times.

24 MR. WRIGHT: Yeah, I understand your concern.

25 MR. KOSBRUK: That's about all I had and thank

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1 you.

2 CHAIRMAN WOLFE: Very good. Thank you.

3 Questions for.....

4 MS. D. WILLIAMS: Mr. Chairman.

5 CHAIRMAN WOLFE: Ms. Williams.

6 MS. D. WILLIAMS: Both of those comments were
7 very important and thoughtful and they raise an issue that,
8 again, being my last meeting it's sort of late to bring this
9 up, an issue that I've been interested in, and maybe it's
10 something that could be focused on at the 10th Year Event, and
11 that is the relationship between injured resources, research
12 and actual agency action, be it increased enforcement, be it
13 modifying take of either injured resources or related resources
14 to help injured resources. And that is a story that I don't
15 know that we focused very much on. I don't know what NOAA has
16 done, for example, or what the State of Alaska has done with
17 respect to either enforcement or modifying take as a result of
18 the Exxon Valdez oil spill. Or what they've done as a result
19 of various research that we've conducted.

20 So I put that issue before all of us to think about,
21 and your points were so well taken because that's part of
22 restoration.

23 MS. McCAMMON: Mr. Chairman, just a minute to
24 respond to that real quickly in the middle of public comment.
25 This was an issue that has actually been brought over the past

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1 couple of years, we had discussion about it with the Council at
2 the August meeting on how best to ensure that the information
3 that's being generated by millions of dollars worth of research
4 actually is integrated into agency management. And we talked
5 about that quite a bit, we had another discussion among the
6 restoration work force, we set up a work group that's going to
7 be meeting on that this winter and putting together some
8 various options for consideration.

9 Whenever we go through putting highlights together of
10 the research program for the annual report and for other
11 publications we always do highlight those actual times when we
12 know for certain that research was used in a management action.
13 A lot of it -- you know, how you get it in when it's not just
14 related to an actual decision but it's actually kind of a part
15 of the agency culture to know that that information is there,
16 something we'll be working on this winter.

17 MS. D. WILLIAMS: One last thing. And, of
18 course, Ms. McCammon well described half of the issue that I
19 raised and that is relationship in research and agency
20 reaction. The other half is what did agencies do, what have
21 the agencies done in the last 10 years in terms of normal
22 agency function that, you know, reflected their desire to help
23 restoration, outside of the EVOS process? And that might be
24 something -- I don't know if there's still time to think about
25 that or add that to the 10th Year Event, but that is something

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1 I sometimes get asked about, particularly -- and I get asked
2 more about that with respect to NOAA and the State involved in
3 fishing and I haven't known the answer, and that's probably an
4 answer that's worth looking up.

5 CHAIRMAN WOLFE: Very good. That is actually a
6 question that Forest Service gets posed with occasionally
7 because of the activities on natural forest land and what are
8 you doing to make sure that they aren't impacting the injured
9 resource. So that's good. I'm not sure how it would be
10 integrated into 10th Year Event, but there should be some
11 discussion on that. Maybe something we can ask the agencies to
12 address.

13 MS. D. WILLIAMS: Uh-huh.

14 CHAIRMAN WOLFE: And provide some time for a
15 forum on that.

16 MS. McCAMMON: I can put something together and
17 put some thought and make a recommendation on that.

18 CHAIRMAN WOLFE: Okay. Moving along here into
19 public comments. The next person up here is Victor and I can't
20 pronounce the last name because I can't read it.

21 MR. YAGIE: Victor Yagie, I don't have no
22 comments at this time.

23 CHAIRMAN WOLFE: Yagie. Okay, thank you,
24 Victor. Next person is Sheri Buretta, one of our PAG members.
25 Sheri.

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1 MS. BURETTA: Good morning. My name is Sheri
2 Burette, B-u-r-e-t-t-a, I'm a member of the Public Advisory
3 Group. And I would like to just speak on two different issues,
4 one is the reserve and the other is the archaeological
5 repository for the Chugach region.

6 I would like to urge the Trustees to consider
7 establishing a community -- I hope that's not my phone -- a
8 community fund in the neighborhood of \$20 million. In my three
9 year history on the PAG and dealing with communities in the
10 Chugach region, there's been a frustration with the process
11 that -- of the projects that are funded through the agency and
12 a lot of times they're not to the level or they're not within
13 the realm and so I would like to see the guidelines established
14 to come to the level of the communities to look at their
15 issues.

16 The other thing is the habitat acquisition that has
17 already been accomplished and allows public access. I'm hoping
18 that the Trustees have put some thought into how the -- how to
19 protect those lands that will be open to the public, and that
20 might go right along with what Ms. Williams had mentioned about
21 the agencies and how they will integrate that. I fear that
22 there's going to be an overwhelming amount of traffic in those
23 areas that will need to be addressed.

24 I think that the habitat acquisition should not be
25 considered a substitute for funding to the communities, I think

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1 that there's a definite trade-off that will be realized by
2 generations that will follow and that when you look at the
3 percentage allocation to the agency versus the community it's
4 not equal, by any means, for what the communities would like to
5 accomplish.

6 The other issue is the archaeological repository and I
7 would just like to comment that if we were to look at the
8 Alutiiq Museum in Kodiak and look at the precedent that was set
9 in funding that, and compare it to what you have established as
10 far as hoops and difficulties that the communities in the
11 Chugach region have had to suffer through to come to where they
12 are with the RFP. There was no RFP for the Alutiiq Museum,
13 there was no public or community involvement that was required.
14 And it was a lot different and I think that you need to kind of
15 take that into consideration when you look at the efforts that
16 were made through the Chugach region to get the community
17 involvement and the money that has been spent on the meetings
18 to accommodate those commitments from the communities and all
19 parties concerned.

20 So I would just like to say that I look forward to the
21 Trustee Council making a recommendation that would be in the
22 best interest of the Chugach region to go ahead with this most
23 important endeavor with their archaeological remains.

24 And that's all I have at this time. And if you have
25 any questions.

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1 CHAIRMAN WOLFE: Ms. Williams.

2 MS. D. WILLIAMS: Thank you, as always, Sheri,
3 for your thoughtful comments. I'd like to focus on the
4 archaeological repository. Do you think there is any chance
5 that Chugachmiut and the Village of Valdez could work together
6 to merge a proposal that might take the best of both, is that
7 something that you think might be possible?

8 MS. BURETTA: I think that the Chugachmiut
9 proposal has taken the Valdez proposal -- I haven't seen their
10 proposal but they have taken the Valdez community into
11 consideration and have gotten that community's input, as far as
12 the Native community's input, prior, within the last three
13 years and I think that that proposal has -- you know, I'd have
14 to look at it to see, but, of course, we're willing to do
15 whatever needs to be done to make this happen.

16 CHAIRMAN WOLFE: Any other questions for
17 Ms. Burette?

18 (No audible responses)

19 MS. BURETTA: Thank you.

20 CHAIRMAN WOLFE: Very good, thank you. Moving
21 on to the next participant that would like to comment is Paul,
22 and I can't pronounce your.....

23 MR. PANAMARIOFF: Panamarioff.

24 CHAIRMAN WOLFE: Okay, very good.

25 MR. PANAMARIOFF: Twenty million community

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1 are your priorities and maybe take a look at that in
2 establishing that fund.

3 MS. D. WILLIAMS: Thank you, that was very
4 helpful.

5 CHAIRMAN WOLFE: Mr. Tillery.

6 MR. TILLERY: Yeah, Mr. Chairman. I think you
7 made the comment that perhaps the Restoration Reserve and a
8 community fund could be used to fund some projects that weren't
9 funded or couldn't be funded under current Council guidelines.
10 I think people need to be aware or keep in mind that the
11 Reserve Fund and any funds that come out of it will operate
12 under the same legal requirements as are currently imposed,
13 absent a change in Federal law. So if something can't be done
14 now, unless Federal law changes and the court order changes,
15 which is not as difficult as changing Federal law, they will
16 operate under those same restrictions and may not be available.

17 CHAIRMAN WOLFE: I had one comment or question
18 really, and you started your statement by saying you thought
19 the communities wanted to be more involved in restoration. Is
20 that your view that involvement of the communities would be
21 through this community fund and the projects associated with
22 the community fund or did you have something else in mind about
23 how communities could get more involved in the restoration
24 effort?

25 MS. ROBERTS: Yeah, I think that, you know,

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1 it'll be a wonderful opportunity to have the Trustee Council
2 look at, you know, establishing a -- or looking at a committee
3 or putting a Native person on the Trustee Council to -- or I
4 shouldn't say "a", several if at all possible, people that
5 could -- I guess could help you make that decision. I don't
6 know if I said that right.

7 CHAIRMAN WOLFE: Yeah. Okay. Very good.

8 MS. ROBERTS: Yeah, I think we need more Native
9 involvement.

10 CHAIRMAN WOLFE: Any other questions for
11 Ms. Roberts?

12 (No audible responses)

13 CHAIRMAN WOLFE: Okay, thank you very much.

14 MS. ROBERTS: Thank you.

15 CHAIRMAN WOLFE: Next commentor on the list is
16 Bob Henrichs. Just a reminder, Bob, maybe you could spell your
17 last name for the record, so they have that.

18 MR. HENRICHS: Yeah.

19 CHAIRMAN WOLFE: Okay, you got it?

20 REPORTER: Yes, sir.

21 CHAIRMAN WOLFE: Okay.

22 MR. HENRICHS: Okay. I'm Bob Henrichs, I'm
23 President of Native Village of Eyak Council, I'm also on the
24 board of directors of Chugach Alaska and Chugachmiut. And I'll
25 talk fast because you guys want to keep me to three minutes,

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1 right? I'm here to speak in favor of the archaeological
2 repository proposal put in by Chugach Alaska, Chugachmiut. Do
3 I think that we can work something out with Valdez? When hell
4 freezes over, maybe. I don't think they should be involved in
5 that myself.

6 I'm here to speak in favor of the \$20 million community
7 fund. Sheri Buretta covered that pretty good. All the tribes
8 in the Chugach regions, Tribal governments were in existence
9 before the oil spill, yet when the settlement was reached there
10 was no Native involvement totally. In 1994, I believe, the
11 tribes in Alaska were recognized by the Federal government,
12 there was still no input from -- there should have been a
13 Native Trustee on this Trustee Council.

14 If there was an oil spill today and there were a
15 settlement, under the, I believe it's OPA-90, there would be a
16 Native Trustee. We should have input in everything that goes
17 on here. And I believe the Federal Trustees were directed by
18 President Clinton -- your Cabinet Departments were directed by
19 President Clinton to work with the tribes, and I've seen that
20 directive, yet I don't see this.

21 So to make it easy on you guys, and I don't speak for
22 all the oil spill region tribes, in the future the Native
23 Village of Eyak will invite the Federal Trustees to sit down
24 with us on a regular basis and discuss every aspect of what
25 goes on here, as directed by President Clinton.

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1 CHAIRMAN WOLFE: Okay. Is that.....

2 MR. HENRICHS: That's it.

3 CHAIRMAN WOLFE: Okay. Any questions or
4 comments for Mr. Henrichs?

5 MS. D. WILLIAMS: Mr. Henrichs, your comment
6 about working with the Tribe of Valdez, you made that comment
7 because? Let me just say -- I mean, in looking at that
8 proposal, one attractive aspect of the Valdez proposal was the
9 relationship with the Valdez Museum because it is an
10 established museum, it's a revenue generator and so forth.
11 When -- you know, one possibility in a theoretical sense would
12 be that that component and then the community and then other
13 components of the Chugachmiut proposal could be combined. I
14 was particularly looking at the Valdez Museum, Tribe of Valdez
15 issue. Is that still unthinkable in your mind?

16 MR. HENRICHS: I don't think it's possible. I
17 feel that our proposals that we put in are very sound and a lot
18 of artifacts are Native artifacts related to our culture.

19 CHAIRMAN WOLFE: Any other comments?

20 (No audible responses)

21 CHAIRMAN WOLFE: Okay. Thanks, Bob. Next
22 commentor is Rick Steiner.

23 MR. STEINER: Hi, folks. Rick Steiner,
24 S-t-e-i-n-e-r. First, I'd like to thank and acknowledge
25 Deborah Williams' extraordinary leadership in this process. I

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1 know it's been difficult and I don't know of a person in the
2 conservation community that doesn't greatly appreciate what
3 you've done here on the Council, so thanks.

4 Next there's a few issues, very quickly, I'd like to
5 just reiterate. I know I've talked with you before about and
6 written letters concerning. One, though, is a somewhat
7 different issue and that's on the investment strategy of the
8 fund that you're wrestling with right now. I would appreciate
9 seeing some sort of an environmental and social screen set up
10 so that these funds are not invested in corporations such as
11 the Exxon Company and Dupont and Phillip Morris. Companies
12 that we know are not only harming human health, but also
13 harming the environment. This is a Restoration Fund. And if
14 there is any way to do socially, environmentally conscious
15 investing this would be a great opportunity to do so.

16 Next, the issue of public lands and waters within the
17 oil spill region. I brought this up at the August meeting, we
18 subsequently sent a letter asking for any further discussion on
19 it. I'm just curious if there's been any -- the issue is
20 whether or not the Trustee Council will be preparing some sort
21 of a recommendation to the -- particularly the Forest Service
22 in the Chugach planning process regarding more restrictive
23 designations within the Chugach Forest, consistent with,
24 complementary with your Restoration Plan. I'm just curious if
25 there's been any further discussion or any decision on that,

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1 whether you're not going to do it at all or.....

2 MS. McCAMMON: Your letter is in the Council's
3 packet under correspondence.

4 CHAIRMAN WOLFE: And a partial answer is we
5 have not had any group discussion on that issue.

6 MR. STEINER: Okay. The next issue is the
7 reopener, I would certainly appreciate the Trustee Council
8 aggressively pursuing the \$100 million reopener with Exxon. I
9 think there's ample scientific evidence that there are -- were
10 damage not reasonably foreseen at the time of the settlement.

11 Lastly, the issue of the Restoration Reserve, I suppose
12 lastly here. I've been on record with you several times, my
13 initial position was certainly that it was either illegal in
14 that it withdrew monies from present availability or if it was
15 not doing that, it was unnecessary. I realize that you've gone
16 to the court, I think, and resolved that. I still think though
17 that if the Restoration Reserve is to be established it should
18 go largely toward habitat protection or/and research projects
19 that do have a direct link to protective management of the
20 ecosystem and recovery.

21 And I was very appreciative of hearing the comments
22 earlier about having some sort of a document that described
23 what the agencies have and have not done regarding the several
24 hundred million dollars of research that has been conducted.
25 This is something I asked the Trustee Council for in a letter a

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1 couple of years ago and did not receive a response that I
2 considered adequate.

3 Lastly, there is the Dinkum-Sands settlement, as you
4 all know, the North Pacific Research Board that is endowed at a
5 fairly substantial level, there'll be an extra 10 to \$15
6 million a year of marine research throughout Alaska. To
7 duplicate that, I think, would not be an appropriate use of the
8 funds.

9 And the notion of just giving the University of Alaska
10 the money, and I say that in the presence of Regent Henry here,
11 a good friend by the way. I don't think that any agency or
12 institution should be awarded this money carte blanche, I don't
13 think it's within the legal construct of the settlement. I
14 certainly don't think -- I know it wasn't the intention of the
15 people of the oil spill region in 1990-1991 when the whole
16 notion of settlement was being conceived. It would be like
17 giving NOAA or Fish and Wildlife or the Department of Law the
18 whole chunk and saying "have at it." I just don't think that's
19 an appropriate way to go about your court-mandated duties.

20 And I suppose -- oh, one last thing. I would
21 appreciate it if the Trustee Council would make the results of
22 your Restoration Program known to the International Maritime
23 Organization in London. As you know, that's the global
24 shipping body that does have -- does not acknowledge
25 non-economic environmental damage, natural resource damages,

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1 per se. They have been considering it for years, we've been
2 trying to have them consider it, but I think the experience of
3 this Council in conducting a natural resource damage assessment
4 and restoration program might be very useful at the IMO
5 setting.

6 So that's all I have, thanks.

7 CHAIRMAN WOLFE: Very good. Any questions?

8 Ms. Williams.

9 MS. D. WILLIAMS: A couple of quick comments
10 and a question. Just so everyone knows the status of the North
11 Pacific Research monies, it might be useful to just put it out
12 on the table and put it in the record. This year Congress
13 appropriated \$6.6 million for North Pacific research. The
14 money is going through the USGS budget, it is in the Department
15 of Interior's budget going through USGS to the university. And
16 the university is to spend that money both through its own
17 granting process and through, you know, external granting
18 process for basic North Pacific research, consistent with a
19 plan approved by the State of Alaska, the Department of
20 Commerce and the Department of Interior. So, as we speak,
21 parties have been working to define that plan, but you are
22 correct in saying that quite a bit of additional new money will
23 be coming through USGS to the university to be spent on a peer
24 review competitive research, we hope, in the North Pacific.
25 And that amount is expected to grow in the future.

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1 With respect to investment policies, as we suggested
2 earlier, the only thing we can do right now is invest in T-
3 bills and treasuries. And so we are constrained, but your
4 point is very well taken. Should we be given additional
5 investment discretion, I think your point is very well taken
6 that it should be responsible investment.

7 One question, maybe it is more to Molly than it is to
8 you, but now two people, Molly, have talked about -- and them
9 and we have talked about, of course, how do you protect public
10 lands that are opened to the public. How do you make sure that
11 the restoration values are achieved? Sheri mentioned that and
12 now Rick. Is that a potential Work Plan project?

13 MR. TILLERY: Let me answer it.

14 MS. D. WILLIAMS: Yeah.

15 MR. TILLERY: The answer is I don't see that as
16 a potential Work Plan project. Each acquisition comes with a
17 conservation easement and, typically, deed restrictions in it
18 as well as a prior resolution that requires a certain kind of
19 management for access for benefit of the restoration of species
20 and so forth. Typically most of the acquisitions have gone
21 into a conservation unit, either State or Federal, that have
22 other types of restrictions. That is where the control over
23 access, making sure that access doesn't impede restoration of
24 injured natural resources, but also making sure that access
25 which is, in essence, restoration of injured or diminished

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1 services can take place. So it's not something that, at this
2 point, there is any longer -- I don't think the Council has any
3 control over, the land is owned by one government or the other
4 or I think in one case the City of Homer, and our control was
5 back when we set up those documents.

6 MS. D. WILLIAMS: Right. And I certainly agree
7 with everything you said. The question is whether we go a step
8 beyond that. And we don't need an answer today, but I guess I
9 would just ask Molly and her staff and the Council members to
10 think about, is there a Work Plan project out there where you
11 would, you know, open it up, allow public groups or Native
12 Groups or consortium people or Federal agencies to come in and
13 say, we all know the syndrome of loving something to death and
14 we all know that there, you know, are other shoes that are
15 going to be affecting part of the spill area. Does it make
16 sense for the Trustee Council to encourage a study that would
17 look at some strategies or look at some recommendations? They
18 would not be mandatory, you're absolutely right, but could be
19 presented to the land management agencies and say, here's some
20 things that have been learned elsewhere in the United States
21 about restoration and land management strategies that might be
22 considered in your future land management decision making.

23 Anyway, I just present that as a possibility. We're
24 hearing more and more of that issue and as we look at Work Plan
25 and how we can come up with ideas that can be incorporated into

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1 management, both research and other ideas, this might be
2 something that might be worth looking at for the Work Plan.

3 MS. McCAMMON: Mr. Chairman, just real briefly,
4 and I don't want to get into this too much, but we do have the
5 one project that the Forest Service is doing, the Human Use
6 Model in Prince William Sound.....

7 MS. D. WILLIAMS: Yes.

8 MS. McCAMMON:which I think is kind of a
9 prototype model to see how that relates directly to injured
10 resources. And even though Mr. Tillery says that the Council
11 has no role in these lands now that the governments have
12 actually taken ownership, I don't think it's inappropriate for
13 the Trustee Council to ask the managing agencies what is
14 happening on this land in terms of various issues, especially
15 as they relate to injured resources and services.

16 MS. D. WILLIAMS: Uh-huh, I agree.

17 CHAIRMAN WOLFE: Ms. McCammon, I'm.....

18 MS. McCAMMON: Doesn't mean the Council can do
19 anything about it.

20 MS. D. WILLIAMS: No, no, no, but it's still a
21 legitimate inquiry.

22 CHAIRMAN WOLFE: Ms. McCammon, are you
23 suggesting that the agencies should set up a monitoring program
24 of their own that is funded by Exxon monies?

25 MS. McCAMMON: No, I'm not suggesting that, but

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1 I would suggest, for example, the earliest acquisitions of
2 Katchemak Bay, Seal Bay, and the Southern Kodiak lands,
3 starting with -- they're the ones that have just been recently
4 acquired, is to give a status report on what's happening in
5 terms of resource values on those lands. It wouldn't be
6 something that you would invest any additional money in, but at
7 least give some kind of report on what those agencies think is
8 happening on those lands as it relates to injured resources and
9 services.

10 CHAIRMAN WOLFE: I'm not sure I still
11 understand exactly what you're asking for. Craig, do you.....

12 MR. TILLERY: No, I guess I don't. And I guess
13 what I think I understand, I don't think you're going to find
14 an agency that's going to be really willing to do that absent
15 some -- being funded.

16 MS. McCAMMON: Well, theoretically, if you went
17 to Jay Ballinger and the Kodiak Refuge and said, you now have
18 all these lands that are back into the refuge. They were
19 acquired for these purposes, what is happening with the salmon
20 population on those lands? What is happening with human use?
21 Are you getting a lot more public access? A lot more
22 visitation? To the best of your knowledge, as the managing
23 agency. I don't -- it doesn't seem like it's that big of a
24 deal.

25 MS. D. WILLIAMS: Hey, this is something that

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1 can be added to the program, maybe. Where did Stan go?

2 MS. McCAMMON: But it's something that we can
3 discuss later. Thanks, Rick.

4 CHAIRMAN WOLFE: I'm not sure that I object to
5 what's being proposed, but I'm not sure that I fully understand
6 it. It needs a lot more discussion, I think.

7 MS. D. WILLIAMS: Right.

8 CHAIRMAN WOLFE: But, I guess, you know, in
9 partial response to Rick, though, the Chugach National Forest
10 is currently undergoing a Forest Plan revision effort and this
11 is the perfect time for any interested public to input on the
12 management of the Chugach National Forest. Now, the lands that
13 are acquired as part of the Exxon acquisitions, the Trustee
14 Council's acquisitions in these areas, go into the Chugach
15 National Forest, those will be managed, basically, as outlined
16 in the restoration -- meeting restoration objectives that they
17 were acquired for, and that's already built in to those. You
18 know, if there's some further restrictions that we need to add
19 to it, you know, people could identify those and they would be
20 considered as long as it wasn't inconsistent with the
21 objectives that we acquired them for, and they're spelled out
22 in all the deeds and easements that are tied to the
23 acquisitions. But the other lands still were out there for
24 public lands for multiple use, for the most part, on national
25 forest, not just for restoration purposes. So it would be very

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1 difficult for the Forest Service, in my opinion, to totally
2 make everything in the Prince William Sound totally, you know,
3 for restoration purposes. But public comment will help bring
4 it closer to that point maybe, so I'm not sure.

5 Do you have another.....

6 MR. STEINER: Could I just offer one.....

7 CHAIRMAN WOLFE: Yeah.

8 MR. STEINER:brief point of
9 clarification? I do appreciate what Molly and Deborah were
10 saying regarding the lands that have been acquired and the
11 management responsibilities there, but your last point is the
12 one I was really trying to zero in on. It seems like in the
13 comprehensive, balanced ecosystem-based approach that the
14 Council is trying to take that we cannot ignore those lands
15 that are in public ownership prior to the spill and that there
16 should be a comprehensive plan forwarded from the Council to
17 the Forest Service and the Forest Service should adopt it with
18 no question, of course.

19 So thank you very much.

20 MS. McCAMMON: Mr. Chairman.

21 CHAIRMAN WOLFE: Ms. McCammon.

22 MS. McCAMMON: I just would like to note that
23 the staff here, we are meeting with the Chugach planning team
24 as they go forward just to provide information that we have
25 here that may be of use to them.

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1 CHAIRMAN WOLFE: That's very good. Thanks,
2 Rick. Next is Grant Baker.

3 MR. BAKER: Good morning, thank you. My name
4 is Grant Baker and I'm a professor at the university. I also
5 commercial fish out in Prince William Sound and it's become
6 pretty well known that the fisheries in the oil damaged areas
7 haven't recovered yet. And that ties in with a need for some
8 kind of a long-term restoration and preservation of the
9 fisheries. And it seems, from what I listened to today,
10 everyone has the same objective and that is to restore and to
11 protect the spill-damaged areas, it's just the differences are
12 how to get there.

13 What I see is the problem is somehow you need long-term
14 restoration and preservation type of a mechanism and that is
15 what I see is through an endowment. And that is why I strongly
16 urge the Council to set up an endowment use -- of the
17 Restoration Reserve to put that into an endowment so that it'll
18 grow in time. It's not just the interest being spent each year
19 to fund whatever projects are needed, but it also grows in time
20 because it's inflation proof and, within a matter of years, it
21 can double in size, which allows even more to be done. And in
22 that matter it allows archaeological repositories to be funded,
23 it allows small parcels to be purchased, it allows the research
24 -- the development of technology to clean up oil and to protect
25 the lands from oil damage.

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1 This seems to be in alignment with Governor Knowles
2 also, he, in his letter, he strongly supported the continuation
3 of research and also the small parcel purchasing program. I
4 see this also, you know, creating an endowment, a large portion
5 of it for research is not just dedicating it to test tubes.

6 (Mr. Wright hands Mr. Baker a glass of water)

7 MR. BAKER: Hey thanks.

8 MR. WRIGHT: You bet.

9 MR. BAKER: Anchorage does have the best water
10 in the world, you can't get enough of that. Okay, let's see
11 how far I can get here.

12 The research is not just test tubes, it's also
13 development of technology, it can be patented. In that matter
14 you can also have additional income, not just off the interest
15 being brought into the Restoration Reserve or the endowment.
16 Development of cleanup techniques that can be used around the
17 world, not just in the Prince William Sound or the oil-damaged
18 areas, there were other oil-damaged areas besides Prince
19 William Sound.

20 Also I think the emphasis on, you know, creating an
21 endowment that will provide long-term restoration and
22 protection needs, it lays a good basis for addressing the
23 reopener clause, you know, for the additional 100 million,
24 which is for addressing those needs that could not be foreseen.
25 And in endorsing or supporting an research type endowment it

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1 shows that there are still need, that there are still problems
2 and, in fact, there are still problems, the fisheries have not
3 recovered.

4 I think also in this matter, you know, with the
5 endowment, I think almost all the needs and the wants that have
6 been mentioned here today can be addressed. And I see the
7 emphasis on trying to prevent ways of -- or to prevent the oil
8 from reaching the shore and to cleaning it up. Unfortunately
9 oil doesn't really care who owns the land, it's going to come
10 ashore regardless of who owns it. And it's going to cause the
11 same amount of damage regardless of who owns it. And something
12 still is needed to prevent that from happening or to reduce
13 that damage.

14 And that, I believe is it. One final statement, I've
15 just been -- I've been very, I guess, proud of the support that
16 has come from the public and from politicians from both sides
17 of the political agendas and also just from the university
18 chancellors and the president, from alumni, from the general
19 public. I've been very -- and the Anchorage Assembly, the
20 Fairbanks Chamber of Commerce. It's just been kind of an
21 uplifting experience to hear what they -- to hear their
22 comments of support for some type of an endowment with a strong
23 research emphasis and also one that will address the other
24 needs, too.

25 Thank you.

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1 CHAIRMAN WOLFE: Thank you, Mr. Baker. Any
2 questions?

3 MR. WRIGHT: I have one question. Mr. Baker,
4 in the past your position has been an endowment to the
5 university, you didn't mention that in this presentation. Are
6 you.....

7 MR. BAKER: I think the endowment to the
8 university.....

9 MR. WRIGHT: Is that what you're thinking now,
10 is strictly an endowment to the university or a research
11 endowment? Or a science program endowment?

12 MR. BAKER: Well, to focus in on the problem is
13 that you need an endowment to address the problems that still
14 exist from the spill and to protect it from the future. The
15 logical choice would be to create chairs at the university
16 since that is the university in the spill area. And that is
17 why I have been a proponent for creating endowments at the
18 university. Even if it's one or two in the beginning and with
19 the rest of the monies being put into an endowment to address
20 research and small parcel purchasing and community outreach
21 programs, that could be used as demonstration type models or,
22 you know, to see how an endowment could enhance income and also
23 to, you know, to show how it can meet the goals or address the
24 goals and objectives of the Trustee Council and the public.

25 So I didn't mention the University of Alaska endowment,

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1 but that is a logical choice. And I am a strong proponent for
2 that because I think it could work for the best. But as far as
3 whether or not the endowments are created at the university or
4 an endowment is created in a separate fund and managed by a
5 board, as one person spoke, he would like to see a Native
6 person on the board and I think a university person and I think
7 one from State and one from Federal, another board to manage
8 the endowment that, to me, is -- I guess that difference
9 doesn't really matter that much to me as long as there's an
10 endowment with a strong research emphasis that has a strong
11 presence by, you know, the university on the board just so we
12 can address these issues of education, because it all ties in
13 with protecting the oil-damaged area and also the educational
14 outreach programs that I heard here today and even
15 archaeological depositories. There's so much that kind of ties
16 in with the goals and the mission of the university, too, that
17 would seem to make a lot of sense for that to happen.

18 CHAIRMAN WOLFE: Okay.

19 MR. BAKER: Thank you.

20 CHAIRMAN WOLFE: Thank you, Mr. Baker.

21 MR. BAKER: Thanks for the water.

22 MR. WRIGHT: Yeah.

23 CHAIRMAN WOLFE: Okay. We got about six
24 remaining folks that would like to make comments and we are
25 running out of time, so you need to keep them moving along

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1 fairly rapidly here. Next one up is Matthew Zencey.

2 MR. ZENCEY: Yes, I am Matthew Zencey, that's
3 Z-e-n-c as in cat-e-y. I'm with the Alaska Rain Forest
4 Campaign which is a coalition of national and Alaskan-based
5 environmental groups, 14,000 members in Alaska and representing
6 roughly two million members nationwide. I believe we represent
7 a strong constituency for you to consider habitat acquisition
8 and protection as a major portion of your work with the
9 Restoration Reserve.

10 We've heard a lot of talk from previous presenters
11 about balance in the program and there are three legs of the
12 stool that we recognize that you do have to strike a balance
13 among. The continuing research, the community-based projects
14 and habitat restoration and protection through acquisition of
15 easements or fee title, if the seller is willing. And I would
16 just like to encourage you very much to consider and respect
17 the public comment that has expressed interest in continuing a
18 habitat acquisition protection component in your work and, in
19 particular, I'd like to echo the comments that Pam Brodie made
20 from the Public Advisory -- she's a member of the Public
21 Advisory Group, to keep flexibility in the habitat protection
22 component of it.

23 You don't have any super big deals on the table that
24 are what you would call the Large Parcel Program, but I would
25 encourage you to, I guess, get rid of the distinction between

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1 large parcels and small parcels and think in terms of
2 flexibility that Pam was talking about, so that the way that
3 you manage the habitat component of it, make sure it's large
4 enough so that if there is an opportunity that comes up, such
5 as easements around Afognak Lake, for example, which is one
6 that may come out of the pipeline, that you have the
7 flexibility to entertain that, that you haven't constrained
8 yourself from being able to take on something that is more than
9 you would pick up under the Small Parcel Program.

10 So be alert to opportunities to deal with larger tracts
11 from willing seller/landowners. Don't be -- you know, don't be
12 too strict about the distinction between small parcels and
13 large parcels but give yourself the flexibility to entertain
14 proposals, but also express some concern about how the size of
15 the Restoration Reserve may be calculated and whether or not,
16 for example, things that have been talked about in the past,
17 such as the Koniag acquisition is considered part of what's in
18 play under the restoration reserve. I very strongly feel not,
19 at least not until that opportunity is declared dead and gone,
20 and I don't think we're there yet. I understand the signs are
21 not optimistic, necessarily, but I don't think you can write it
22 off. And we would be very disappointed if, in part of your
23 decision-making about habitat protection as an element here,
24 that you, in effect, say, okay, well, the Koniag is part of our
25 restorat -- the money we thought about spending on Koniag is

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1 part of the Restoration Reserve and the Restoration Reserve
2 becomes 160 or 170 million instead of 140 million, which I
3 think is a more realistic number.

4 So I would encourage you, you know, to not take habitat
5 opportunities that you thought about in the past and lump them
6 in there and call them habitat in the future. I think you
7 already made the decision that those resources are being used
8 on habitat and you're talking about how to use the 140 million
9 you anticipate in the future and what piece habitat should
10 occupy in that. So my pitch is be flexible, give yourself the
11 opportunity to consider larger parcels than the Small Parcel
12 Program may otherwise be able to handle and when you do a
13 balance, you know, keep in mind that you do need room for all
14 three and if you let research loom too large you lose the
15 opportunity to have the right balance on the other two fronts.

16 CHAIRMAN WOLFE: Okay. Thank you, Mr. Zencey.
17 Any comments or questions?

18 (No audible responses)

19 CHAIRMAN WOLFE: Okay. Very good, appreciate
20 it.

21 MR. ZENCEY: Thank you.

22 CHAIRMAN WOLFE: Next person on our list is
23 Gill Kruschwitz. I probably slaughtered your last name.

24 MR. KRUSCHWITZ: You did better than most,
25 believe me. My name is Gill Kruschwitz, that's

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1 K-r-u-s-c-h-w-i-t-z. Thank you for this opportunity. If you
2 bear with me and let me read from my notes I'll be able to do
3 this in less than three minutes.

4 CHAIRMAN WOLFE: Very good.

5 MR. KRUSCHWITZ: I'll also leave a more
6 detailed letter with you or your staff. Chronic marine
7 pollution is believed to be at least as important as large
8 scale spills to some of the Sound's resources. The amount of
9 ongoing pollution from minor spill and intentional discharges
10 into Prince William Sound seems to be increasing. I'm
11 particularly concerned about waste oil, gasoline, contaminated
12 bilge water and sewage from increasing private and commercial
13 boat traffic. The collection facilities your Council has
14 funded resulted in proper disposal of more oil waste, but
15 improper discharges and pumping continue and more needs to be
16 done. And the problem of sewage disposal from vessels should
17 also be addressed, I think.

18 I think measures should include education, reduced cost
19 and greater convenience, enforcement and prevention.

20 Education. Clarifying and publicizing regulations and
21 consequences of illegal disposal of oil and especially sewage.

22 Reduced costs and greater convenience of proper
23 disposal of oil, waste and sewage, subsidizing facilities and
24 management so proper disposal will not be inhibited by costs.
25 Provide drop off and pump off facilities in more convenient

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1 locations, such as on fuel docks and on boats which can come
2 alongside vessels for collection.

3 Enforcement. Clarifying regulations will make
4 enforcement agencies, as well as the public, more aware of
5 them.

6 Increase surveillance by educating the public as to what
7 constitutes illegal disposal and how to report them adequately
8 and promptly. Provide round-the-clock confidential contact for
9 immediate notification when minor spills or illegal discharges
10 are observed. I suggest increasing cell phone coverage to
11 permit calls throughout the Sound. Provide responders
12 throughout the Sound who are trained to evaluate, remediate,
13 investigate and document such minor spills.

14 Under prevention. I believe the State should have
15 policies, regulations and licensing and permitting procedures
16 to require adequate disposal facilities, management and
17 enforcement before transferring or leasing land or permitting
18 uses in the Sound, including use of its waters by government,
19 commercial or private craft and activities which may generate
20 significant amounts of oil or sewage waste. Require use or
21 perhaps even proof of use of proper disposal facilities by
22 anyone using the Sound or State resources in Prince William
23 Sound.

24 In addition, the Sound is experiencing an expanding
25 tourism industry, construction of the road to Whittier, boat

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1 harbor expansions and other public and private development
2 plans. And there is no coordinated State planning effort
3 apparent to ensure that the policy procedures and facilities
4 will be in place to accommodate them without further degrading
5 Prince William Sound. A State plan could also provide guidance
6 to other plans, such as the National Forest Plan that's now in
7 process and, hopefully, the College Fjords/Nellie Juan
8 Wilderness Study.

9 The sooner we address these issues, the more effective
10 and less expensive they will be. Thank you for this
11 opportunity to present to you. I would appreciate any
12 information you or your staff can give me concerning work you
13 or others may be doing along these lines, as well as
14 suggestions as to what else I can do to help.

15 CHAIRMAN WOLFE: Very good. Ms. Williams.

16 MS. D. WILLIAMS: Those were extremely good,
17 provocative comments. And I'm going to ask Ms. McCammon if
18 we've done anything along those lines, and if not, I guess I
19 would recommend that be another item that might be considered
20 for the Work Plan for next year.

21 MS. McCAMMON: Mr. Chairman, we have done quite
22 a bit through the Sound Waste Management Plan, the Kodiak Waste
23 Management Plan.....

24 MS. D. WILLIAMS: Right.

25 MS. McCAMMON:and now we're doing efforts

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1 with Lower Cook Inlet and Nanwalek and Port Graham. We did
2 receive a letter of interest in the last month or so along
3 these lines, and it might even be from you, I'm not sure.

4 MR. KRUSCHWITZ: No, this.....

5 MS. McCAMMON: It was from the Prince William
6 Sound Economic Development Council. We're actually looking at
7 that and reviewing it and we haven't responded to that yet.
8 But in terms of education, enforcement and things of that
9 nature, the Council has been very clear that any efforts that
10 they did would be above and beyond what is required by State
11 and Federal law, so all of the efforts that we have done in
12 terms of reducing chronic marine pollution have been things
13 that are beyond what is statutorily required.

14 Going into something like this, I'm not sure. It's
15 something we'd have to look at, but certainly contamination,
16 whether it's in the form of small spills from private boats,
17 whether it's contamination from other things, just contaminants
18 in the water column is something that's of concern to a lot of
19 people statewide.

20 MS. D. WILLIAMS: Uh-huh. Very, very good
21 comments and I hope you pursue that.

22 MR. KRUSCHWITZ: Well, I'd like to. If you can
23 give me any information I'd appreciate it. Thank you.

24 CHAIRMAN WOLFE: Okay. Thank you. Next person
25 up is Dune Lankard. Dune.

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1 MR. LANKARD: Thank you. Good morning, my name
2 is Dune Lankard, that's L-a-n-k-a-r-d. Deborah, we're going to
3 miss you. Alaska is going to miss you.

4 MS. McCAMMON: You're not leaving, are you?

5 MS. D. WILLIAMS: No. The good news and the
6 bad news for some of you in the audience is I am staying here.

7 MR. LANKARD: Well, that's good, but your role
8 here has been incredible for us, so thank you.

9 I got a few things. I reiterate what some of the folks
10 have said, mainly the Native folks, about having a Native
11 Trustee Council member. And I understand that Bob Anderson is
12 supposed to be relieving you of some of your duties here and it
13 seems to me that it only makes sense, even if it's in the
14 interim, that he sits on the Trustee Council to get an idea of
15 what has happened over this last seven years. So that would be
16 my recommendation to get him into Native politics really
17 quickly.

18 For the record I'd also like you to know as Trustees
19 that I have denounced the proxy solicitation by the Eyak
20 Corporation, that I do not agree with their fee simple title
21 component to the deal, because I have never believed, and I've
22 always said, that we could have met our goals of restoration
23 without buying title to the Native land. And so I have
24 denounced that proxy and refused to vote because it's a
25 working, changing document, that document is ever changing and

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1 I can't agree to something that I can never see in its finished
2 form.

3 The other issue that I think is really important for
4 you is that on December 10th when that deal is consummated or
5 at least is supposed to be consummated the very following day
6 this same government deeds Chugach Alaska Corporation a right
7 of way across the Copper River Delta, which is the area that is
8 supposed to be managed as a refuge and it seems to me that
9 that's a major conflict of interest. That it seems that in the
10 best interest of all that we should try to manage this area as
11 a refuge and mainly and primarily for its fish and wildlife.
12 And it's a very sensitive issue and I think that if the Trustee
13 Council, and I don't know what the current situation is on the
14 assessment that we talked about coming from the Forest Service
15 on extending their boundary, do you know if that was ever
16 finished, if there was a study done?

17 CHAIRMAN WOLFE: We never did any more than
18 what I reported on at the last meeting that we had here in
19 Anchorage.

20 MS. McCAMMON: August.

21 CHAIRMAN WOLFE: August.

22 MR. LANKARD: Okay. Because I do know that
23 Dr. Shin who owns Korean Alaskan Development Corporation has
24 emerged as a willing player to sell conservation easements to
25 the Bering River Coal Fields. And so it seems to me that in

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1 the past you have said that if there is a willing participant
2 that you would look into that, so I would encourage you to do
3 so because he is still willing to see that as a conservation
4 easement. And I would really like it if we could settle this
5 issue of subsurface rights in the Prince William Sound region
6 and all the village corporations of all your acquisition
7 because the subsurface issue is very important.

8 And along with that, you know, I heard about the talk
9 about this University of Alaska endowment. I think if the
10 University of Alaska, if they were to receive an endowment of
11 any sort it would be to restore the already clear-cut lands
12 that they have been engaging in over the years. That if
13 they're going to look at any sort of an endowment that they
14 should clean up the mess that they've already started.

15 The other thought is that in talking -- in hearing what
16 the Natives were mentioning about a \$20 million endowment for
17 social and cultural/environmental restoration projects. I
18 think if you were to look at educational subsistence quotas I
19 think it would make a lot of sense getting quotas whether it be
20 fish wheels or traditional fisheries back in the hands of the
21 Native peoples, along with some sort of a restoration program
22 for replanting all of the trees and thinning on all of the
23 clear cuts they've already engaged in.

24 As another issue, it seems that, since the oil spill,
25 we've been encountering development project after development

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1 project in the spill zone, that's just unprecedented. But
2 since Governor Knowles appoints three of the Trustees to this
3 Council it seems that his mandate should be restoration
4 protection and not development. And so when you look at the
5 restoration boundary, which we say is a political one on the
6 west side of the Copper River, he should not be building a \$27
7 million trail into the Copper River. And it makes no sense
8 that if they want to protect that fishery or they want to
9 protect that wildlife that the Governor would push a trail on
10 the Cordovans. I mean 95 percent of the people in the five
11 affected communities said no to this trail. And so it seems
12 like Governor Knowles should ask his three Trustees to preserve
13 and protect that boundary, not develop it.

14 And a couple of last thoughts here, and I appreciate
15 your time, is that the living forests are the Restoration
16 Reserve and I've said that before and I'm going to say it
17 again, that the forest is the Restoration Reserve, not a living
18 bank account. And I have a real hunch that it's going to be
19 difficult to get \$100 million reopener from Exxon if we have
20 \$140 million endowment of any sort. So I would like to see the
21 majorities of the money go towards habitat protection in the
22 spill zone. And if you're going to put \$20 million into a
23 rural or a tribal community endowment to help them restore the
24 region then that makes the most sense for this money. You
25 know, spend all this money that you have and protect as much of

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1 the habitat as you possibly can and limit the science to the
2 \$100 million reopener. You know, these scientists can come
3 together with the Native peoples and fishermen and figure out
4 how to do this without having to fight over the money.

5 And it seems to me, and I'll end with this, it seems to
6 me that if the Trustee Council is working with the Chugach
7 planning team -- this is the Anchorage Daily News for today and
8 here in the article it says, "A Forest, A Place to Play" and
9 out of 5.6 million acres, and for the audience here, and
10 basically what it says is that they want the 5.6 million acre
11 Chugach Forest protected and preserved. Very few people have
12 said that they want to develop it and -- for a road and
13 everything, but Caplan even says in this article that he wants
14 to see very few roads and as much protection as possible, so it
15 seems to me that you got your public interest here, you've got
16 the people, they've spoken. This is your Forest Service survey
17 that they're talking about here, so it seems to me that you've
18 got everything that you need to do the job.

19 And, you know, we've come an incredible ways here and I
20 think that we've accomplished a great deal, but I still say
21 that you should match the 750,000 acres that Natives have had
22 to give up in title and in conservation easements and match
23 that with a Forest Service match of, at least, protecting that
24 much. I think that is the least that you can do. And if you
25 can't do that, then protect all 5.6 million acres.

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1 Thank you. Any questions?

2 CHAIRMAN WOLFE: Dune. Ms. Williams.

3 MS. D. WILLIAMS: Two comments. One, I want to
4 thank you, as always, for your very thoughtful comments and
5 your thoughtful and important participation in this process, I
6 really appreciate it.

7 Secondly, many of you heard this, but at the very
8 beginning of the meeting today I announced that Bob Anderson
9 will be taking my place on the Exxon Valdez Trustee Council and
10 will be sitting in this chair for his duration as Acting
11 Special Assistant.

12 MR. LANKARD: There is hope. Thank you very
13 much.

14 CHAIRMAN WOLFE: Thank you, Dune. Okay.
15 Moving along here, John Schoen.

16 MR. SCHOEN: Mr. Chair, Trustee Council
17 members, good morning. My name is John Schoen, I'm the
18 Executive Director of National Audubon Society's Alaska state
19 office. I appreciate the opportunity to reiterate Audubon's
20 recommendation on the future of the EVOS Restoration Reserve
21 Fund. Audubon commends the Trustee Council for its dual
22 emphasis on both habitat protection and ecological research and
23 monitoring in the spill area. The EVOS Trustee Council and
24 staff have carried out a most effective restoration program
25 with widespread public support and involvement. You now have

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1 an extraordinary opportunity to apply these funds to long-term
2 restoration needs in the spill area.

3 Audubon continues to favor a two-prong approach for
4 allocating the bulk of the Reserve funds in a roughly 50/50
5 split between endowments for habitat acquisition and long-term
6 research and monitoring. The habitat acquisition funds provide
7 the Trustees with the flexibility to use the income and, in
8 some unique circumstances, even the principal to strategically
9 acquire critical habitats. Habitat acquisitions could be
10 either small or large parcels with high fish and wildlife
11 values. Flexibility is the key for getting the biggest bang
12 for the buck.

13 We support using the balance of the Restoration Reserve
14 to endow a long-term research and monitoring program in the
15 Northern Gulf of Alaska. Since we cannot acquire marine
16 habitats in the same way that upland habitats can be acquired,
17 a permanent research and monitoring program is the best
18 possible investment for conserving birds and other wildlife and
19 fish in the Northern Gulf.

20 We are also sensitive to the impacts of the spill on
21 natural resources important to local communities and villages
22 in the spill area. To the extent that some projects, such as
23 small scale fishery enhancements, in and around these
24 communities are consistent with the terms of the settlement and
25 the Trustee Council Restoration Plan, we support projects that

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1 respond to those needs. Audubon favors retention of the
2 existing Trustee Council for purposes of any long-term science
3 and acquisition program.

4 And finally I would like to thank, specifically,
5 Deborah Williams for your great involvement on the Council and
6 all your good work on behalf of restoration and conservation.
7 And thank the rest of the Council for the opportunity to
8 provide our comments and recommendations.

9 CHAIRMAN WOLFE: Very good. Thank you. Any
10 comments for Mr. Schoen?

11 (No audible responses)

12 MR. SCHOEN: Thank you.

13 CHAIRMAN WOLFE: Okay. Thank you, Mr. Schoen.
14 Okay. Theresa Obermeyer.

15 MS. OBERMEYER: Yes, sir. Good morning.

16 CHAIRMAN WOLFE: Good morning.

17 MS. OBERMEYER: I always have something to pass
18 out. If you'll forgive me, why do I come and why do I pass out
19 materials? I am very impressed, always, when I come, but I see
20 so much of Alaska as simply a paper shuffle, so I try to
21 shuffle as many papers as everybody else. You know, in terms
22 of the comments that I've heard here today, I'm not an expert
23 on any of those, but I have to really associate myself with
24 Mr. Lankard's comments about the strategy of getting more
25 money. You know, when you have a surplus of funds, the

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1 attitude in any court, it seems to me, is why give these people
2 more money, so to make -- you know, be creative and spend and,
3 I just assume, it might be possible that you would get more. I
4 do think you're very reputative, so I would just say be
5 imaginative and give it a try, why not? What have you got to
6 lose? I mean there has been tremendous suffering in these
7 areas where the oil spill has occurred and I just believe these
8 people that live in these areas have definitely got needs and
9 rights, so I think try.

10 But in terms of myself, why do I come? Yes, ladies and
11 gentlemen, all of this has happened. For the last 15 years in
12 the only state in the United States that does not have a law
13 school my family has been put through this. We don't have a
14 law license today. I'd like my husband, who's right over here
15 in the Hill Building to come over himself, but he's over there
16 in the Municipal Attorney's office.

17 You know, just to mention for myself, I gave up a paid
18 teaching job in 1990 to volunteer my time to help our children
19 get a good education. The rest is history. Now, for the last
20 six years I have had a career of defending myself against
21 fabricated court charges. For over two years, maybe three, two
22 and a half, in the Federal courts, the life-appointed
23 judiciary. And I just recently spent the last eight months of
24 my life in State court with Mr. Tillery's colleagues. You
25 know, not to fault anyone, how could all of this have been

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1 possible? I mean, it's beyond comprehension. Do you know how
2 much money it costs to hold a trial? And could I get a sip of
3 water as I'm speaking myself? I'd appreciate it.

4 Thanks. And then, of course, I just lastly wanted to
5 mention I passed out a document on the innumerable attorneys
6 that have fabricated all of this. When I was, last February,
7 invited, Arliss, to the Anchorage Hilton by the general
8 manager, I then was knocked out cold receiving the most serious
9 injury of my life. And what happened? I'm an assaulter and a
10 trespasser. That was the trial that I was just acquitted in.
11 The first time I ever had a jury. And, of course, the
12 acquittal was on November 10th. I actually had someone say to
13 me because this trial in State court went on for seven days and
14 I had someone say to me, my heavens, I was a juror in a murder
15 and it lasted less than seven days.

16 So how could all of this have been possible? I have no
17 answers, but am I enjoying it? I don't think so. But I must
18 continue. I could not have imagined any of this could go on
19 this many years, it's still going on. So I simply want you to
20 know and understand it gives you an overview of reality of
21 what's going on in our state. We cannot only be in a small
22 little bailiwick, we have to look at the big picture and I'm
23 just pleased to come and say hello.

24 Did anyone have a question? And Mr. Rue was not able
25 to come today? Okay. Thanks so much. And, Deborah, lastly I

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1 wanted to thank you for all of your good work. I see
2 Ms. Williams always as being a person of great integrity and I
3 truly admire her and I wanted to say that publicly.

4 Thanks so much.

5 CHAIRMAN WOLFE: Thank you. All right. I
6 believe the last person on our list is Joseph Henry.
7 Mr. Henry.

8 MR. HENRY: Thank you, Mr. Chairman. My name
9 is Joseph Henry, I'm here as a Regent of the University of
10 Alaska. And I've come for the same reason that Willie Sutton
11 was attracted to banks, you have a lot of money. And I'm
12 hoping that some of it could go for the benefit of the
13 University of Alaska. The university is probably the oldest
14 agency, maybe somebody can contradict me, I haven't researched
15 this carefully, but it's got a continuous history from 1915
16 when Delegate Wickersham got it approved as a land grant
17 college. And it's been here steadily in the far north ever
18 since. Not everyday has been a bright and glorious day, but
19 she's had a pretty good history all and all and a pretty good
20 institution to be dependent upon to do what's right and what's
21 progressive, what's encouraging for the well being of Alaska in
22 various ways.

23 Since I was sitting here listening to the hearing this
24 morning, there were two professors of the university speaking
25 and one former instructor of the university and so they're

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1 around and active and I don't know whether you have any other
2 regents on the circuit to speak to you, but the idea of an
3 endowment to the university, I think, is a very good one.
4 Either a lump sum endowment and/or endowed chairs, research
5 chairs. Either one of those ideas, I think, is excellent. And
6 the research chair takes about \$2 million each and depending on
7 how it's set up, how it's formed by the donor, determines the
8 work that that chair will do.

9 One thing we have that you may well have alerted to
10 already is a very good policy in place, a very good
11 organization in place called the University of Alaska
12 Foundation, which is, I think, about 15, not over 20, years old
13 anyway. I had the privilege of serving with Senator Arliss
14 Sturgulewski as a trustee of the UA Foundation and it has a
15 very good record of investment, it has a very good record of
16 return on investment, increasing the principal, as Professor
17 Baker was talking about.

18 The Investment Committee of that is chaired by Edward
19 Rassmusen the Chairman of the National Bank of Alaska, a long-
20 time regent himself whose father was also -- Elmer was also a
21 long-time regent. And he and his colleagues on that Investment
22 Committee have done rather well indeed, about profiting the
23 corpus of the foundation's money. They also invest the Natural
24 Resources Fund of the university, which has been swelled
25 substantially by the harvesting of round log timber, clear

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1 cutting on the Gulf of Alaska. And with the proceeds that the
2 Natural Resources Fund has now, General Hamilton, our new
3 President, taking his cue from Governor Knowles, has persuaded
4 the regents to offer a scholarship to the high 10 percent of
5 every high school in Alaska and that will be paid for from the
6 proceeds of the Natural Resources Fund.

7 So while some haven't liked clear cutting, I'm not here
8 to debate my friend from Eyak about it, I would, if invited to
9 do so at another time, but I would like you to consider the
10 idea of endowed chairs that you could -- I presume you could or
11 somebody could, whoever gives the money, could determine what
12 the research is to be oriented towards, the conditions of the
13 expense over the years. How many chairs, we could use several
14 chairs, but you could have somebody, the donor could have a lot
15 of control over what that chair does. It's true also of a --
16 if you were to grant a fund, an endowment, that could also be
17 controlled by the intention of the donor, which is commonly
18 done now in our foundation that we have.

19 So I think you could have an ongoing organization to
20 perpetuate the work that you deem important and it's all in
21 place, it isn't something that has to be done, it's already
22 there at your disposal, all that's lacking is a donation and
23 the donor's intent in giving the donation.

24 Thanks. I'm glad to be able to come here this morning.
25 And I guess it's your latter days, I think you're looking at

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1 the end somewhere along the line.

2 CHAIRMAN WOLFE: We think we're getting closer
3 anyway, that's right. Thank you very much. Any questions?
4 Ms. Williams.

5 MS. D. WILLIAMS: I have one question about
6 endowed chairs, and I'm just going to have pure hypothetical
7 here. Let's say you have five people doing marine research
8 now. And let's say the Trustee Council, which we couldn't
9 quite do right now, but let's say under certain circumstances a
10 decision was made to endow, let's say, two or three chairs.
11 How could you -- I would assume the goal would be to end up
12 with eight people doing research as opposed to five people
13 doing research, three of whom now the university doesn't have
14 to pay for and that money can go for drama or, you know, books
15 or something else, right? How could you get to the eight
16 people doing research as opposed to, you know, five with three
17 being paid for by the Trustee Council?

18 MR. HENRY: The generality of what's behind
19 your question arises all the time. How to get the university
20 to keep on doing what you want it to do and not just use your
21 money instead of its own previous money. And I think the
22 answer to that is the donortive intent when you establish the
23 chairs. A certain amount of research money is in place now and
24 you would provide that if that goes down that your money can't
25 be used as a substitute. We have several large donors in the

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1 offering wondering the very same question that you're asking.
2 And I think that is a legitimate answer and it's a safe sound
3 answer that through properly constructed donation instruments
4 you can prevent the university from just using your money to
5 supplant its own existing money now.

6 CHAIRMAN WOLFE: Any other? Molly.

7 MS. McCAMMON: Mr. Chairman, another way of
8 doing that also would be to fund only half of a chair, eight
9 half chairs and require matching funds to be raised over a
10 certain period of time. And there's other things you can do
11 that way too.

12 MR. WRIGHT: Mr. Chair.

13 CHAIRMAN WOLFE: Okay.

14 MR. WRIGHT: Joe, has the Board of Regents
15 taken a position on this as a whole?

16 MR. HENRY: Yes, I -- when I heard the several
17 people speaking about the university here I was trying to
18 recall when -- you know, I've been on this board now eight
19 years and when I got here Jerome Komisar was the President of
20 the Board of Regents. And we certainly instructed him to do
21 what he could to further the university's interests, which --
22 where they coincided with the interest of this EVOS. And he
23 was certainly instructed. I am not instructed to come speak to
24 you this morning, but, yeah, we did have a position on that
25 that dates back a while. And as I say, Dr. Komisar the

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1 president was instructed to do those things. But I don't know
2 of any regent who would be opposed or any less than very
3 enthused about participating, assisting your efforts if the
4 like fell our way and you decided to do that.

5 MS. McCAMMON: I hate to interrupt. I did get
6 a call from Wendy Redman at the university on behalf of
7 Mr. Hamilton who had asked whether it was appropriate at this
8 time to come discuss his views with the Trustee Council. And
9 they were going to wait until there was more of a formal
10 hearing on the Restoration Reserve.

11 MS. REDMAN: Molly.

12 MS. McCAMMON: There's Wendy right now on line.

13 MS. REDMAN: Yes, if I may, I've been waiting
14 for about an hour here. I was wondering when you were going to
15 get back to the round about with the external sites, so is this
16 a convenient time to.....

17 CHAIRMAN WOLFE: We're getting real close.
18 Maybe we could just wrap up with Mr. Henry and then go back to
19 the field. Mr. Henry, did you have anything further?

20 MR. HENRY: No, I just appreciate -- I'm glad
21 to hear that Vice President Redman is on the line and anxious
22 to serve, she frequently has to wait for various other things
23 to happen and she's good at that, but she's always quite
24 profound, so I'm glad she is on the line.

25 Thanks very much.

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1 CHAIRMAN WOLFE: Okay. Yes, Ms. Redman.

2 MS. REIDEL: Mr. Chairman, this is Monica
3 Reidel in Cordova and I'm also on the line waiting my turn for
4 public comments.

5 CHAIRMAN WOLFE: Okay, very good. We made the
6 round earlier and there was no one out there, but I was just
7 getting ready to do that, Monica. I think we'll start with
8 Ms. Redman. If you would just state your name and we'll give
9 you a few minutes to make your position. Give us your
10 position.

11 MS. REDMAN: Thank you very much, Mr. Chairman.
12 My name is Wendy Redman, I'm the Vice President of the
13 Statewide University Alaska System. I'm sorry that President
14 Hamilton is not able to be here this morning, he had -- we took
15 him down to a dentist an hour and a half ago for an emergency
16 root canal, so I think he'll probably be out of commission for
17 the rest of this day.

18 But I want to take this opportunity to speak on his
19 behalf and to reiterate the points that he made, I believe,
20 that you should have, supporting the idea of a research
21 endowment and/or the establishment of some endowed chairs. I
22 don't think I can add anything more to some of the comments
23 that have been made. It's been fascinating for me to listen to
24 all the different comments this morning, some excellent ideas.
25 I really liked the community-based program, the habitat

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1 protection. I certainly hope that you will find ways to be
2 able to support all of these excellent ideas.

3 I think the university began in 1993 with a proposal
4 that had been a joint proposal between the university and the
5 Prince William Sound Aquaculture Corporation, United Cook Inlet
6 Drift Association, Marine Advisory Program, we put together a
7 proposal for a research endowment at that time to provide a
8 long-term approach to the restoration and preservation of the
9 EVOS area. That was five years ago, we still don't have an
10 endowment, there's still certainly long-term needs that need to
11 be met, as you well know, and there certainly have been
12 significant research projects that you've been -- that the
13 Council has supported over the years.

14 But there remain many more that need -- the really can
15 only effectively be addressed over a long period of time. And
16 I think even more importantly, as has been brought out by
17 several of the speakers this morning, there are really
18 significant areas of applied endeavors relating to the spill
19 technology, the restoration methods, ecosystem preservation
20 that have been learned from the work that has already been done
21 thus far that needs to be pursued and extended for maximum
22 benefits from the public. I can see, for instance, if we had
23 an endowed chair, I would certainly recommend that one or more
24 be put into the Marine Advisory Program, I think you heard from
25 Professor Steiner earlier. And that's a program that really

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1 provides a public service that could take the information and
2 the knowledge that we've gained from all the work that we've
3 done on this spill and really do the kind of public education
4 that needs to be done.

5 So I would -- one of the speakers that said something
6 about how ridiculous it would be to just hand the university
7 money, I guess I would disagree with that. However, I think
8 that if you go back to the proposals that we've made for
9 research endowments they have, in fact, not been simply handing
10 the university the money, but rather putting the money into the
11 kind of a research reserve that would allow a group of -- an
12 advisory committee or retaining the Trustees as they currently
13 exists to really decide what projects were of the highest
14 priority to go forward, so it really is not just handing the
15 university.....

16 And just one last comment. I can't let the gentleman
17 from Eyak off with that kind of cavalier comment about the
18 clear cutting that the university has done. Clearly clear
19 cutting is not aesthetically appealing to everyone, but the
20 comment that the university does not, in fact, reseed and
21 cleanup after its logging projects is simply untrue. And if he
22 would please contact me for more information on that I would
23 appreciate it.

24 Thank you very much. If there's some more information
25 that you would like, I'd be glad to answer some questions,

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1 provide you with additional information.

2 CHAIRMAN WOLFE: Thank you, Ms. Redman. Do we
3 have any more questions for her at this time?

4 (No audible responses)

5 CHAIRMAN WOLFE: I suspect as we do get further
6 into the Restoration Reserve planning effort there may be some
7 questions and definitely we'll be contacting you folks at that
8 time.

9 MS. REDMAN: Thank you very much, sir.

10 CHAIRMAN WOLFE: Thank you. Some of the other
11 sites. Monica, you're where?

12 MS. REIDEL: Yes, Mr. Chairman, this is Monica
13 Reidel, Executive Director of the Alaska Native Harbor Seal
14 Commission and I'm calling from Cordova.

15 CHAIRMAN WOLFE: Okay, very good.

16 MS. REIDEL: The harbor seals were injured by
17 the spill and the people that were most affected were
18 subsistence users. I'd like to point out some of the
19 accomplishments and thank the Trustee Council for supporting
20 our program. Some of the accomplishments that we've done are
21 in the training, the awareness and the direct involvement into
22 research by Native communities. These accomplishments have
23 strengthened the stewardship role of Alaska Natives.

24 And I'd like to address one of the questions that you
25 had on the Restoration Reserve work session today and that was,

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1 what would a long-term program look like? What would be the
2 management and application of the benefits and with which
3 agency programs would it be linked? I'd like to address the
4 linking of the agencies.

5 The National Marine Fishery Service has regulatory
6 authority for the management of harbor seals. The Harbor Seal
7 Commission and the National Marine Fishery Service are
8 bilaterally developing a partnership for the management of
9 harbor seals. These two agencies need to be linked through a
10 long-term monitoring program with the Restoration Reserve
11 funds.

12 I'd like to comment, if you will, on the \$20 million
13 set aside for spill-impacted communities. I do support it,
14 specifically, for the reason that the Native communities have
15 had a very hard time becoming directly involved in the research
16 and restoration process. And at this time I would like to
17 thank Deborah Williams for her continuing support and
18 encouragement of our persistence in this matter. I'd like to
19 see you put aside those funds for these communities so that we
20 can have the opportunities to work on -- you know, within our
21 local levels.

22 I would recommend continued biosampling by Native
23 technicians to monitor the health of our subsistence food. I'd
24 like to encourage community-based research, such as population
25 monitoring of our marine mammals by local people. I believe

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1 that this will provide opportunities to be used in our villages
2 and, again, through the Youth Area Watch, we've been very
3 successful in training our youth and making them aware of our
4 environmental issues and this would further enhance their
5 opportunities. I'd like to see you fund the Chugach and
6 Chugachmiut archaeological plan.

7 And, again, I'd like to thank you for the opportunity
8 for these comments.

9 CHAIRMAN WOLFE: Thank you, Monica. Any
10 questions for Ms. Reidel? Ms. Williams.

11 MS. D. WILLIAMS: Monica, thank you, always,
12 for your very thoughtful comments. Monica, can you give us a
13 few more specifics on community projects you think would be
14 worthwhile investments for the Restoration Reserve?

15 MS. REIDEL: Yes, I just would really like to
16 reiterate how the monitoring of our resources can be done by
17 Native technicians. And I was glad to hear the university
18 person, Wendy, talk about how that endowment can be used for
19 applied science because it's exactly what the Harbor Commission
20 is trying to work towards, Deborah, and when we train our
21 people out in the field, we'd like to see them get college
22 credit and encourage them to enter into the university system
23 through, you know, these programs that we're doing. And you
24 may know that we do have a deferred status on a research
25 program which will address those issues of training the local

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1 people and, you know, providing that college credit.

2 And also we'd like to see -- I think, the biosampling
3 has been working very, very well with regard to teaching the
4 kids and the hunters the scientific methods of data collection,
5 even to enhance data analysis, which normally we never really
6 participated that much in, but now we have our full board of
7 directors with the Harbor Seal Commission actually analyzing
8 the data that comes in and making good sound management
9 decisions.

10 So I would just, you know, from my perspective would
11 like to focus in on those two areas. And the other project
12 that I see culturally relevant would be, again, the
13 archaeological repositories and maybe more training in
14 university linking through that are, training our own kids how
15 to take stewardship roles in our cultural artifacts. And I can
16 go on and on with this, Deborah, but those are the ones that
17 come to my mind immediately.

18 MS. D. WILLIAMS: Thank you, Monica, very
19 helpful.

20 CHAIRMAN WOLFE: Okay. Any other questions.

21 (No audible responses)

22 CHAIRMAN WOLFE: Thank you, Monica, we'll move
23 on. Are there any other folks at remote sites that would like
24 to comment at this time. We are getting close.

25 (No audible responses)

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1 CHAIRMAN WOLFE: Okay, since I'm not hearing
2 any there, are there any more folks here that would like to
3 comment?

4 MS. ALECK: I would like to.

5 CHAIRMAN WOLFE: Yes.

6 MS. ALECK: Good afternoon, I guess. It's good
7 to see Deborah Williams and Molly McCammon. Good afternoon to
8 everyone. My name is Virginia Aleck, I'm from Chignik Lake. I
9 sit on the Traditional Council and I am also the facilitator
10 for the Peninsula. I like the \$20 million, it sort of perks my
11 ears up, I know it does to everyone. I would like to see it
12 put aside for the communities. It seems like the oil-impacted
13 communities aren't seeing much of the oil spill funds.

14 We need to promote jobs for local residents for
15 restoration projects as well as traditional cultural-oriented
16 projects. I would also like to see less buying of the land
17 from the Native people because where is this bringing us,
18 where's our long range plan for our children? We need -- I
19 suppose I can't state, too much, when I say we need more
20 funding for oil-hit region villages and I feel the way Bob
21 Henrichs do, you know, we should have a representative sit on
22 the Trustee Council and it seem like it's been the same talk
23 ever since we started, or actually I started, being the
24 facilitator for the Peninsula.

25 And I would also like to see an archaeological

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1 repository project put in the Peninsula to have artifacts that
2 need to be preserved and housed. And I would like to see
3 scientists work with elders, I think it's a good idea. And I
4 would like to see that study projects in Chignik Lake and the
5 Black Lake are done. The two lakes in my area produces sockeye
6 fisheries for five villages for subsistence users as well as
7 for fishermen. During the oil spill disaster, fishing in our
8 area was shut down due to the oil spill. This caused an
9 overescapement in our area. Our salmon prediction sounds bad
10 for next year and I'm worried about the local people, you know,
11 they need jobs to hold them up and need economical resources.

12 I think that's about all I had.

13 CHAIRMAN WOLFE: Thank you very much.

14 MS. ALECK: Sure.

15 CHAIRMAN WOLFE: Any comments for Ms. Aleck?

16 Deborah.

17 MS. D. WILLIAMS: Just a quick one. It's
18 really good to see representatives from the Peninsula at the
19 public hearing today, thank you for coming.

20 MS. ALECK: Yeah, and I'd like to thank the
21 people from the Peninsula for coming. Thank you for your time.

22 CHAIRMAN WOLFE: Thank you. Are there any
23 other folks in the audience here? Patty.

24 MS. BROWN-SCHWALENBERG: I wasn't going to say
25 anything. My name is Patty Brown-Schwalenberg, I'm Executive

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1 Director of the Chugach Regional Resources Commission. I think
2 the testimony provided by the communities has really said it
3 all, summed up basically what I was going to say, but as I was
4 sitting in the back of the room and looking over the packet
5 information and the various letters and testimony that has been
6 provided to the Trustee Council on how to deal with the
7 Restoration Reserve, I just really want to reiterate that the
8 community people are the ones that were directly affected by
9 the oil spill and they're going to be living there for a long
10 time, for, you know, much longer than we can even imagine. And
11 the oil spill has affected them more than any of the scientific
12 researchers or the university or the State or Federal agencies
13 and we really urge the Trustee Council to keep in mind they're
14 not materialistic people and the \$20 million community fund
15 isn't really a grab for money, so to speak, but they just want
16 to be more directly involved in assisting in the restoration
17 process. That's really, really all they want. I looked at
18 some of the other testimony and there really is no mention
19 involving the Natives in anything except for the \$20 million
20 community fund. So I just hope that the Native people are kept
21 on the forefront of the minds of the Trustees when they go
22 through their decision-making process because that's really --
23 they're going to be there a long time after the money is gone
24 and they need to be integrally involved in a cooperative
25 relationship with the State and Federal management agencies to

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1 make sure that the resources are restored as best as possible.

2 That's all I wanted to say. Thank you.

3 CHAIRMAN WOLFE: Very good, Patty, thank you.

4 Any comments?

5 (No audible responses)

6 CHAIRMAN WOLFE: No. Okay. Anyone.....

7 MS. McCAMMON: Mr. Chairman.

8 CHAIRMAN WOLFE: Ms. McCammon.

9 MS. McCAMMON: I have a written testimony that
10 was submitted and this by Gary Kompkoff, the Chief and
11 President of the Tatitlek IRA Council, and he asked that it be
12 read into the record today. And I'll do it really briefly here
13 and I might skim a little bit, but you have copies of it all
14 and we'll make sure that the full testimony gets into the
15 record.

16 "Thank you for the opportunity to provide this written
17 testimony to you today. The substance of my comments will
18 focus on the Restoration Reserve, and specifically, the \$20
19 Million Community Fund.

20 In the early years after the oil spill, the communities
21 stood by and watched as state, federal, and private scientists
22 and researchers conducted studies in the oil spill-affected
23 area, who oftentimes did not let the communities know what they
24 were studying or why. In recent years, we have taken a greater
25 role in the restoration process through various projects such

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1 as the Community Involvement and TEK projects, the Clam
2 Restoration Project, and several salmon enhancement projects.
3 Although I feel there is much room for improvement in
4 facilitating the involvement in the research, we have come a
5 long way since 1989.

6 The support of the Trustee Council in establishing the
7 \$20 Million Community Fund would mean much to the people of
8 Tatitlek. I realize you cannot address the human element of
9 the oil spill, which has long been on the agenda of the
10 communities. Establishing the Community Fund would facilitate
11 the involvement of the people directly affected by the oil
12 spill though scientific research determined and conducted BY
13 the local residents, natural resource stewardship and
14 management conducted BY the local residents, and would foster a
15 cooperative working relationship between federal and state
16 management agencies so that the projects could be conducted
17 jointly by the tribes, state, and federal agencies. This type
18 of direct involvement in the restoration process, would in
19 effect, address the human element of the spill. It would bring
20 a sense of dignity to the community members by contributing to
21 the restoration effort, thus reducing the sense of helplessness
22 that currently exists. For this reason, I urge you to
23 seriously consider supporting the \$20 Million Community Fund
24 concept proposed by the Chugach Regional Resources Commission
25 and supported by the local residents throughout the oil

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1 spill-affected area.

2 I would also like to express my support for the Clam
3 Restoration Project, the Traditional Ecological Knowledge
4 Project and the Port Graham Hatchery Reconstruction Project,
5 which are all on deferred status. Your careful consideration
6 of these proposals is also much appreciated.

7 In closing, I would like to include in my testimony the
8 speech written by Walter R. Meganack, Sr., just a few months
9 after the oil spill. What he says in this speech should bring
10 home to all of us the devastation brought upon the local people
11 by the Exxon Valdez Oil Spill and that we must not forget that
12 the Native people of Prince William Sound, Lower Cook Inlet,
13 Kodiak and the Alaska Peninsula, who depend upon the natural
14 resources for their livelihood, will be here long after the
15 money is gone and the researchers have gone home. Respectfully
16 submitted, Gary P. Kompkoff, Chief, Tatitlek IRA Council."

17 The Time When the Water Died

18 by Walter R. Meganack, Sr. - Port Graham

19 "The Native story is different from the white man's
20 story of oil devastation. It is different because our lives
21 are different, what we value is different; how we see the water
22 and the land, the plants and the animals, is different. What
23 white men do for sport and recreation and money, we do for
24 life; for the life of our ancient culture. Our lives are
25 rooted in the seasons of God's creation. Since time

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1 immemorial, the lives of the Native people harmonize with the
2 rhythm and the cycles of nature. We are a part of nature. We
3 don't need a calendar or a clock to tell us what time it is.
4 When the days get longer, we get ready. Boots and boats and
5 nets and gear are prepared for the fishing time, the winter
6 beaches are not lonely anymore, because our children and our
7 grownups visit the shellfish, the snails, the chitons. When
8 the first salmon is caught, our whole villages are excited. It
9 is an annual ritual of mouth watering and delight. When our
10 bellies are filled with the fresh new life, then we put up the
11 food for the winter. We dry and smoke and can. Hundreds of
12 fish to feed a family.

13 Much has happened to our people in recent centuries.
14 We have toilets now, and schools. We have clocks and calendars
15 in our homes. Some of us go to an office in the morning. The
16 children go to school in the morning. But sometimes the office
17 is empty and locked. Sometimes the child is absent from
18 school, because there are more important things to do. Like
19 walking the beaches. Collecting the chitons. Watching for the
20 fish.

21 The land and the water are sources of life. The water
22 is sacred. The water is like a baptismal font, and its
23 abundance is the Holy Communion of our lives. Of all the
24 things that we have lost since non-Natives came to our land, we
25 have never lost our connection with the water. The water is

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1 our source of life. So long as the water is alive, Chugach
2 Natives are alive.

3 It was early in the springtime. No fish yet. No
4 snails yet. But the signs were with us. The green was
5 starting. Some birds were flying and singing, the excitement
6 of the season has just begun, and then we heard the news. Oil
7 in the water. Lots of oil. Killing lots of water. It is too
8 shocking to understand. Never in the millennium of our
9 tradition have we thought it possible for the water to die.
10 But it is true.

11 We walk our beaches, but the snails and the barnacles
12 and the chitons are falling off the rocks. Dead. Dead Water.
13 We caught our first fish, the traditional delight of all -- but
14 it got sent to the state to be tested for oil. No first fish
15 this year. We walk our beaches, but instead of gathering life,
16 we gather death. Dead birds. Dead otters. Dead seaweed.

17 Before we have a chance to hold each other and share
18 our tears, our sorrow, our loss, we suffer yet another
19 devastation. We are invaded by the oil company. Offering
20 jobs, high pay. Lots of money. We are in shock. We need to
21 clean the oil, get it out of our water, bring death back to
22 life. We are intoxicated with desperation. We don't have a
23 choice but to take the jobs, we take the orders, we take the
24 disruption. We start fighting. We lost trust for each other.
25 We lost control of our daily life. Everybody is pushing

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1 everybody. We Native people aren't used to being bossed
2 around. We don't like it. But now our own people are pointing
3 fingers at us. Everyone wants to be boss; we are not working
4 like a team. We lose control of our village.

5 Our people get sick. Elders and children in the
6 village. Everybody is touchy. Everybody is ready to jump you
7 and blame you. People are angry. And afraid. Afraid and
8 confused. Our elders feel helpless. They cannot work on
9 cleanup. They cannot do all the activities of gathering food
10 and preparing for winter. And most of all, they cannot teach
11 the young ones the Native way. How will the children learn the
12 values and the ways if the water is dead?

13 The oil companies lied about preventing a spill. Now
14 they lie about the cleanup. Our people know what happens on
15 the beaches. Spend all day cleaning one huge rock and the tide
16 comes in and covers it with oil again. Spend a week wiping and
17 spraying the surface, but pick up a rock and there's four
18 inches of oil underneath. Our people know the water and the
19 beaches. But they get told what to do by ignorant people who
20 should be asking, not telling.

21 We fight a rich and powerful giant, the oil industry,
22 while at the same time, we take orders and paychecks from it.
23 We are a town in half. Will it end? After five years, maybe
24 we will see some springtime water life again. But will the
25 water and the beaches see us? What will happen to our lives in

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1 the next five years? What will happen this fall, when the
2 cleanup stops and the money stops? We have lived through much
3 devastation. Our villages were almost destroyed by chicken pox
4 and tuberculosis. We fight the battles of alcohol and drugs
5 and abuse. And we survive.

6 But what we see now is death. Death -- not of each
7 other, but of the source of life, the water. We need much
8 help, much listening in order to live through the long barren
9 season of dead water, a longer winter than before.

10 I am an elder. I am Chief. I will not lose hope. And
11 I will help my people. We have never lived through this kind
12 of death. But we have lived through lots of other kinds of
13 death. We will learn from the past, we will learn from each
14 other and we will live. The water is dead. But we are alive.
15 And where there is life, there is hope. Thank you for
16 listening to the Native story. God bless you. Walter
17 Meganack, Sr."

18 CHAIRMAN WOLFE: Okay. Any other final
19 comments from folks here in the audience today? Okay.
20 Ms. Williams.

21 MS. D. WILLIAMS: Thank you. And the Chair is
22 being very lenient with me. I do want to thank all of you for
23 coming. Today was a wonderful example of how the public
24 comment period and public comment process of the Exxon Valdez
25 Trustee Council is significant and meaningful, important and

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1 valuable to all of the Trustee Council members. You are
2 wonderful. I know how much time it takes. I know what this
3 means to your schedules to come and speak to us. But I can
4 certainly speak from my five years on the Council, I have
5 learned a tremendous amount from public comments. We have
6 gotten many, many, many excellent ideas that we have carried
7 through because of public comments. And it does make a
8 difference, so thank you very much. I personally appreciate
9 it. I know the Trustee Council appreciates it and I wish you
10 all well.

11 CHAIRMAN WOLFE: Okay. Thank you. At this
12 time we probably need to move on a break for lunch and then an
13 executive session to deal with some issues before the Council.
14 Could I have a motion? Ms. Williams.

15 MS. D. WILLIAMS: Mr. Chairman, I move that we
16 go into executive session to discuss the archaeology RFP, the
17 Alaska SeaLife Center and habitation protection negotiations.

18 MR. WRIGHT: I'll second that.

19 CHAIRMAN WOLFE: Okay. I have a motion and a
20 second. All in favor.

21 IN UNISON: Aye.

22 CHAIRMAN WOLFE: Okay. I expect that we'll
23 probably take a couple of hours.

24 MS. McCAMMON: To 2:00 o'clock.

25 MS. D. WILLIAMS: 2:00 o'clock.

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1 CHAIRMAN WOLFE: So we'll shoot for 2:00
2 o'clock, maybe a little after 2:00 when we get back. All
3 right. Thank you very much.

4 MS. McCAMMON: We have to hang up and then
5 we'll reconnect.

6 (Off record - 12:15 p.m.)

7 (On record - 3:08 p.m.)

8 CHAIRMAN WOLFE: Okay. I'd like to go back on
9 the record at this time. We still have the same
10 representatives from this morning. We just came out of an
11 executive session where we discussed the archaeological
12 repository proposals that we have on the table at this time.
13 We discussed habitat acquisition issues and SeaLife Center
14 operations. I think at this point in time we're running fairly
15 far behind schedule, but we had probably let Molly give you
16 just a quick overview of where we're at with the archaeological
17 repository proposals.

18 MS. McCAMMON: Yeah, thank you, Mr. Chairman.
19 I think most people know that we received two proposals, those
20 proposals are still both confidential and are undergoing
21 review. They were both discussed during executive session, the
22 Trustee Council members individually expressed concerns about
23 elements of both proposals. And as a result of our discussion
24 in executive session, I'll be going back to both proposers and
25 seeking additional information. We are trying to get that --

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1 we will try to get that additional information as quickly as
2 possible so the Council will hopefully be prepared to take
3 action either sometime in December or early January.

4 CHAIRMAN WOLFE: Okay. Very good. I might add
5 that there were some strengths and some weaknesses in the
6 proposals in both cases, so we are interested in getting this
7 to closure very soon.

8 Okay. We right now are at least one or two hours
9 behind schedule. It's Deborah's fault because she's taking a
10 lot of liberties on her last day.

11 MR. WRIGHT: I second that.

12 (Laughter)

13 CHAIRMAN WOLFE: But we do have some folks here
14 that maybe have to leave that were going to make some
15 presentations to the group related to the Restoration Reserve
16 work session and other items, and they will need to be leaving
17 fairly soon. And given how far behind schedule we are, we
18 thought we maybe get a show of hands as to who did show up.
19 And I know one of them that's sitting here ready to talk to us,
20 but is there others that are limited in time and we need to
21 bring up on the schedule a little bit?

22 MR. RUE: Mr. Chairman, this is Frank Rue, I
23 have Doug Eggers here in my office and I'm not sure what Doug's
24 schedule is, but I know that he'd like to be able to speak this
25 afternoon.

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1 CHAIRMAN WOLFE: Okay.

2 MS. McCAMMON: I think, Bill Sikes, you have to
3 leave by 3:30?

4 MR. SIKES: Right.

5 MS. McCAMMON: Yeah.

6 CHAIRMAN WOLFE: Why don't we let Bill Sikes go
7 ahead and talk to us at this point, and that way you won't feel
8 so constrained later. Bill.

9 MS. McCAMMON: Mr. Chairman.

10 CHAIRMAN WOLFE: Yes, Molly.

11 MS. McCAMMON: Before you start there. What
12 we're doing is going to item number 7 on the agenda. The
13 Restoration Reserve Work Session, discussing research and
14 monitoring. And what we'll go back to is these are some
15 questions and request for information that the Council had at
16 our first work session. And one of the issues was what are
17 agencies not responsible for and how would they participate and
18 benefit from a long-term research and monitoring program? And
19 what we did was ask representatives of some of the research
20 agencies to come in and share a little bit about if there were
21 to be a long-term program, how would that fit into their
22 overall mission without duplicating that mission. And Bill
23 Sikes from USGS, Biological Research Division, Department of
24 Interior, since he's suffering under a time constraint here,
25 will be the first one.

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1 CHAIRMAN WOLFE: Okay. Thank you, Molly.

2 MR. SIKES: Ready?

3 CHAIRMAN WOLFE: You bet, Bill.

4 MR. SIKES: Thanks for the opportunity to
5 speak. And I understand that I'm supposed to keep it to 12
6 minutes, right? But I probably won't be able to do that. I
7 think the first thing that -- I'll go down the questions in the
8 order that you wanted me to address them, and I think the first
9 was, basically, what is our mission? And the main
10 responsibilities and how are they fulfilled within our agency
11 operations?

12 A couple of years ago we were combined with -- we were
13 an independent group, many of you understand we're a National
14 Biological Survey, we're now part of the USGS and Biological
15 Resources Division. As such, our mission is that of the USGS,
16 which has not caught up to speed with us. They're doing a new
17 strategic plan, but the -- primarily the USGS is a science
18 organization of the Department of the Interior and as such we
19 provide information to primary clients, which are the DOI
20 agencies.

21 So the mission of our center pretty much follows the
22 mission of the Biological Resources Division which is to
23 provide biological information, research findings, scientific
24 leadership to resource managers, policy makers and the public
25 to support sound management of biological resources and the

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1 ecosystem in Alaska. The key point here is that we provide the
2 information in a non-advocacy type of manner. We don't -- we
3 try not to get involved in the actual management, we provide
4 the information.

5 The Alaska Center -- I guess the other part of the
6 question is, we have a broad program to research around the
7 state, in and around marine ecosystems. We've got projects
8 with what we call base funding and not reimbursable which is
9 what we would classify Exxon Valdez money. Population dynamics
10 of the three species of marine mammals for which the Department
11 of Interior has management responsibility, sea otter, polar
12 bear, walrus. We have a number of projects that deal with
13 seabirds, sea ducks, shore birds in and around ecosystems. We
14 have a number of studies that deal with marine fish, Pacific
15 halibut, Dungeness crab. And, another, costal monitoring, so
16 it's a whole kind of a smorgasbord of base funded projects that
17 we do, primarily, on DOI lands, national parks and national
18 wildlife refuges.

19 The reason that we've had a long history, I guess, with
20 the damage assessment and the restoration work because, by
21 design, much of the stuff that we did complimented our
22 programs. And as a result it's fit very nicely and allowed us
23 to do things that we normally wouldn't be able to do because we
24 either didn't have the interest or -- in that part, or the
25 funding to do it. So in that particular case it dovetailed

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1 very well with what you all wanted and what we wanted for the
2 DOI agencies.

3 The second question was how would your agency's mission
4 of more broadly management of marine and natural resources be
5 advanced by long-term research in the monitoring program and
6 along the lines in the vision that was outlined by Dr. Spies?
7 And what management applications do you see from the program?
8 By design, the major portion of the work we do at our center is
9 long-term, five years or longer, as opposed to some that I call
10 tactical research, which are two or three-year studies, where
11 we get in, solve the problem, get out. All of our center
12 research addresses, either directly or indirectly, high
13 priority Department of Interior priority information needs.

14 The long-term monitoring program, similar to what
15 Dr. Spies outlined in his vision document, could allow
16 scientists from USGS collaborating with other state agencies,
17 much as they do right now, an excellent opportunity to continue
18 to monitor and investigate how and when marine ecosystems
19 recover from such a catastrophic spill as the Exxon Valdez
20 spill. Because many of the species that have not fully
21 recovered are DOI trust species, long-term research conducted
22 by the center in the spill area would be beneficial to DOI
23 natural resources management agencies, primarily Fish and
24 Wildlife Service and the National Park Service. Information
25 would also be helpful, I might add, to the Mineral Management

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1 Service which is looking at the probable impacts of oil and gas
2 development in the Gulf of Alaska and the Lower Cook Inlet, so
3 it's very useful.

4 The information from long-term studies in the spill
5 area would also provide valuable management information for
6 State and Federal agencies tasked with managing marine
7 ecosystems in other parts of the state, and for us it would be
8 Glacier Bay National Park and Preserve, Wrangell/St. Elias,
9 parts of that. Kenai Fjords, Kodiak National Wildlife Refuge,
10 Katmai, many of the areas that you all are familiar with, that
11 are vulnerable from oil spill from ships, either cruise ships
12 or tankers or offshore production facilities.

13 How do you envision that your agency might participate
14 in and cooperate with long-term interagency program? How would
15 this program compliment or go beyond what your agency is
16 reasonably able to accomplish as part of the normal agency
17 operations? Well, to date, scientists from our center have
18 been able to significantly be involved in your study both in
19 the damage assessment arena and the restoration phases. As
20 long as DOI management agencies continue to need information
21 regarding the recovery of damaged ecosystems important to their
22 missions, scientists from the Alaska Center will continue to be
23 involved. It's fairly clear. In all instances the center
24 scientists have been involved in oil spill investigations
25 because much of the research undertaken has complimented other

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1 ongoing studies in other areas of the state and
2 directly/indirectly addressed DOI needs.

3 No doubt some of the research methods in the monitoring
4 stage developed in oil spill studies have enhanced our base
5 funded studies in the other areas. And that's true, over the
6 last five years center-based funding for all research,
7 including marine research, has decreased. And the outlook in
8 future years is uncertain at best. Currently the center has
9 ongoing and planned studies that address high priority DOI
10 needs in other areas of the state that are either unfunded or
11 have no funding at all. In reality, Trustee funding allows
12 center scientists to conduct research in spill areas on DOI
13 trust species that probably would not get base funding
14 otherwise. It's an important point.

15 And the last question, are there particular problems or
16 issues which would be especially beneficial to address the
17 long-term research and monitoring? And I guess when I read
18 that, first it would be very presumptuous for a research
19 administrator or manager to enter into this thing, other than
20 the scientists that have been collaborating and conducting
21 these investigations are probably -- and the managers that
22 they've been working with are the best qualified to answer this
23 question. However, we all know that there are species and
24 habitats that are not yet fully recovered from the spill. It
25 would be prudent and morally responsible for the Exxon Valdez

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1 Trustees to continue, in a limited way, a monitoring program
2 that would take the pulse of the damaged ecosystems to provide
3 State and Federal resource managers, as well as the public
4 periodic updates of the recovery. I think our scientists from
5 not only USGS, but other areas, have experienced -- gained
6 experience in the restoration investigations that indicate a
7 need for more research to continue to learn more about those
8 ecological relationships of those species that have not
9 recovered or their status is unknown. And we do know that
10 there are a number of species in that category. The ongoing
11 restoration investigations have provided an excellent
12 foundation for the establishment of long-term monitoring and
13 research programs and have demonstrated the effective
14 integration of studies to form a monitoring web. It's unlikely
15 that in the future that State and natural resources agencies
16 will have the funding and the staff to continue a long-term
17 monitoring program because of competing needs, many
18 legislatively mandated in other parts of the state. There is
19 always a crisis of the hour that will need attention.

20 All State and Federal resources management agencies are
21 under the gun to do less with more and the trend will not
22 likely change in the future. The Trustees have an excellent
23 opportunity to leave a legacy for the future by establishing a
24 long-term research and monitoring program for the citizens of
25 the United States.

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1 That's it. Any questions, comments?

2 MR. WRIGHT: Mr. Chairman.

3 CHAIRMAN WOLFE: Mr. Wright.

4 MR. WRIGHT: Bill, you mentioned monitoring the
5 recovery, kind of indicating the spill and, in fact, there's
6 been some incredible changes in the Northeast Pacific, Northern
7 Gulf of Alaska that have probably been much farther reaching
8 than the oil spill, such as the shift in the ecosystem that
9 kind of started around 1976 when Northern Gulf of Alaska
10 switched from a crustacean-based ecosystem, this whole
11 ecosystem, to a fish-based ecosystem, everything changed.
12 Marine mammal populations started dropping, in some cases bird
13 populations started dropping. I mean just huge changes and
14 it's because of some of the Trustee Council research that we're
15 starting to understand some of those changes because we have
16 done long-term research, we've looked at historical data sets
17 that have gone back almost 50 years. Trustee Council research
18 is teasing out some of this, starting to understand some of
19 these incredibly dramatic changes that have impacted all the
20 marine resource users in this area and in this region. And so
21 it's more than just understanding the oil spill, it's
22 understanding the dynamics of this very varying and changing
23 system. I mean we're going through all kinds of cycles, we
24 don't understand what's next, we can't predict. I mean people
25 are -- some of our oceanographers are predicting La Nina this

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1 year, some of them are predicting global warming, some people
2 are predicting a regime shift back, we don't know. And a lot
3 of research that we're doing now and a long-term monitoring
4 program would help not only keep the pulse on what's happened
5 because of the oil spill but some of the dynamics of the system
6 that's natural, that we need to understand.

7 MR. SIKES: I agree. You know, I guess my area
8 of emphasis was on restoration because that's where we're
9 focused. And I think if you get that type of information
10 that's kind of a bonus, it's kind of perk, but I really feel
11 that the public really needs to know when these ecosystems or
12 ecosystem, however you want to classify it, have reached a
13 point where we can say that they restored to a point where we
14 feel comfortable with it. And if we don't have some type of
15 monitoring program and, I guess, and a research program to look
16 at some of these relationships then I think the public will
17 never know. And I think that's probably the legacy, that we
18 have an opportunity, because we all know, left to their own
19 designs, the money is probably not there for each individual
20 agency to do it, but we got this fund that basically would
21 allow some type of a program to continue and sort out the types
22 of things that you have, but to make sure that we can say with
23 reasonable -- some reasonable assurity that these species are
24 recovered or it's not likely that these will ever recover in
25 our time frame. And if we stop now or when the current study

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1 is done then I think we've passed up an excellent opportunity.
2 I think there's some other areas that's in addition to
3 monitoring and research that would fit right into that, I think
4 that Dr. Spies has identified, I think that there's some new
5 things that are out on the -- that are buzz words now or
6 decisions support systems that I think are very important which
7 is basically another way of organizing the existing information
8 and the information that we've collected that would make the
9 utility of this information much greater to the managers now.
10 We have some demonstrations that basically allow any users,
11 whether they're sitting in a Native community or anyplace else,
12 to be able to get online and see exactly what information is
13 collected, both visually, graphically and to put a cursor on it
14 and find out what exactly exists at that information and that
15 technology exists today and I think we ought to do that.
16 You know, I've focused on research and monitoring but
17 when I looked at the mission that the oil spill Trustees have,
18 I thought one of the things that they might want to venture
19 into, in addition to land acquisition, is this whole arena
20 that's kind of come up on the horizon now of marine reserves
21 and critical fish habitat and I think there's been a lot of
22 excellent effort going into purchasing land and looking at that
23 area, but I think it might be worth it to look at some marine
24 reserve concepts and to try to work with all the users to try
25 to look at various things, if nothing more, say, like a marine

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1 study site that would be there forever and ever. I mean, so
2 those are some other areas that I think we need to look at. We
3 look at it basically through Glacier Bay, but I think the whole
4 concept, the flexibility of marine reserves would allow the
5 opportunity for scientists to go from here until, you know, as
6 far we can see to have a site where they can go to continue to
7 do some of this monitoring, such as they can get money from
8 other sources other than the Trustees.

9 MS. McCAMMON: Can we have a copy of that,
10 Bill, too?

11 MR. SIKES: Yep.

12 CHAIRMAN WOLFE: Any other questions for Bill?

13 (No audible responses)

14 CHAIRMAN WOLFE: Okay.

15 MR. SIKES: Thanks for moving me up, I do
16 appreciate it. I'll hang in here until I can.

17 CHAIRMAN WOLFE: Appreciate it. No, I'm happy
18 to do that.

19 MR. SIKES: Okay.

20 MS. McCAMMON: Mr. Chairman, what we'd like to
21 do now is go back to the top of that. We'll come back
22 afterwards, we might as well finish research and then go to
23 community projects after that. But we wanted to start out with
24 what has been accomplished to date in terms of research and
25 management and their management restoration applications,

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1 because there have been questions about we have millions of
2 dollars of research going on, but of what use is it for
3 managers and actual direct restoration. And Stan Senner, the
4 Science Coordinator, did put together a handout that's in your
5 packet under research management applications.

6 MR. RUE: Mr. Chair, Molly, did you send that
7 to those of us on the teleconference?

8 MS. McCAMMON: It's in your Trustee Council
9 packet for the day under the tab Research Management
10 Applications.

11 MR. SENNER: Mr. Chairman, we're not going to
12 go through this handout in any detail, it's there available for
13 you to read at your convenience. I do want to say a couple of
14 things about it.

15 MS. D. WILLIAMS: I'm incline -- I sort of
16 jumped in if I could, Mr. Chairman, because I looked at this,
17 like pink salmon sensitivity of early stages, blah, blah. And
18 then underneath your targeted sentence, provides basis for
19 revised water quality standard. I couldn't tell whether
20 actually there have been revised water quality standards or
21 that it could, hypothetically, provide the basis.

22 MR. SENNER: That was one of the items I was
23 going to address.

24 MS. D. WILLIAMS: Okay.

25 MR. WRIGHT: Good question.

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1 MR. SENNER: Mr. Chairman, the list you have
2 before you gives only examples, we did not systematically go
3 through every project that's ever been funded to itemize the
4 benefits, that's one item. Two, is that the list includes both
5 immediate and longer term benefits of the project but the
6 emphasis is on benefits that extend beyond the immediate
7 restoration program, in other words, the longer term picture.
8 Three, some of the examples, and this in response to
9 Ms. Williams, some of the examples are prospective and by that
10 I mean that the Council has sponsored studies that have made it
11 possible, for example, to revise water quality standards to
12 take into account the sensitivity of early live stages of
13 salmon to oil, however, the Trustees aren't the management
14 authority. We provided the information, the agencies may or
15 may not take advantage of that information and actually make
16 changes on that account. In that particular example of the
17 water quality standards, that is an item that is very much on
18 the table at the Environmental Protection Agency and National
19 Marine Fishery Service, it's actively being looked at, but no
20 water quality standards have been revised so far. So the
21 information is there, we've provided it, they have it and it's
22 under consideration.

23 MS. D. WILLIAMS: Mr. Chairman.

24 CHAIRMAN WOLFE: Ms. Williams.

25 MS. D. WILLIAMS: When I look though this, and

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1 help me if I'm missing something, in terms of something that
2 you can really point to as a result of this information, a
3 specific agency action was taken, I got to page five on
4 harlequin duck research and monitoring, population data was
5 directly responsible for curtailed sports hunting season in
6 Prince William Sound. Was there anything else in there in
7 terms of a specific agency action that took place because of
8 the research?

9 MR. SENNER: Yeah, virtually every item. Just
10 on the first page, otolith thermal mass marking.

11 MS. D. WILLIAMS: Okay.

12 MR. SENNER: Conserves wide stocks to improve
13 in-season fishery management. They're doing that everyday the
14 pink salmon season is underway in Prince William Sound using
15 otolith marking data.

16 The genetic information is being used to evaluate
17 permits for hatcheries and anything involving introduction of
18 fishery stocks. I mean, you can go down the line and all of
19 these have those direct applications.

20 MS. D. WILLIAMS: And that's what I think would
21 be useful. The hypothetical stuff is interesting, but in terms
22 of, I think, what does the public ask us for, what do they ask
23 me for, is what things have truly, you know, changed
24 management? Where can you actually point in the last 10 years
25 to a management action that is based on information that was

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1 generated here, as opposed to something hypothetically in the
2 future. And if, perhaps, there could be a list that would
3 highlight that, that would be very useful.

4 MR. RUE: I think that would be good, Deborah.
5 This is Frank. We've done -- I mean some of the disease with
6 herring has affected how we've done herring pound fisheries,
7 whether we do them in pound, closed pounds. (Phone fade) but
8 also changed how we're looking at herring management, that one
9 particular fishery.

10 DR. SPIES: And in the sockeye, which is a
11 Kenai River fishery, which is a very important fishery, the end
12 season genetic stock identification has been an important part
13 of that as well as the offshore hydroacoustic methods developed
14 under Trustee Council funding. That in-season management of
15 that fishery has had quite an impact -- there's been quite an
16 impact of the EVOS process on that.

17 MR. RUE: Yeah. Well, Deborah, if that helps I
18 guess we could get.....

19 MS. D. WILLIAMS: Yes, that would be very
20 helpful.

21 MS. McCAMMON: Mr. Chairman, I think part of
22 the problem is in a lot of cases there's not one single
23 management action or decision, it's information that's
24 incorporated into the overall management program or day-to-day
25 decisions that managers are -- I mean, they're making hundreds

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1 of decisions everyday and so it's incorporated into that or
2 into a greater understanding on which they make other
3 decisions, so an actual -- the list of one actual finite
4 specific decision that went through a public process and then
5 they made some major decision is probably harder to tease out
6 than just overall multiple decisions, but we'll see what we can
7 do.

8 MR. SENNER: Yeah, it really isn't that simple
9 and the Executive Director is exactly right in the way the
10 decisions work, but we'll do our best.

11 MS. McCAMMON: Yeah.

12 MR. WRIGHT: Mr. Chairman, but there are some
13 really key examples. I'm looking at the one under forage fish,
14 page six, and, let's see, under the first one, .3 a key
15 application was the regulatory action by the North Pacific
16 Fisheries Management Council to strictly reduce limit.
17 Actually not allow forage fish harvest, the comerc -- I mean,
18 that's.....

19 MS. D. WILLIAMS: Right, right, that's exactly
20 what I'm looking for.

21 MR. WRIGHT: Yeah, I understand what you're
22 looking for.

23 MS. D. WILLIAMS: Uh-huh.

24 MR. WRIGHT: The first example, though, with
25 the effects -- this was under pink salmon. Pink salmon and

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1 herring larvae are setting a whole new standard for how we
2 think of water pollution, 1,000 times more critical than we
3 thought of before. We're seeing affects at that level. EPA is
4 going, we don't have regulations now, national standards for
5 TPAHs and they're considering writing those. As soon as the
6 papers are published, which will be this next month or two.
7 And so come back in a year and there'll be a longer list, but
8 we're making a big difference.

9 MR. RUE: Mr. Chair, Doug Eggers had an example
10 of how otolith marking was being used here. Doug.

11 MR. EGGERS: Well, as you know, the large
12 number of hatcheries -- pink salmon are otolith marked, this
13 has provided a very useful tool for understanding the ocean
14 distribution of salmon, there are ongoing research projects
15 involving high sea sampling of salmon and I've see large
16 numbers of otolith marked salmon out there that tell us the
17 time and place that particular stocks occur in the ocean. In
18 addition, this technology is being embraced by lots of other
19 hatcheries in Southeastern Alaska and British Columbia, the
20 Japanese are going to be marketing, there's some salmon
21 releases (phone fade) enormously important tool for studying
22 the distribution and migration of salmon in the ocean.

23 MR. RUE: (Indiscernible)

24 CHAIRMAN WOLFE: Say again, Frank.

25 MR. RUE: We didn't admit it but (phone fade)

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1 CHAIRMAN WOLFE: Yeah, I probably need to take
2 a break at this point and kind of say, what are we trying to
3 achieve at this point with this presentation? Are we wanting
4 these folks to go through and highlight stuff or is this the
5 kind of chance for us to ask.....

6 MS. McCAMMON: These are questions that were
7 asked by Trustees at our meeting in September.....

8 CHAIRMAN WOLFE: I understand that.

9 MS. McCAMMON:and this is an opportunity
10 for a discussion and questions and answers.

11 CHAIRMAN WOLFE: Oh, us to dialogue with them.

12 MS. McCAMMON: Yeah.

13 CHAIRMAN WOLFE: Okay.

14 MR. TILLERY: I think the kind of conversation
15 Deborah just had was exactly what we're trying to do.

16 MS. McCAMMON: Yeah.

17 CHAIRMAN WOLFE: I just wanted to make sure we
18 were tracking because I wasn't sure if it was meeting your
19 objectives or all of the folks' objectives here, but it was
20 definitely interesting. Some of the things that are definitely
21 high on my list are what are the water quality standards that
22 would be appropriate for oil petroleum products?

23 MR. WRIGHT: You want to ask me that question?

24 CHAIRMAN WOLFE: No and I don't want the
25 details, but I would definitely like to know because, you know,

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1 we deal with that fairly regularly, particularly with some of
2 the contaminated site cleanup work we're doing outside of this
3 area, so, yeah, it's extremely interesting.

4 MR. WRIGHT: Right now this is a big media
5 issue, too, and we've sent out 200-plus packets of research
6 papers. The media all over the country is interested in this
7 topic.

8 CHAIRMAN WOLFE: Yeah.

9 MR. WRIGHT: We'll hear more about that in the
10 press.

11 CHAIRMAN WOLFE: I didn't mean to stop
12 everything, but I just wanted to make sure that we were all
13 tracking the same thing here.

14 MR. SENNER: Mr. Chairman, we had one final
15 comment about this and then we're prepared to move on in the
16 agenda. And that last comment is that typically one evaluates
17 the benefits of a science program after that program has
18 reached a certain level of maturity or is even over so that
19 there's the benefit of time to give some perspective on what
20 you've accomplished and we think it's significant that this
21 program already has yielded a number of applications, a number
22 more coming, and it has done so only four years after the
23 Council approved the restoration plan. And so, although we
24 haven't had the benefit of looking back on something a decade
25 after it's over, we think while we're in progress we're seeing

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1 tangible results.

2 With that introduction, we'd like to encourage you to
3 read over that list, we will revisit it in response to
4 Ms. Williams' questions and try and particularly highlight
5 those that have yielded sort of concrete direct actions to
6 date. And what we'd like to do now, if there are no more
7 questions about this handout, we'd like to turn to Dr. Spies to
8 give some perspective on environmental change in the Gulf of
9 Alaska, how that relates to resources, like salmon and
10 seabirds.

11 MS. D. WILLIAMS: If I could just ask one
12 question about this, Mr. Chairman.

13 CHAIRMAN WOLFE: Ms. Williams.

14 MS. D. WILLIAMS: You know, the research,
15 obviously, the combination of you and Dr. Spies, I'm sure, is
16 very satisfactory for addressing the research issues. In terms
17 of subsistence and habitat improvement and so forth, did you
18 circulate this draft with the people involved in those issues,
19 you got their comments?

20 MR. SENNER: We did not circulate it to them
21 because the question that came to us is how are the research
22 monitoring and general restoration projects, what have been the
23 applications. We weren't asked to look at habitat arena.

24 MS. D. WILLIAMS: Or just habitat improvement
25 right now.

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1 MR. SENNER: Well, yes. And that refers to in
2 stream manipulations, that kind of thing. We did circulate
3 this to agency liaisons, yes.

4 MS. D. WILLIAMS: Okay.

5 DR. SPIES: Well, I'd certainly encourage you
6 to look at that list, it's a very impressive list of
7 accomplishments, I think, and dividends from the scientific
8 program, even though we were focused, really, in the beginning
9 on just the injury from the spill and the recovery. There's
10 been these spin-offs and as we moved into the more ecologically
11 based question of what is, in fact, inhibiting the recovery of
12 some of these species that we've turned an even greater
13 dividend. I think as we contemplate moving into the future
14 there's a third level of payback here that I think on a
15 multi-decadal level here that actually could actually dwarf
16 what we've put together already.

17 What I'd like to do, just by way of example, is to
18 talk about fluctuations in two important resources, Pacific
19 salmon and then seabirds.

20 Is that high enough for everybody to see?

21 And talk about how these resources have changed over
22 the decades in the Gulf of Alaska and then to talk about some
23 of the underlying ecological process in the Gulf that may be
24 related to them. And then this begins to give rise to models
25 or ideas about how the ecological changes then result in these

00133

1 sort of things and that any kind of a monitoring and research
2 parameter where you're actually measuring things that are going
3 on in the natural world, you're either making some explicit
4 assumptions about how it operates or there's some implicit
5 assumptions, you're never neutral on these sort of things, so I
6 think it's probably better to start talking about what the
7 specific assumptions are about how the system operates.

8 Talking first a little bit about salmon, this is a
9 remarkable set of data put together by the Japanese worker,
10 Kaeriyama last year, and it covers the entire North Pacific and
11 goes back from the present back to 1920 and shows the catches
12 of all six species of specific salmon, including from the
13 Western Pacific, the masoon (ph). And you can see right away
14 the kinds of -- underlying this kind of catch is obviously some
15 sort of changes in production. You can see right away that
16 we're dealing with decade scales and that the idea of looking
17 at a hundred year cycle, a hundred year piece of time for a
18 program is just exactly what's needed. We see, for instance in
19 the '30s and '40s a large increase in catches and then a
20 decrease through the late '40s through the '60 and the catches
21 kind of fluctuated within a narrow range. And in this last 20
22 years, this remarkable increase that we've seen in the Gulf of
23 Alaska, and we'll be talking a little bit about some of the
24 things that went on there with those populations and the
25 reasons for those.

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1 And there's two things that happened as the population
2 changed, one of them is that the -- and this is based on the
3 chum salmon, but there's other examples as well. One is the
4 increased in average age of fish as the population grows. And
5 this is interesting because it's usually the older females that
6 produce the bulk of the eggs in a population, so as the age
7 increases this gives a kind of an added impetus to the increase
8 in the population. And, conversely, as the populations
9 decrease the average age decreases and you get a deceleration
10 of the phenomenon.

11 And along with this is a second phenomenon that
12 probably most of you are aware of because it's also been in the
13 press quite a bit, it's a decrease in size. And this is kind
14 of a remarkable compilation of data for the chum, pink and
15 sockeye salmon fisheries over a large part of the Eastern
16 Pacific and it shows the average size of fish has decreased
17 over the last twenty year period where we saw these increases
18 in populations. And what this tells ecologists is there's a
19 resource limitation going on even as these populations are
20 starting to rise, in other words, there's only so much
21 production to be taken care of, otherwise these fish would be
22 larger in size.

23 So it's what we call density dependant effects going on
24 even from the start of the population boom. At the same time,
25 man is not a neutral player in the scene, we're -- a tremendous

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1 increase in the number of hatchery fish released. In the '50s
2 and '60s less than 500 million fish were released annually, and
3 this is all over the Pacific Ocean, including Japan, but now
4 there's four and a half billion juvenile salmon released to the
5 marine environment every year. So as you heard mentioned in
6 Bruce Wright's comments, that there's a lot of tagged fish
7 being found out in the open Pacific and a lot of those come
8 from hatcheries, so we know the hatcheries are playing a very
9 big role in the surviving and returning fish.

10 And unfortunately there's another aspect to hatchery
11 that we see too often, and that is -- and this is a local
12 example, but that is as the hatchery production increases, we
13 see a corresponding decrease in the wild stocks and that's
14 something we have to keep in mind as we think about the
15 application of this sort of data to management.

16 And in the Kenai River system, a local example, which
17 is of great, both commercial and recreational, importance, we
18 see a reflection in the total run data here in red, it mirrors
19 this increase in the Gulf of Alaska production. The marine
20 survival has reached really record levels during this period.
21 At the same time this four and five-year cycle, with strong
22 peaks and valleys imposed on top of that, and it's typical of
23 sockeye salmon systems. And in this case the Trustee Council
24 sponsored research of -- on the glacial system in the Kenai,
25 particularly Skilak Lake, work done by Fish and Game and

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1 particularly Dana Schmidt has provided a mechanistic
2 explanation of this that is very compelling.

3 And another sort of thing that can happen from
4 anthropogenic effects that we need to be very aware of and
5 understand the system that we're utilizing the resources from
6 comes from the North Atlantic, this is in the NRC study that's
7 about to be released. On the average trophic level of the fish
8 being fished in the North Atlantic, and this is called kind of
9 fishing down the food web. And you can see that the trophic
10 level, and this is the high trophic levels up here, the average
11 trophic level has decreased over the years in the fisheries.
12 And this is the sort of thing that's probably not occurring yet
13 in the Gulf of Alaska, but something we want to make sure that
14 we do avoid.

15 Turning now to some of the underlying phenomenon in the
16 Gulf of Alaska, just a little bit of information on the
17 occurrence here. Of course, the main feature in the Gulf of
18 Alaska is this large Alaskan gyre and the southern boundary of
19 this is the west wind drift that comes across the North Pacific
20 and splits between the -- about the Queen Charlotte Islands and
21 starts the California current, which is mainly an upwelling
22 system. In the south we've got surface water moving away from
23 the near shore and upwelling and deep water carrying the
24 nutrients for production. And then the northern branch of this
25 westward drift split is the start of the Alaska current which

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1 is quite broad over the shelf here and then narrows through the
2 Alaska stream, past Kodiak Island and the Alaska Peninsula.

3 And inshore of that is the Alaska coastal current which
4 starts somewhere in the Southeast. And this is a nearshore
5 current that moves along into Prince William Sound and out into
6 Outer Cook Inlet and out and down Shelikof Strait. Rather than
7 an upwelling system, which we have in the California current,
8 the way the water moves and the fact that this is dominated by
9 fresh water and wind pushes it up against the coast and this
10 onwelling kind of -- and downwelling kind of system where the
11 deep water that's full of nutrients is kind of kept -- there's
12 kind of a cap kept on it by the fresh water.

13 This is a remarkable set of data, unfortunately we
14 don't have contrast between the last 20 years, which this data
15 represents, and previous to that, but because we just had the
16 satellites starting in the late '70s to take these photo
17 images, but this is the chlorophyll A concentrations through
18 the whole North Pacific, most of the Pacific, in fact, and if
19 you look at the warmer colors or the higher concentrations, so
20 the reds and yellows are the higher concentrations, just a
21 remarkable compilation of data over a seven-year period here.
22 You can see that along the California coast here, this kind of
23 narrow area of high production from the upwelling, and there's
24 this very high concentrations of chlorophyll in the Northern
25 Gulf of Alaska and into the Bering Sea and also into the

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1 Western Pacific. A very productive area. It's no -- you can
2 understand why 50 percent of the fisheries landings come from
3 the Gulf of Alaska and the Bering Sea.

4 Now, one of the things that has been hypothesized to
5 explain changes in the North Pacific has been changes in the
6 atmosphere that, again, relate back down to the currents. And
7 the idea is when the Aleutian wintertime low pressure zone is
8 quite low and intense that you get an effect transmitted
9 through the current that makes the Alaska current strong, and
10 conversely, in this case, as the Aleutian low pressure zone in
11 the winter is not very strong, you get kind of a weak split of
12 the west wind drift, a weak Alaskan current and a stronger
13 California current.

14 And then the opposite situation when there's a -- sets
15 that started to occur about in '76 and '77 was a strong
16 Aleutian low in the winter and a greater split of the drift
17 toward that Alaska current and a stronger Alaska current. And
18 there's a couple of phenomena that went on with this, and one
19 of them was more wind and precipitation. More wind, deeper
20 mixing of the ocean, more the nutrients coming up. More
21 precipitation, more fresh water into the Alaska coastal
22 current.

23 And as the west wind drift brought up warmer water into
24 the Gulf of Alaska we can see that the water temperatures
25 increased. From the mid-'70s on, you can see this is

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1 anomalies, the yellow and red, again, the higher temperature,
2 the higher anomaly values. And starting about in the mid-'70s,
3 we get a lot of warmer water than previous to that time. And
4 we can see the El Nino events of '83 and '84 here and the most
5 recent El Nino. And, by the way, this data comes from the GAK1
6 Line off Seward and that's a program that we're currently
7 cosponsoring with Trustee Council with GLOBEC, NSF/NOAA
8 Program.

9 So what do all these changes in the climate and
10 oceanography mean to the food for salmon out there? Well, this
11 is a picture taken in the spring between -- compilation of data
12 between '56 and '62 of the zooplankton biomass in the Gulf of
13 Alaska, and you can see that the area of zooplankton biomass
14 where it's greater than 300 grams per hundred cubic meters is
15 quite limited here. By contrast, the period between 1980 and
16 '89 has a very, very, very large area of zooplankton biomasses
17 above this 300 grams per hundred cubic meters. So there's a
18 lot more to eat out there, and the Nekton data show the same
19 thing.

20 So you can see that -- it looks -- we can have some
21 reasonable ideas and hypotheses about things that are occurring
22 in the Gulf of Alaska that affect these huge changes that we
23 see in the abundance of the resources.

24 Let's turn to the second example, seabirds, and I'd
25 like to contrast the situation on Gull Island in the Outer Cook

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1 Inlet, this is in the mouth of Katchemak Bay and the Fish and
2 Wildlife Service and USGS Biological Division have been doing
3 research there for some time. And we can see there that we've
4 got increases in about five species -- four species of
5 seabirds, cormorants, kittiwakes, common murre and
6 glaucous-winged gulls through the '80s. And if we move a
7 little bit further up into Cook Inlet, to middle Cook Inlet in
8 the north part of Kamishak Bay at Chisik Island, we see the
9 exactly opposite thing, where the cormorants, kittiwakes,
10 common murre and glaucous-winged gulls are almost decreasing
11 over the same period. So we got things going on offshore, we
12 got things going on inshore that look like they're a little bit
13 different.

14 As we know, Cook Inlet drains -- takes a lot of fresh
15 water input from glacially dominated systems, like the Susitna
16 and Matanuska River. And we got fresh water, laden with
17 sediment, moving down into the northern part of Kamishak Bay
18 and potentially affecting this. This is nutrient depleted
19 water, whereas the water that comes in and gets into Katchemak
20 Bay has a lot more marine influence, has a lot more of this
21 marine nutrient rich water. So there's some ideas there as to
22 what may be behind some of these fluctuations in bird colonies.

23 I think I'll skip some of this -- some of these
24 overheads to save a little bit of time here. And Bruce already
25 mentioned some of these regime shifts that have taken place

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1 that have been uncovered by the help of Trustee Council
2 funding, and this shows the abundance of a series of trawl
3 catches taken by ADF&G and National Marine Fishery Service over
4 the years along Kodiak and the Alaska Peninsula, you can see
5 that, before about 1976, this was dominated by crustaceans and
6 after there's a huge decrease in crustaceans and a
7 corresponding increase in the fishes in the trawl catches.

8 So there's been a change in the dominant organisms that
9 are up in the water column. And at the same time, the quality
10 of the forage fish food available through these sort of changes
11 has changed as well and this is some -- again, from the APEX
12 Program which you're currently sponsoring, this is some data on
13 what it takes to raise a baby chick, black-legged kittiwake to
14 a good fledgling weight. And if you just look at these top two
15 lines you can see that it takes about twice as much as pollock
16 as it does herring to get to the same fledgling weight in these
17 birds. So the quality of food does really, really matter to
18 these local seabirds.

19 So those are just two examples of the fluctuations and
20 resources, some of the measurements that we're beginning to
21 understand, something about the system and that, again, becomes
22 a basis for designing a program that looks at the fluctuations
23 of these measurements and what underlies those sort of things.

24 Now, as Stan mentioned in his comments, we would hope
25 to integrate any kind of a long-term program with related

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1 programs, I won't go through all of these measurements, but we
2 began to look at some of the other programs that are going on
3 here with the atmosphere and the oceanography, there's a whole
4 bunch of agencies and programs, a lot of increasing interaction
5 with the GLOBEC Program. NOAA National Mussel Watch for
6 contaminants, a big question and a continuing question about
7 the Alaska -- the emerging question about the Alaska situation
8 and then this U.S. Fish and Wildlife Service colony work that
9 was alluded to during the session.

10 So what I think I'll do is turn it back over to Stan to
11 talk a little bit about some of the modeling program elements
12 in the Gulf of Alaska, the GEM Program as we coined the.....

13 CHAIRMAN WOLFE: Does any Council member have
14 any questions for Dr. Spies before he gives up the mike there
15 and sits down?

16 MS. D. WILLIAMS: Oh, what the heck.

17 CHAIRMAN WOLFE: Ms. Williams, go for it.

18 MS. D. WILLIAMS: Dr. Spies, as you may or may
19 not know, you went through that whole presentation without
20 mentioning the spill. And, you know, again, that continues.
21 If I were going to resume or retain my tenure on the Council,
22 and that continues to be my central question about the
23 relevancy of additional future research to our restoration
24 mandate. And so, you know, when I watch -- I kept waiting for
25 the kind of, you know, and here's the spill and this is why,

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1 you know, all of this is relevant to our restoration mandate.
2 I don't dispute for a second there are extraordinarily large
3 research questions out there having to do with the North
4 Pacific and I don't think there's anyone who's a stronger
5 advocate of, you know, the North Pacific research and Bering
6 Sea research than I. I worked very hard, you know, to get the
7 6.6 in additional money that we're going to get, but I'm still
8 struggling and, I hate to say, there was nothing in your
9 presentation that helped me struggling with the question of how
10 does this, you know, impact our decision-making or whoever is
11 going to sit in my place decision-making on the importance of
12 research on the restoration of injured resources, which is our
13 mandate.

14 DR. SPIES: I think what's being proposed here
15 is an explicit change in the philosophy in the Trustee Council.

16 MS. D. WILLIAMS: Okay.

17 DR. SPIES: Moving towards the long-term
18 protection of marine environment and gathering the kind of
19 information we need. I think just in the habitat program as
20 we're not going to give back the habitat or sell it or let
21 those accomplishments fall by the side after the resources have
22 recovered, so too, I think we need to balance that with
23 protection of the marine resources and this is the logical step
24 to move in that direction.

25 CHAIRMAN WOLFE: Dr. Spies, I'm not sure I

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1 followed you. Is the change in philosophy for the Council on
2 what with respect to research? In where we're going? Because
3 we still have to link our research to spill-related activities,
4 do we not? So that's part of, I think, where Ms. Williams is
5 coming from, is research is great, but how do we justify to
6 ourselves as part of the spill?

7 DR. SPIES: Well, first of all, what I didn't
8 say is there's certainly continuing injury there, we need to
9 trace that and deal with that. But there's also, I think, as
10 the program moves on, a greater realization these are really,
11 really complex systems and to sort out anthropogenic effects
12 from natural effects is more and more challenging as we move
13 on. And we need to keep that and track those spill-related
14 injuries, but I think we need for the protection of the
15 resource in the long-term, to provide that long-term
16 protection, we need to think about the natural changes in the
17 environment and other anthropogenic things that can could
18 affect it. So we're providing a legacy down the road that goes
19 much beyond spill injury and recovery.

20 CHAIRMAN WOLFE: That's going to make it very
21 difficult for us to get around though for providing funding for
22 the research until we can make that link and show that it is --
23 while it may have greater benefits beyond the oil spill
24 restoration, how does it benefit oil restoration for this spill
25 or for future. Although, I'm not sure we can do future

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1 research under these funds.

2 MR. TILLERY: Mr. Chairman.

3 CHAIRMAN WOLFE: Mr. Tillery.

4 MR. TILLERY: You know, I have been asked a
5 number of time why are we doing this habitat protection,
6 there's not a single animal out there that was injured by the
7 oil spill this is coping [sic], and I sort of constantly
8 respond, and I frankly agree with that, but I constantly
9 respond that there are other animals out there of the same
10 species, of the same kind that weren't injured by the spill
11 that we are protecting their environment, we are providing sort
12 of a safe environment for those populations and those animals
13 to continue to live in and thrive in. It seems to me that with
14 a lot of this research when it may not be directed just at
15 oiled salmon eggs or something like that, but it is directed at
16 the same marine populations, the same marine areas that weren't
17 injured in the spill and what we learn there, which we can then
18 apply to benefit that marine environment, which is an
19 environment we don't get to, really, with the habitat, only I'm
20 intrigued by the preserve idea that was brought up earlier, but
21 it has the same effect, it allows us to protect that
22 environment, to protect the marine species that -- or bird
23 species that depend on that environment and live in that
24 environment. It's not the same animals, it's not necessarily
25 even the same cause.....

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1 CHAIRMAN WOLFE: Yeah, I can get around that.

2 MR. TILLERY:but it benefits the
3 ecosystem and I thought that's where sort of this heads, as I
4 understand it.

5 CHAIRMAN WOLFE: Well, part of though, what I'm
6 still struggling with is I don't disagree with what you're
7 saying, it's protecting the environment, the water in this
8 case, marine environment, but I'm not clear how the research
9 that we're doing is protecting the water. I can understand how
10 acquiring the land and putting controls over how you use the
11 land, how that works. I'm not clear yet how it's going to work
12 on the water and how this research leads me to that same kind
13 of.....

14 MR. TILLERY: Again, it's my understanding that
15 what the research does is provides you with information that
16 allows you to make decisions about what happens in that water
17 or what happened to those species that allows you to protect
18 them.

19 CHAIRMAN WOLFE: Okay.

20 MR. RUE: This is Frank. I'm tempted to jump
21 in and add to what Craig said, but I think he basically covered
22 it.

23 CHAIRMAN WOLFE: He's doing all right, let him
24 go.

25 MR. RUE: If you look at some of the things

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1 that has happened with research on, you know, forage fish, then
2 what we might do to affect forage fish with other actions has a
3 direct impact on species directly injured by the spill. The
4 link is there.

5 CHAIRMAN WOLFE: Yeah. I guess what I'm
6 struggling with is doing research, pointing out things that
7 could be done to protect the water is not quite, in my mind,
8 the same as acquiring and actually protecting the terrestrial
9 areas, but I can see what you're trying to say at this point.

10 MR. WRIGHT: Maybe that's why you work for the
11 Forest Service.

12 MS. D. WILLIAMS: Mars, Venus, yeah.

13 CHAIRMAN WOLFE: Okay. That's fine. At least
14 I have a little better feel for where you're coming from on
15 this, so I appreciate that dialogue.

16 Okay, Frank, you can have your two bits now, if you'd
17 like.

18 MR. RUE: Nothing.

19 CHAIRMAN WOLFE: Okay. Thanks, Frank.

20 MR. RUE: You're in my debt.

21 CHAIRMAN WOLFE: All right.

22 MR. SENNER: Moving on?

23 CHAIRMAN WOLFE: Yes.

24 MR. SENNER: Mr. Chairman, particularly given
25 the hour, this isn't the time to go into any detail on

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1 objectives of a long-term program or particulars of
2 measurements to be undertaken. The staff has, however,
3 prepared an overview that's being passed out, there are copies
4 here which can be circulated to the members of the public.
5 We've got something -- we've given it the working name of GEM,
6 gulf ecosystem monitoring, that's just a convenient handle to
7 keep us moving. We're recommending that the mission really be
8 a rephrasing of the Trustee Council's mission today, and that
9 is to sustain a healthy and productive marine ecosystem,
10 maintain the quality of life and economic opportunities.

11 If you look at this one-pager and drop down to the
12 section on program elements and taking into account what
13 Dr. Spies has covered, we propose that there really are four
14 aspects. One is the long-term monitoring, which is decadal
15 scale and longer. Two is what Bill Sikes called the tactical
16 research, which is shorter term, two, three years, three to
17 five years, that is directed at particular problems, particular
18 applications that must be addressed. Third, there needs to be
19 an educational and local participation component. And, lastly,
20 it's synthesis and interagency coordination.

21 And the aim would be to carry out such a program taking
22 maximum advantage of ongoing programs and projects undertaken
23 by other agencies. And the last transparency that Dr. Spies
24 put up had all these acronyms about GLOBEC and OCC and SMMOCI
25 and all of them, those are the kind of programs that one needs

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1 to really gather them around the table and everyone needs to
2 put out on the table what they're doing and how long they're
3 going to be doing it and where they're doing it and talk about
4 what's the most strategic way to leverage these things into a
5 program that really ends up having a benefit that is greater
6 than the sum of the individual pieces.

7 The overall aim, again, long-term understanding,
8 conservation and management, living marine resources in the
9 Gulf of Alaska. And in regard to the question of the length of
10 oil spill injury, I would have given a little bit different
11 answer than Dr. Spies, in that I would say that there's --
12 every aspect of this has a direct link back to injured
13 resources and our mission, according to the settlement
14 documents includes enhancement of that which has been injured
15 by the oil spill, and that's certainly the context in which I
16 would want to discuss this program, enhancement, pink salmon,
17 sockeye salmon, seabirds, sea otters, harbor seals, everyone of
18 these resources that's going up and down, if we're going to
19 conserve them for the long-term, if we're going to make them
20 available for people to use for economic purposes, for
21 subsistence purposes, for recreation, for viewing, whatever it
22 is, we need to understand what's happening to them in a
23 long-term context so we can be intelligent about the decisions
24 that are made. And that really is the analogy to habitat
25 protection, we can't go out and buy the ocean, we really only

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1 have two things we can do, one is to have marine reserves, as
2 has been suggested. The other is to get the best information
3 we can, apply that to decisions that are made.

4 And we all know that having good information doesn't
5 mean good decisions. There are lots of cases where that's
6 true. We also know having no information or bad information
7 pretty well guarantees bad decisions. So that's the goal. I
8 would only add that kind of the specific purposes and
9 applications we would see are to track lingering injury, to
10 identify and understand long-term change, to develop fish and
11 wildlife management tools, to provide integrated and
12 synthesized information on the status of resources. And I was
13 attracted to Bill Sikes' use of the term "decision support
14 system" which is something that's accessible to all users
15 whether you're in industry or conservation or subsistence or
16 whatever. People need to know what is the basis for decisions
17 that must be made. And we need to be able -- we can provide
18 that in an integrated way. We can support the identification
19 and protection of marine habitats, we can provide efficient use
20 of public resources through coordination and leadership and just
21 as this program has done, in a stellar way, we can involve
22 stakeholders in every aspect of the program.

23 Those really are our aims. We think the cost, and I'm
24 almost done. We think the cost is on the order of five to \$6
25 million a year, inclusive of everything from administration to

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1 science in the field. It's a lean program, but it is doable
2 and we have on the balance of the agenda, we do have some
3 additional agency representatives we'd like to hear from, and
4 if there's time, the Executive Director has some discussion
5 about the considerations about establishing a long-term
6 endowment to support research. But that's, in a nutshell, what
7 we're after.

8 CHAIRMAN WOLFE: Very good. Any.....

9 MR. RUE: Mr. Chair, this is Frank.

10 CHAIRMAN WOLFE: Mr. Rue.

11 MR. RUE: Yeah, actually I think Stan hit on a
12 point and I don't want to belabor this, but it seems to be
13 fairly important to folks. You know, in dealing with the
14 oceans, we didn't divide it up the way we did the uplands, you
15 know, Shelikof Strait isn't owned by somebody. And so what we
16 can do to deal with that issue is different than we can deal
17 with the uplands. I mean, that's sort of a fundamental point
18 that I think we forget.

19 CHAIRMAN WOLFE: Okay. Ms. Williams.

20 MS. D. WILLIAMS: I'm looking at your cost of
21 five to \$6 million and asking myself the following question;
22 this is, obviously that has widespread application and
23 widespread interest, it certainly seems as if the whole program
24 should not be funded by EVOS. OSRI is out there, these new
25 North Pacific monies are out there. There are other monies

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1 that, you know, Fish and Game, Commerce and others get. And so
2 what do you think would be an appropriate EVOS share of that
3 five to \$6 million?

4 MR. SENNER: Five to \$6 million, and what's
5 needed is a program that's 10 to \$20 million, this is the EVOS
6 share.

7 MS. D. WILLIAMS: And so do you have a
8 described 10 to \$20 million program?

9 MR. SENNER: Not on paper, no. We can tell you
10 how we arrived at this five to \$6 million figure.

11 MS. D. WILLIAMS: Okay.

12 MR. SENNER: And it is as follows; a core
13 monitoring program that addresses long-term processes, that
14 takes advantage of what other agencies already are doing or
15 that we expect that they will be doing is about \$3 million a
16 year.

17 MS. D. WILLIAMS: So that's for the whole --
18 everything? I mean, that's not just EVOS' share that's for
19 everything?

20 MR. SENNER: No, no, I'm talking that is the
21 EVOS share, taking into account what other agencies are going
22 to be doing on their own.

23 MS. D. WILLIAMS: So it's on top of what
24 agencies are doing?

25 MR. SENNER: It is on top of.....

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1 MS. D. WILLIAMS: There's three more million
2 dollars of work that needs to be done?

3 MR. SENNER: That's right. Secondly, we
4 believe the target research projects require on the order of \$2
5 million a year and those are the shorter term, two, three,
6 four-year projects that address.....

7 MS. D. WILLIAMS: And that's on top of what
8 everyone else is doing?

9 MR. SENNER: And that's on top of what everyone
10 else is doing. That takes us to five million right there. The
11 last million would include administration, the coordination
12 synthesis and local participation. There are, you know, there
13 are different things that we can introduce to make that more
14 complicated, but that is the core of the program.

15 MS. D. WILLIAMS: So what have you determined
16 other people are spending for core monitoring?

17 MR. SENNER: Well, I can tell you, for example,
18 that the GLOBEC Program, which is operating in the Northeast
19 Pacific, same arena, is, at its very peak is expected to spend
20 eight million a year, and that's going to be going on over the
21 next decade. After that we have no assurances that there's a
22 GLOBEC Program, but that gives you an idea of the order of
23 magnitude of some of the other expenditures.

24 MS. D. WILLIAMS: And for targeted?

25 MR. SENNER: I'm not sure what you mean.

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1 MS. D. WILLIAMS: How much are other people
2 spending?

3 MR. SENNER: I don't -- I can't give you that
4 number off the top of my head.

5 MS. D. WILLIAMS: Okay. Because it would be
6 useful to know what EVOS' share.....

7 MR. SENNER: Yeah, no, I understand, yeah.

8 MS. D. WILLIAMS:what 5-6 represents.

9 DR. SPIES: The other aspect of this is that
10 even GLOBEC, which is considered a long-term program, is
11 actually only going to be in the North Pacific taking
12 measurement in two years and two years of that -- of those five
13 or 10 years that they're going to be out there, and so what
14 we're talking about is a program that is something that will
15 continue to take data on a year after year basis so that these
16 programs that come and go in four to five or 10 years, one
17 decade -- you're lucky to get a 10-year program in this kind of
18 fiscal atmosphere, I mean, we're talking about something that's
19 going to be out there, you can depend on it, it's going to be
20 there.

21 CHAIRMAN WOLFE: Mr. Wright.

22 MR. WRIGHT: Mr. Chair, I think that there's a
23 fundamental difference to what these -- what Stan and Bob are
24 describing because it is a holistic approach to monitoring and
25 science. National Marine Fishery Service does a lot of

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1 directed research. Problems are Steller sea lions, management
2 of pollock fisheries, new fisheries coming on line, fish and
3 game, you know, shrimp, crab, you know, GLOBEC, global warming,
4 global climate changes is the focus of their research. And
5 each one of these organizations will -- they'll have peaks in
6 their funding because of what's happening in the environment,
7 and then the funding will drop off and then some other issue
8 will come up after sea lions, whatever happens to sea lions,
9 there'll be another issue.

10 Where it seems like the difference with this program,
11 correct me if I'm wrong, that it pulls in these other data sets
12 and works with these other organizations to use that data as it
13 can to take the pulse of the environment. It also would
14 actually supplement -- I mean when GLOBEC comes into the Gulf
15 of Alaska, if they can come in -- one of the first things that
16 organization does is retrospective studies with historical data
17 sets to kind of get an understanding of what the pulse has
18 been, what's happened out there so that they can direct their
19 research and then it kind of calibrates what they're seeing out
20 there. Whereas, once this program gets going, 50 years down
21 the road, it will direct research, it will help calibrate
22 research that goes on and it will help the researchers
23 communicate with what type of research needs to be done, what
24 are the questions that need to be resolved. It's -- I mean
25 just fundamentally it's a whole different approach to research

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1 than what we call long-term research now, GLOBEC long-term
2 research, six years, that's really not long-term research
3 because some of these cycles, as you saw, are at least decadal,
4 some of them may be 100 years, maybe more.

5 MR. RUE: I guess in adding to what Bruce is
6 saying that, you know, the Department of Fish and Game has
7 long-term monitoring programs for salmon, but they're focused
8 and Doug Eggers, he can speak to that. They're focused on
9 specific management questions of the day and/or the year and
10 area and how we're running particular fisheries. I see this
11 program as supplementing that or adding to that body of data
12 and allowing us a much better understanding of what's happening
13 more generally to salmon populations, information we couldn't
14 get if we focused on specific fisheries management questions.

15 CHAIRMAN WOLFE: Ms. Williams.

16 MS. D. WILLIAMS: I guess I do have one last
17 question. If this is going to be an endowment you have to
18 inflation proof it and let's say we have 140 million in the
19 Restoration Reserve and let's say net inflation proofing, the
20 best we could ever hope for is three percent. That doesn't get
21 you five to six million a year.

22 MR. SENNER: I have to turn to the Executive
23 Director on the numbers.

24 MS. McCAMMON: Mr. Chair, if we were to keep
25 our funds in the court registry investment system at our

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1 current investment scenario it would be very difficult -- we
2 cannot have an endowment and inflation proof it, there's just
3 not -- it just wouldn't generate enough funds to do anything
4 really meaningful, so having this -- actually it's imperative
5 that the money be taken out of the court system and it be,
6 basically, invested like any university foundation research
7 foundation, which over the last 10 to 20 years most research
8 foundations have done at least eight to 12 to 14 percent
9 average.

10 MS. D. WILLIAMS: For net of inflation?

11 MS. McCAMMON: Well, that's including
12 inflation, so.....

13 MS. D. WILLIAMS: I mean doing net of
14 inflation, three to four percent is a phenomenal return, even
15 on the best of investment situations, unless we have an
16 extraordinary period like we just had, but in the long-term,
17 three to four percent net of inflation is.....

18 MS. McCAMMON: The university foundation, most
19 of the funds in Alaska, over the last 10 years, have earned 12
20 to 14 percent over the last 10 to 15 years. Now, I think a
21 very conservative estimate at fairly conservative investments
22 would be eight percent if you have a three percent inflation
23 proofing, that would provide sufficient funding for a fund like
24 this.

25 MS. D. WILLIAMS: Right. But basically your

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1 proposal takes every penny of the Restoration Reserve?

2 MS. McCAMMON: If it were to say in the court
3 registry investment system.

4 MS. D. WILLIAMS: Even -- again, conservative
5 seven to eight percent with three to four percent inflation?

6 MS. McCAMMON: No, I don't think so. No, I
7 think you could do something with 100, 110. A hundred million
8 would generate five million.

9 MS. D. WILLIAMS: You think you can get five
10 percent net of inflation? (Indiscernible-lowers voice) return.

11 MR. TILLERY: Yeah.

12 MS. D. WILLIAMS: Okay.

13 MR. RUE: I think I'm hearing what folks are
14 suggesting here, 100 million you get five percent above and
15 beyond inflation, loan it outside the CRIS system.

16 CHAIRMAN WOLFE: That's the gist of it, Frank.
17 Sorry.

18 MR. RUE: Okay.

19 DR. SPIES: There's one other phenomena that, I
20 think, could possibly happen here is that once you put a
21 program in place that you're going to attract other possible
22 sponsors, it's going to have a certain impetus to it. I mean
23 people can see that the right thing is being done, things are
24 being integrated, I think you got, certainly, a good
25 possibility for attracting other sponsors.

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1 CHAIRMAN WOLFE: If, you know, we have other
2 folks that are seeking some of these funds also, is there some
3 scaled back version that you all could put on the table at some
4 point or is this the -- what you call the bare bones core?

5 MR. SENNER: Mr. Chairman, I think we're
6 persuaded that this is a basic program, but if realities are
7 such that one needs to change scale, you know, you always try
8 to be creative and see what you can do for less money. We
9 think that this is not a Cadillac, this is a basic Chevy of a
10 program, but it is one that is sufficient to do something
11 worthwhile.

12 CHAIRMAN WOLFE: Any other questions?

13 (No audible responses)

14 CHAIRMAN WOLFE: Okay.

15 MS. D. WILLIAMS: Well, I guess I do.

16 CHAIRMAN WOLFE: Ms. Williams.

17 MS. D. WILLIAMS: Do you see under this,
18 because again, I'm really trying -- this is, in a way, such a
19 new concept, do you see a focus on the injured resources or
20 just big picture, whatever the most important big picture is
21 out there, that's what you look at?

22 MR. SENNER: Okay. That's an excellent
23 question and I would answer this way. That the core of the
24 program is the long-term monitoring which would include some
25 combination of oceanographic-type process that drives the

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1 system and monitoring of key injured resources, that's the
2 monitoring part. And that the targeted research focuses much
3 more closely to following up injured resources and their
4 conservation, and whether that's salmon, harbor seals or
5 seabirds it is one of those things that you can respond to as
6 new information and problems arise. So the monitoring includes
7 injured resources in a larger context of oceanographic-type
8 work. The targeted research is much more targeted on injured
9 resources.

10 CHAIRMAN WOLFE: Okay.

11 MS. McCAMMON: Mr. Chairman, moving along to D,
12 we kind of go back to where we started from, which is what are
13 the agencies now responsible for and how do they participate in
14 and benefit from this program. We have Dave Irons from U.S.
15 Fish and Wildlife Service. Is Jack Kelly.....

16 MR. SENNER: We have to call him,

17 MR. KELLY: Yes, I'm here.

18 MR. SENNER: Oh, okay.

19 MS. McCAMMON: Jack Kelly from the National
20 Marine Fishery Service and Doug Eggers with Department of Fish
21 and Game. Given the lateness of the hour I would hope and
22 strongly encourage these three gentlemen to be brief.
23 Succinct, pithy.

24 CHAIRMAN WOLFE: Ms. McCammon.....

25 MS. McCAMMON: Yes.

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1 CHAIRMAN WOLFE: and I agree it has to be
2 very succinct because we have a habitat issue that's very
3 pertinent for us to get on the table and I don't know what time
4 frame we're shooting for today to wrap up, but some of us do
5 have planes going south.

6 MS. D. WILLIAMS: What time is the airplane?

7 CHAIRMAN WOLFE: Well.....

8 MS. CRAMER: 8:00 o'clock.

9 CHAIRMAN WOLFE: Is it eight?

10 (Laughter)

11 MR. WRIGHT: So let's wrap it up by 7:00-7:15.

12 CHAIRMAN WOLFE: Little earlier than that but,

13 I'll.....

14 MR. RUE: Which order would you like the

15 presentation?

16 MS. McCAMMON: How about Dave Irons?

17 CHAIRMAN WOLFE: Okay.

18 MS. McCAMMON: And we were hoping to adjourn by

19 5:00, but.....

20 MS. D. WILLIAMS: That's not realistic. We're

21 still doing community projects?

22 MS. McCAMMON: Quickly.

23 MR. IRONS: Well, I have a longer version I'll

24 give to you to keep. I'll try to do the very short version

25 here. Thank you for asking us to come here.

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1 Basically I'll go through the four questions you posed
2 and, first is the Service's mission. The U.S. Fish and
3 Wildlife Service, its mission is to work with others to
4 conserve, protect and enhance fish and wildlife and their
5 habitats to the continuing benefit to the American people. So
6 the Service has trust responsibility, they manage migratory
7 birds, the sea otters, polar bears and walruses. The Service
8 is also a land manager, in fact, it's the largest land manager
9 in Alaska. We have 16 national wildlife refuges comprising of
10 about 77 million acres.

11 So how would our mission be served by what you're
12 proposing with long-term research and monitoring? Well, our
13 mission is to track these animal populations and, basically, we
14 do the best we can, but we can't do a good enough job and what
15 -- we rely on other agencies now. We rely on traditional
16 ecological knowledge and basically by having additional
17 programs to look at long-term monitoring would help us do our
18 job by helping us track these wildlife populations that we're
19 responsible for.

20 So the cooperative effort that we would expect to see
21 from the program and the benefit to our agency, in 1994 we
22 adopted an ecosystem approach to management and the reason for
23 this was to look at the national environment more holistically.
24 We monitor marine birds and sea otters in the spill area, we
25 did before the spill, although the birds and -- that were

00163

1 monitored were not much, we didn't do much monitoring in the
2 spill area just because our program is statewide. So we
3 monitored several colonies statewide, but we have a huge amount
4 of shoreline, hugh number of seabirds to monitor, so it ends up
5 being a few colonies here in the Gulf of Alaska.

6 Within the normal agency functions we would continue to
7 monitor seabirds in the spill area and outside the spill area
8 and we would see a benefit to our mission from the Trustee
9 Council work in the following ways. One is continued support
10 for monitoring in the spill area would benefit our broader
11 statewide monitoring. Likewise, our broader statewide
12 monitoring would produce data to be compared to the spill area
13 data.

14 Second, the Council's work would contribute to our
15 understanding of the ecosystem and would help us to allow to
16 make future assessments of things like oil spills much more
17 reliably. Also it would clarify the process of the marine
18 ecosystem as we've been hearing and help explain variations
19 that we're seeing in the Bering Sea, for instance, and
20 elsewhere in Alaska.

21 The last question is how would any additional
22 information or answers developed or provided by the research
23 monitoring program be applied to management?

24 Well, the monitoring data identifies the trends,
25 research identifies, hopefully, the causes for those trends.

00164

1 And the programs here, we hope we understand how the systems
2 works by allowing -- by understanding how the ecosystem works
3 when we see population fluctuations we can determine if they're
4 normal or if they're abnormal and that's the kind of data we
5 have to have to protect our trust species.

6 The timing of the Restoration Reserve is ideal in that
7 the Bering Sea Science Plan has just been completed. The
8 Bering Sea Science Plan has taken the integrated -- also taken
9 the integrated multidisciplinary, multiagency approach to
10 understanding the Bering Sea ecosystem. Something folks here
11 could do the same for the Gulf of Alaska.

12 So, in summary, I believe a proposed monitoring
13 research program would benefit and complement the U.S. Fish and
14 Wildlife Services' mission, as well as other agencies. And I
15 believe the leadership role the Trustees have accepted in the
16 modern ecosystem monitoring research must be continued, not
17 only for the benefit of the spill area, but as a model for
18 monitoring other sea ecosystems as well.

19 Thank you. That's short and sweet.

20 CHAIRMAN WOLFE: Thank you very much. Any
21 questions?

22 MR. WRIGHT: Mr. Chair, just one quick
23 question. Prior to the oil spill, I think it was '72, Fish and
24 Wildlife Service went out and did some surveys on birds.
25 Population surveys on birds in Prince William Sound. Was that

00165

1 the last one prior to the oil spill? Was it '72? And then
2 back out in '89?

3 MR. IRONS: No, there was a survey done in
4 '84-85.

5 MR. WRIGHT: Okay, so '72, '84 and '85 and so
6 we have these data points, '72, 84, '85 and then a bunch from
7 '89 on and it showed this precipitous decline and then with no
8 explanation who knows what happened in there. And then since
9 the oil spill we've been out there monitoring them, we're kind
10 of getting a handle on what's been going on. And I often look
11 at that data set, when that slide was up and you go, why
12 couldn't we have been out there between '84-85 and '72, you
13 know, what happened and this is the type of a long-term program
14 that, hopefully, would be able to supplement that monitoring
15 and that data set. So the next time we go through that change
16 we might be able to answer why.

17 MR. IRONS: Right.

18 MR. WRIGHT: I guess that wasn't a question,
19 was it?

20 CHAIRMAN WOLFE: It was close but not quite.

21 MR. WRIGHT: Okay.

22 CHAIRMAN WOLFE: Any other comments or
23 questions?

24 (No audible responses)

25 CHAIRMAN WOLFE: Very good, you got off easy.

00166

1 Deborah felt like she was giving you a chance anyway.

2 MR. WRIGHT: We're wearing her down.

3 MS. D. WILLIAMS: No.

4 MS. McCAMMON: Okay. Jack Kelly with the
5 National Marine Fishery Service.

6 CHAIRMAN WOLFE: Okay, Jack.

7 MR. KELLY: Okay. Can you hear me?

8 CHAIRMAN WOLFE: You betcha.

9 MR. KELLY: Okay. I'm program manager with the
10 Ocean Care and Capacity Research Program for the Alaskan
11 Fisheries Science Center, centered here at Auke Bay Lab down in
12 Juneau. And, as most of you know, we interact a lot with EVOS
13 programs and I gave a brief rundown last January at your
14 meeting about how we relate to Prince William Sound activities.
15 And Dr. Spies just gave an excellent rundown on regime changes
16 and so on, so I don't want to repeat any of the things that
17 he's talked about.

18 I'd like to make a couple of points, though, and that
19 is that, is that I keep thinking about comparing the oil spill
20 to the great Alaska earthquake of '64, which I was also
21 involved in. There was profound changes in Prince William
22 Sound during the earthquake of 1964. Land level changes of 38
23 feet in the south end of Montague Island, about 10 feet on the
24 north end of Montague. On the east side of the epicenter there
25 was major uplift all along the shore of Prince William Sound

00167

1 and on the west side, west of Unakwik, we had down -- it went
2 down. But keep in mind that when that -- these profound
3 changes had a major effect on pink and chum salmon production
4 in Prince William Sound.

5 That occurred in '64, 12 years before the regime change
6 of 1976-77. If the oil spill had happened in '64 instead of
7 when it did in the midst of highly favorable marine conditions
8 things would be very different right now and we wouldn't see
9 the quick recovery that we did. It was just fortuitous that
10 this happened at a time when we're seeing profound changes in
11 salmon production due to the regime change.

12 Now, there's some evidence, of course, that the regime
13 change is changing or we may be in the midst of another change
14 right now and there is some pretty good evidence for this, the
15 size, salmon is starting to come up at time when the population
16 numbers are still high. In '94 and '95 and '96, but now, you
17 know, Alaska has seen drops in salmon production in the last
18 three years and sizes are still up a little bit, so I think
19 there's some profound changes going on again right now and we
20 may be going into another cycle of maybe not so favorable
21 conditions, but the point is, is that monitoring is essential
22 to understanding what is going on, even though there's programs
23 like OCC and GLOBEC doing research in the nearshore and some
24 offshore work, what we depend on to understand our results is
25 good monitoring information coming out of the fresh water and

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1 estuary conditions, and I just don't see that happening in
2 Prince William Sound.

3 Even during the oil spill activities, I don't see -- I
4 didn't see the intensive study of intertidal spawning on a
5 year-round basis, like we basically did back in the '60s and
6 early '70s on the east shore of the Sound at Olson Bay. I mean
7 we had a major study on intertidal spawning there. And I never
8 saw anything take up that type of research again, which I feel
9 is sorely needed. And also it dealt with wild stocks which is
10 really the backbone of Prince William Sound. There is, of
11 course, a lot of question about the effect of the hatchery
12 stocks on wild and you can't deny that the hatcheries have been
13 successful, but what happens when you get a downturn in marine
14 conditions and you don't have this enormously great survival?
15 The hatcheries also were fortuitous in that they started in
16 about the same time as the marine change, about 1976 and if
17 they had started 10 years earlier they would not have been
18 successful and they probably would have given them up.

19 So we are probably entering into a different mode and
20 without some really first-class monitoring in Prince William
21 Sound it's going to be very difficult to understand what's
22 going on. And I guess my pitch is that I would like to
23 support, in any way I could, seeing good monitoring work in the
24 Sound so that we can compare that type of research with our
25 work that's further offshore. And, like Dr. Spies pointed out,

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1 the GLOBEC Program isn't going to last forever, I hope ours
2 does, but that remains to be seen. We have a lot of support
3 for what we're doing right now, we're doing some really good
4 research offshore, we're finding tons of the otolith marks that
5 are put on at the hatcheries in Prince William Sound, we're
6 finding them offshore, far to the west, even beyond Dutch
7 Harbor, even in that area. And we're starting to do some
8 really neat studies using that technique, but without
9 monitoring, more intensive monitoring of fresh water estuary
10 habitat in Prince William Sound, we really have nothing to
11 compare our work to.

12 And I would just like to encourage any effort to
13 stabilize funding and so that people don't get discouraged with
14 long-term marine search. I mean we started long-term research
15 in 1960 and it lasts for almost 20 years in the Sound, but
16 people got tired of it because it didn't -- you know, it wasn't
17 jazzy, it didn't show incredible results every year and -- but
18 if we quit it just at the time that the regime happened, which
19 was horrible, we should have had that Olson Bay Field Station
20 in the Sound going -- if we would have had it going from the
21 mid-'70s to the mid-'80s we would have had a lot better data on
22 understanding what happened during the regime change.

23 But that's why stable funding, like you guys provide,
24 for fresh water and estuary monitoring in the Sound is just an
25 enormous boon to other researchers and research further

00170

1 offshore.

2 And I promised I'd make that short and I'm going to do
3 it. Thank you.

4 CHAIRMAN WOLFE: Very good. Thank you. Do we
5 have any questions?

6 (No audible responses)

7 MS. McCAMMON: I guess just one final person
8 and that's Doug Eggers from Fish and Game.

9 CHAIRMAN WOLFE: Okay.

10 MS. McCAMMON: And, Doug.....

11 CHAIRMAN WOLFE: Doug, are you ready?

12 MR. EGGERS: Thanks. I appreciate the
13 opportunity to make this presentation, I'll try to be brief.
14 ADF&G has statutory fishery management responsibility for
15 subsistence, commercial, sport and personal use fisheries for
16 salmon, herring, shellfish and groundfish fisheries within
17 State waters. For commercial fisheries for salmon and
18 shellfish fisheries, the e's in EEZ, the State assumes the
19 entire management responsibility in the Northern Gulf of
20 Alaska.

21 Responsibility for certain fisheries, such as the
22 Southeastern Troll Salmon Fishery and Scallops are delegated
23 under a Federal Fisheries Management Plan. The groundfish the
24 State has less responsibility than the Feds, although the State
25 manages directed fisheries for the commercial shelf and certain

00171

1 shelfpalagic (ph) rock fish species under delegated management
2 authority. With implementation of limited access for EEZ
3 fisheries and bifurcation of jurisdiction of the three-mile
4 boundary, the State has been forced to assume a greater
5 fisheries monitoring and management role for inside three-mile
6 component of fisheries that straddle the three-mile boundary.

7 The Alaska Department of Fish and Game implements a
8 complicated, diversely funded and involving stock assessment
9 program in support of the statutory and assumes fishery
10 management responsibilities. That data from these programs has
11 divided a large part of the comprehensive and monitoring
12 information on abundance and recruitment dynamics of marine
13 fish populations.

14 Our research and monitoring priorities are driven by
15 involving a changing pattern of use and so we try to keep these
16 long-term programs going, but again, we are -- we gone?

17 MS. D. WILLIAMS: You're still on.

18 CHAIRMAN WOLFE: You're still going.

19 MR. EGGERS: Have to respond to these changing
20 patterns and demands as a regulatory management agency. An
21 example are the development of the high valued fisheries for
22 nearshore and vertebrates, such as sea urchins, sea cucumbers
23 and geoducks. These fisheries are very intense and require
24 assessment information and harvest policies versus single
25 fisheries.

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1 So that's it in a nutshell. Questions two and three,
2 there's been a lot of discussion on that, I won't really --
3 generally we certainly -- our activity is very complementary to
4 the long-term and monitoring program that has been outlined.
5 We have reaped a large number of benefits from the past program
6 and these have been documented in the discussions earlier and
7 I'll just mention the genetic stock identification, we
8 certainly -- the techniques and so forth developed there had
9 been expanded on a statewide basis. We're applying these
10 techniques in a broad diversity of fishery and management
11 situations, it's a very important part of our program.

12 The hatchery otolith marking is very important and so
13 forth. And the monitoring and assessment improvements that
14 were made as a consequence, we also -- research has also been
15 highly beneficial.

16 With respect to the fourth question on the large -- for
17 the ecosystem level concerns, I thought I would just identify
18 three broad categories, and many of these have been touched on,
19 but I think these are important considerations in areas where
20 monitoring programs are probably insufficient to address in the
21 long-term and require a much broader focus and longer term
22 involving other agencies and so forth, to gain understanding of
23 these affects.

24 First of all, the impacts of the large scale hatchery
25 releases of salmon. The overall pink salmon production in

00173

1 Prince William Sound has increased and been stable over the
2 last decade or so, but we've seen a large decline in the Prince
3 William Sound large wild stocks that have accompanied these
4 increasing king salmon runs.

5 In addition, we've dublin (ph) and statewide chum
6 salmon catch in the last six years, largely due to increases in
7 hatchery salmon in Southeast Alaska. Certainly we need to be
8 cognizant of the potential interaction of hatchery and wild
9 stocks and our marketing programs need to address some of these
10 issues.

11 Second are the declines of Steller sea lions in
12 response to ecosystem change. And what are the direct and
13 indirect impacts of groundfish fisheries on these endangered
14 Steller sea lion populations? There are certainly large,
15 comprehensive and very costly management measures to protect
16 sea lions that is being considered, these have enormous costs
17 to the industry and it will be a real challenge to understand
18 the impacts of these and try to minimize the effects of other
19 human activities on Steller sea lions.

20 And third, there is an emerging link between long-term
21 cycles of climate change and variability and recruitment
22 abundance of the exploited fish populations. Some exploited
23 species, there are abundant cycles with these climate changes,
24 an example are herring and salmon. Other species have been
25 fished to very low levels during periods of recruitment

00174

1 failures and these populations have never recovered, we haven't
2 had a fishery for Gulf of Alaska king crab since the early '80s
3 and the shrimp fishery has been closed for a long period of
4 time. There was a clear interaction between fisheries
5 exploitation and these long-term dynamics and variability in
6 recruitment. And I think that our harvest policies need to be
7 examined in light of this emerging information on long-term
8 variability on fish populations.

9 So that's my presentation in brief.

10 CHAIRMAN WOLFE: Okay, thanks, Doug, appreciate
11 that. Any questions for Doug?

12 (No audible responses)

13 CHAIRMAN WOLFE: I think people are wearing
14 down. Good presentations, that's all.

15 MS. McCAMMON: Mr. Chairman, the last item, I
16 think we're going to skip today, but, in the interest in
17 getting discussion going, staff put together what we call the
18 Restoration Reserve Discussion Draft, Elements of a Long-Term
19 Restoration Program and there are -- we just took the first
20 stab at putting things down on paper because it seems easier
21 for people to respond to something that's on paper rather than
22 to keep talking about things. I don't think we have time to go
23 through this today, but if, as you go through it, if you have
24 questions or comments and want to focus on this, if you don't
25 think this is worthwhile and you want to chuck it, whatever, we

00175

1 can discuss this later, but this was kind of a first effort of
2 putting something down on paper just to kind of move the
3 discussion.

4 MS. D. WILLIAMS: Mr. Chairman.

5 CHAIRMAN WOLFE: Ms. Williams.

6 MS. D. WILLIAMS: Just for the record, the
7 Department of Interior gave Ms. McCammon, during a break today,
8 a proposed rewrite of the habitat section.

9 CHAIRMAN WOLFE: Okay.

10 MS. McCAMMON: So I'll be taking a look at
11 that.

12 CHAIRMAN WOLFE: Okay. I was going to say, can
13 I get a copy of that?

14 MS. D. WILLIAMS: Yes, absolutely.

15 CHAIRMAN WOLFE: Okay, thank you. Go ahead,
16 Molly.

17 MS. McCAMMON: Community projects, we were
18 going to spend some additional time there, that was another
19 question that the Council had, and I'll take two minutes just
20 to go through this. In your packet, under the Tab, Community
21 Projects, there are a number of memos that I had staff prepared
22 for your information. One of them was a list of projects
23 funded by the Trustee Council through the civil settlement and
24 then those funded by the State's criminal settlement of \$5
25 million for subsistence restoration. And this gives you an

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1 idea of the kinds of projects that have been funded by the
2 Council in the past. They included four basic categories,
3 enhancement and replacement of substance resources; subsistence
4 education and revitalization; public outreach and cooperative
5 plan; and marine pollution management.

6 So these are the kinds of projects we've done in the
7 past. The possible subsistence projects to be funded in the
8 next three years, these are the ones that we know of that will
9 be coming through the civil settlement program. Includes the
10 archaeological repository and local display facilities, the
11 Lower Cook Inlet Waste Management Plan, that would be
12 implementing that project. Possibly something on paralytic
13 shellfish poisoning, it continues to be the major concern of
14 the Kodiak Island villages. We've had some preliminary
15 discussions with the Science and Technology Foundation and the
16 university and the Department of Environmental Conservation,
17 there may be some role of the Council there in the future.
18 These are the ones that we know of right now as kind of
19 potential large projects.

20 Then Hugh Short, the Community Involvement Coordinator,
21 put together a memo of a group of folks with the Chugach
22 Regional Resources Commission, the community facilitators and
23 others, regarding what they would see as possible uses of this
24 \$20 million community fund. And the primary effort that I
25 think they envisioned for this fund would include subsistence

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1 and cultural-based preservation, subsistence enhancements and
2 stewardship of natural resources.

3 So those are the main kind of efforts that they would
4 kind of like to see that fund focus on. And there's a memo
5 describing that.

6 And then, lastly, I asked Sandra Schubert, our Project
7 Coordinator, to put together a list of non-subsistence projects
8 that have come -- been generated through the communities,
9 things that have already been funded and things that are still
10 out there circulating. The already funded ones include Kenai
11 River restoration, the Valdez Duck Flats, conceptual planning,
12 the Homer Mariner Park study, the Alaska SeaLife Center.
13 Requested but not funded include additional Kenai River
14 Restoration effort, the Cordova Multipurpose Facility, the CDFU
15 Salmon Marketing Program. A request for a permanent location
16 for the Darkened Waters Exhibit from the Pratt Museum. Also
17 out there would be possibly implementing the Valdez Duck Flats
18 concept plan, implementing the Homer Mariner Park Restoration.

19 So these are just kind of things that are circulating
20 out there. We also put together, just for your information, a
21 one-pager about other kind of EVOS related settlement funds
22 received by communities. These are project funds that the
23 communities have received from the State's criminal settlement.
24 Also from the Alyeska Pipeline settlement. We also note that
25 private claims have been brought forth through State court and

00178

1 in Federal court. That TAPLA fund paid municipalities for
2 various injuries and then there were also out-of-court
3 settlements with Exxon for various communities.

4 So this is just some information for you to consider
5 and use as we think about this request from the communities for
6 the community fund, and then also what other kinds of projects
7 and requests that have been out there that have come directly
8 from communities. So far the Native communities, the tribes,
9 have really been the only community groups that have
10 participated in a major way in terms of Restoration Reserve
11 planning. The Kodiak Borough has submitted comments supporting
12 research funding and some additional small parcel work.

13 And I believe that's -- I know there was one other
14 community that submitted some comments on the Restoration
15 Reserve.

16 CHAIRMAN WOLFE: Any comments at this point?

17 MR. TILLERY: Just one.

18 CHAIRMAN WOLFE: Mr. Tillery.

19 MR. TILLERY: Just one quick one. As part of
20 what the community people have talked about in here you
21 mentioned under number 3, traditional ecological knowledge,
22 Youth Area Watch and so forth. And several of the speakers
23 today, the commentators, mentioned that. As I understand that,
24 that's one of the elements of the GEM proposal also.

25 MS. McCAMMON: That's correct.

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1 MR. TILLERY: And to some extent figuring out
2 if there's overlap in these various proposals would be helpful.

3 MS. McCAMMON: I think there is actually -- I
4 think it's preferable to have your traditional ecological
5 knowledge and stewardship programs directly as a major part of
6 your actual research program, rather than having something set
7 aside that you're always trying integrate, I think it's better
8 to have it.....

9 MR. TILLERY: I think I agree with you, so that
10 might be a way of figuring out whether -- if that's a really
11 important part of this, maybe this doesn't need to be quite so
12 big.

13 MS. McCAMMON: Yeah.

14 CHAIRMAN WOLFE: Ms. Williams.

15 MS. D. WILLIAMS: Mr. Chairman, I'll take the
16 prerogative of being a departing Trustee Council member by
17 sharing with the Trustee Council Deborah Williams' thoughts on
18 this issue, and it'll just take a moment.

19 CHAIRMAN WOLFE: Okay.

20 MS. D. WILLIAMS: But, for the record, as I
21 depart, given my five years of tenure, I'm going to make a
22 proposal that will probably not make anyone happy, but what
23 just represents my five-year perspective on how the Restoration
24 Reserve should be divided up and managed, if I may?

25 I would recommend a division 50 percent research, 40

00180

1 percent habitat acquisition, 10 percent community projects. I
2 would recommend that the Trustee Council continuing managing
3 this money and I would recommend that the focus continue to be
4 on restoration. I would recommend that the Trustee Council do
5 everything possible to seek collaborative relationships,
6 particularly in the research community with the North Pacific
7 efforts with OSRI and, of course, continue with NOAA, ADF&G and
8 others.

9 The reason I chose that division of money is that in
10 listening very hard to the presentation and talking
11 particularly with BRD at Interior and others, and in thinking
12 about how much money is needed for monitoring of injured
13 resources and research of injured resources and making a fair
14 contribution towards larger questions, I came up with what I
15 thought was, I thought, a fair contribution and that is 50
16 percent of the Restoration Reserve. I do, of course, certainly
17 hope the Trustee Council will be able to achieve higher rates
18 of return without unnecessary and unacceptable constraints and
19 that that 50 percent will generate an appropriate contribution.

20 With respect to habitat acquisition, I do believe
21 strongly, and I've articulated this before, that there is a
22 considerable amount of additional habitat that will enhance
23 restoration if they're willing sellers. And that the -- and I
24 think Dune said it very well today, the ultimate Restoration
25 Reserve is protected habitat. That is the ultimate Restoration

00181

1 Reserve. And, of course, we all bring our personal experiences
2 to this. I grew up in Southern California, most of us or many
3 of us grew up in the Lower 48. We know what happens to species
4 when they lose their habitat. And I don't care how much
5 research you do, all you will see is the species numbers go
6 down unless you have adequately protected habitat. Nothing
7 protects species like protected habitat.

8 I do believe strongly that there are some exciting
9 marine possibilities out there with respect to marine reserves
10 and others. And, of course, restoring marine resources is
11 often more challenging than restoring terrestrial resources
12 because of the absences of a single manager of the marine
13 ecosystem. But -- and I think the Trustee Council, you know,
14 could play a role in that and that's one thing that might be
15 explored at the 10 Year Event.

16 I do think the Trustee Council has done an incredible
17 job in the last many years with its restoration
18 responsibilities. I would urge the Trustee Council to stay
19 focused on that which we were set up to do and our court order
20 tells us to do, and that is restoration of injured resources,
21 until they're all restored, which I don't think will be in the
22 next decade or two, so there will be plenty to focus on. I
23 think it would be a shame to dilute the resource and dilute the
24 focus. And, again, form partnerships so you can get the bigger
25 picture in those partnerships, but maintain the Trustee

00182

1 Council's unique responsibility and unique focus.

2 And so, Mr. Chairman, that is Deborah Williams',
3 departing Trustee Council member, perspective on the
4 Restoration Reserve.

5 CHAIRMAN WOLFE: Very good. We respect and
6 appreciate your thoughts on where we should be going from here.
7 And I'm sure everybody is going to be thinking about that over
8 the next few months as we try to bring closure to restoration -
9 - or the Restoration Reserve Plan, how we spend these monies.

10 Anything else dealing with this portion of this segment
11 of the program or agenda today?

12 (No audible responses)

13 CHAIRMAN WOLFE: I have one thing and what is
14 somewhat of a concern to me is we have a chicken and egg
15 situation that we keep talking about, but we never have dealt
16 with, and that has to do with the issue of the Federal agencies
17 have no authority for endowments. At least that's was the last
18 reading we had, some four years ago. I don't think that's
19 changed. At some point, I'm not sure how to get there, but at
20 some point we need to deal with that issue because there's a
21 lot of the discussions going on and focusing around endowments
22 and right now that's not something that we have authority to
23 do, so from the Federal side we can elevate that issue for some
24 further discussion and we do have some meetings coming up later
25 -- next month, I should say, and maybe get some reading on the

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1 endowment from some of the Federal policy folks that we're
2 dealing with on the Exxon stuff.

3 So I guess, just so you keep it in mind, while there
4 are some proposals on the table, I'm not sure how we get to
5 some of those at this point without a lot of effort. And I
6 don't know if we continue to decide -- part of the reason I
7 said chicken and egg situation is because I don't know if you
8 decided -- that you figure out what you want to do and then try
9 to get the legislation or see if you can get some authorities
10 in place so that you can do that planning and figure out what
11 you want to do. So I don't know. I'm not sure which is the
12 best approach and it might be worth some additional discussion
13 over a beer somewhere.

14 But with that, unless somebody else had anything, on
15 the agenda, Molly, was it your proposal -- I feel like we are
16 running short of time. I hate to put off the community
17 discussion

18 MS. McCAMMON: I just gave it.

19 MR. TILLERY: You just had it.

20 MS. McCAMMON: Unless you want some additional
21 information.

22 CHAIRMAN WOLFE: No, no.

23 MS. McCAMMON: I mean we can have some
24 additional discussion on that, but basically this is the
25 information that you asked for, we can have some.....

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1 CHAIRMAN WOLFE: And I think most of us had a
2 couple of folks come around, Patty especially, come around and
3 talk to them about the proposal and I think -- yes, Deborah.

4 MS. D. WILLIAMS: And, Mr. Chairman, my
5 proposal of 10 percent. Obviously I think there are some very
6 worthwhile community projects that should be funded, 10 percent
7 would represent 14 million and I certainly hope the Trustee
8 Council has a good legacy to community projects.

9 CHAIRMAN WOLFE: Mr. Tillery.

10 MR. TILLERY: Mr. Chairman, not anything about
11 this, but before we get out of here, I know we still have the
12 Eyak matter.

13 CHAIRMAN WOLFE: Yes.

14 MR. TILLERY: I also would like to briefly go
15 through this matter of the last couple of meetings we had and
16 the issue we had on those, so just to remind you.

17 CHAIRMAN WOLFE: You want to deal with that
18 now?

19 MR. TILLERY: I can deal with that now.

20 CHAIRMAN WOLFE: Okay, go ahead.

21 MS. McCAMMON: Do we have Michele or Frank
22 leaving at.....

23 CHAIRMAN WOLFE: Michele and Frank, are you
24 still on with us?

25 MS. BROWN: This is Michele, I am.

00185

1 CHAIRMAN WOLFE: Okay. We definitely need you
2 for this discussion on a resolution dealing with Eyak, so.....

3 MS. BROWN: Okay. And I pulled it off the fax.

4 CHAIRMAN WOLFE: Okay, thank you.

5 MR. TILLERY: And, Mr. Chairman, reflecting on
6 what was said earlier, it appears to me, fairly clear, that
7 there was reasonable notices, under the circumstances, for
8 those meetings. That the technical glitches, in light of the
9 history of the participation at those kinds of meetings and the
10 scope of what was considered at those meetings, that that was
11 adequate. Nevertheless, I think that it would be prudent for
12 the Council to simply affirm those two actions and I would,
13 therefore, move that the motions as described in the Trustee
14 Council meeting notes for November 10th and October 15th be
15 affirmed by the Council members at this time.

16 MS. D. WILLIAMS: Second.

17 CHAIRMAN WOLFE: Okay. Have a motion and a
18 second to approve the minutes -- the notes from the meetings
19 that were discussed earlier today.

20 MS. D. WILLIAMS: I think actually the motion.

21 MR. TILLERY: Yes, to affirm the motion.

22 MS. D. WILLIAMS: To affirm the motion.

23 CHAIRMAN WOLFE: Specifically to affirm the
24 motions. All in favor.

25 IN UNISON: Aye.

00186

1 CHAIRMAN WOLFE: I didn't hear an "aye" over
2 the phone.

3 MR. RUE: Aye.

4 MS. BROWN: Yep.

5 CHAIRMAN WOLFE: All right. Very good. Okay.
6 Basically the last item on the agenda is -- Maria drafted this,
7 but the last item on the agenda is to discuss some of the
8 changes that have occurred with respect to Eyak land
9 transaction or land acquisition proposal that we have. We have
10 previous resolutions dealing with various properties that are
11 involved in the deal. Through technical error it was
12 discovered, at no fault of Eyak, that part of the lands that
13 were included as part of the negotiations were not available to
14 Eyak Corporation and, therefore, had to be dropped out. This
15 amounts to about 953 acres that would be reduced from the deal,
16 it's in the area of Olson Bay. It still would include all of
17 the area in the esturine portion of Olson Bay, but would not
18 include some of the uplands there.

19 Through some -- I guess maybe that is the simplest way
20 to put it. It is the recommendation of the Forest Service that
21 while this does represent a reduced acreage for the price, we
22 do not think that overall we have substantially changed the
23 objectives that we had for the overall land acquisition from
24 Eyak and feel like that a reduction in price, given the
25 magnitude of this acquisition at this point in time, would be

00187

1 necessary or appropriate.

2 I guess a couple of other things is for us to proceed
3 to a signing of a purchase agreement and closing before our
4 target date of before the end of the calendar year. We'd like
5 to request that funding for the first closing -- help me with
6 the number, 13 million? We have the exact number, but it's
7 around 13 million, we put in a request to -- DOL and DOJ put in
8 a request to get those monies from the court and into our
9 account. And they would not be spent until such time as we met
10 all the terms of the resolution.

11 What else? We also need to go through and do some
12 technical amendments to the map, our legal descriptions in some
13 areas are off, for example, some of the items that need to be
14 cleaned up are the Crystal Falls Spirit Camp was originally
15 proposed to be located at Crystal Falls Cannery, the proposal
16 now by Eyak is to keep the size the same, but have it on a
17 piece of conservation easement land up nearer to Eyak Lake. We
18 see no reason why the Council -- or we certainly don't object
19 to that, it would probably reduce the amount of traffic going
20 up and down the drainage there to Crystal Falls, since it has
21 to be by airboats and it's several miles, so it probably would
22 be less disturbing to the system, overall, to allow them to
23 make that shift from one location to the other. It's about 11
24 acres, as I said, and it wouldn't be, in our view, a major
25 change.

00188

1 Another example of a change we need to make is the sand
2 and gravel area as shown on the earlier maps and as part of our
3 earlier resolution dealing with this land package was shown in
4 the wrong location and we just propose, it's a little further
5 out the road than was shown originally, the acreage is still
6 the same, no different in that respect.

7 Another good example is the Power Creek hydro easement
8 was set up at -- for access route was set up at 30 feet wide by
9 some folks who had not taken into consideration the fact that
10 they had to have some cut banks and cut slopes as a part of it,
11 30 feet wasn't wide enough, so we have to adjust it. The
12 widest point -- it has been built at this point in time, the
13 widest point is 70 feet. Not extensive from our perspective
14 and we would propose to amend the easement portion of the Power
15 Creek to include the as-built plans at this point in time with
16 some minor buffer of maybe 10 feet on either side to
17 accommodate that.

18 I guess another example of a change that did occur that
19 is, in our view, very positive is the -- there was one city
20 water site in an area called Middle Arm, I don't know if you
21 guys remember that, that has been dropped and the Crater Lake
22 site of the city water system has been increased in size, but
23 not to the extent that the acreage was set aside for the middle
24 arm. I should have gotten a map out to show you that, but
25 maybe some of you can visualize it. It was off to the east of

00189

1 Eyak Lake. Now, then, it's the one that's back up on top of
2 the hill to the west of Cordova.

3 But, anyway, I think that constitutes the changes and
4 the basic intent of the resolution that's before you. I'm not
5 sure how to proceed. Did I miss something at this point?

6 Okay. Any questions?

7 MS. D. WILLIAMS: Mr. Chairman, I move to adopt
8 the resolution.

9 MR. WRIGHT: I second that.

10 CHAIRMAN WOLFE: We have a motion and a second
11 to adopt the resolution dealing with Eyak land acquisition
12 adjustments. All in favor say aye.

13 IN UNISON: Aye.

14 CHAIRMAN WOLFE: Okay, very good. I think
15 we're just about to draw to a close, would anybody like to make
16 any official remarks in response to Ms. Williams parting shot
17 here, given that this is her last time sitting at the table in
18 this position anyway -- or capacity, I should say.

19 MR. WRIGHT: Mr. Chairman.

20 CHAIRMAN WOLFE: Mr. Wright.

21 MR. WRIGHT: Mr. Pennoyer couldn't be here but
22 he did write a letter and he'd like me to read it.

23 Dear Deborah, I'm very sorry to hear that you are
24 leaving your current position, I am sure that wherever you go
25 you will have success. I have very much valued our interagency

00190

1 working relationship and will be sorry to see it end.

2 You have been an outspoken advocate for conservation in
3 our state and while we had some differences in direction at
4 times, we have always worked those out because our basic goals
5 are remarkably similar. I have particularly enjoyed working
6 with you on the Trustee Council and I valued your advice,
7 particularly in habitat conservation, but also your insight
8 into how to achieve overall conservation goals through agency
9 and public processes. Your views and interactions with local
10 communities has been particularly valuable.

11 I am most appreciative of your strong support for
12 improved understanding of and management of Bering Sea
13 ecosystems. You have been integral in getting this issue on
14 the table in front of decision makers and in helping to
15 coordinate our interagency science efforts within government
16 and with the public. You worked very hard with us to develop
17 the Bering Sea Science Plan as well as a background
18 justification paper on the need for improved understanding on
19 this complex ecosystem.

20 For a myriad of reasons, some good, some not so good,
21 our Bering Sea initiative has suffered some setbacks in regard
22 to the formation of the North Pacific Research Board and the
23 actual announcement of our intent in this area. Nevertheless,
24 people have met cooperatively, have identified significant
25 knowledge gaps and have prepared us to go forward with a

00191

1 research plan for the Bering Sea that has put us well ahead of
2 the learning curve.

3 Your outspoken support for this initiative and your
4 persistence and enthusiasm in seeing it go forward has been
5 basic to what I believe will ultimately be a very successful
6 endeavor.

7 Deborah, I hope that you will still remain active in
8 these various areas of Alaska resource conservation. We will
9 miss you in our direct interagency interactions on Bering Sea
10 research and management in Trustee Council activities,
11 including implementation of long-term Restoration Reserve
12 strategies.

13 Best of luck, sincerely Steve Pennoyer, Administrator,
14 Alaska Region.

15 Thank you. I would like to say a couple of things.
16 You have always been there for us, you've been an outspoken and
17 enthusiastic Trustee Council member. I've needed your help a
18 couple of times, one time when giving a speech at the
19 restoration workshop I had asked you to stand in for
20 Mr. Pennoyer. At the time we were pushing publication of our
21 research activities and you stood up there and culminated your
22 speech by "publish, publish, publish" and that stuck. We have
23 230 peer review publications at this point, and it's growing
24 rapidly, that's very important. That's a legacy in itself.

25 Secondly in the 1,731 days that you were on assignment

00192

1 with the Trustee Council, as of today, you have been part of
2 protecting 577,418 acres, which is about 334 acres a day. At a
3 cost of -- ah, never mind.

4 (Laughter)

5 MR. WRIGHT: Thanks, Deborah.

6 MS. D. WILLIAMS: Those are wonderful comments.

7 CHAIRMAN WOLFE: I didn't realize Steve was so
8 long-winded, but he was right on point most of the time.

9 MR. WRIGHT: Most of the time. I'll pass that
10 on.

11 CHAIRMAN WOLFE: Yeah. Frank or Michele.

12 MR. RUE: Yeah, I had a couple of things. Or
13 if Michele is going to go, did you preempt me, Michele?

14 MS. BROWN: Go ahead, you can go first.

15 MR. RUE: Okay. I guess since we don't get to
16 share the hors d'oeuvres, we have to give you a thanks and a
17 good-bye long distance. I would certainly add and second
18 everything Steve said. And one of the things I found fun
19 working with you, Deborah, is the cooperative spirit, I think
20 we sometimes tend to be too protective of our agencies, our
21 turf, and I haven't sensed that with you at all. You look out
22 for your interests, but you are also aware of the broader
23 picture and important role that all the various agencies play
24 in Alaska and I appreciate and have appreciated that.

25 The other thing is you're very good at persuading

00193

1 people. I think you've done a great job talking us into doing
2 some good things for Alaska. You also, though, have been
3 willing to listen. And I've watched you change your mind and
4 that's also a tremendous attribute and I think both of those,
5 your willingness, your ability to persuade and your willingness
6 and your ability to listen are the reasons you're appreciated
7 by this Council and your peers and the reason you're going to
8 be missed.

9 So thank you very much and I know you'll do great
10 wherever you going and we will miss you.

11 MS. D. WILLIAMS: Thank you very much, Frank.

12 CHAIRMAN WOLFE: Okay, Michele.

13 MS. BROWN: Yeah, I can't really compete with
14 what Steve says, but on top of everything else I just wanted to
15 thank you for your extraordinarily articulateness, the energy
16 and the excitement that you always bring to these issues, and
17 particularly the ceremonies. You have just left us with an
18 incredible legacy. So thank you, Deborah.

19 MS. D. WILLIAMS: Thank you, Michele.

20 MR. RUE: You have a good sense of humor, too.

21 CHAIRMAN WOLFE: And even a sense of humor.

22 All right. Craig.

23 MR. TILLERY: Deborah, it's been fun. People
24 have come to this Council and gone from this Council, I think,
25 with varying degrees of interest and energy they put into it

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1 and I think when it's all said and done there's going to be a
2 few people that we said put all of their energy into it and I
3 think you're one of them and that's very much appreciated. I
4 think you have cared and you've really taken that caring and
5 turned into work, I'm sure at the expense of your family life,
6 I'm sure at the expense of your personal life and so forth and
7 I appreciate that, I know the State of Alaska very much
8 appreciates that.

9 Also, we work with your agencies to get acquisitions
10 done in a lot of ways and our systems don't always mesh, but I
11 think that because of your being in the background and being
12 willing to come and say "let's get this done" we have gotten
13 things done that might still be hanging out there. And your
14 commitment to that and your willingness to, I think, to sit
15 down and let's just get everybody in line and let's focus on a
16 goal and let's get that goal accomplished has made a huge
17 difference in the things that this Council has accomplished.
18 And I thank you for that.

19 And, finally, I think the other thing that I think of
20 mainly as your legacy is the extent to which you have connected
21 with people, whether it's the Public Advisory Group or it's the
22 people in the communities or the Council members themselves,
23 but I'm thinking mostly about the people who aren't sort of
24 inside the process, but the people who are involved in the
25 process but are a little bit more on the outside looking in and

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1 I think that your personality and your willingness to work with
2 them, to attend the Public Advisory Group meetings, to talk to
3 people, and just the way that you to talk to them has been of
4 tremendous benefit to the Council, because it's helped us, it's
5 helped us with the public. And thank you for that too.

6 So thank you for your time that you have committed to
7 this process.

8 MS. D. WILLIAMS: Thank you, Craig.

9 CHAIRMAN WOLFE: Molly.

10 MS. McCAMMON: When Deborah called me and told
11 me she was leaving, I have to say, I was totally stunned and at
12 a loss for knowing how we were going to get along without you
13 in this process. You truly have been just such a major part of
14 this whole thing in the last five years and I still can't
15 imagine you not being a part. And truly you are still going to
16 be one because your spirit is still here. I think just what
17 we've been able to accomplish in the last five years is so much
18 due to your efforts and I, personally, thank you. I'm really
19 going to miss you. All of the staff is going to miss you. And
20 just so you don't forget us totally, we have a few things for
21 you.

22 The Trustee Council members wanted to make sure that
23 you never forgot the injured resources and so.....

24 MR. TILLERY: And the habitat.

25 (Indiscernible - laughter and multiple voices)

00196

1 MS. McCAMMON: Skip may have to get a new house
2 to remodel, but this is a framed.....

3 MS. D. WILLIAMS: That's wonderful.

4 MS. McCAMMON:poster of the Trustee
5 Council poster, the Alaska Marine ecosystems and it's signed by
6 all of the Trustee Council members.

7 MS. D. WILLIAMS: That is wonderful, thank you.
8 That's beautiful. And that will follow me wherever I go.

9 MS. McCAMMON: It's big. And from the staff at
10 the Restoration Office and also from the Trustee Council
11 members, since so much of your legacy has been with the Habitat
12 Protection Program we wanted to make sure that you remembered a
13 portion of that program and this is a print done by Nancy
14 Stonington Taylor of Old Harbor and the Old Harbor lands.

15 MS. D. WILLIAMS: Yes. Oh, how gorgeous, thank
16 you.

17 MS. McCAMMON: Southern Kodiak.

18 MS. D. WILLIAMS: Thank you. From the staff?

19 MS. McCAMMON: This is from the staff and from
20 the Council. Thank you.

21 MS. D. WILLIAMS: Thank you so much, that is
22 extraordinary, thank you.

23 MS. McCAMMON: And I hate good-byes and
24 everything, they always make me cry, so I'm not going to say
25 any more.

00197

1 CHAIRMAN WOLFE: Well, Deborah, I.....

2 MS. McCAMMON: And we do have some hors
3 d'oeuvres here and some people have come also, John Schoen,
4 Dave Kline, Walt Parker, other people here just to.....

5 CHAIRMAN WOLFE: I won't belabor this too much,
6 other guys have already said all the things that I would say,
7 and much better than I could say them. I have really enjoyed
8 working with you and we'll be looking forward to Bob not trying
9 to fill your shoes but it'll take him a while to get up to
10 speed, I can tell you. But I'm looking forward to what you get
11 involved in next, so I can kind of keep an eye on it, because
12 with your intensity and sincerity it'll just have to go, you
13 know, better than it ever has.

14 MS. McCAMMON: Regional Forester.

15 CHAIRMAN WOLFE: We do need a good person down
16 there, so keep that in mind. But, anyway, we look forward to
17 continuing to work with you in some capacity, hopefully, or at
18 least see you around once in a while. If you get down to
19 Juneau, you know where we're at. Thanks a lot.

20 Any more business?

21 MS. D. WILLIAMS: I have to say a few words. I
22 can't say a few words?

23 CHAIRMAN WOLFE: Okay.

24 MS. D. WILLIAMS: Thank you. Let me say I am
25 humbled by all of your words and I am honored by the

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1 magnificent good-bye presents. People ask me repeatedly what
2 was my most important accomplishment or my favorite activity in
3 my five-year tenure as Special Assistant. And I usually give
4 them a couple of answers, but I always include the Exxon Valdez
5 Trustee Council. I include it for many reasons. First of all,
6 in all of my activities there was no activity that brought
7 together more wonderful people than the Exxon Valdez Trustee
8 Council. And the people, wonderful at every level, the Trustee
9 Council members, all of you have been uniformly terrific.
10 Terrific to work with, terrific to listen to, terrific to argue
11 with, terrific to compromise with, terrific to reach consensus
12 on. And I have.....

13 MR. WRIGHT: Seventy-one percent.

14 MS. D. WILLIAMS: Seventy-one percent, yeah.

15 And I have been so pleased with what we have accomplished.
16 When I first took this job and found out that there was a
17 consensus requirement, I thought to myself, that's the first
18 thing we have to change. We've got to go down to Judge Holland
19 and say "Judge, this is unthinkable, you can't possibly have a
20 process where unanimity of six diverse people is required to
21 achieve any action." And it only took me a little period of
22 time to realize that instead of being a detriment that was,
23 because of the quality of people we had on the Trustee Council,
24 an asset.

25 And I think one reason the Trustee Council, besides the

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1 quality of the people involved, was able to reach consensus and
2 able to accomplish so much in the last five years is, of
3 course, because of staff. And I think I can say this without
4 either hesitation or regret and that is, I have never known
5 better staff, you know, middle-size staff than the Exxon Valdez
6 Trustee Council staff, in all of my professional career. And,
7 of course, that goes in the very first instance to Molly for
8 being the best Executive Director of a mid-size staff that I
9 have ever encountered. And Molly had the best consensus
10 building skill of anyone I ever encountered. And her
11 willingness to come to each of us and talk beforehand and have
12 us air our concerns and find a consensus point is a skill that
13 I've not seen anywhere else.

14 And Molly, of course, got strength and information from
15 the rest of the staff. And you have been unbelievable, the
16 Exxon Valdez Trustee Council staff is truly incredible. And
17 so, you know, our ability to the work we've been able to do is
18 in large part because of staff.

19 And it also extends, of course, to my staff in the
20 Department of Interior. You know, I thank you all for your
21 compliments but I have to share them all very much with Barry
22 and Dennis Hopewell and Catherine Berg and Bud Rice and Lisa
23 Thomas and all of the other people at the Department of
24 Interior, some of who have departed, like Dan Sakura, who
25 allowed the Department of Interior to come to the Trustee

00200

1 Council time and time again with the best information that we
2 could that facilitated the transactions. The amount of work
3 that went on by the people at the Department of Interior was,
4 again, unbelievable. And talk about the sacrifices of weekends
5 and evenings that many people who work for the Department of
6 Interior made, it just wouldn't have happened, so again, I have
7 to share all the nice things you said about me with the people
8 at the Department of Interior, and particularly Barry.

9 Let me also thank the Public Advisory Group, the
10 public, the communities. I really appreciate what you said,
11 Craig, because some of my fondest memories of the Exxon Valdez
12 Trustee Council are going to Cordova, going to Kodiak,
13 listening to the public, reading the public comments and the
14 amount of public interest and involvement we had in this
15 process has given us strength, has given us guidance and we,
16 again, could not have done what we did in the last five years
17 without the time commitment from the public and thank you,
18 thank you.

19 So let me say, in closing, it has been my honor to work
20 on these issues and I am terribly proud of what we all
21 accomplished in the last five years, and I just want to thank
22 you all.

23 CHAIRMAN WOLFE: Okay. Thank you, Deborah.

24 (Applause)

25 CHAIRMAN WOLFE: Well, at that, I think it's

00201

1 time to adjourn.

2 MR. TILLERY: Would you like to make a motion,

3 Deborah?

4 MS. D. WILLIAMS: Yes. I move to adjourn.

5 MR. TILLERY: Second.

6 CHAIRMAN WOLFE: All in favor.

7 IN UNISON: Aye.

8 CHAIRMAN WOLFE: Well, we are adjourned.

9 (Off record - 5:20 p.m.)

C E R T I F I C A T E

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

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

THAT the foregoing pages numbered 6 through 201 contain a full, true and correct transcript of the Exxon Valdez Oil Spill Trustee Council's Meeting recorded electronically by me on the 30th day of November 1998, commencing at the hour of 9:37 a.m. and thereafter transcribed by me to the best of my knowledge and ability.

THAT the Transcript has been prepared at the request of:

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

DATED at Anchorage, Alaska this 10th day of December 1998.

SIGNED AND CERTIFIED TO BY:

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