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EXXON VALDEZ OIL SPILL
TRUSTEE COUNCIL
TRUSTEE COUNCIL MEETING TELECONFERENCE
Wednesday, December 30, 1998
9:30 o'clock a.m.
Fourth Floor Conference Room
645 G Street
Anchorage, Alaska

9 ALL TRUSTEE COUNCIL MEMBERS PRESENT TELEPHONICALLY:

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| 10 U.S. DEPARTMENT OF AGRICULTURE - | MR. JAMES WOLFE |
| 11 U.S. FOREST SERVICE | Trustee Representative |
| 12 Chairman | |
| 13 STATE OF ALASKA - DEPARTMENT | MR. FRANK RUE |
| 14 OF FISH AND GAME: | Commissioner |
| 15 STATE OF ALASKA - | MR. CRAIG TILLERY |
| 16 DEPARTMENT OF LAW: | Trustee Representative |
| 17 | for the Attorney General |
| 18 U.S. DEPARTMENT OF INTERIOR: | MR. BOB ANDERSON |
| 19 | Acting Special Assistant |
| 20 | to the Secretary for |
| 21 | Alaska |
| 22 U.S. DEPARTMENT OF COMMERCE - | MR. STEVE PENNOYER |
| 23 NOAA/NMFS: | Director, Alaska Region |
| 24 STATE OF ALASKA - DEPARTMENT | MR. DAN EASTON |
| 25 OF ENVIRONMENTAL CONSERVATION: | for Commissioner M. Brown |

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1 TRUSTEE COUNCIL STAFF PRESENT:

2 MS. MOLLY McCAMMON

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4 MR. ERIC MEYERS

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6 MS. TAMI YOCKEY

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8 MR. BARRY ROTH

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12 MS. MARIA LISKOWSKI

13 MS. LOUISE MILKMAN

14 MS. TERESA PATRICK

Executive Director

EVOS Trustee Council

Director of Operations

EVOS Trustee Council

Administrative Assistant

EVOS Trustee Council

Attorney-Advisor

Conservation & Wildlife

Division

Department of the Solicitor

Department of Agriculture

Department of Justice

Department of Justice

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P R O C E E D I N G S

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2 (On record - 9:37 a.m.)

3 CHAIRMAN WOLFE: Okay. I guess we have a
4 quorum, we have Frank Rue from Fish and Game, Steve Pennoyer
5 from National Marine Fisheries, Craig Tillery from Department
6 of Law, Bob Anderson from Interior, Dan Easton from ADEC, and
7 myself, Jim Wolfe, from Department of Agriculture, Forest
8 Service.

9 I guess the only item on our agenda is to discuss some
10 issues relating to the status of the Eyak negotiations and
11 closing at this point. Is there any additional items that we
12 need to consider?

13 MS. McCAMMON: No, Mr. Chairman.

14 CHAIRMAN WOLFE: Okay. We were discussing
15 whether we need to go into executive session, I'm not sure at
16 what point we need to do that or if we do need to do that.
17 Craig, do you.....

18 MR. TILLERY: Yeah, Mr. Chairman, this is Craig
19 Tillery, I would move that the Council go into executive
20 session for purposes of discussing some legal aspects relating
21 to the Eyak transaction.

22 MR. RUE: Second.

23 CHAIRMAN WOLFE: Okay. It's been moved and
24 seconded that we go into executive session. Molly, can the one
25 public person that's there -- we don't have any public

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1 persons.....

2 MS. McCAMMON: Yeah, she can just go outside
3 the door.

4 CHAIRMAN WOLFE: Okay, very good.

5 (Off record - 9:40 a.m.)

6 (On record - 9:56 a.m.)

7 MS. McCAMMON: Okay, we're now ready.

8 CHAIRMAN WOLFE: Okay. Well, we're back in
9 official session. In our executive session we had some
10 discussions regarding the Eyak acquisition. Craig, if you
11 would like to summarize, I'd appreciate it.

12 MR. TILLERY: Yes, Mr. Chairman. As you know,
13 we are approaching, hopefully, the closing of the Eyak land
14 acquisition efforts. In relation to those -- to the land
15 acquisition, the Eyak shareholder voted to approve the
16 acquisition overwhelmingly. Subsequent to that approval there
17 have been some small, relatively minor, technical changes made
18 to the deal, making it slightly different from what was put to
19 the shareholders. We believe that it would be appropriate for
20 the shareholders to ratify those changes in a special election
21 and we requested that Eyak do this.

22 Eyak has agreed to do so, but has noted that there is
23 some considerable expense involved. And after looking at this,
24 we certainly concur it will be somewhat expensive and believe
25 that it would be fair for the governments to pay for the

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1 reasonable costs of those expenses.

2 For that reason, Mr. Chairman, I would move for the
3 Trustee Council to authorize an amount not to exceed \$100,000
4 in additional funds, as needed, for reasonable documented
5 expenses incurred by Eyak Corporation for the additional
6 ratification vote required by the purchase agreement and
7 necessary for the closing of the land transaction with Eyak
8 previously approved by the Trustee Council. This payment would
9 be considered part of the purchase price and will be paid
10 following closing and upon submittal of the expenses and their
11 review and approval by the Executive Director.

12 CHAIRMAN WOLFE: Thank you, Mr. Tillery. We
13 have a motion, do we have a second?

14 MR. PENNOYER: Second.

15 CHAIRMAN WOLFE: We have a motion and a second.
16 All in favor say aye.

17 IN UNISON: Aye.

18 CHAIRMAN WOLFE: Okay. Well, that concludes
19 the business for this, and hopefully we can move to closure on
20 the Eyak deal before the end of the year, as proposed. We'll
21 keep you posted. And unless there's any further business, I
22 like to hear a motion to close the meeting.

23 MR. RUE: So moved.

24 MR. PENNOYER: Second.

25 CHAIRMAN WOLFE: All right. Moved and

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1 seconded. We are done and I'll see you guys down the line
2 somewhere.
3 (Off record - 10:00 a.m.)

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C E R T I F I C A T E

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2 UNITED STATES OF AMERICA)
3) ss.
4 STATE OF ALASKA)

5 I, Joseph P. Kolasinski, Notary Public in and for the
6 State of Alaska and Owner of Computer Matrix do hereby certify:
7 THAT the foregoing pages numbered 3 through 6 contain a
8 full, true and correct transcript of the Exxon Valdez Oil Spill
9 Trustee Council's Teleconference Meeting recorded
10 electronically by me on the 30th day of December 1998,
11 commencing at the hour of 9:37 a.m. and thereafter transcribed
12 by me to the best of my knowledge and ability.

13 THAT the Transcript has been prepared at the request
14 of:

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

17 DATED at Anchorage, Alaska this 4th day of January
18 1999.

19 SIGNED AND CERTIFIED TO BY:

20
21 _____
22 Joseph P. Kolasinski
23 Notary Public in and for Alaska
My Commission Expires: 04/17/00